

power and general power to a certain extent on the part of the Ministers so that the grade and quality should be kept up to the specifications and terms of the contract.

That brings us to the consideration of the present case. The contract entered into in 1892 was made for five years, and the period expired on 23rd April, 1897. The contract was to expire at that time if six months' notice were given by the Minister of Finance. If six months' notice had not been given in advance, then the contract would expire on six months' notice having been given either by the Minister of Finance or by the contractor, each in his several interest. The notice was given on 26th September, 1896, by the Finance Minister, and the British American Bank Note Company received notification that on 23rd April next the contract would expire. Just about that time the British American Bank Note Company, through the president of the company, invited the Finance Minister, who, presumably, had the larger interest in this matter and who was the person who had under his charge the arrangement of the contract, to go down to the place of the manufacture of the bank notes and stamps and look at the establishment, as he might wish to see something of the method and manner in which this work was executed. This was almost a necessary condition, because no Finance Minister or any other Minister possesses the least knowledge of the technique of this branch of the business, and unless he makes himself acquainted with it in a practical way by actually visiting the establishment and seeing just how the work is carried on, it is impossible for any man, I do not care how intelligent he may be, to approach the subject from the point of sufficient information. So the president of the British American Bank Note Company courteously invited the Minister of Finance to visit and inspect the establishment. The invitation was acknowledged by the Finance Minister, as the papers show, but, so far as I know, he never put his head inside the doors of the establishment. This invitation was given by the British American Bank Note Company on 16th October. On 19th October the Finance Minister called for tenders, getting an Order in Council on his report authorizing him to give notice for the termination of the old contract and to call for tenders for a new contract. Tenders were called for on 19th October, and the specification will be found on page 15 of the blue-book, and it would be well that hon. members should pay attention to the specifications, because they are the basis of the whole business, they are the pledge of good faith between the power asking for the contract and the parties who are tendering for the contract; and when these specifications are definitely stated it is a rule, and I think a wholesome rule, that these specifications, which are the basis of the contract, are as

much a pledge between the parties as they would be between man and man, and which should be thoroughly, absolutely and definitely observed; or, if they are not definite, and at any stage of the progress of negotiations the contracting power finds it is in the interest of the Government to make a change in the specifications, then it is the absolute duty of the contracting power to give the same information to every one of the tenderers as he does to any one of the tenderers. What were the specifications? The specifications stated what was to be tendered for, as follows:—

Engraving, printing, furnishing and delivering to the Government of Canada, as and when required during the period and on the terms and conditions hereinafter set forth:

- A. Dominion notes;
- B. Postage stamps, stamped envelopes, post and letter cards and post bands;
- C. Inland revenue stamps.

That was the work to be done, and the House will see that it takes in all the work, exactly on the lines which have been followed up since confederation, exactly on the line of previous tenders, exactly on the line of previous contracts, and no person who had had any knowledge of the previous history of tendering for this branch of the Dominion's work, had the least doubt but that these words meant exactly what they stated, and what they included, namely, that the work, and all of the work, should be done in the city of Ottawa. That was an essential basis in the calling of the tenders. The usual five years' term was fixed as the period during which this contract was to continue. Section 7 goes on to state:

All work under the contract—

That is the engraving, and printing, and delivering, and so forth.

All work under the contract shall be done at the city of Ottawa in such building or buildings as are approved of by the Government of Canada. \* \* \* No contract shall be entered into with any tenderer until he has satisfied the said Government of Canada that he has, or will have by the time he begins the work under the contract, a proper building or buildings in Ottawa in which to carry on the work under the contract.

The usual precautionary clauses are put in the specifications, and they agree very nearly with the specifications of the preceding tender, and terms of the preceding contract. Section 22 declares: That there should be a deposit for bona fides of \$5,000, and a deposit of \$50,000 to remain in the hands of the Government at interest for the due execution of the work. There was also the usual clause 23: That the Government of Canada does not bind itself to accept the lowest or any tender; leaving itself entirely free at any stage of the negotiations to act as it considered in the best interests of the country.

So much then for the specifications upon which the present tenders were called.