

Supply—Defence Production

conflict. My hon. friend can make what he likes of that but if he would like to see the report from the lawyers I would be glad to show it to him. Their reputation is just as high as that of my hon. friend or anyone in his group.

Mr. Fulton: I am sure that may very well be so. It would be interesting to see the letter and it would be equally interesting to know the thoughts in the mind of the minister when he asked for an opinion.

Mr. Diefenbaker: He must have been in doubt.

Mr. Howe (Port Arthur): Of course I was.

Mr. Fulton: I think there may properly be a difference of opinion in this matter and that is one of the points I intended to deal with. According to press reports—and I am reading now from one which appeared in the *Montreal Gazette* on April 21, 1956—the minister said:

Asked today about rumors that he would withdraw—

That is, withdraw from the executorship.

—Mr. Howe said he had been asked by Sir James to serve as an executor in order that he might help ensure the holdings are disposed of in the public interest.

That would be his only responsibility, Mr. Howe said. He would not play any part in handling tax payments or other financial arrangements apart from property disposal.

I assume it was that statement of the position the minister was referring to when he said he had an opinion from these solicitors that if he confined his activities to those matters there would be no conflict of interest. I do not know what the minister's legal advice might have been in specific terms but it certainly is a proposition I have never heard suggested that you can have a split personality as an executor.

An executor in my understanding—and my hon. friends who practice law in Ontario can tell me if the law here is any different from that in my own province, and I do not believe it is—an executor cannot accept only a limited executorship. He is an executor for all purposes and he is jointly responsible with his co-executors for any decisions that are arrived at and is bound to an equal extent with his co-executors by the actions of the executors; therefore for the minister to say he intends only to concern himself with the matter of the eventual disposition of the property and not to take any part in or accept responsibility for any valuations or tax payments—

Mr. Howe (Port Arthur): I did not say that I did not accept any responsibility. I said I would be taking no part. It was understood

[Mr. Howe (Port Arthur).]

by my co-executors that I would take no part. Of course, an executor takes the responsibility for what happens to the property for which he is the executor and I share that responsibility with four other executors.

Mr. Fulton: Exactly.

Mr. Howe (Port Arthur): Well, don't worry about it.

Mr. Fulton: I stated the proposition that the minister cannot split his personality or limit his responsibility as an executor. As I said, the minister is not a person who is in the habit of controlling his actions and expressions, his words and conduct, in such a way that they do not have a very great influence on those with whom he is associated.

Mr. Howe (Port Arthur): You are giving your opinion now, are you?

Mr. Fulton: I am giving my opinion based upon observations and based upon facts.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Fulton: Mr. Chairman, when the committee rose at one o'clock I was dealing with the position of the Minister of Defence Production and the conflict of interests between his position as minister and his position as an executor of the estate of Sir James Dunn in the light of the fact that the estate controls, through its shareholdings, the Algoma Steel Company and its affiliated or subordinated companies. Before one o'clock, in the few minutes I had been speaking, the minister indicated pretty clearly that he felt it was entirely inappropriate for us to raise this matter and to question his position. I regret to say that in so far as his personal relationships are concerned I regard this as a matter which has to be discussed in the House of Commons because there is too important a principle involved to let it go by.

Mr. Howe (Port Arthur): May I ask my hon. friend what reference it has to the estimates of the Department of Defence Production?

Mr. Fulton: I intend to show that.

Mr. Howe (Port Arthur): Would it not be a good idea to show that now?

Mr. Fulton: I mention it now on the estimates of this department because the policies adopted and the practices followed by this department will have a most important and immediate bearing upon the welfare of the