

Under these circumstances and safeguards, therefore, we recommend the early adoption and enactment of the necessary amending and remedial legislation such, for instance, as is incorporated in the proposed "Amendment" to the "Consolidated Revenue and Audit Act", designated as "Section 91A", attached hereto as (Exhibit C), or such other equally effective measures as your Government may be pleased to enact which will give the same or equivalent results, as illustrated on page 2 of the said Exhibit, thereby providing for and assuring to all Canadian taxpayers and citizens alike dependable and permanent means of procuring reasonable "compensation for the loss of the use of their money" if, when and where any such money has been so overpaid or erroneously paid to the Crown.

We respectfully submit that the payment of interest under such circumstances and legislation would merely be giving or exchanging value for value already received, since any and all such interest payments could and would obviously be made from the accumulated interest earnings, savings or benefits already derived directly or indirectly by the Crown on or from the use of the taxpayers' or citizens' own money while such money has been or may be withheld from them by, and in the possession, service, control and for the benefit of the Crown or Nation as a whole.

It is further submitted that Parliament has, on certain specific instances, endorsed and upheld the basic principle of the payment of interest, as for instance, under Vote No. 348, passed on May 28, 1926, by the Fifteenth Parliament, which held, without division, that:

"If there is a claim for the principal, the claim for the interest would be just as strong, and should not be denied."

and, again, when the Sixteenth and present Parliaments accepted and adopted the written judgments of Reparations Commissioners James Friel, K.C., and Errol M. McDougall, K.C., each of whom, when dealing with "damages in the nature of interest", held that "unless interest is allowed" on deferred payments for "property losses" suffered and sustained by Reparations claim-