

Public Works Act

it again by the same three items to bring it up to \$1,077,550, which was the figure given to me last summer.

There is one valuation in 1949, March 18, by another reliable architect, William Frederick Gardiner, who has since died. It shows a valuation, including land, of \$950,000. On the return which I received there is this note about Mr. Gardiner's valuation, which is the only one included in the first return at the figure which was given by the evaluator:

Gardiner in his valuation provides no details and is definitely low.

Actually, Mr. Gardiner's figures are practically the same as all the figures I have just quoted.

In 1949 there was one other valuation which was higher, and that was by a firm known as Hugh M. Fraser and Company Limited, signed by H. Forrester. Mr. Howard Forrester is a former Liberal member of the provincial legislature, but I am not quarrelling with Mr. Forrester; he is a good citizen. He has placed a valuation on the Alvin building at \$1,097,478.67, but he puts it on a cubic foot basis. He does not break down the cost as was done in all the other cases.

Mr. Low: Including the land?

Mr. Green: Yes. Mr. Forrester's firm rents three postal stations to the government on a similar basis.

Then I should like to say a word or two about a valuation which the minister obtained last month. It was made by the new district architect, Mr. L. S. W. Wells. Mr. Wells sets out the details of the present cost of this building, and they amount to \$1,124,676. Then he adds these words, "average increase of 25 per cent"—that is over the figures of two years ago. His letter ends with this paragraph:

You will note the average increase amounts to approximately 25 per cent which is considered conservative.

Now, taking account of that 25 per cent, we find Mr. Wells' figures for the old building two years ago would have been about \$900,000. From all of these people except Mr. Forrester, therefore, we reach a valuation, including land, varying from \$920,000 to \$960,000. Yet the government paid over \$1,060,000 and apparently was proud of doing so. Was that the figure?

Mr. Fournier (Hull): It was \$1,063,000.

Mr. Green: No. They paid \$1,066,614 and some odd cents, plus the rental of \$215,988.34. There was considerable uproar about this deal in Vancouver. There were other transactions with the same contracting firm that built

[Mr. Green.]

this building, the principals of whom owned this Alvin Estates Limited, and things got fairly hot. For example a year ago, on April 5, 1950, a statement by the Minister of Fisheries is quoted in the Vancouver press under the heading: "No More 'No-Tender' Building Deals".

Mr. Graydon: There is reaffirmation.

Mr. Green: This is another reaffirmation. The subheading reads: "Mayhew Forecasts Change in Government Accommodation Procedure" and he is quoted as saying:

The no-tender policy was used in wartime when contractors wouldn't give a firm price. They couldn't.

That period is gone by. I don't think we'll see any more of that. Government policy has always been by tender.

All we are asking is that the government keep this policy of tender and drop foolish bills of the kind now before the house. If this bill goes through the minister is free to make a deal of this sort. He could not be questioned if he made another deal of this kind, nor could any other minister; because the only restriction on him will be that he must be satisfied in his own mind. Obviously he was satisfied with this deal last year, and I presume he is still satisfied.

Mr. Fournier (Hull): Oh, yes; and I can tell you why.

Mr. Green: Yes? The wording of the paragraph is:

(c) the minister is satisfied that the nature of the work renders a call for tenders by public advertisement impracticable and that the public interest can best be served by entering into a contract for the execution thereof without inviting such tenders.

We believe that the tender system is of greater importance to Canada now than it has ever been; in the first place because it is one of our main methods of keeping down government expense and, of course, the keeping down of government expense is or should be one of the prime policies in meeting the inflationary conditions which exist today. Second, we believe this tender system is of vital importance now because this is the day of the great surplus, when the cabinet have millions of dollars in their collective pockets just burning a hole. They do not want to be caught with a large surplus at the end of a fiscal year.

Mr. Knowles: That is what makes them feel so tender.

Mr. Green: That is too good for me. There is greater need than ever before. When the government is dragging in money in far larger amounts than is necessary, there is greater need for retaining and strengthening this tender system rather than opening the door to no-tender contracts. Mr. Speaker, I