

*Supply—Defence Production*

to ask at the appropriate time, concerning the Northern Ontario Pipe Line company, and in particular what has been done since the enactment of the bill. That relates to administration. In view of what was said this morning, that will properly come under the other department, but what my hon. friend from Kamloops is now saying is not to open up that subject at all. He is simply alluding to a situation that has arisen which bears directly upon the point of conflict of interests. The two things are quite different, as I think you will realize if the member proceeds.

**The Deputy Chairman:** I am not arguing whether or not there is a conflict of interests as between the government and an estate which might be connected with the pipe-line bill. I did not object to the allusion. I asked the hon. member for Kamloops—and I think he indicated his assent by nodding his head—not to proceed further because, quite frankly, what I am trying to head off is other members following a similar line of thought and perhaps discussing at some length under this department the crown corporation which doubtless will be discussed at great length under another department, and I do not think the committee of the whole would want to discuss the same thing twice.

**Mr. Fulton:** I think I can accommodate myself to your suggestion, Mr. Chairman, without in any way weakening my argument. I have stated the fact and I do not think it requires any elaboration. The principle is equally applicable to that situation, that is, the pipe-line situation, as it is to the whole area of the Department of Defence Production. Having referred to the situation, I can then leave it there.

These conflicts exist. The potential areas of conflict exist. I call them potential, but in fact the situation cannot continue without an actual conflict arising. It is useless for the minister to say that by raising these matters we are bringing his morals or his personal honesty or integrity into the question. He may be the most—

**Mr. Harris:** He is.

**Mr. Fulton:** He may be the most able, and most honest of men, a man of fullest integrity—

**Some hon. Members:** Hear, hear. We know he is.

**Mr. Fulton:**—as I say, he may be, but he cannot occupy those two positions without a fundamental moral conflict arising, and if he wants to preserve his reputation for integrity and honesty then it is up to him

to resolve that conflict, because that is the situation in which he is placed and from which he cannot escape.

I believe, sir, that the people of Canada should not have their government or any member of it placed in a position where these questions and these sorts of conflict arise so that questions must arise and be asked as to how the situation can be permitted to continue. For it cannot continue without either an abdication of responsibility and duty on the part of the minister in his private capacity as executor or, on the other hand, disadvantageous results accruing to the general interests of the country which the minister represents in his official capacity as minister. That situation, sir, is not a tenable one, not one which should be imposed upon the people of the country or their interests by any man however able, however honest, however much he may have succeeded in doing in the past.

The minister says, however, that he has accepted this executorship, and I understand that at the moment at any rate he says he is going to continue in it because he regards it first as a patriotic duty and, second, because it is an undertaking, a position he was asked to accept by a friend. With the dictates of friendship and the acceptance of the obligations imposed by friendship I have no quarrel as a general proposition. I stated at the outset that I am not seeking to lay down a general proposition that no minister of the crown can accept the executorship of the estate of a friend. I said that every case has to be judged upon its particular circumstances, and this case unquestionably is one where the circumstances raise the questions that I am now raising.

The minister may have felt that he was under obligation to a friend but, sir, I suggest, indeed I state as a fact, that the minister is under a higher obligation. He is under an obligation to the government of which he is a member and to the country which that government is called upon to serve, and where he finds his inclinations as the result of friendship and his duty as a member of the government in conflict I suggest to you, sir, without reservation, that the higher duty is that towards the government and the country, and that this must override even the obligations of friendship.

As for the patriotic duty, the minister says that he is anxious to accept this executorship in order to be able to ensure that the assets, which are of importance to the welfare of this nation, are disposed of in the national interest. The very acceptance of that proposition substantiates my point that an estate controlling an industry of