

Interim Supply

INTERIM SUPPLY

The house resumed consideration in committee of the motion of Mr. Harris:

Resolved, that a sum not exceeding \$1,651,674,050, being one-half of the total of the amounts of the items set forth in the main estimates for the fiscal year ending March 31, 1958, laid before the House of Commons at the present session of parliament; and in addition thereto a sum not exceeding \$7,298,566.67, being one-third of the total of the amounts of items 52, 57, 116, 117, 131, 132, 156, 248, 281, 322, 324, 328, 355, 399 and 460 of the said estimates; a sum not exceeding \$697,069.25, being one-quarter of the total of the amounts of items 153, 158, 252 and 397 of the said estimates; a sum not exceeding \$3,640,012.17, being one-sixth of the total of the amounts of items 16, 71, 134, 217, 218, 219, 227, 361, 364, 391, 422, 428 and 432 of the said estimates; and a sum not exceeding \$2,383,999.92, being one-twelfth of the total of the amounts of items 28, 69, 129, 221, 223, 224, 233, 234, 300, 321, 333, 424, 425, 430 and 503 of the said estimates;

in addition thereto a sum not exceeding \$9,635,679.50, being one-half of the total of the amounts of the items set forth in the supplementary estimates for the fiscal year ending March 31, 1958 laid before the House of Commons at the present session of parliament; a sum not exceeding \$16,166.67, being one-third of the total of the amounts of items 626 and 654 of the said estimates; and a sum not exceeding \$208,333.34, being one-sixth of the total of the amounts of items 621 and 640 of the said estimates;

and in addition thereto a sum not exceeding \$7,000,000, being two-sevenths of the total of the amount of item 663 set forth in the further supplementary estimates (1) for the fiscal year ending March 31, 1958 laid before the House of Commons at the present session of parliament; a sum not exceeding \$30,555,555.56, being four-ninths of the total of the amounts of items 664, 665, 666, 667, 669 and 670 of the said estimates; and a sum of \$1,000,000, being two-thirds of the total of the amounts of item 668 of the said estimates.

be granted to Her Majesty on account of the fiscal year ending March 31st, 1958.

Mr. Hamilton (York West): Mr. Chairman, I had just started to refer to page 129 of *Widdifield on Executors' Accounts* where, in dealing with the duty of an executor in connection with succession duty, he has this to say:

If the estate of the deceased is liable to succession duty the personal representatives must ascertain and pay this duty before the payment of legacies or distribution.

Here is a direct responsibility which the minister had assumed as an executor of an estate. I submit there is no way that he could avoid the responsibilities which are set out for an executor and trustee. One of those duties was to ascertain the amount of the succession duty which was owing in this particular case and to see that the sum was paid.

I would say as well that one of the duties would be to negotiate with the department as to the value of the shares in question. I would set off those responsibilities against the responsibilities of a minister of the crown as set out by Professor Jennings in

the quotations which I have just given. It seems to me that there is a direct conflict of interest. Had the occasion been used by the minister a year ago to renounce the appointment under the will of the late James Dunn there would have been no reason for the questions that are required now because of the apparent sale of this company to two other companies, in which the minister quite obviously has an interest. I am not saying he has a financial interest, but an interest to see that these companies are in action and that they are prepared to carry out their work so far as the defence production of the country is concerned.

As a matter of fact the very dollars which have gone into the contracts in one instance are the same dollars which will go to provide the purchase price in order that the sale by the executors of the James Dunn estate might take place on an advantageous basis. I say this was a serious breach of ethics in connection with the responsibility that the minister has to the crown and to this estate as one of its executors. I think that the ordinary provisions which apply in connection with the disclosure of information so far as the succession duties department is concerned have now gone by the boards. As a matter of fact, I think they had partially gone by the boards when the Prime Minister, in his wisdom, decided to inform the house as to the amount of funds which were to come from this estate in order to establish the Canada Council.

At this time I think we have a right to ask some of these questions. Has any succession duty been paid by the Dunn estate? Has any extension of time been granted to the Dunn estate for the payment of duties? What method has been used to value the shares of Algoma stock held by the estate? Were any representations made to the Minister of National Revenue concerning the value of the shares of the Dunn estate, or any other aspect of the matter, by any minister of the government or by any director of any crown corporation? Did Mr. Barington, president of Polymer, take any part in the negotiations for the sale of Algoma stock to McIntyre Porcupine mine, before or after his appointment as a director of that company?

Those are questions to which I feel the people of Canada are entitled to answers. Unless there is a full disclosure of the facts of this case there will always be a lingering doubt in the minds of the public as to whether or not there has been a conflict of interest, and whether or not it has been resolved in favour of the public of the country. This is only part of the reason for