

*Supply—Miscellaneous*

Mr. HOWE: I may say that these gentlemen were made defendants by the government. I take it that they were not being tried for a criminal offence.

Mr. BENNETT: Not at all.

Mr. HOWE: I might point out that there are precedents where an officer of the crown is tried and found not guilty. In those cases judges have awarded legal expenses, and had the judge lived to complete his report, that might very well have happened in this case. I think these gentlemen were placed in a most unfair position and I believe it is only just that their counsel fees should be paid.

Mr. CAHAN: I do not wish to read the documents which the minister laid on the table earlier in the session, but I doubt whether any independent mind could consider those documents and come to the conclusion that these gentlemen are entirely exonerated. It was not a criminal proceeding and they were not defendants; it was an inquiry under the Inquiries Act into the conduct of two servants of the government. I can understand the deputy minister's letter suggesting that in case they were exonerated, consideration might be given to the payment of their expenses, but certainly not otherwise.

Item agreed to.

Meteorological service — further amount required, \$77,000.

Mr. BENNETT: We know about the meteorological service, but why this fairly large extra amount?

Mr. HOWE: This is almost entirely due to aviation work. There have been some observations made in the west and we have been required to do something in connection with the transoceanic service.

Item agreed to.

Loans and advances—to provide for soldier land settlement advances and for advances under the British family schemes recoverable from the British government, \$323,800.

Mr. BENNETT: There is an additional amount in the supplementaries.

Mr. DUNNING: Just a minute; this item is not under this department.

Mr. BENNETT: No, but it can be put through. It is a matter of computation only.

Item agreed to.

Miscellaneous—Trent canal—to provide for a grant by the Department of Railways and Canals towards the cost of the construction by [Mr. Bennett.]

the corporation of the town of Orillia of a dam, power house and log slide on the Gull river, \$7,500.

Mr. STEWART: Would the minister be good enough to inform the committee as to what action, if any, has been taken to turn this canal over to the Hydro-Electric Power Commission of Ontario? I saw something to that effect in the press.

Mr. HOWE: No action of that kind is being taken. We are consolidating certain leases with the hydro commission and have made certain arrangements for the regulating of levels better to suit their purpose. There is no change in the ownership of anything.

Item agreed to.

To provide for payment, under such conditions as the Minister of Finance may prescribe, to national harbours board or the respective corporations constituted to administer the harbours mentioned herein, of the amounts hereinafter set forth, to be applied in payment of the deficits (after payment of interest due the public but exclusive of interest on dominion government advances and depreciation) arising in the calendar year 1936 in the operation of the following harbours:

Halifax, \$178,600.  
Saint John, \$59,300.  
Quebec, \$268,900.  
Chicoutimi, \$16,500.

Mr. HEAPS: Could the minister tell us if any of these harbour boards are meeting their interest charges, I mean of the four mentioned in this item?

Mr. HOWE: No. These are for operating deficits.

Mr. NEILL: Is Vancouver not meeting its interest charges?

Mr. HOWE: No, but it is doing better than meeting operating expenses.

Item agreed to.

Loans and investments—additional amount in excess of the sum of \$5,303,000 already appropriated, required to provide for payment of additional sales tax, imposed by "an act to amend the Special War Revenue Act" (House of Commons Bill No. 76, 1936), to contractors for railway equipment ordered under the provisions of the Supplementary Public Works Construction Act, 1935 (section 9) on equipment delivered after May 1, 1936, \$55,000.

Mr. BENNETT: There was some misunderstanding as to this item. Perhaps the minister could explain it in just a sentence.

Mr. HOWE: We bought some \$15,000,000 worth of equipment on the Philadelphia plan and this is the extra two per cent of sales tax to be applied on the balance which has not been delivered.