

Interim Supply

be no interference with the management of the company from that source. I have listened very carefully to the repetition, which every cabinet minister knows, about the ethics of a cabinet minister. I assure you that nothing in my relationship with the Dunn estate has violated that situation in any way, shape or manner.

I have taken no action which did not relate directly to the Dunn estate and no action which adversely affected any interest of the government whatever.

The hon. member had certain other questions. Perhaps he would ask them one by one and I would be glad to answer them. I have answered the one about how the value of the shares was fixed.

Mr. Hamilton (York West): In connection with the valuation of the shares, does the minister know whether any account was taken as to the value because of the fact that no dividends had been paid on the stock? Is it a fact that they jumped tremendously in value immediately after the death?

Mr. Howe (Port Arthur): I do not know where they jumped. Rumours have been circulating. The law provides that the value of a share for tax purposes is the value at the time of death. In my opinion the valuation that was placed on the shares was the valuation required by law, not only that but probably a pretty optimistic value of them. However that valuation has never been questioned by the executors. The assessment was made by the tax department of the government and it was accepted by the executors. What is your next question?

Mr. Hamilton (York West): Was the increased value of the stock subsequent to death sufficient to pay the succession duties?

Mr. Howe (Port Arthur): No, sir; nowhere near it.

Mr. Hamilton (York West): Did Mr. Barrington, the most recent appointee to the board of McIntyre Porcupine, take part in any of the negotiations re the sale of the stock?

Mr. Howe (Port Arthur): No, sir, he did not. Mr. Barrington was invited to go on the board, as I understand it, about three weeks ago. He has been in western Canada since then and I am fairly sure that he has never attended a board meeting of the company, if that is any of my hon. friend's business.

We will remember this, you know.

Mr. Hamilton (York West): We are very interested and we are entitled to an answer. Is he still a director; does he intend to remain one?

Mr. Howe (Port Arthur): I have not communicated with him since I found out that he was a director and for the reason that he has not been readily available. Whether he intends to remain a director or not will depend on other discussions we have when I am able to get in touch with him.

Mr. Hamilton (York West): In connection with the dual position that the minister does occupy—

Mr. Howe (Port Arthur): There is no dual position there, my friend. Suppose I had been a beneficiary of the estate. I would have had much more to do with it then than I do now. What would I do, renounce the inheritance?

Mr. Hamilton (York West): I would say you would have no choice of action then, but you do in this case.

Mr. Howe (Port Arthur): Perhaps so.

Mr. Hamilton (York West): As a matter of fact, the law is very clear. We do not expect testators to rule succeeding generations from the grave. There was no particular obligation to remain on the job.

Mr. Howe (Port Arthur): No?

Mr. Hamilton (York West): It is not an excuse for avoiding the ethical position which is involved in the two quotations which I have read to the minister.

Mr. Howe (Port Arthur): Mr. Chairman, I have my own ethical position and I would not change it for my hon. friend's, the little I know about his past. I will keep my own.

Mr. Hamilton (York West): I might get an answer to this question. Since the particular job in connection with the succession duties has now been accomplished, does the minister intend to remain an executor of this estate, which I understand still controls Algoma Steel, and remain a member of the cabinet?

Mr. Howe (Port Arthur): Mr. Chairman, the estate has had no voice in the affairs of Algoma Steel since the death of Sir James Dunn. I know something about the views of the executors. The position of the executors is that they shall pay the taxes, distribute the assets and retire, and that is in progress at the moment. The newspaper accounts of what is happening are not accurate. I am not in a position to make any announcement at this time. It is not my purpose to make an announcement, but I intend to carry out my duties of executor to the extent that when the taxes are paid I will leave the distribution of the assets to others. Nevertheless, I intend to see that this estate remains in hands which I believe are