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15th August, 1892.

Chas. H. H. H.

Sir,

I beg to acknowledge the receipt of your letter, N^o. 1540, of the 6th instant, enclosing a copy of a report from Inspector M^r. Gibbon, on his examination of supplies delivered by Noah La Piper & Son, under contract 1891-92.

The articles forwarded for examination have also been received, by express, and have been submitted for that purpose to M^r. Thomas Birkett, Hardware Merchant, who reports as follows:-

<u>Standard weight</u>	<u>Delivery, with</u>
Spent, 10.75 per doz.	6.00 per doz.
Contractor charged \$10 ⁰⁰ .	

Yours

Wm. H. H. H.

John Commissioner

Virginia, N. H. H.

The

For the undermentioned articles there is no standard sample; and as the concluding sentence in the descriptive schedule under 'tools. chests of' applies to those tools only forming part of the outfit of a tool-chest, it cannot be held to apply to tools not forming part of a chest of tools.

Good quality would be worth.	Delivered worth.
Drum, Ratchet, \$1 ⁰⁰ each.	.35 ⁰⁰
Long. Lath11
Trimming Knife \$3.50 ⁰⁰ per doz.	.60
Chain Saw, 14 in., \$1.50 ⁰⁰ each.	.75
Hand Saw 1.2550
Try Square, 6 in. 1.4025

With respect to the six articles above mentioned, it appears that, in neither case, is there, in the schedule, a proper description of which

which a contractor could be guided, or under which - if it were considered he had failed to deliver precisely the kind of article required he could be dealt with, for instance:-

1. Price. Only in connection with the
2. In 'Appelle Industrial School is the word 'Rabbit' used: there is no such requirement as regards Saddle Lake, Onion Lake, or Duck Lake: there is no description and no standards and under those circumstances, it is difficult to determine the ground on which any deduction from the price charged could be made.

2. Sup. Lath - No description, no standards.
3. Mining or Chopping Knife:- no description no standard.

5. Meat Saw:- the only description is that for In 'Appelle Industrial School, where, the Department

Department is informed, a good law was delivered; the contractor evidently took advantage of the fact that there were no instructions, to deliver what he thought proper at Duck Lake, and at the Industrial School, Buffalo 6th Try Square. No mention of size, in this case; and the contractor no doubt considered the 3 inch tri-square the largest he could give for the price.

In none of these cases does it appear that the Department has any reason against the contractor, or that any abatement of price would be justified, if the question were referred to a Court of law; and for similar reasons, i.e. want of description, the iron-chairs delivered cannot be rejected.

The proposed reduction of six and a half cents may be made from the contract price of

of Iron. Brushes, because these different items have been 'equal to sample', and apparently no net or deductions should also be made for all ^{other} deliveries.

Comparing the values set by Mr Birkett on the six articles not described in the schedule, and of which there is no standard sample, with those charged by the contractor, the result is

	<u>Birkett's price.</u>	<u>Contractor's</u>
Brace -	.35 each	2.05
Long-ladle	.11	.09
Chopping knives	.05	.07
Iron bar, 14 in.	1.50	.65
Weld bar	.50	.96
Eng. square, 12 in.	.40	.30

In nearly every one of these cases the price charged by the contractor is higher than

these would have been paid, had the articles been bought at retail. notably so in respect of the brace, and of the meat-saw: the brace alone is said to be worth thirty-five cents: a very good ratchet brace can be bought at retail for \$1⁰⁰, while a first-rate article can be bought for \$1⁵⁰, and the Department pays \$2⁰⁰ for one which is regarded simply as a tool. is worthless.

It is evident therefore that so long as the present system of purchasing by contract, and awarding to the lowest bidder obtains, additional precautions must be adopted to save the Department from being over-reached by unscrupulous contractors; and to that end the schedule should be carefully revised by Inspector McMillan, and a list made of every article,

a standard sample of which should be exhibited to bidders, and the choosing of these standards suitable for the requirements of the Indian trade in the North-West Countries and Manitoba should be undertaken by him, or some one equally well qualified, as soon as possible; in order that, before another contract ~~is~~ ^{is} made, the department may be in a position to protect itself against such instances of ^{the new water construction,} successful speculation as a proper description of every new article added to the schedule, or a standard sample should be furnished each year.

I will thank you to favour me with your views on the subject. But of the articles as have been delivered without a description being included in the ~~schedule~~

valued, and without a standard to guide
 the contractor, but one of less value than
 the price charged, should be paid for only
 at their proper value, and no more: if
 the contractors feel aggrieved, they may
 find a remedy in a Court of law.

Your obedient Servant,

H. S. K. H. H. H.

Deputy of the Supt General of
 Indian Affairs.