

Auditor General's Report—Part N

Compensation for Cancellation of Contract.

AUDIT OFFICE, OTTAWA, August 29, 1898.

SIR,—I beg to ask for explanation of a payment of \$50 by Cheque 756 to Aldéric Fortier for damages sustained through cancellation of his contract for mail service between Papineauville and St. André Avellin.

This payment was made from the appropriation for Post Office, Miscellaneous—a vote which is not applicable to mail service.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDUGALL, A.G.

POST OFFICE DEPT., OTTAWA, February 23, 1899.

SIR,—With reference to your inquiry as to the payment of \$50 damages to Mr. A. Fortier, I beg to state that tenders were invited for the mail service between Papineauville and St. André Avellin, and upon their being received were duly opened to be entered up in the register of tenders, prior to the awarding of the contract. The clerk whose duty it was to enter them, by error entered in the register the tender of Mr. Paul Boyer as being at the rate of \$80 a year, whilst, in fact, it was at the rate of \$70 a year and the lowest tender appeared to be that of Mr. A. Fortier, at \$75 a year. The contract was accordingly awarded to him, he appearing upon the register to be the lowest tenderer. Subsequently, the error referred to was discovered, and steps were taken to cancel the contract so erroneously awarded to Mr. Fortier, and that gentleman made the claim of \$50 to reimburse him for the expenses incurred in connection with providing an equipment to perform the contract, and the amount appearing reasonable, the same was paid to him. The service was then again submitted to tender, and as a result was awarded to Mr. Boyer, the lowest tenderer, at \$30 a year.

I am, sir, your obedient servant,

The Auditor General.

R. M. COULTER, D.P.G.

Refund of a Payment made for Mail Service.

AUDIT OFFICE, OTTAWA, June 22, 1898.

SIR.—There is a refund to the credit of the appropriation for Post Office Mail Service of the current fiscal year of \$300, made by A. E. Lee, contractor on the mail route between Jarvis and railway station.

This amount is described on a return from your department as an overpayment for the service from July 1, 1894, to June 30, 1897, and I shall be obliged if you will inform me how this overpayment occurred. So far as I can find out, Mr. Lee was paid each quarter the amount entered on the inspector's pay-list, which was certified as correct by that officer.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDUGALL, A.G.

POST OFFICE DEPT., OTTAWA, June 29, 1898.

SIR,—I beg to acknowledge the receipt of your letter of the 22nd inst. with reference to a refund of \$300 made by the contractor for the Jarvis and Railway Station service, and asking to be informed how the overpayment occurred.

In reply, I beg to say that a contract was entered into with Mr. E. A. Lee for a service of four trips daily between Jarvis and railway station, including a transfer of the mails at the station three times per diem. This arrangement was misunderstood by the late inspector, Mr. Spry, who reported the service as seven trips daily instead of four. It was consequently paid at the increased frequency. The accountant's application of the 16th instant, asked to have this amount credited to Casual Revenue, and not to the appropriation for Post Office Mail Service of the current fiscal year, as stated in your letter.

I am, sir, your obedient servant,

The Auditor General.

R. M. COULTER, D.P.G.