

Supply—Finance

We have not yet obtained title for the crown in the right of Canada; but because we have been occupying it, and in fact own it, although the actual documents have not been exchanged, we feel we should use it in the computation of the grant to the city.

Mr. Montgomery: In other words, no taxes have been paid to the municipality concerned?

Mr. Harris: No, it is actually in the title of the admiralty of the United Kingdom.

Item agreed to.

Contingencies and miscellaneous—

579. To authorize the write-off to the consolidated deficit account of certain accounts, as detailed in the estimates, arising out of world war II and other transactions amounting in the aggregate to \$1,010,111.38 which are uncollectable or for which no residual asset remains, \$1.

Mr. Harkness: Concerning item 579, an amount is shown of \$1 only but it is actually a write-off of over a million dollars. There is one part of the item which I can understand quite readily, and that is working capital advances to crown assets. There are, however, some other items which I think the minister should perhaps explain to us. There are, for instance, loans to coal companies of \$33,000 odd. I wonder how the loans to the coal companies arise and why they are being written off?

I would like also to have some explanation concerning Bank of Montreal provincial notes of \$27,560. It seems rather odd that the government is writing off Bank of Montreal provincial notes in the amount of \$27,560.

An hon. Member: It is six o'clock.

Mr. Harris: I appreciate that, and if I give an explanation now which does not satisfy the committee perhaps we can go back to it at eight o'clock. I admit it is a little odd to be writing off items to the extent of \$46,000 with respect to a bank robbery which occurred on January 11, 1869.

Mr. Harkness: What date was that?

Mr. Harris: January 11, 1869.

An hon. Member: The Tories were in power.

Mr. Harris: There was a theft of \$46,000 from a bank in St. Catharines, Ontario. It happened that the notes had not been issued to the public and were stored pending issue. In the resulting accounting by the Receiver General of Canada this was undertaken as a liability of the government here. Over the years some of these notes have been turned in and cashed and this is to get rid of it on the books of the Receiver General.

Mr. Harkness: You have no hope of taking in any more of the notes?

Mr. Harris: I shall endeavour to answer the question concerning the coal companies and perhaps we can then pass the item. This item covers a loan to Empire Collieries Limited, Calgary, in the amount of \$4,000; a loan to the Manitoba and Saskatchewan Coal Company Limited in the amount of \$14,213.70; and a loan to the Tel Koal Company Limited in the amount of \$15,000, which gives a total loan of \$33,000 odd. These three companies folded up for financial reasons, and these are sums which were carried in the items of the Department of Defence Production and are now being written off.

Mr. Harkness: The companies are not defunct, are they?

Mr. Harris: Yes; they are defunct and have been for some time.

With respect to the ammunition and the bridge spans, these were items which were originally intended for China under the export credit loan but in fact were not shipped. They never did go to China. They were turned over to the war assets disposal corporation, were by them disposed of and the moneys were received for them. But we are writing off the item on our books in the Department of Finance because of the advance that was made originally.

I think those are all the items included.

Item agreed to.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

The Chairman: Order. When the committee rose at six o'clock we were considering resolution 580. Shall the resolution carry? Carried.

Item agreed to.

Special—

581. To provide for a contribution to the government of the province of Ontario for assistance in meeting costs resulting from floods, arising out of "Hurricane Hazel", on October 15 and 16, 1954, and to authorize, notwithstanding section 35 of the Financial Administration Act, the making of payments under this vote up to May 31, 1955, \$1,000,000.

Mr. Enfield: This item is to provide a contribution to the government of the province of Ontario to assist in meeting costs resulting from damage caused by "Hurricane Hazel" of last October, which did such a great deal of damage in various parts of Toronto and also in my riding. Shortly after the tragic occurrence those who had suffered damage were most heartened by the ready assistance