

as to make the prices of the original tenders and the prices of the contracts made upon them inadequate. But it hardly seems to me that the proper remedy in those cases is to empower the Postmaster General to revise the contracts and enter into new contracts with the individuals at present holding them. It would seem to me that the proper method of dealing with these cases, if the conditions of the contracts to-day are, by reason of unforeseen circumstances, inequitable, would be to cancel the existing contracts and call for new tenders, which tenders would be made in view of and under the existing conditions of to-day. I may say that where it has been made clear to the department that there was serious loss resulting from entirely unforeseen circumstances, in not a few instances the contracts have been cancelled and new tenders called for, and I think I may say we are inclined to continue that policy. It does seem to me that it would be an unjustifiable procedure simply to modify the conditions of existing contracts in the direction of increasing the prices; that, in effect, would be making a new contract, and where there is a question of making a new contract the proper thing in the public interest, in order that the best price obtainable under existing conditions should be had, and the fairest course to those who may seek to do this work would appear to be to proceed as I have suggested. The department is quite prepared to aid in that way whenever a case is made showing that there is serious loss on the part of the contractor. In view of that declaration—and I think my hon. friend will recognize that this is the more equitable course both from the point of view of the public interest and the point of view of all those who may be in a position to carry out this work—I would suggest to the hon. member that, perhaps, he might feel justified in withdrawing his motion.

Hon. RODOLPHE LEMIEUX: The rural mail delivery system is certainly a great boon, particularly to the farmers, and I am glad it has spread rapidly in the far West as well as in the eastern provinces. But, useful and progressive a system as it is, the danger lies in the fact that the expenditure may be increased unduly if some safeguards are not provided. I quite agree with what the Acting Postmaster General (Hon. C. J. Doherty) says. My own experience in the Post Office Department leads me to believe that when tenders are called quite a number will always be submitted. It is not within my recollection that the department on any occasion received

no tenders when tenders were called for. I agree with the member for West Peterborough (Mr. Burnham) that the high cost of living and the circumstances of the war have changed and modified considerably the old state of things. Still, it is to be remembered that in every contract with the Post Office Department there is a proviso that the Postmaster General may cancel the contract at any time for good cause; therefore, if a mail carrier find that he is aggrieved by conditions arising out of the high cost of living or that he does not receive enough for the performance of his duties, he can at any time state his case to the minister, who, if he is fair, will cancel the contract and call for new tenders. We have to check carefully the expenditure of every department, and we cannot provide too many safeguards in the operation of a system which entails such a large expenditure as does the rural mail delivery. Some years ago the Minister of Public Works could spend practically any amount of money without calling for tenders if the expenditure in question could be considered as unforeseen. The Government of the day put a check on that laxity, and now there is a provision that the department cannot spend a sum exceeding \$5,000 without calling for tenders. That was a proper safeguard to take. With all due regard to the member for West Peterborough, I submit that the Postmaster General should guard against any laxity in the expenditure of money, even for such a worthy object as rural mail delivery. When tenders are called any man is free to send in a tender, and in justice to every one I think that the minister should not have the privilege of selecting, without regard to the amount of the tender, the person who should get the contract. The department is doing well in calling for tenders and accepting the lowest tender, as has been done in the past. I admit, with the hon. member for West Peterborough, that the delay in calling for tenders should be done away with. The Acting Postmaster General should, however, limit the zone of advertisements calling for tenders for mail services; it is nothing short of a scandal to see advertisements in papers published in Vancouver, Alberta, and Manitoba, in connection with mail contracts in Nova Scotia or the province of Quebec.

Mr. DOHERTY: May I ask when that began?

Mr. E. PROULX (Prescott): I support the resolution of the hon. member for West Peterborough (Mr. Burnham). When the rural mail delivery system was established