

Mail Contracts

Mr. Hackett: But only one-half of the total number of contractors were in receipt of the, shall I say, largesse of the department.

Mr. Bertrand (Laurier): Not largesse.

Mr. Drew: Beneficence.

Mr. Diefenbaker: I have looked over the contracts on which bonuses have been granted. I have obtained from the minister a complete list of contracts in all parts of Canada, and he was most co-operative in furnishing it. He says that it is the increase in the cost of living that caused the increase in some of these contracts. I find it difficult to understand why in fifty cases and more the successful tenderer was able to double his tender amount by the bonuses granted by the minister. The minister says that is not largesse. Possibly "benevolence" would be a better word. But that situation certainly illustrates the argument that was made by the hon. member for Queens. We in this committee have a right to ask that in the granting of these bonuses that we support—where any injustice has been done or any unfairness has developed, or where the increase in the cost of living made necessary the change—there shall be equality. What we contended last year and the year before, and what we contend now, is made evident in the words of the hon. member for Queens. We demand that there shall be equality in the awarding of these bonuses; that no one shall be preferred; that, conditions being reasonably equal and topographical conditions alike, the increase should be alike.

Mr. Bertrand (Laurier): It would be difficult to find that situation in Canada. It is difficult to find two places alike.

Mr. Diefenbaker: Oh, yes. But take the same localities. In some localities as between carriers with similar routes some receive bonuses while others do not. Surely we have a right to ask that, now that we are making these bonuses permanent, we should have the assurance from the minister that in their application equality among all carriers should be the primary consideration.

I know in my own province of two or three cases brought to the attention of the minister where contracts had been tendered for six or seven years ago, and no bonuses were granted, despite the fact that the applicants were able to show that they were in fact going behind financially.

Mr. Bertrand (Laurier): There was no law then allowing us to do that.

Mr. Diefenbaker: Yes, there was within the last year. I know of two applications within that period.

Mr. Bertrand (Laurier): I do not know about two applications out of twelve thousand.

Mr. Diefenbaker: I know of two cases in Saskatchewan where the applicants should have been entitled to bonuses if there was equality in administration. What we have to guard against is a condition under which certain people secure contracts by under-tendering. Then, having under-tendered and secured the contracts against the others who tendered at reasonable rates, the successful tenderers are afterwards compensated and allowed to hold their contracts, notwithstanding that those over whom they were preferred would have been able to carry on at lower prices.

Mr. Bertrand (Laurier): That could happen only a year after a contract had been in force, because we could not grant the supplement the first year it was in force. The hon. member has said that certain contracts have been doubled. I understand that that has happened in certain cases. But if we were to go all through these files it would entail a tremendous amount of work. Wherever this has happened we have first asked for tenders. Sometimes the tenders have been so high that we have had to refuse them. We have succeeded in making arrangements with the previous contractor whereby we would renew the contract if he would accept a bonus of a certain amount, but in no instance more than 30 per cent.

When I say that, I am speaking generally. There might have been a few cases where contracts were doubled. There were some parts of Canada where labour was exceedingly scarce. In the mining districts, for example, at certain times we could not get people to accept these contracts. There are certain places where we were obliged to abandon the routes for some time because after asking for tenders more than once we failed to get them.

Mr. Bradshaw: The minister has said that \$4 million has been paid out.

Mr. Hackett: I believe it is \$6 million.

Mr. Bradshaw: Let me point out that in my own constituency there are two contracts where a bonus of \$400 has been given on a \$600 contract. Then, on the other hand, there are others who have never applied for bonus. I do not think that is fair, or that bonuses should be paid out in that way, particularly when other men do not get it because they do not happen to know they can get it. There are a few who are afraid to ask for a bonus lest they lose their contracts.

Mr. Bertrand (Laurier): Oh, no.