

WAR CONTRACTS INVESTIGATION

Synopsis of Evidence taken at Ottawa, July 12th to July 22nd, 1915.

The Liberal Monthly will continue from month to month or so long as the Commission for investigating War Contracts lasts, to publish a synopsis of the evidence taken. The following covers the evidence taken at Ottawa between the dates of July 12th to July 22nd when the Commission left to continue their investigation in the Maritime Provinces:—

SOCKS.

ON July 20th Col. J. F. Macdonald, the Director of Clothing and Equipment testified and stated that he did not think any of the socks purchased for the soldiers were made from shoddy material, that they were not long wool something else being worked in. That if the Inspection staff had passed socks made from shoddy material it was due to overwork and rush. **He thought there were some instances where the Department had not insisted upon the specifications being strictly adhered to. He could not give the names of the favored contractors.** He was asked by Sir Charles Davidson to look this up.

On July 21st Charles Burns, Assistant Director of Contracts, in charge of the purchase and inspection of clothing including socks, testified, that when the War broke out it was not possible to get sufficient number of socks of the best quality, to conform to the Department's several patterns consequently about 200,000 pairs of a lower quality were purchased. For these as low as \$2.00 per dozen was paid compared with \$2.65 for the better quality; that these 200,000 pairs were made of pure wool but of lower grade and contained no cotton. After the War broke out cotton advanced from 31c to 45c per pound.

No new orders for socks have been placed since last winter but tenders would be called shortly when the original standard would be adhered to. Of the original supply many thousand pairs were rejected. Owing to urgency local Ordinance Depots had purchased socks at different points, particularly in the West. Complaints had been received in regard to these.

OATS.

40,000 bushels were purchased from Mr. A. E. Sparks of Vars for the Militia Department. Mr. Sparks testified that he was not a dealer in oats consequently had asked Dwyer of Ottawa to secure them for him. After they were paid for and delivered Mr. Sparks was informed that they were not all Canadian Western oats as contracted for.

Auditor General Fraser stated that his objection to the contract for the supply of 40,000 bushels of oats were **that tenders had not been generally called.** It was shown that in one instance a Mr. R. M. Pringle, Customs and Insurance Broker, Ottawa (son of R. A. Pringle, ex-Conservative M.P.) had been asked to submit a tender for these oats. It was not stated how Mr. Pringle's name got on the patronage list.

TIRES.

On July 20th Major Thomas gave comparative figures of cost of motor truck tires and attachments for the first and second contingents. He said that for the second contingent the tires and attachments complete cost \$273.65. It was difficult to compare these figures with those of the first, as they were not the same, but the naked tires now cost \$41.50, as compared with \$57.76 paid by Russell.

He accounted for the fact that Russell did not get the standard American discount (forty per cent and seven tens) in that Russell tried to buy only in Canada and from one company, without introducing the element of competition.

TRUCK BODIES.

Questioned as to the motor truck bodies, which did not fit the trucks, Thomas stated that they could be fitted all right, but they were not wide enough to carry the standard load of ammunition.

BICYCLES.

On July 15th Major Owens Thomas, the Departmental expert on transports testified that the bicycles which the Government paid \$55 and \$62 for the first contingent should have been purchased at the wholesale price of \$45.10. He based his argument on the following: The wholesale price of the bicycle was \$36.00, extra military attachment \$8.60, and time for fixing extra part 50c, total \$45.10.

On July 20th W. M. Dowswell of Hislop Brothers, Ltd., Toronto testified corroborating what Major Thomas had stated. Major Thomas also testified that his estimate of the accessories which compose the special military attachment was much lower than that given by Mr. Russell who gave the price for these at \$8.60. Careful examination of these accessories were now being made to guide the Department in future.

On July 21st, Clayton Burt, Assistant General Manager of the Russell Company testified that the \$36.00 bicycle purchased at the previous sitting of the Commission was the same bicycle sold to the Government for \$55.00 with the exception of the equipment and the color. He admitted, however, that the enamel on the Government bicycle was not "baked on" but "air dried," which really meant that the machine was not enamelled at all but painted. Mr. Burt also admitted that the sprocket gear had not been buffed or nickel plated.

TRUCKS.

On July 12th, Major Owen Thomas, motor truck expert for the Militia Department, testified,—

That he had made application for this position in August, 1914, shortly after the War broke out,