

HOW MANY MIDDLEMEN?

IT was in the purchase of binoculars for the officers of the Canadian expeditionary forces that the full effect of the Tory patronage system, with its inevitable middleman, was proved most plainly. When it came to binoculars there was no question of just one middleman—the sworn evidence proves that there had to be two, or three, or even four—and of course every one of them had to have his “bit.”

And it was no small “bit” either, as witness the evidence that one particular pair of glasses was purchased at wholesale by the first man for \$9, and finally reached the Government at a net cost of \$58. Some profit!

The investigations of the Public Accounts Committee concerned only one particular lot of 166 glasses. Here is a list of the people concerned in their purchase:

Excess Price Split Seven Ways.

First, the Canadian Government, which might just as well have dealt direct with the makers, eliminating all profits and saving the people's money.

Second, Col. Hurdman, the Government inspector.

Third, the P. W. Ellis Co. of Toronto, appointed by the Government on the recommendation of Major General Sam Hughes to “supervise” the purchase of binoculars at a fee of 10% of their whole cost.

Fourth, T. M. Birkett of Ottawa, son of a former Conservative member of Parliament, and sole director of the Keystone Supply Co. of Ottawa. This company was organized immediately after the Borden Government came into power in 1911 and all it does is to supply goods of all kinds to the Government, which the Government might as well buy direct.

Fifth, Sam Bilsky, a well known and reputable Ottawa jeweller, who offered to supply the Government with all the binoculars it wanted, of standard make, at \$45 each, but who had no chance to do business with the Government **because he was a Liberal.**

Sixth, Milton Harris, a New York broker who found the glasses for Bilsky to turn over to Birkett.

Seventh, the original makers or importers of the glasses, Bausch & Lomb and other wholesale and retail New York firms, who would have been glad at any stage to sell direct to the Government, at regular wholesale trade prices.

And for good measure, it might as well be remembered that Mr. Birkett had a partner, Alex. Taylor, who was supposed to get his share.

So, to trace the history of one pair of binoculars; Bausch & Lomb sold to Harris who sold to Bilsky who sold to Birkett who sold to P. W. Ellis & Co. who got the glasses passed by Col. Hurdman who then turned them over to the Government.

Cost \$30, Government Paid \$58.

The sworn evidence showed that the binoculars cost Birkett and his partners an average of \$30. He turned them over to the P. W. Ellis Co. at an average of \$52, and the Government paid \$58. Bilsky, with whom the Government refused to do business direct, because he was a Liberal, got \$5 a glass from Birkett, because Bilsky knew where the glasses could be got and Birkett did not.

And the worst feature of all was that the binoculars were not of the stipulated quality. Think of that for a moment. They were for the use of officers and on the accuracy and power of the glasses might easily depend the lives of whole companies of Canadian soldiers. Officers use binoculars to keep track of the enemy and to see what is coming. But the safety of Canadian soldiers was secondary to the necessity of giving fat profits to political middlemen.

The P. W. Ellis Co. got their job as “supervisors” through Major General Sam Hughes, who boldly defended the whole affair, gloried in the fact that he had given them 10% on all binoculars purchased and even lamented on the witness stand that he was “sorry it was not 20%.” There could be nothing wrong he declared because he “liked the Ellis boys—nice boys—I went to school with them.”

And P. W. Ellis boldly testified that he had saved the Government \$10,000 by buying the binoculars. But he omitted to add that for this ostensible saving of \$10,000, he got \$9,000 for doing practically nothing and all his expenses besides!

The evidence showed that Ellis never saw most of the glasses—that he knew nothing about them until they had been passed by Col. Hurdman for Birkett. And one witness swore that he was told that Col. Hurdman was “figured in” at \$2 per glass.

The Public Accounts Committee, in reporting to Parliament on this particular deal, said:

“From the evidence it appears a number of binocular glasses were of poor quality, low range and inferior efficiency, but passed inspection and were paid for at excessive prices; and this was due to misrepresentation and inadequate inspection.” The Committee recommended that the matter be turned over to the Department of Justice.

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