

who have pressed their claims very strongly, and I think the government should say definitely that it is proposed to treat them all alike; for I see no reason which would justify treating one in one way and another in another way.

Mr. HOWE: The first question that occurred to me when this matter was brought forward was whether we should treat this claim by itself or whether it would prejudicially affect these other matters. I looked into the question very carefully. I find that a good many other claims arising out of the Welland canal have been settled; the contractors have accepted cheques in full and final settlement.

Mr. BENNETT: Those were for extras, largely, and classifications and so on.

Mr. HOWE: Yes, largely, but one or two claims outstanding are for the adjustment of wages. In those cases the circumstances are quite different; the contracts were undertaken by different parties. In one instance there was a drop in labour prices almost immediately after the contract was signed, and after taking that into account nothing is owing the contractor because of variations in wage rates. I have a report from my chief engineer, who made a very careful analysis of the matter, and he has stated that this action will not be prejudicial to any other claim. In other words, by accepting this as a just basis for settlement we are not bound to make similar payments in connection with other claims now before us.

Mr. BENNETT: The crown is never bound by precedents; that is one of the glories of representing the crown. But is it right and proper that we should pass this estimate for the payment of \$173,000 to the liquidator of this firm? The hon. gentleman says there are one or two other claims. I must confess that I do not remember the number, but I do remember that there were others. It has been years since the matter was presented to the former government, but I took the position then that if we were in a financial position to do so we would have to deal with them all. I so advised the liquidator at that time, agreeing that if we were ever in a financial position to pay one claim we could not, I thought, avoid paying the others also. In this case the government, in my opinion quite properly, said, "We cannot accept the finding of the arbitrator, which has not taken into consideration the normal fluctuations of wages; we are going to apply to this award the principles as to fluctuations which are apparent from a perusal of the pay lists of the other contractors on that particular work."

In doing so it was agreed that sixty-five per cent of the award would be a reasonable amount to pay to meet these fluctuations, after giving credit for what you might call normal fluctuations.

I do say, sir, that it hardly seems fair to ask this parliament to pass an estimate settling a claim made by one contractor, when my memory was that there were three other similar claims. I may be wrong as to that; I did not charge my memory with a matter of that kind, and it has been years since I looked at the file. These claims were pressed very strongly upon the Minister of Finance of that time, who is also the present Minister of Finance, and I know that at one time the government contemplated putting an item in the estimates of 1929 or 1930.

Mr. DUNNING: That is right.

Mr. BENNETT: I recall the circumstance because some discussion took place about it. We must remember that this matter is fourteen years old, and if my memory serves me rightly this sum represents the exact amount without any provision for interest. The crown has had the benefit of all this, and I do suggest to the minister that it would be proper for him to say that the government will deal with the other claims on the same equitable basis, which will give the government a chance to deal with the question of normal fluctuations in the very few cases that remain to be dealt with.

When the minister says there have been settlements of these matters, what he refers to, of course, is the settlement that always takes place on the completion of a contract, with respect to extras, varying classifications, and so on. In every case the engineers give certificates recommending the settlement to be made. I can recall many orders in council having been signed dealing with settlements, but in every instance they were settlements certified by the engineer in charge as being fair and reasonable. Thus they have nothing to do with this particular case. Of course the chief engineer very properly says that the payment of this claim will not prejudice the government in dealing with the other claims, but here the government selects one claim out of four and pays it, leaving the others with no settlement. While we cannot amend this estimate I think if the minister made the statement, as I think he should, that the government will deal with all these claims on the same equitable basis, that would dispose of the whole matter and get it out of the way. I cannot bring myself to believe that we are being honest with contractors when we treat one in one way and another in another, and I do urge that position upon the minister.