

The **MINISTER OF FINANCE.** The hon. gentleman is quite correct. I am not finding fault with his question. I think he has done me a service in giving me an opportunity to make this statement. The statement was made, it is true, in the public press, but it was in the Tory press; and in the same press there was the further statement that the Government had permitted this American company to obtain a contract for ten years, while the specifications only allowed them to give a contract for five years; and that also was entirely unfounded. In the same Tory press the statement was made that the Government had permitted the New York company to bring in their materials free of duty, while the others would have to pay duty; and that statement was entirely unfounded. I would cordially advise my hon. friend opposite not to place too much credence in these statements of the Tory press.

Mr. WALLACE. Then you would place no reliance in the newspapers at all?

The **MINISTER OF FINANCE.** Well, I would not go so far as that. There are papers and papers. Now, Sir, as I said a moment ago, we would have been without competition, we would have had no tenders in competition with Mr. Burland's company but for the fact that the American Bank Note Company had put in a tender. We had the tender of Barber, Ellis & Co., Toronto, which we were not able to entertain, for the reason that there was no deposit with it. I think it will be admitted that when a deposit is exacted in connection with a contract, it is one of the essential elements of the transaction, and if that deposit is not produced, clearly the tender should not be entertained. I will venture to say that if my hon. friend the Minister of Public Works and my hon. friend the Minister of Railways and Canals, were to put a condition in their advertisements for tenders that a certain amount had to be deposited with the tender, and if that amount was not deposited, the tender would not be entertained, and the whole House would say that the Minister did perfectly right in not entertaining it. Therefore, we dismissed the Barber-Ellis tender, and the gentlemen who were interested in that tender fully understood that there was ample justification for our refusing to entertain it. We had the tender of the Burland company and we had the tender of the American Bank Note Company. Now, what would have been the position of the Government in this matter if we had had no tender from the American Bank Note Company? It is quite evident that the Burland company—as I call it for convenience, that being the name of the gentleman who is president of the company—had the impression that they would secure a monopoly. They had the impression that there was no competition. Just how it came about that there

Mr. FIELDING.

was no competition within Canada, I do not know; but I do know that while we had considerable inquiry about this matter, it ended in our having only one tender which complied with the conditions, one tender in the Dominion of Canada, and that tender was from the British American Bank Note Company; and so firmly convinced did that company seem to be that they had the game in their own hands, that they were not content even to do the work at the old price, but they added \$30,000 to the price of their contract. I think when the House understands that, they will see that it would have been a rather unfortunate thing for the Government, an unfortunate thing for the taxpayers of Canada if we had had no other tender than that of the British American Bank Note Company. Well, Sir, two tenders were received. If you will turn to page 40 you will find the figures summarized. In the first column you will find the figures for the old contract, that is a contract existing for some years with the British American Company. In the next column we have the tender of the same company for the new contract; and in the last column we have the tender of the American Bank Note Company for the new contract. These are the figures prepared by Mr. Fitzgerald and Mr. Treadwell of my department, and I am sure that the ex-Finance Minister will admit that the figures have been most accurately and most carefully prepared. The summing up of this statement is as follows: For the whole term of five and a quarter years which is involved in the contract, the existing rates of the British American Bank Note Company would amount to \$646,147.64; their rates for the new contract, when they added \$30,000, evidently thinking they had a monopoly in their hands, amounted to \$676,428.80; and the tender of the American Bank Note Company for the same work was \$523,146.17; showing a difference as between the old contract rates and the American company's tender of \$123,000, and between the British American Company's new tender and the American Company's tender the difference on the whole contract term was no less than \$153,242.63. That was the position in which the Government found themselves. We found that the old contractor was not even content to work on the old terms, but that he had added \$30,000 to his tender, and we found that as between that tender and the tender which we were offered from the American company there was the enormous difference of \$153,282. Now, I do not think that there are many members of this House, on either side of politics who, if they will give us their candid opinion, will say that the Government should have accepted the tender of Mr. Burland. But they say: Why didn't you send for Mr. Burland? Why didn't you talk to him? What was there to send to Mr. Burland about? There was no doubt about