

demand in that department, of which only a very small amount was required in the year. It would be undesirable to ask for tenders for these different lines of goods, but he claimed that the public tender system was exercised as far as it was possible to do it, and only those which are needed in very small quantities were not bought in that way. The first part of the resolution was not fairly worded, as it gave the impression that no goods were purchased for these institutions by public tender. As a matter of fact a very large proportion of the goods used were now purchased by public tender, and only those which could not be purchased to advantage in that way were purchased in the open market. The general principle laid down in purchasing for these institutions was simply that everything that could be purchased to the best advantage by public tender was purchased in that way, and he thought this a fair and reasonable position and one which would be endorsed by the people of the Province. The resolution asked that all goods be purchased by public tender. The Government were open to increase the number of lines of goods purchased by tender just as often as experience taught them that the general good could be better served by applying the tender system, and if it could be shown that any article could be purchased to better advantage by tender it would be placed upon the list. Surely Col. Matheson would not ask the Government to purchase those articles by tender which experience had shown it was better not to purchase in that way.

THE FACTS OF THE CASE.

Mr. Davis submitted an analysis of the amount of goods purchased during the past fiscal year by tender and in the open market for the various public institutions in the Province. The total amount spent upon these institutions was \$805,183. The first division of this to which he would refer was the sum of \$281,373 68 for salaries, etc., to which the tender system could certainly not be applied. Then there were the purchases by contract, including the principal items in all the institutions, as flour, coal, wood, etc., amounting to \$192,900. The third item consisted of the sum of \$56,302 23, paid for meat by special arrangements, by which Mr. Hunter, who was admitted a thoroughly competent man, buys cattle in the open market; they are butchered, cut up and distributed to the institutions adjoining the city. A very careful analysis of the working out of that system had shown that, including all expenses such as Mr. Hunter's salary, the meat was purchased at less cost than meat purchased by contract at some other institutions. Then there were the goods manufactured at the institutions themselves. At the Central Prison a number of articles were manufactured, and it had been the aim of the Government to manufacture, as far as possible, by prison labor the articles required by the public institutions of the Province, which the Opposition had said was a good thing to do. The amount of goods of that class was \$62,824, and they could not be purchased by tender. Another list which it was considered impracticable to purchase by tender amounted for all the institutions in the Province to \$145,613. As to this list there might be some difference of opinion as to whether the articles could be purchased by tender or not. It included medicine and medical comforts, \$6,515; gas and lighting, \$15,714; water supplies, \$12,475; school and religious instruction, \$3,904; postage, telegraph, express, etc., \$2,000; and the expenditure for renewals of furniture and miscellaneous articles. He was willing to submit this list to the business men in the House, and they would say that they could not see their way to purchase the articles in the list by tender. Then there was \$66,192, which was debatable; it included such items as sugar, syrup, salt, pepper, etc. This was an analysis of the expenditure of money for public institutions, and he submitted that they were on debatable ground when they said there were articles that could be added to the list of articles purchased by tender. From his own business experience, Mr. Davis said he had been trying to think of such articles, but could not do so.

TENDER SYSTEM ABANDONED.

Mr. Davis referred to the experience of the John Sandfield Macdonald Government in regard to tendering. In

1869 and 1870 they called for tenders for 58 articles. In 1871 the same Government, after the experience of 1869 and 1870, reduced that list to five articles—coal, wood, meat, flour and butter. Mr. Langmuir, who was inspector under the late Government, in his evidence before the Public Accounts Committee a few years ago said that when he was first appointed all supplies were purchased by tender, but he had found the working of the system so unsatisfactory that he had strongly recommended that supplies be purchased in the open market. This principle of purchasing by tender where advisable and in the open market when that was best was confirmed by the experience of every business man, and of municipalities and School Boards. In public institutions in our own and other Provinces, and in other lands, they had learned by experience that the system pursued in this Province of purchasing the large lines of goods by tender and other articles in the open market was the best.

A COMPARISON.

Mr. St. John had spoken of the Kingston Penitentiary, but the evidence of the Warden of that institution showed that they did not purchase nearly all the supplies by public tender; that when they did they did not purchase the same class of goods as cheaply as was done here in the open market. In no public institution did they purchase articles by public tender. In the Deaf and Dumb Institution in New York State they did not buy a dollar's worth of goods by public tender, and, while he did not think that this was a good system to follow, it showed what other public institutions were doing along this line. Complaint had been made of bulk sums being entered in the public accounts as being paid for supplies, but in the Public Accounts Committee when the papers were asked for the documents were always brought down to show how every dollar was spent, and every opportunity was given for the investigation of these accounts. There had been investigation year by year, and what had been shown by all that which went to show that the system should be changed? We had the evidence of many wholesale men in the Public Accounts Committee that the prices paid were low and reasonable, in many cases lower than the wholesale prices. Referring to the Kingston Penitentiary, Mr. Davis quoted a number of items to show that the prices paid for supplies for the Central Prison in the open market were less than those paid at Kingston by tender. The fact that goods were purchased by tender did not show that they were well bought—there were many cases of frauds being perpetrated upon Governments in connection with such tenders. But in those items which were purchased by tender for the Central Prison and the Kingston Penitentiary the prices paid by the Province were lower than those paid by the Dominion. Another, and he thought a final, test was a comparison of the per capita cost of the institutions with those elsewhere. Comparing the Orillia Asylum for the Feeble Minded with others of the same kind it was seen that at Orillia, with 605 inmates and 67 employees, the per capita cost was \$98 38; at the Pennsylvania Institute, with 1,000 inmates and 175 employees, the cost was \$164 05 per capita, and in the Scottish National Asylum, with 262 inmates and 56 employees, the cost was £33 15, about \$166, per inmate. By a comparison of the per capita cost of the Central Prison and the Kingston Penitentiary Mr. Davis showed that the net cost of the Ontario institution was very much less than that of the penitentiary, this being particularly due to the very much larger revenue from the industries of the Ontario prison. As the system which was advocated by Col. Matheson had been tried by the late Government, and as Col. Matheson himself confessed it to be weak, he asked that the resolution be voted down.

Mr. Marter held that the great evil arising from the present practice of the Government is that all goods not purchased by tender are bought from persons who are political friends of the Government, the result necessarily being a loss to the people, who must pay for these goods larger prices than they otherwise should. The goods were bought in an open market, it is true, but always from friends of the party in power, and wherever it has been possible to trace goods bought it was