

Now, I do not know exactly for what purpose or with what aim, but the fact is, that when these tenders were asked for the area of the call was made very wide indeed, and these specifications were sent to Great Britain, to the United States, and to Canada. At pages 20 and 21 of the papers brought down will be found a list of the firms and companies to whom these specifications were sent, ostensibly with the view of giving them information so that they might tender for this work on the basis as set out in the specifications. Numbers of these were sent to London, and the letter of the Minister of Finance accompanying them is as follows:—

Finance Department,
Ottawa, 22nd October, 1896.

J. G. Colmer, Esq.,
Canadian Government Offices,
17 Victoria Street, London.

Dear Mr. Colmer,—I send you a dozen copies of a circular in relation to our new contract for engraving and printing the Dominion notes, postage and inland revenue stamps. I think it is hardly probable that we shall have any tenders from parties in England, but I am desirous of having the contract made known as widely as possible to parties in the trade. I shall, therefore, be obliged if you will cause these circulars to be sent immediately to the leading houses in England in that line of business.

Yours faithfully,
(Sgd.) W. S. FIELDING,
Minister of Finance.

Mr. Colmer followed out the instructions to the letter, and in a communication to Mr. Fielding he details the corporations, and firms, and parties to whom he sent the circulars. Immediately following upon that came inquiry from some of the firms, as to whether or not the stipulation in clause 7: that the work shall be done in Ottawa; was to be firmly adhered to, and, in furtherance of that inquiry, Mr. Colmer sent the following telegram to the Finance Department:

Tenders for engraving. Firms point restrictions clause seven manufacture Canada. Also state tenders impossible without specimens mentioned clause fourteen.

The specimens referred to were specimens of stamps and the like of that. To that the Minister of Finance replied:

Tenders for engraving. Cannot abandon condition requiring manufacture at Ottawa. If responsible parties wish to tender, we will send specimens.

The answer of the Finance Minister to the English inquirers is firm and decided, that this work must be done at Ottawa. That, as Mr. Colmer says a little later on, cut out all the English firms from attempting to tender. They had not their engravers and their machinery over here, and they had no buildings to carry on this work in the city of Ottawa. There was also a tender received from a firm in Toronto, Barber & Ellis, and that firm also made

Mr. FOSTER.

inquiry as to whether any of the conditions in the specifications would likely be relaxed. What they wished to have relaxed, was, not the condition that the work should be performed at Ottawa, but the condition as respects the \$50,000 deposit. Their argument was that it would require \$50,000 to put up an establishment, and then, if the firm had to deposit \$50,000 in hard cash with the Government, that that was an outlay of \$100,000 which was pretty nearly equivalent to a year's work. The Barber & Ellis Co. signified their intention of tendering, but they wanted the restrictions relaxed to the extent, that they would be allowed to give undoubted personal security of some kind, instead of depositing the \$50,000 cash. To that, the Minister of Finance was equally firm as he was in reference to the inquiries from London, and his letter in reply emphasizes it, and declaring that this is a very special and important work, he says:

The engraving contract is one which, from its nature, can only be undertaken by persons having a considerable amount of capital, and who are able to assure the Government of their thorough responsibility; therefore, it is necessary to impose conditions different from those which apply to ordinary contracts.

The Minister there declares that these restrictions and conditions of the specifications cannot be departed from. He is firm with the London inquirers; he is equally firm with the Toronto inquirers.

This brings the matter to another stage; that is the stage when the tenders were received. These tenders were advertised to be in on the 23rd of November, and on the 23rd of November, whether at 12 noon or at any other hour during the day I cannot glean from the papers, but presumably at the hour of 12 noon, three tenders were in. One was an irregular tender; why? For the reason that there was no deposit. That was from the Barber & Ellis Company. They were quite willing to make the deposit of \$5,000 for bona fides, and they were willing to put up any amount of satisfactory personal security for the due performance of the work; but they were not willing to deposit the \$50,000 with the Receiver General. That tender, then—number one, we will call it—was ruled out because it did not conform with the specifications. There was another one which did not conform with the specifications: that was the tender from the American Bank Note Company, which has its headquarters in the city of New York, with reference to the history of which, and the bona fides of which, and the large operations of which it is not necessary for me to say anything at this stage of the matter. Now, the Barber & Ellis tender was ruled out because it was informal, in that it did not comply with one of the specifications, the specifications being in their principal conditions such as I have read to the House. The American Bank Note