

Unemployment Continuance Act

ber of ties secured from any individual is about five thousand, in round figures. I am just giving rough averages, but I am told that between three hundred and four hundred contracts were entered into, scattered from Nova Scotia to British Columbia.

Mr. VENIOT: Did they advertise and call for tenders?

Mr. MANION: No, they did not, but advertising for tenders for ties is very much misunderstood. It is true that in past years they advertised for tenders, but they never paid any attention to the prices set out in those tenders. In other words, after receiving tenders the two railway companies usually got together and fixed the price of ties, and they did exactly the same thing this time. They did not call for tenders, the reason being that last year they bought four million ties and when they called for tenders they got tenders for sixty million ties. So they thought that when they were buying so few ties this year they would simply spread them out, largely using the lists they used in the past, with the help of people writing in from various sections of the country. In brief that is what was done.

Mr. POWER: May I ask if they secured two million ties?

Mr. MANION: They have not secured the ties but the contracts have been let.

Mr. POWER: For two million ties?

Mr. MANION: Yes, roughly; a little less, I believe, but in round figures the contracts are for two million ties. The contracts were let just as they have been let in the past; they were let by the railway and prices were fixed by the railway without consultation with myself or any other member of the government. I did not know what the price would be until it was fixed. Frankly I do not mind admitting that, according to reports I have received from some sections of the country, some of those prices are so low that the people making the ties claim they will not make anything out of it. I am told that quite a number of the contractors have taken these small contracts for the purpose of keeping their plants in operation and a certain number of men employed. I have been given that information by a number of contractors who have written in to say that the prices are so low they cannot make anything on them.

Mr. POWER: Has the minister any idea of the average price in any given locality?

Mr. MANION: I think I have it here, and perhaps later I will be able to find it. I

[Mr. Manion.]

cannot give the exact figure, but I think it is very much lower than the price of last year. If my hon. friend will take the figure of two million ties and divide it into the amount of something under \$1,000,000, he will get a rough average figure himself. It works out to something less than 50 cents a tie on the average.

In brief that is the story. The reason I could not give any further information than I did give was because all that I had in regard to the ties was the order in council, which already had been tabled, which stated that ultimately the Canadian National Railways would be paid up to \$1,300,000 for the purchase of these ties. Probably there will be some other questions asked during the discussion and I will look through my papers and gladly give any further information my hon. friends desire. I might add that when we came into power in 1930 the railways told me they had on hand something over twelve million ties. They use something like six million a year, so they had a supply more than sufficient for two years.

Mr. POWER: Is six million ties the normal yearly consumption?

Mr. MANION: That is what they tell me, although they are using fewer now because the ties last about three times as long now that many are creosoted.

Mr. REID: If this statement is correct I think the spread between the eight cents mentioned and the fifty two cent figure should be looked into. I know there is the cost of taking them to the siding, loading them and so on, but the price of eight cents is very low.

Mr. MANION: I cannot imagine that any such figure was given, unless it happened in this way: Some contractor may have secured a contract for ties and sublet it. He has probably financed the man getting out the ties, and perhaps when the man has finished he will get eight cents out of each tie. But the idea of eight cents being given for ties is so ridiculous that any man who would take a contract at that figure would be fit for a lunatic asylum.

Mr. POWER: That is only for making them.

Mr. MANION: Eight cents is ridiculously low. The average is fifty cents, and no one would take a contract at eight cents.

Mr. REID: Twenty cents has been the price paid to men hewing them in the woods.