

Public Works Act

\$5,000 to \$10,000. I say this because the value of money today is about half what it was in 1927.

However, I believe that contracts for all amounts greater than \$10,000, which do not come under the qualifications of subsections (a) and (b), must continue to be awarded by tender, and such contracts must continue to be scrutinized by the governor in council. To propose that this practice should be discontinued, as the government is proposing to do by this measure, is to invite inefficiency and cost padding, for which the public must foot the bill.

A procedure which very often creeps into the handling of contracts, both in the case of business corporations and the government, is that after the original contract has been awarded and is being proceeded with, additional contracts for work in the vicinity are awarded to the original contractor, simply because it is easier to do it that way than to call for new tenders. It is argued that the work can be more cheaply carried out by the man on the job, because he would not have the expense of moving his equipment to the job and because his price on the original contract was reasonable.

This practice results in work which is often many times the value of the original contract being done on a cost-plus basis. When that is done there is no incentive to keep costs down; in fact the incentive is quite the reverse—

An hon. Member: Are you thinking of Comstock?

Mr. Hees:—because the higher the cost, the higher the plus.

If the bill passes, I believe it will be a blatant invitation to political patronage, because the only qualification a contractor will then require, in order to obtain contracts of unlimited size, will be that he must be a faithful supporter of the government. This will provide a tremendous inducement to support the government at election time in more concrete ways than simply by good wishes.

Mr. McIlraith: Are you speaking for the Ontario government now?

An hon. Member: No, you fellows.

Mr. Hees: This is the kind of practice which we should be getting away from, rather than entering into. If the government forces the bill through, I believe it will be pursuing a course which is directly opposed to the public interest. If the bill passes, it will be inviting the kind of scandals we have been reading about in the newspapers lately, which are being unearthed by investigating

[Mr. Hees.]

committees of the United States congress. I believe that in the interests of good and honest government the bill must be withdrawn.

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, I want to add my voice to those of other hon. members who have spoken in opposition to the bill. I wonder if members on the government side of the house appreciate what is being done and how the bill departs from the provisions of the act in force at the present time. The amendment reads as follows:

Where a work is to be executed under the direction of a department of the government, the minister having charge of that department shall invite tenders by public advertisement for the execution of the work—

If it stopped there, in my opinion it would be a good bill; it would be in line with what we are doing now. But it goes on to say:

—except in cases where

(a) the work is one of pressing emergency in which the delay would be injurious to the public interest—

That eliminates contracts of that kind.

—(b) the work can be more expeditiously and economically executed by the employees of the department concerned—

That eliminates something more.

—(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.

That wipes away every obstacle to letting contracts without tender. Why the cabinet, composed as it is of men who have been engaged in such work, who have been cabinet ministers and administrators for a long time, should wish to remove restrictions and thereby leave themselves open to all kinds of lobbying is beyond my comprehension. I would think that every member of the cabinet would want his authority to do anything of this kind limited to the greatest possible extent. Then he would be assured that his department would be run without even a suspicion that there was anything wrong. But here they are introducing a bill the result of which will be that with every bit of work that is to be done the Minister of Public Works (Mr. Fournier) will have on his doorstep all the people who want to do the work and who want to get a contract without having to tender. It is simply amazing.

As has already been said, \$5,000 is not very much money today. Perhaps when the present act was put in operation \$5,000 was quite a bit of money, but at a time when the dollar is only worth 50 cents \$5,000 may be a very small contract. Why not enlarge the amount to \$10,000, as has already been said, or if