

Supply—Finance

the 25th day of June, 1953, under the authority of order in council P.C. 1953—868, dated the 1st day of June, 1953; and to authorize the write-off of the outstanding balance of advances previously made to the said corporation, \$65,277.

Mr. Macdonnell: When dealing with this matter last year the Minister of Finance pointed out that a similar item was an aftermath of the Commodity Prices Stabilization Corporation Limited which had been liquidated some years before, when it surrendered its charter. I should like to quote from page 3423 of *Hansard* of March 29, 1954 where the Minister of Finance is reported as saying:

The Minister of Finance was authorized accordingly to execute an agreement with the company which provided—I will not go into all the details—for the payment over of moneys to the crown and the crown was to dispose of these moneys first by paying all outstanding liabilities, second, by paying any claim that might be made by Joy Oil Limited, which was the largest claim outstanding and which was under litigation, and third, by paying the government the balance of advances to the company.

Mr. Macdonnell: Is it practically cleaned up?

Mr. Abbott: It is practically cleaned up. I think this will perhaps be as close to the final clean-up as possible. The Joy Oil claim has now been settled. There are sundry administrative expenses which have been incurred by the crown and the vote of \$310,000 is required for the administrative expenses together with the Joy Oil settlement and to allow for any further minor payments that may come up during the current fiscal year, the year which will end in the next day or two.

I should like to know the reason for this \$65,277 hangover. At that time it looked as though the \$310,000 then being voted was to cover everything.

Mr. Harris: This is a different item which has been found in the bookkeeping of the Department of Finance. It relates to sums which are on the books as being due to the Commodity Prices Stabilization Corporation Limited, which we want to write off in order to clean up the account and not be in the position of having to carry anything on the books with respect to the corporation. However, should any of these outstanding accounts be collected the amount would be credited directly to the consolidated revenue fund and shown as a receipt.

Mr. Macdonnell: It is not a matter of vast importance, but I am still a little doubtful on one point. A year ago the minister referred to \$68,000 of uncollected accounts. It is because of what the minister said a moment ago about new amounts being discovered in the accounts of the department that I find it a little difficult, as the negro gentleman said, "to make dem two tings paralyse".

Mr. Harris: But the item of last year did not write off the \$68,000.

Mr. Macdonnell: I realize that. It is still carried as an asset.

Mr. Harris: It was. It is intended to go to the consolidated deficit account and disappear.

Mr. Macdonnell: The minister said a year ago that was going to clean the thing up, but he was perhaps carrying in his mind this \$68,000.

Mr. Harris: That is right.

Item agreed to.

Payments to municipalities—

578. Grants to municipalities in lieu of taxes on federal property—To provide for payments to municipalities in accordance with the Municipal Grants Act, and the rural municipal grants regulations amended by order in council P.C. 1954—1621; and to provide for payments to municipalities under order in council P.C. 1954—1497, in respect of the cost of medical and hospital services and supplies furnished to federal employees and other persons specified therein—further amount required including authority to regard the admiralty properties in the city of St. John's, Newfoundland, as federal property notwithstanding that formal transfer of administration has not been completed, \$95,855.

Mrs. Fairclough: I notice that the main estimates show an amount of \$3,202,348, whereas the previous vote was \$3,190,000; that is a difference of only \$12,348, yet the amount being asked for here is \$95,000. I assume that the minister will say this is something that has arisen since the requirements were compiled for the main estimates; Would he also state what proportion of this amount is related to St. John's property and what amounts are required for other municipalities?

Mr. Harris: There are something in the order of 40 municipalities involved. If my hon. friend would not mind we could discuss this on the bill which I hope will be before us in a few days.

Mrs. Fairclough: What amount is required specifically for St. John's?

Mr. Harris: The amount this year is \$22,000.

Mrs. Fairclough: Can the minister give the committee some idea of why the difference has increased from \$12,000 to \$95,000 in a short space of time?

Mr. Harris: I think the former minister of finance made it clear that these grants were made to municipalities that applied for them. As payments were made other municipalities learned of them and applied in turn. Then adjustments were made and the amounts were constantly changing.

Mr. Macdonnell: We are all aware that the act is to be amended this year, but for a moment or two I should like to deal with