

Mr. STEWART: The minister said there had been a reference to an arbitrator, Mr. Justice Maclean, and that the arbitrator had reported that in his opinion a certain amount should be paid, which amount was much larger than this estimate. I assume that there was no appeal from the finding of the arbitrator, but I should like to ask the minister if any of these other claims that are now under discussion were also referred to an arbitrator. Did the reference include all these claims or just this one?

Mr. HOWE: I do not know that it was a formal arbitration; I think Mr. Justice Maclean was asked to act as a sort of referee, and to decide what in his opinion was fair. I think this was the only case treated in that way. I may say that when I referred to a settlement I had in mind the case where a contractor signs a receipt in full and final settlement of all claims arising out of a certain contract. I think a good many claims were disposed of on that basis, and I do not think we can reopen them. I have a report before me in connection with one claim that has been made, and after analyzing it on the basis of this payment we find that there is nothing due arising out of wage fluctuations, because in that particular case the decisions of the government lowering wages offset decisions of the government raising wages, so in that claim there is nothing due.

Mr. BENNETT: The raising and lowering of wages had that effect with respect to the same contractor?

Mr. HOWE: Yes.

Mr. BENNETT: During the currency of a particular contract?

Mr. HOWE: Yes.

Mr. BENNETT: As I say, I cannot possibly charge my mind with the details, but I think there were at least two other cases that were pressed upon us, and we did not deal with them.

Mr. HOWE: We feel that as a commitment was made—I have the right hon. gentleman's own letter—

Mr. BENNETT: There is no doubt about that.

Mr. HOWE: A commitment having been made, we think it is proper to pay it at this time.

Mr. BENNETT: There is no doubt about a commitment having been made for it was made by our predecessors as well. The difficulty was, could we deal with it in fairness? Adjustments had been made with sub-

[Mr. Bennett.]

contractors and a loss was taken. That was so in this particular case, and this amount, I take it, represents compensation for that loss. My memory may not be accurate after so many years, but I am certain that at least two other cases were urged upon us in which it was contended that if we applied the principle with respect to the one, we should do so with respect to the other. When the then Minister of Public Works brought the matter to my attention and asked what we should do, there was no question about liability; I had no doubt about it then and I have none yet, because the previous administration had taken all the steps necessary to fix that, but why we should differentiate between this case and others I did not see and do not yet see. But if the others are being disposed of by some other method I am quite content. If the minister says that between now and the time of the supplementary estimates he will take these matters up and have them disposed of to the satisfaction of those concerned, I am content. I cannot now even remember the names, but I remember that pressure was brought to bear to have those concerned all treated alike, and I feel that is a fair argument to be presented to the government in cases of this kind.

There is just one other point. The minister said that they have given a discharge. Of course, they were compelled to sign a release to get their final estimates, and as a matter of fact these people signed a release. The claim was on the equitable side, an appeal to the inviolable justice of the crown. I remember Mr. Shaughnessy of the Canadian Pacific saying that he never desired contractors to lose money if they had actually done the work. The crown must act on some general principle of justice, and I think the minister should give some undertaking that all these cases will be treated in the same manner. Of course, the method of applying the principle will be in the minister's own discretion.

Mr. HOWE: I think I can say that if any contractor can make out as good a case as the contractor has done in this instance, we shall be prepared to treat it in the same manner.

Mr. BENNETT: That is fair.

Mr. LOCKHART: I know a good deal about the settlement in connection with the Welland ship canal contract as the work happens to be in the constituency I represent. I think the Minister of Railways and Canals is to be commended for bringing the matter in part at least to a satisfactory conclusion.