

April 27, 1874

INTERCOLONIAL RAILWAY

Hon. Mr. TUPPER moved for copies of all correspondence, and reports of Railway Commissioners, Orders in Council, accounts, and papers of every description relating to claims connected with contracts on the Intercolonial Railway, from No. 1 to No. 7 inclusive and all payments made for the same under authority of a resolution passed by this House during the session of 1873.

The House would recollect, he said, that at the last session a motion was carried authorizing the Government to make payments to settle with the former contractors on those contracts that were originally left on account of insufficiency of information, and which the contractors, with the exception perhaps of those on number two, had failed to settle on certain terms, namely, the resolution which was carried by the House; and under the authority of that resolution the Commissioners were instructed to ascertain the number and extent of the claims.

Subsequently, the Commissioner, having obtained the information, made a report to the Government, but that report was made in the absence of a number of members of the Board. They only undertook to recommend absolutely the payments to what was called parties who had direct claims against the original contractors. In the absence of the full Board the Government left over the question without deciding as to whether the claims against the sub-contractors should be entertained or not.

He was anxious that the papers relating to sections four and seven should be laid on the table, because a number of his constituents were deeply interested in the determination of these claims.

The fact was that the parties to whom the contract was given by the Commissioner, and with the sanction of the Government, undertook the construction of the work without sufficient information on the subject. They obtained the labour, money, and means in a variety of forms, and having proceeded with their work to a certain extent, they were unable to finish and left the country. The Government passed a remedial measure to pay a fair value for the work done. They allowed the direct claims, leaving the indirect ones for a full board to decide upon.

The main portions of those direct claims had been paid, and he hoped that parties who had devoted their money to the work in good faith would not be placed in such a position as to lose any means of redress. The only ground on which they could be prevented from receiving the money would be on the ground that they were employed by a sub-contractor, who had been employed by the contractor; but he contended that the contract itself expressly provided against sub-contractors being employed.

Hon. Mr. MACKENZIE said the hon. gentleman had spoken generally of these particular contracts being given out with insufficient data, and it was upon this ground that the contractors based their claims. The contractor had based claims of all kinds upon the contracts, and were causing an endless amount of trouble to the Department. With regard to this particular one, the hon. member said there could be no sub-contracts because they were not

allowed, but the hon. gentleman must know that the bulk of the claims were made by sub-contractors.

Hon. Mr. TUPPER said that the consideration as to whether the payments should be made on what were called sub-contracts had been left an open question by the Commissioner, who only recommended payment of direct claims.

Hon. Mr. MACKENZIE said it was quite competent for the Government to overrule that decision, but they did not do so. The hon. gentleman said many of his constituents were interested in the question, and he thought he remembered a promise made by the hon. gentleman to his constituents before his election, that the Government should attend to that matter. With that pledge, however, the Government had nothing to do, a large proportion of the claims were bought, as the hon. gentleman had stated last year, by parties at a very large discount, in fact one of the Commissioners who was to adjudicate upon these claims had purchased some.

The Chief Engineer had ordered that these claims should not be paid till more information was had on the matter. A number of claims were unpaid, which, however, might yet be paid on this account. He should want to know who owned those claims, and what amount they received from them, before he gave his consent as head of the department to pay any of them.

Hon. Mr. TUPPER explained that the late Government only authorized the payment to any party of the amount he had actually paid.

Hon. Mr. MACKENZIE said it was necessary that there should be some enquiry before these claims were finally paid. Almost all other sections had been paid.

Mr. POULIOT desired to have a statement of the extra work done added to the motion, to which Hon. Mr. Tupper agreed.

Right Hon. Sir JOHN A. MACDONALD said that undoubtedly it was a very gross impropriety in any Commissioner to be found dealing in these matters.

Hon. Mr. MACKENZIE said he made no charge against the Commissioner, but he had refused to settle the claims until it was explained how that gentleman came to be possessed of them.

Hon. Mr. BLAKE desired to see his hon. friend Mr. Young, who presided over the public accounts, have the matter brought up before that Committee.

The motion was then carried.

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HALIFAX RAILWAY EXTENSION

Hon. Mr. TUPPER moved for copies of all reports of the Minister of Public Works, Order in Council, correspondence with the Imperial Government, or any other parties touching the extension of the railway into the City of Halifax. He said his object in making this motion was that this correspondence should be laid upon the table of the House. He explained the course adopted by the