

the Dalhousie Gazette

Volume 112
Number 23
March 20, 1980

Hicks confirms connections

Friends' funds aid ex-Premier

by Mike Marshall

Dalhousie President Henry Hicks confirmed on Tuesday that he had been one of the trustees of an arrangement that supplemented the income of former Liberal Leader, Gerald A. Regan, between 1965 until at least 1976. The *Gazette* learned of the arrangement in an RCMP Information (reasons why a Search Warrant should be issued) sworn out before Justice of the Peace E.H. Grainger, clerk of the Provincial Magistrates Court. The issue raises unanswered questions as to how the money was raised and why Regan needed this supplement on his \$40,000 salary as Premier?

Late Monday afternoon, the Appeals Division of the Nova Scotia Supreme Court upheld an earlier ruling that because Informations are sworn out in a public court they must be available to the general public. The appeal court held that the harm the release of this information might do to potentially innocent persons must take second place to the overriding necessity for the conduct of judicial affairs in public. This right was established in the 1300s.

In May 1965 Gerald Regan decided to exchange a well paying job as Halifax's MP to seek the bleak role as the seatless leader of Nova Scotia's tiny 3 man Opposition. It was widely seen at the time to include a commitment from the Party to secure his financial security as long as he was an active, fulltime leader.

Regan was elected leader in July 1965. According to information sworn by the RCMP before JP Grainger, on October 7th 1965, Liberal fundraiser and Halifax accountant, Irving Barrow, wrote the letter that set up the arrangement. He directed Canadian Permanent Trust to cease shifting the "quarterly net income" of Liberal holding fund, Hawco Agency, to another holding fund of the party, Wibassco. From then on, the money was to go out as monthly cheques of \$1100 to be deposited in Regan's personal savings account.

The Income Tax people knew all about it, the money was declared and all that, at the time," said Hicks.

The purpose of the money seemed to be made clear in a letter of June 2, 1968. Barrow and Hawco trustee Frank M.

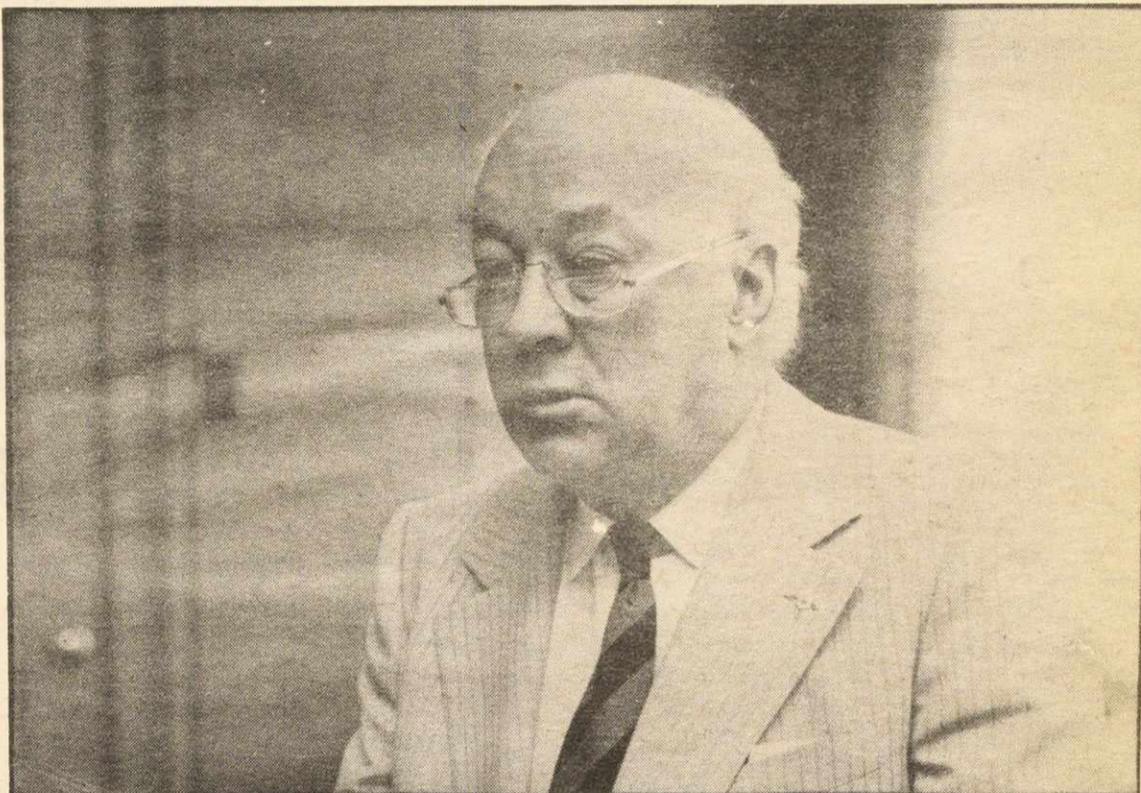
Covert wrote to Regan reminding him that he got the money because he was a leader without a seat in the House and that the agreement was the party would guarantee that his income would be equal to the \$20,000 paid to Robert Stanfield as premier. As leader of the opposition, with a seat in the House after the 1967 election, he earned \$14,000 a year and so the payments were being cut to \$6,000.

After Regan won the election of October 1970, and with it the salary that went with the office of premier, Henry Hicks wrote Barrow to urge a meeting of all Hawco trustees to determine the disposition of Hawco income in light of the election. But the payments appeared not to cease until 1976. According to the sworn Information, Barrow requested Canada Permanent to up the payments from \$6,000 to \$10,000 in January 1973. On September 13, 1976, they were again increased to \$13,000. By 1978, all of Hawco's income was once again paid to Wibassco, with presumably nothing to Regan.

Payments to Opposition Leaders by their parties are common—both Angus L. Macdonald and Jeremy Akerman were without a seat or an income when first selected as leader. But unanswered questions remain. Why was Mr. Regan still receiving this 'supplement' while he was enjoying the \$35-\$40,000 salary of the premier?

And the *Gazette* has been careful not to use the word 'trust fund' in describing Hawco since it had an existence before and after Regan received his monthly payments. What was its purpose before and after the Regan interregnum and where did it receive the funds that made up the Hawco endowment? Again Hicks as a Trustee "... never inquired any further..." but assumed it was from "... friends of the Party..."

We must emphasize that no one has been charged as a result of this investigation and that Regan himself enters into it only as the final recipient of some of the monies collected. What the RCMP was interested in finding out is whether in regard to Hawco and Wibassco, Liberal fundraisers "... between 1967 and 1978..." were claiming to have influence with government officials so as to claim payments for exercising such reputed influence.



Dal President Henry Hicks involved in payments to premier.

W-5 apologizes for racist TV program

OTTAWA (CUP)—The CTV television network apologized publically Sunday for airing a report on International Students, on the W5 program, that has been called racist and inaccurate.

The apology comes five months after CTV broadcast the W5 report "The Campus Giveaway", which alleged that foreign students were taking the places of Canadian students in university programs.

The report also showed film of students of Chinese descent on campus while a voiceover talked about Canadian students being denied access to certain professional faculties. But a viewing of the film footage by members of the AD HOC Committee against W5 found that of all those shown, only two people were actually foreign students and that the rest were Chinese-Canadians.

The apology, read at the beginning of W5's program on Sunday, also said that another program will be aired at a later date that will "Let all sides have their say" on the International Student situation.

John Helliwell, director of the Canadian Bureau for International Education (CBIE), said Monday that if CTV continues to move in the conciliatory tone of the apology, those fighting the program will be satisfied.

"I consider it a major victory," said Helliwell. "I'm delighted with it."

W5's apology admitted that figures it used which said there were 100,000 foreign students in Canadian schools were inaccurate. It said the program used a process that lumped together international student numbers with those of landed immigrants and students in Canada on special permits.

According to the Department of Immigration, there are 58,000 international students at all levels, including high schools, community colleges and universities.

W5 also apologized for what members of Canada's Chinese community have called its racist overtones.

"It was never our intention in doing the program to give offense to any Canadian community: W5 sincerely regrets any offense that may have been unintentionally given to the Chinese-Canadian community."

Liz Paterson, director of the International Students Centre at the University of Toronto, said she believes W5 seriously underestimated the reaction the report would get from campuses and the Chinese-Canadian community.

In addition to a protest by 2,000 people outside CTV headquarters in Toronto last month and other actions in various Canadian cities, several libel suits were filed against the network. It is not yet known if the suits will continue.

inside the Gazette

FENWICK MASSACRE	P. 3
DAL EXPLOITATION	P. 10-11
WEIMAR BERLIN	P. 14
HOCKEY YEAR CLOSES	P. 19