

HAY CONTRACTS IN NEW BRUNSWICK

How the Department of Agriculture, administered by Hon. Martin Burrell, manipulated the purchase of hay for the Imperial Government.

GRAVE and positive charges of manipulation for the benefit of party friends who were awarded contracts for hay purchased by the Borden Government (through the Department of Agriculture), for the British Government, were made in the House of Commons on January 25th by Mr. F. B. Carvell, M.P. for Carleton, N.B. He charged flatly that the manipulation was with the knowledge of the Minister of Marine & Fisheries, (Hon. J. D. Hazen), and that the favored political friends were "placed in a position to filch \$45,000," either from the moneys of the Imperial Government or from the pockets of the farmers of New Brunswick. To this day the charges have not been answered and the demand for an investigation has been ignored.

First Contract at \$24.00; Others at \$21.50.

The story of this typical piece of Tory manipulation is here summarized from Mr. Carvell's speech. He related that in 1914, shortly after the War broke out, the Atlantic Hay Company was given a large contract for hay for the Imperial Government. This contract was let at \$24.00 per ton, compressed and delivered at St. John, N.B. A little later in the same Fall, three other contracts were let, not at \$24.00 compressed and delivered at St. John, but at \$21.00. He charged that these three later contracts were let, not to bona fide hay dealers but to Tory middlemen, who then sublet their contracts to regular dealers (who happened to be Liberals). The contracts were sublet at \$20.50 a ton, allowing the Tory middlemen a straight rake-off of \$1.00 a ton. This was the condition of affairs in 1914.

It is thus plain that the Atlantic Hay Company, the first of the favored political "friends," had a clear advantage of \$3.50 per ton over the men who actually bought the hay and did the pressing on the other contracts.

The three bona fide hay companies which accepted the contracts from Tory middlemen at \$20.50 a ton found that they were able to pay the farmers from \$11 to \$12 a ton, loose in the farmers' barns, which is the way hay is usually sold by the farmers of New Brunswick.

Company of Defeated Conservative Candidate Given Monopoly in 1915.

In 1915 the Department of Agriculture had further contracts to let in New Brunswick, and once more it was the Atlantic Hay Company, the political "friend," which was favored. This company was given a contract for 15,000 tons of hay at \$23, compressed and delivered at West St. John. Every other bona fide hay-pressing company in New Brunswick was overlooked. And just here it should be explained that the reason for the favoritism shown the Atlantic Hay Company is quite plain—a leading member of this company is B. F. Smith, twice the defeated Conservative candidate in Carleton County.

Then the Department of Agriculture prohibited the export of hay from New Brunswick, except to

the Allies. The Atlantic Hay Company was thus given a complete monopoly of the hay business of the province—no one else could ship hay out of New Brunswick, therefore no one else could buy hay and the farmer had no choice but to accept any price offered him by this "friend" of the Government.

Specific Charges of Manipulation.

Mr. Carvell then summarized his allegations against the Government and the Department of Agriculture in the following specific and precise accusations:

"I here publicly accuse the Department of Agriculture of having during the year 1914 deliberately, and with the knowledge of the Minister of Marine & Fisheries, so manipulated the contracts for hay in the Province of New Brunswick that his political friends were placed in a position to filch \$45,000 either out of the money which this Government is handling as a sacred trust on behalf of the British Government, or from the pockets of the farmers of the Province of New Brunswick.

"I go further: I here publicly accuse the Minister of Agriculture of so allowing the contracts to be manipulated for the present year, with the knowledge and consent of the Minister of Marine & Fisheries, that the Atlantic Hay Company will filch about \$35,000 either from the funds held in trust for the British Government or from the pockets of the farmers of my constituency and the rest of New Brunswick."

In the course of his speech, Mr. Carvell read several letters which he had addressed at various times to the Department of Agriculture, showing that he had appealed to the Minister to open up competition for hay contracts, that he had shown that the contracts could be let at lower prices and that the farmers of the Province would get at least \$2 if not \$3 a ton more for their hay. He showed that the McCain Produce Company, which owned a hay-compressing plant, offered in writing on December 24, 1915, to furnish from 3,000 to 5,000 tons of hay for the same price of \$23 as was paid the Atlantic Hay Company, and they guaranteed to pay the farmers \$15 a ton for the loose hay in their barns.

Following Mr. Carvell's charges the government backed down and gave another contract.

As was stated at the outset of this article, the charges made by Mr. Carvell have not been answered in any particular. On the other hand, the revelations made by Mr. Carvell have not been without result as the Department of Agriculture has since been obliged to let a new contract for 1,000 tons or more to a new company composed of Conservatives, of which H. H. Hatfield of Hartland, N.B., is the leading member. (This new company has actually bought the compressing plant of the McCain Produce Company, the latter people being Liberals and unable therefore to get any chance at a contract.)