

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session –Twelfth Legislature
41st Day

Monday, April 13, 1953

The House met at three o'clock p.m.

The Order being called for consideration of the Second Report of the Select Standing Committee on Crown Corporations:

Moved by Mr. Erb, seconded by Mrs. Cooper:

That the second report of the Select Standing Committee on Crown Corporations be now concurred in.

Mr. H. C. Dunfield (Meadow Lake): – Mr. Speaker, I have not previously taken part in the public discussions of the matter before us. Like most of the members of this Committee, I have waited until all the evidence was in. For more than three weeks we have listened to certain allegations, statements and counter-statements and have had a great many documentary exhibits offered as evidence; but Mr. Speaker, there is an aspect of this investigation that I consider unusual and rather disquieting in the conduct of public affairs, particularly in the case of a Legislative Inquiry.

I may be old-fashioned, Mr. Speaker, in that I have always held in high esteem the eminent positions in our Government and the men who fill them, whether or not I agree with them at all times. In all governments employing many people situations arise from time to time in which the conduct of an employee or employees comes under public doubt or suspicion, even to the extent of finding it necessary to hold a Legislative investigation. When these situations do arise out of common human frailties, they need not be a matter of great embarrassment to a government, if that government shows its good intent by taking prompt and thorough action to protect the public welfare regardless of whom it may affect. In this case, neither the Premier nor his office was in any way involved in the accusations. The matter was placed before the Crown Corporations Committee to be investigated by that Legislative body. There, Mr. Speaker, in my opinion, the personal participation of the Premier should have ended, and neither he nor his high office should have become involved further in the matter.

On page 4 of the initial report brought down by the Government, we see this:

"In spite of Mr. Tucker's protestations that he acted from a sense of duty in bringing this matter to the attention of the Crown Corporations Committee, it is significant that more than nine months passed before it was made public."

Mr. Speaker, it is more than eight months since the Government knew of serious irregularities regarding the purchase of sodium sulphate by this Government and we have yet to know if anything is being done about it.

April 13, 1953

However, if it is significant in one case to do nothing, how much more significant are the actions of the Premier in this investigation. We have seen the Premier of this province taking a most active and leading role in the investigation. His attitude toward the chief witness, Mr. Rawluk, showed at times a bitterness and a savagery of attack that appeared to be far in excess of what the accusations warranted. Unless there might be much wider implications attached to the case than at first appeared, the actions of the Premier in this case are, I believe, very significant and very relevant to this discussion. In his cross-examination of the witness, Mr. Rawluk, he first tried to frighten him. Let me quote from the evidence of March 12, page 38, in which he said, in part:

"And if the statements are not true, he shall have to take the consequences of perjury."

Mr. Speaker: – Order! I take it the hon. member will assure the members that he is speaking from his own notes, that he is not reading a prepared speech, because, as you know, it is against the rules of this House to give a speech that is prepared by someone else.

Mr. Dunfield: – I can assure you, Mr. Speaker, that I will always speak my own thoughts. There is no need for me at any time to have anyone prepare any arguments for me, and, Mr. Speaker, I have noticed throughout this whole Session that all members, particularly the new members, required and used the assistance of some notes.

I am reading from the transcript. When the Premier asked the witness the following questions. He asked him, at one time, if he would subject himself to a truth serum test. Now we know that such a thing is unconstitutional and would never be considered in a court of law in Canada. But nevertheless, the witness, I think, rather surprised the questioner when he said he would be glad to do so.

Again he tried to trap the witness into a false position when he asked – and I quote from the records of Thursday, March 12:

"Was your telephone tapped, did you feel that you were being followed, throughout the summer of 1952? Did you feel it necessary to go armed?"

It was very palpable, Mr. Speaker, that these questions were asked with a definite purpose in view. If the witness said 'no', that would mean he would no longer be in a position to bring forward any question of threats. If he said 'yes', immediately the theory would be developed that he suffered from a persecution complex, illusions and probable mental instability, which, if upheld, would bar him from any further participation in the investigation. And again, I think, the Premier was startled and disappointed when Mr. Rawluk answered, very firmly, that his telephone line was not tapped, he had not been followed, and he did not carry a gun.

Then, later, he pointed out, or brought to light in various ways, every possible adverse occurrence in the business and personal life of the witness, Rawluk, whether relevant or not, to establish, as the Premier said, the credibility of the witness. I contend that the credibility of the witness is relevant, but the real crux of the situation is the credibility of

the evidence, and we only need to pick up papers from day to day giving accounts of trials, both in Canada and the United States, in which there are witnesses without a shred of credibility, but whose evidence is such that the judge has to accept it because it is incontrovertible, and I submit that the evidence that has been placed before the Committee has not been shaken in any degree by the Government side.

I am not interested in the private business or personal life of any of the witnesses, except insofar as it bears directly on the case in hand; but I am quite sure, Mr. Speaker, that had we subjected all of the witnesses to the same minute examination that the principal witness was subjected to, we would have been here all summer which as our erudite friend reminded us, begins on the 21st of May. I have no doubt that had we adopted such a course with all the witnesses we would have spent some very interesting hours and some very instructive hours; but I am not interested in their personal affairs.

Mr. Speaker, the final and most dramatic effort on the part of the Premier to confuse the issue came when he triumphantly waved aloft certain documentary evidence produced by Dr. Shumiatcher, I believe the itinerary of his trip throughout the previous summer and said, indeed declared with utter finality, "that there was the evidence that thoroughly discredited the witness in regard to the evidence he had given about the continuous phone calls throughout the summer." He implied that, in his opinion, it was utterly unnecessary to continue with the investigation, and he recommended that we commence the preparation of the report immediately and that all of the documents should be handed to the Attorney General for such action as he deemed fit. Mr. Embury, counsel for Mr. Rawluk, instantly exploded that little play of the Premier's. He also pointed out to the Premier that he was making very serious charges against the witness, of mental instability, without a shred of evidence. And on the question of perjury, both Mr. Embury and the hon. Leader of the Opposition stated emphatically that they would welcome a charge of perjury by the Government. And they begged the Premier to take this matter into court where it could be cleared up definitely before the proper judges of the land, for, as was stated, the other day, in Ottawa Mr. Woodsworth had once said that it was impossible to bring down an impartial report in a Committee investigation, so that I do feel the air will only be cleared when this matter is tried before the proper judges.

Mr. Speaker, after I had studied this report, I had to admit one thing, namely, that it was a masterful piece of writing with a complete disregard for evidence that might in any way implicate the Government, but laid special stress on every tittle of evidence detrimental to the witness. The Chairman of the Committee and his colleagues, in preparing this report, had neatly bisected the situation, and say in effect "We find against the credibility of the witness, Rawluk, and therefore cannot accept the credibility of the evidence." It was a masterful job, tidy, neat, and to their viewpoint; I cannot accept it as it stands, and therefore, Mr. Speaker, I wish to move, seconded by Mr. Ripley, the following amendment:

"That all the words after the word 'that' in the first line of the motion be struck out and following substituted therefor:

April 13, 1953

"That the said report be not now concurred in, but that it be referred back to the Select Standing Committee on Crown Corporations with instructions that they have power to amend the same by deleting paragraphs four to twenty-eight inclusive, and substituting the following as paragraph four:

'4. The Committee recommends that the Lieutenant Governor in Council appoint a judicial commission consisting of one judge to be named by the Chief Justice of Saskatchewan, for the purpose of

(1) considering the evidence given before the Special Select Committee on Crown Corporations at its session held between March 10, 1953, and April 4, 1953 inclusive, and further hearing any of the witnesses who gave evidence at such sessions, and also such further witnesses and evidence as said Commission may deem fit and proper, in order that said Commission may report to this Legislature its findings as to the alleged improper actions and conduct of the Hon. C. M. Fines, Provincial Treasurer and M. F. Allore, manager of the Saskatchewan Government Insurance Office, as set forth in the affidavit of Joseph Oliver Rawluk, sworn May 23, 1952, and by said evidence given before the Special Select Committee on Crown Corporations during the said hearings, and that a transcript of the evidence given before the Committee and all exhibits and papers produced or filed in the course of the hearing for the Committee be turned over to such judicial Commission, and,

(2) investigating the circumstances and facts in regard to the secret commission alleged to have been paid to one Wilks, when manager of the Sodium Sulphate division of Saskatchewan Minerals, in connection with or at the time of the purchase of Sodium Sulphate by Saskatchewan Minerals, during 1951 and 1952, and that such Commission do report to this Legislature."

Mr. Speaker: – I will ask the Clerk to read the motion. There are a lot of corrections there that I cannot decipher.

The debate continued on the proposed amendment of Mr. Dunfield.

Mr. W. A. Tucker (Leader of the Opposition): – Mr. Speaker, in speaking in support of the amendment, I do not intend to go into the evidence at any great length, because if the amendment carries, the whole matter would be referred to a judicial Commission and it would be quite proper to leave the decision as to the guilt or innocence of everybody involved to that Commission. Therefore, it would be quite improper for me to deal with the evidence at any length.

The reason why we make the motion which we do is simply that it's quite clear to anybody who has taken part in these proceedings that there has been a definite attitude taken by the Government and its supporters, in drawing up this report, to do a complete job of 'whitewashing' in regard to everybody accused. In fact, I wouldn't say it was a good job because it was done in such a very crude manner. All through the report – and I don't intend to refer to it at any length; but all through the report it appears very plain that the evidence was to construe the slightest bit of evidence that could be construed adversely to the finding that any of the charges were substantiated, to construe that evidence in the worst possible way against it being found to be correct, and also to gloss over failure of the various people involved to adequately explain their actions or justify the evidence against them, or indicate in what way certain documentary evidence could be construed so as to find that they were not guilty.

As I say, that tendency was shown very clearly in the report itself. I don't think any disinterested person reading it could, for a single minute, regard it as anything like a report of people who were weighing the evidence in an impartial way. And I would like to make it very clear, Mr. Speaker, that that report has been referred to as the report of the Crown Corporations Committee. As you know, Mr. Speaker, there is no provision for a minority report under our rules, and that report is the report of the C.C.F. members of that Crown Corporations Committee. It was not concurred in in any way, shape or form, except in regard to the first formal part of it, by the members of the Committee who did not belong to the C.C.F. Party; and if there is any attempt made, as there has been, to indicate that the Committee has cleared everybody concerned as stated in that report, it should be understood definitely, Mr. Speaker, that that report is only the findings of the members of the C.C.F. Party and was not concurred in by the other members of the Committee.

In fact, Mr. Speaker, the record will show that the other members of the Committee contested clause after clause of that report as unfair, not borne out by the evidence, and that the findings were not justified by the evidence, and the members of the Committee, other than the C.C.F. members, voted unanimously against the findings set out in that report.

Now then, it became clear as the hearing went on, Mr. Speaker, that the supporters of the Government on the Crown Corporations Committee were taking a certain view of the matter, and it also became clear that other members of the Committee who were not of the C.C.F. Party, were taking another very strong view of the matter. It became very clear as the hearing progressed that there could not be, in any way, a judicial hearing on the matter by the Crown Corporations Committee, but that it was apparently regarded that if any of the charges were held to be substantiated, it was going to be a tremendous reflection on the C.C.F. Party and Government, and therefore, at all costs, the charges has to be proven to be untrue. At the same time, the

April 13, 1953

members of the Opposition who had supported the motion that the charges be investigated, were put in the position that unless there was going to be a most one-sided hearing, the evidence of the truth of these charges should be brought forward before the Committee. And the time came when it was suggested that the matter be referred, in some way, to a hearing by some court. Well you recall, Mr. Speaker, the attitude taken towards that by myself, as Leader of the Opposition, was that we would support a judicial inquiry, because we felt that the matter should be gone into by some person trained in weighing evidence and some person in whom the country would have complete confidence not only as to their ability, but because of the fact that they were not affected by political consideration.

At that time the Premier did not see fit to accept that suggestion, because, as I understand it, it was suggested that it should have been brought forward at the commencement of the proceedings. Now, Mr. Speaker, dealing with that for a moment, I must say that when I laid the substance of some of the affidavit of Rawluk before the Crown Corporations Committee on the morning of March 10th, I laid the allegations before the Committee insofar as they involved Allore and Bodnoff and Shumiatcher, and did not lay before them the contents of the affidavit so far as they involved the hon. Provincial Treasurer. My reason at that time for taking that action was that there was no corroboration, no written documents corroborating the charges against the Provincial Treasurer, and I realized that it would be a matter of his word or the word of Mr. Rawluk, and my attitude before the Committee was that there were documents supporting the charge against Allore, but there weren't documents supporting the charge against the Provincial Treasurer – at least I didn't mention that the Provincial Treasurer was involved, but I am saying now, that that was the reason why I did not mention him in the first statement to the Committee.

In that light, when the Committee met it was decided to call Rawluk and have him produce the original affidavit which disclosed the charges against the Provincial Treasurer. Now, at the time the motion was made that this matter be investigated by the Crown Corporations Committee, the only matters before the Committee at that time, were the charges against Allore, involving, of course, Shumiatcher and Bodnoff; and the motion was made by myself, seconded by the Provincial Treasurer, that the matter be gone into by the Crown Corporations Committee. By that time, Mr. Speaker, having studied Exhibit "R" and the other documents which were exhibited to the affidavit of Mr. Rawluk, I could not see that there could be any possibility of any other explanation of Exhibit "R" than that Allore had, in fact, been getting a 40-per cent secret commission in regard to certain business which he had something to do with Financial Agencies doing with the Government Insurance Office, and I must say that he did not, during the course of the hearing, give any explanation of Exhibit "R", that he was ready to stand behind. He brought forth several possible explanations, but he didn't undertake to say that one would be the exact explanation. And my attitude, at that time, was that I did not see how there could be any explanation of Exhibit "R" except that there had been some arrangement for him to share in the commissions earned by Financial Agencies Limited in regard to business done with the Insurance Office. I did not think, at that time, in the light of that evidence, that the Government would do otherwise than take the attitude – here is a man who has put in writing, an indication that he was sharing in secret commissions, in his own handwriting, and that the Government then would take the attitude that they would be just as anxious to have this matter investigated and just

as anxious to have the truth sought out, whether it found Allore guilty or not, as anyone – perhaps more so. But, instead of that, the attitude was taken on the night of March 10th, and it quite obviously appeared at that time, that the Government intended to attack, with all possible violence it could, the allegations, and that there was no intention in any way of taking a detached attitude in regard to the matter.

It might be said that I should have, at that time, at once have taken the attitude that there should be a judicial inquiry into this matter. As a matter of fact, the thought did occur to me, but I felt myself that this was a matter for the Government. A Minister of the Crown had seconded the motion that it be examined by the Crown Corporations Committee, and it was for them to see that there was an absolutely detached attitude taken towards this inquiry before the Crown Corporations Committee. It was always possible, as the evidence became clearer and clearer, that they would decide to take that attitude, but instead of taking that detached attitude, they began to take an even firmer attitude of attempting to discredit Rawluk and to prove that the charges were untrue.

When it became quite clear that the Government had no intention whatever of doing otherwise than attempt to prove the untruth of these charges, then, of course, the suggestion was made that perhaps this should go before a judicial Commission, or some judicial person, by the Premier himself, and we immediately acquiesced in it. Now then, it may be said that when we have heard all the evidence we should actually make a finding on it. That otherwise we will have wasted all the time we spent hearing that evidence. Well, Mr. Speaker, my attitude is that I do not think that time was wasted, because it brought the evidence out; it is transcribed, the exhibits are there to be preserved, to be examined by any judicial body, and the evidence has been established as it is in a preliminary inquiry in regard to all criminal offences. That is, in all criminal offences where a person is charged, the evidence is taken in regard to the matter, taken down by the Justice of the Peace, and he does not purport to rule on it. It is passed on then to be ruled on by either a Judge or a Judge and jury and that evidence then is there for the assistance of the higher court. I submit that the taking of that evidence will serve the same purpose if this is referred to a judicial inquiry, as if there had been a preliminary inquiry.

Then in regard to the suggestion that, because we have spent this time taking this evidence that even whether we feel that we are qualified as a partisan body to make a ruling on it or not, we should go on and make a ruling nonetheless, even though it may be unjust or unfair, but because we have heard the evidence we must make a ruling, then I submit that I do not accept that argument, because if it be once admitted that a Committee such as ours, on account of its partisan nature, should not attempt to rule on a matter such as this, then of course the fact that we spent some time in bringing out the evidence does not justify them in doing an unjust act. Surely that should be clear.

In that regard, Mr. Speaker, I was very interested in the attitude of the first leader of the C.C.F. Party towards parliamentary Committees ruling in matters such as this. The late Mr. Woodsworth is reported, on June 23, 1926, at page 4933 of Hansard, as having said this – and he was speaking in regard to the Customs Inquiry which was taking place during the early part of 1926. They had been hearing evidence for several months, and at that time a motion was made that the matter be referred to a judicial commission, and

April 13, 1953

Mr. Woodsworth was speaking in support of that idea, and he is reported to have said this:

"Now in order to complete the investigation, and further because of the impossibility of obtaining justice in a parliamentary committee organized as a parliamentary committee must be, with representatives of opposing parties on it, it seems to me we could not do better than complete the work which has been begun and carried forward for 4½ months, by the appointment of a Commission which would be able to go out and survey the whole field of which we have investigated only a part."

Now then, I quite realize that Mr. Woodsworth gave two reasons there for supporting the idea of a judicial Commission. The first one was that you could not expect as he said 'justice' in a parliamentary committee, where there is contention between political parties. The second reason was that the work had not been finished. Well I submit that the over-riding reason with a man of Mr. Woodsworth's nature, would be the doing of justice; that even if the other argument had not been there, if Mr. Woodsworth believed, as he said he did, that a parliamentary committee could not do justice, he would have then taken the attitude that it should not undertake to make a final decision on the matter even though the work had been finished. And so, although he gives two reasons, I submit that the over-riding reason he had in mind was the total inability of a parliamentary committee to do justice in ruling on a disputed question where the forces of a political party are involved. He said "the impossibility of obtaining justice in a parliamentary committee."

Now, Mr. Speaker, no political party had a clear majority on that particular Committee. The Liberals and Conservatives were fairly evenly balanced and the third party really held the balance of power, and there certainly was more chance of an impartial attitude being taken before that Committee than there is before the Crown Corporations Committee of this Legislature, where I believe the C.C.F. have 26 members on it and the Opposition have only 10, and repeatedly, over and over again, the Opposition was voted down when they pointed out what seemed to them unfair findings in this report.

Now then, Mr. Speaker, it has been suggested that having heard the evidence we should go on and make a report regardless of whether it is going to do justice or not. Well, my suggestion to the Government and its supporters is that the mere fact that they can carry through a report like this to this Legislature, and then by their overwhelming majority in this Legislature vote concurrence in it, is not going to wipe out that evidence. It is not going to create a situation where the evidence given disappears. It is not going to satisfy anybody that the people involved are clear, because the people of the province know the evidence is there; they know that the documents are there, such as Exhibit "R"; they know it's there and the mere fact of bringing out all that could possibly be brought out against Rawluk, of his financial dealings, does not prove that his evidence was incorrect. If he had been a man of the greatest uprightness, he would have refused to have anything to do with this arrangement. When you prove that he is a man who would not absolutely adhere to the line of extreme rectitude, that he was not that sort of a man,

you are proving that he is the kind of a man that would enter into a deal like this. That is all you have done, Mr. Speaker. It is to be suggested that a person who would enter into a deal like this and then later, as it was proved here, being pressed financially, having had it put over him as it was put over him when his associates withdrew from the Company that was then in a bankrupt condition and there is no doubt about that; and then he was pressed and very shortly deprived of a means of making money by the taking away of the Government Insurance contract because he was in arrears, and left in a position where he had debts of this Company which he could not pay, and then because he resorted to various subterfuges to try to keep going, does that prove that he cannot possibly tell the truth when he is put under oath? It does not prove anything of the sort.

The question is, was his evidence corroborated by documents? Was it corroborated by other witnesses? Well, I am not going to go on with that at this particular stage, but I am saying that the people who denied the evidence had good reason to deny it. Everybody involved would possibly get into very serious trouble if his allegations were proved correct. And they had good reason to deny the charges of Rawluk, good reason to go to considerable lengths to deny them. And I submit that, in regard to the position of the Provincial Treasurer in this matter, it seems to me that he should be the first one to say 'I would like to see this evidence referred to a judicial Commission', because he must know that if it is referred to a judicial Commission that its findings will be accepted. If he is satisfied that the charges against him are absolutely untrue and have been exploded, he should be the first one to say that 'I want a ruling to that effect by the highest judge in Saskatchewan who could possibly be got to sit on this matter'. And he must know, and the members of the Government must know, and their supporters must know, that the mere carrying of this obviously biased and partisan report is not going to be accepted by people who have studied the evidence as a complete vindication of the Provincial Treasurer, and I cannot believe, for a single minute, that the Government or the hon. Provincial Treasurer can possibly feel satisfied to have the matter passed on by a Committee in which the C.C.F. have an almost three-to-one majority.

Now then, after all, with the attitude taken in this matter throughout the inquiry, if this Legislature were to vote otherwise than approval of this report, it would be regarded as a complete sign of lack of confidence in the Government, and so every supporter of the C.C.F. is in this position, when voting on this report, that they have to choose between whatever they may actually feel in regard to the evidence and what they know would be the damage done to their Party if it is admitted that there is any truth in these charges. When the report was put in without any suggestion that there could be any possibility of any truth in any of these charges, regardless of Exhibit "R", regardless of the other Exhibits – when that was put over the radio, for example, people said, 'well, you didn't prove it, did you?' Well, my answer to them is this: when people are so deeply involved, it is to be expected that they are going to vote guilty – I don't think there are many people, Mr. Speaker, who would be found guilty in our courts if you had to get them to vote and agree that they were guilty.

That is exactly the situation that is before us, today; and it is because of that fact, Mr. Speaker, that I support the suggestion that without any ruling or any idea of going through the farce (and I submit it is)

April 13, 1953

of having this Legislature vote on this matter, because it will be and it is bound to be, as has been shown heretofore, that it will be a vote on party lines and will not prove anything as to guilt or innocence, to people who understand the situation; but before we do that, we should take the attitude here that we are not going to do that, that we are going to leave it to a judicial Commission to rule on the whole situation.

So far as the attitude of the Opposition is concerned, it has been this, right from the start. When this matter was brought to my attention not long before the election, last June, I took the attitude that I did not think it would be the right thing to do to make this public just before the election, because it would be said, and properly said, that it involved people who had not been given a chance to clear themselves. So I took the attitude at that time that I would not have any part in bringing this to public attention.

It has been said, Mr. Speaker, that I should have done so; that I should have, in some way, got up and made a public speech about it, whether I knew it was true or not. Well, my attitude was that I did not have the facilities to look into this matter, to investigate the background of Mr. Rawluk, or to do anything of the sort, and that the proper place to investigate this thing was in a proper Committee of this Legislature where the thing could be examined by the representatives of the people. I made up my mind that, if I was returned to the Legislature, that is what I would do.

Some people have said that I should have taken the matter to the Premier. Well, I might as well deal with that now, because it will have to be dealt with sooner or later. I would have thought that I would have been completely lacking in any consideration of what was right and proper if a man had come to me with a story like this and then I had gone and told the Premier of this story so that the man without any chance to come before any court or otherwise to tell his story, would have been subjected to possible pressure from the people involved. Now then, had this been brought to the Premier's attention, of course he would have been brought in and asked to substantiate the matter. Others would have found out about it and, personally, I do not think it would have been the proper thing to do.

Another matter that I had to consider was this. There were certain documents that if they were not preserved, there would have been nothing but the uncorroborated evidence of Rawluk in the matter, and one could see what would have happened in this case if it were not for certain documents that witnesses were asked to explain. If it were entirely a matter of the evidence of Rawluk against the people that he accused, well then, of course, it would not have been fair to him at all, because he would not have had the documents to back it up in any way, if he had been persuaded to give them up and did not have them in his possession.

There is another feature of this, Mr. Speaker, and that is that I knew that, if Rawluk's story was correct, what it meant was that a public official (just referring to Allore) had been conspiring with a prominent barrister of this city and another citizen, namely Dr. Shumiatcher and Mr. Philip Bodnoff, to give a secret commission to Allore which, of course, is a very serious offence under the Criminal Code. I also knew that the Premier and the Provincial Treasurer had been taken into a business relationship with Shumiatcher and Bodnoff on October 16, 1950. I knew that they had been taken

into this close business association, that Dr. Shumiatcher, Mr. Philip Bodnoff, the Provincial Treasurer and the Premier were shareholders in this Company 'Theatre Under the Stars Limited', and were fellow directors, and here was Rawluk accusing the associates of the Premier and Provincial Treasurer of what, if it were proved, would be a criminal offence. Yet it is suggested that I should go to the Premier, who was an associate of those people, and put him in the position of perhaps being called before the Premier to explain the charges against his associates. Well, of course, it was not to be thought of, Mr. Speaker, not for a moment. I did, at least, and I am ready to take the responsibility for it, bring the charges contained in the Rawluk matter before the Crown Corporations Committee of this Legislature and moved, seconded my Mr. Fines, that the matter be examined by the Legislature.

Now we have gone into the evidence and I think what has happened shows that this matter is quite obviously a matter that, if it is decided at all by this Legislature, is going to be decided on strictly Party lines, because it has been demonstrated that the C.C.F. Party takes one view of this matter and the Liberal Party, representing the Opposition here, takes another view of it. That being the case, I submit, Mr. Speaker, that the way to take this out of the realm of politics, to get into a position where we are going to have a non-partisan ruling on this matter, is to accept the amendment.

I would think that the Government itself would favour this view. If they vote to support this Committee's finding, they are in the position that they are finding not guilty of these charges the manager of their Government Insurance Office, and in the light of all the evidence brought out, and the documents, I wonder if they are taking the right stand in the public interest in doing that. If he is cleared by a judicial Commission, then, of course, he has a right to stay on that job and the public confidence will be in him; but if he is not cleared by a judicial Commission, if he is only cleared by a partisan vote of this Legislature, is there going to be the confidence restored in him that he should have if he is going to carry on? The same thing is true of the Provincial Treasurer. If he is cleared only by a majority vote of this Legislature, and by people who are his colleagues, who have great interest in clearing him, naturally then, of course, what is his position in holding the second highest position in the Government of this province? Well, I do not think the Government should put either of these gentlemen in that position, of asking them to carry on under those circumstances, and a judicial Commission would clear the matter up.

The matter may be raised of the expense of a Commission examining this evidence, calling any witnesses to clarify any part of it and also to be able to judge their credibility and veracity; their right to examine any other witnesses that might be involved, examine the documents at leisure, as we were not able to do, Mr. Speaker – we were working here 15 hours a day, oftentimes weary almost beyond endurance. Well, of course, how can people do a proper job in regard to a difficult matter like this if they are carrying on under circumstances like that? It is not the way to judge fellow-citizens either one way or the other, and I submit that a judicial commission will clear the thing up one way or the other and everybody will have confidence in it. And surely, the expense of a single judge going into this matter for a couple of months, when these charges are there against the manager of our Saskatchewan Government Insurance Office which is doing such a tremendous

April 13, 1953

business now, and against the Minister second in importance in the Government, surely the public would support the expenditure to clear that situation up!

There is another matter, Mr. Speaker, and that is covered by the second part of the motion. It was brought out during the course of the investigation of the business of the Sodium Sulphate plant by the same Crown Corporations Committee with regard to a gentleman who was manager of the Sodium Sulphate Division – a gentleman by the name of Wilks –

Hon. L. F. McIntosh: – I would like to make a correction. He was sales manager.

Mr. Tucker: – Sales Manager. I thank the Minister for his correction because I want to be very sure that what I say is right in this, and I don't want to say any more than necessary about the case. Mr. Wilks was sales manager of the Sodium Sulphate Division and had been buying sodium sulphate . . .

Mr. Speaker: – Order! Would the hon. mover of the motion like to amend his amendment to make that correction?

Mr. Tucker: – Yes. It wasn't stated in the Crown Corporations Committee that he was not manager and the amendment was drawn on that basis; but I am sure that the mover of the motion would agree to have that changed to 'sales manager of the Sodium Sulphate Division' and I think that can be done right now by agreement with the mover and the seconder.

But in any event, it was brought out there, at that time, that apparently the Sodium Sulphate Division of the Saskatchewan Minerals had certain commitments to meet in regard to supplying sodium sulphate and for that purpose had to buy sodium sulphate from a private company and, naturally, it was the duty of this officer of the Sodium Sulphate Division of the Saskatchewan Minerals to get this sodium sulphate as cheaply as possible. It was brought out that, at some time, he received secret commission in regard to this work of buying this sodium sulphate for the Crown Corporation. Now then, we were told that the Government had some suspicion of that, sometime last Fall, and that they had decided to investigate the matter, and that they had, finally, decided to take action in the matter against Wilks and any other action that was justified, and then we were told that, on the advice of a firm of solicitors in Regina, they had advised against criminal action, and in the Committee we were told that it was the intention to take civil action in an endeavour to obtain a judgment in the matter.

The reason given for that was that the firm of solicitors was of the opinion that criminal action would not succeed, and my suggestion at that time and also now, is that in these matters, when officials of the Government are concerned, the Attorney General's Department and the law officers of the Crown are the ones who should take the responsibility in these matters. They can take advice, if they wish, to fortify their views; but in regard to matters like this, the law officers of the Purple Crown are sworn to do the work in this regard, and they are the ones whom the people have a right to hold responsible, and they are the ones, and the only ones who, speaking through the Attorney General, should ever be put forward as an authority for not taking criminal action in regard to such a flagrant breach of a fiduciary relationship such as took place here.

My position is that after consulting with the law officers of the Crown, I think that they would have recommended that a charge be laid and that a preliminary inquiry be held and then a decision be made whether a charge should be preferred or not. Why this was not done, I don't know; but I do suggest that if this sort of thing is going to be found out and then all that is going to happen in regard to it is a civil action which may result in a perfectly worthless judgment, because very often people who engage in that sort of thing have little or no property of value, within the jurisdiction, and if that is going to result in a perfectly worthless judgment, and it becomes known that in the Province of Saskatchewan you can engage in this sort of business, actually if you are in the position where you are supposed to buy things for the Government, that you can take secret rebates, secret commissions and that nothing is going to happen to you but you are going to be sued in a civil court, then I suggest that the Government is not availing itself of the protection provided by the Criminal Code and it is going to find itself in a great deal of difficulty in regard to the matter.

The suggestion has been made that the Government is ready to do whatever is right in the matter. Well if it is, here is something that this judicial Commission can go into very carefully and advise them on, and I suggest that it is another thing where the judicial Commission could more than justify its existence for this reason alone, because this matter, I submit, Mr. Speaker, should be handled properly and carefully, and the Government should not abdicate its responsibility to protect the public interest by relying on a firm of private solicitors, no matter how eminent, because after all, as I read the Criminal Code, gifts like this to public officials – I understand this gift was made right after the contract was made and therefore there is some suggestion made that there cannot be proof of corrupt intention; but as I read the Criminal Code, Mr. Speaker, if the gift is made within a year, unless it is made with the express approval of the manager, then it is the ground for criminal action.

However, it is not for me to give advice to the Government. They can either get it from their own law officers or if they feel that for some reason or other they do not want to take their advice, well then I submit that the next best thing for them to do, which is probably a better thing for them to do, is to refer it to a high judicial authority to go into this evidence and not only find out whether criminal action is justified, but find out to what extent this private company is liable and to what extent they can be sued and forced to make restitution to the people of this province in regard to this dealing with an official working under the direction of a Crown Corporation of the Government.

As I said at the start, I have not gone into the evidence in any detail. I just referred to it enough to indicate that, in our opinion, if this matter must be voted on, if this Legislature must decide the matter, then we take a different view of the evidence from the supporters of the Government, and this matter is going to have to be decided by this Legislature with an overwhelming majority on the side of the Government. But that is not going to clear anybody. It is not going to establish anybody's innocence in the public mind, and if it is true that these people who are accused are actually innocent, then they are entitled to be cleared in a better way than that, and if they are guilty, then it would indeed be a shame if, by virtue of partisan considerations, these people were vindicated when they should not be vindicated. Then, in regard to the Wilks matter which the Government has

April 13, 1953

had some knowledge of for well over seven months and no action taken up to the day it was brought out in the Crown Corporations Committee, I think the people of this province are not only entitled to know just what the facts are in that regard, but why they have been so long in doing something about that matter, because, after all, it certainly is a serious matter. I think a judicial Commission, again, if the Government had a good reason for delay in taking action, it should be the first one to have that acted on by high judicial authority, to indicate that the Government itself is not in any way at fault or involved in regard to the delay in taking action to clear this matter up.

And so, Mr. Speaker, I suggest, in the interest of doing justice to the people involved in this matter, in the interests of restoring faith in the people working for the Government, in the interests of civil servants who work long hours honestly serving the Government and whose interest it is to have it established and have it understood that if there is any wrongdoing in the circle of the civil service, it is going to be cleared up and clear the name of everybody who is honest by showing that that is the intention of the Government; and in the interests of the confidence of the people in the administration of our affairs and in the way in which this Legislature conducts itself when people are accused of serious offences, I urge that the members support this amendment.

Premier Douglas: – Mr. Speaker, since this is the first opportunity I have had to say anything about this whole matter of the investigation which tomorrow will have been five weeks in progress, I should like to take this opportunity on behalf of the members on this side of the House to express our thanks and our appreciation to the Clerk and the members of his staff for the tremendous job they have done in getting the transcript and keeping the exhibits and all the multitudinous tasks which we have without warning thrown into their laps and made part of their responsibility.

I would also like to express our thanks to the members of the Press Gallery who have worked long and arduous hours, and I want to say to the people of the province that they have had probably as carefully reported proceedings as could be found in any newspaper in Canada. I have had some occasion to differ with some of them about the nature of the headlines, but I know enough about newspapers to know that newspaper reporters don't write headlines. The reporting has been of a high quality and has been done at the expense of a good deal of hard work and strenuous labour, and I want to tell the Press Gallery that we appreciate it, and I am sure the people of the province will appreciate it too.

Now, Mr. Speaker, it is not my intention at this time to discuss the report at all. I shall reserve my remarks with reference to the report until we are on the main motion or any other amendments that are brought forward. I propose to confine myself at this time to the amendment proposed by the hon. member from Meadow Lake (Mr. Dunfield), and that is an amendment which without reading I can summarize by simply saying that it proposes to take this matter which has been before a Standing Committee of this House for now five weeks and lift it out of the realm of the Legislature and place it before a judicial committee of a judge, selected not by the Lieutenant-Governor in Council but selected by the Chief Justice of the Province. I am not going to make any comment about that 'democratic' way to selecting judicial commissions because it is not too relevant, but that is the proposal.

I want to say first of all, Mr. Speaker, that such a proposal is completely at variance with all the history of parliamentary and legislative inquiries in the history of this country. I have had some search made of the various legislative and parliamentary inquiries that have taken place over a period of years. I will try not to weary the House, but I think the House has to keep remembering that we have certain responsibilities and we have certain authorities and we have a certain dignity as a Legislature. If we don't respect ourselves, we cannot expect other people to respect us. And if we keep constantly saying to everybody that we are incompetent and we are not capable of giving justice and only a judge can do things that we cannot do, then we can hardly expect people to have much respect for a democratic institution. Therefore it is wise to go back and see what legislative and parliamentary inquiries have done.

May I first of all make this categorical statement before I begin to build my case. I think a search will show that no parliamentary or legislative inquiry, having carried out its investigation, having heard all the witnesses prepared to appear before it, and having completed its work, has ever then abdicated its responsibility and refused to make a report.

Now, there are a few that may look like exceptions until you examine them and those exceptions I want to take a few moments to deal with. The Leader of the Opposition has mentioned the Customs Inquiry. What is the situation with reference to the Customs Inquiry? Well, on February 25, 1926, a special Committee of the House of Commons was appointed to investigate the administration of the Department of Customs and Excise, and they brought in their third and final report to the House of Commons on June 18, 1926. It is true that they recommended the setting up of a Royal Commission, but, Mr. Speaker, may I point out two things: First, that they made a report and they made findings. They found, for instance – this is Clause 9:

"The Committee finds that theft of motor vehicles has frequently been associated with smuggling on the Quebec customs frontier. The procedure followed by the Department in dealing with cars stolen and smuggled has resulted in an advantage to the thief and the receiver as against the owner of the car. The Committee further finds that a strong presumption is raised that some proportions of the liquor so shipped and cleared finds its way back into Canada. They also find that there has been a steady deterioration in the whole Department of Customs and Excise."

Why then did they ask for a Royal Commission? – Because their investigation had been confined to Ontario, Quebec and the Maritimes, and they had not been able to carry their investigation into the Pacific Coast and into western Canada. And paragraph 4 says:

"Notwithstanding the time devoted by the Committee to the taking of evidence, the matters referred to it by the order of reference could not be completely reduced. Much evidence was taken in connection with the port of Montreal; the situation at Devizes" (I think it is called) "and Rock Island, Quebec; the operation of distilleries.

April 13, 1953

The Committee has also with some detail examined the liquor smuggling in the Maritime Provinces. The Committee has examined in a general way the conduct of business of certain customs ports of Ontario. The Committee has not dealt, except incidentally, with the Middle West and the Pacific Coast. It is agreed therefore that this report is incomplete and suggestive rather than final. Full audit and extra-departmental investigation would be profitable in improving the service and recovering a large amount of revenue."

The Customs Investigation was carried on by the Committee for a period of some four months. They made a finding; they found wrong-doing; then they said, 'since the House is about to prorogue we suggest the setting up of a Royal Commission to deal with things that we have not been able to investigate.'

Another instance of where a parliamentary committee moved into a Royal Commission was in the Price Spreads Commission, which was appointed on February 2, 1934, and was composed of 11 members of the House of Commons, to investigate into the causes of the large spread between the prices received for commodities by producers and the price paid by the consumers. That Committee when the House was ready to prorogue had not completed its work, and the House of Commons converted that parliamentary Committee into a Royal Commission; the members themselves simply became a Royal Commission to allow them to continue their investigation.

Then there is a case, the only other case I can find – there are two others. One of the others is in the province of Alberta when on April 13, 1934, a special committee of the Legislature was selected to examine files asked for by Mr. Howsom, who was the Leader of the Liberal Party, respecting Lassiter and Wood. That was on April 13. On the next day, April 14th, the Committee reported back to the House, and this is what they said:

"Your Committee has spent several hours investigating one of the cases referred to but has not had sufficient time to commence investigation of the other. It will not be possible even to complete investigation of the former case for two or three days at the earliest. Your Committee therefore begs to recommend that it be discharged and that His Honour, the Lieutenant-Governor, be requested to appoint the Hon. Horace Harvey, Chief Justice of Alberta, to make the said investigation."

They sat one day, a few hours, and then recommended to the Government that a judicial commission be appointed.

And the other incident is in our own province, the so-called Bryant Commission, when on February 25, 1930, Mr. Bryant moved to refer certain declarations of certain individuals pertaining to the administration of affairs of the Liquor Commission and pertaining to the interference with the administration of justice by Civil Servants and so on, to a Committee of the House. That was on the 25th of February. The Committee did not discuss this matter

and, as the Premier of that time (Dr. J. T. M. Anderson) pointed out, as reported in the Regina 'Leader-Post' of March 18, 1930, the Government and the Opposition got together, and since the Committee to which the matter had been referred, which was the Committee on Public Accounts, had been so busy with public accounts and had not been able to attend to this matter, a motion was brought into the House on the 17th of March, moved by Mr. Davis, and seconded by Mr. Bryant, that this matter be dealt with by a Commission of at least three judges of the King's Bench Court of Saskatchewan for the purpose of inquiring into these matters and that such Commission do report back to the Legislature.

Now, I apologize for taking the time of the House to go over back history, but I think it is important, Mr. Speaker, to point out that just as Parliament is the highest court in Canada, so this Legislature is the highest court in Saskatchewan, and when a matter is referred to the high court of parliament or the high court of the legislature said Court has a responsibility to deal with the matter. To come along now and to suggest that this high court, having spent now some five weeks investigating the matter, having heard I think 26 witnesses in all, having spent scores of hours, is tantamount to suggesting that it should now abdicate its responsibility and say 'we are not competent to make this decision we are asked to make and we want one with superior intelligence and superior powers to make it for us.'

I want to say very frankly, Mr. Speaker, – and I speak now for the Government – that we would have willingly granted either a Royal Commission or a Judicial Commission if it had been asked for by the Opposition on the 10th day of March, or if any time prior to that they had asked for a Royal Commission. But they didn't ask for it. And I want to submit to this Legislature and to the people of Saskatchewan that the Leader of the Opposition had in his possession a copy of the Affidavit which has been the basis of this entire inquiry and that he had had a copy of that Affidavit for a period of over nine months. He was not taken by surprise as were the members on this side of the House when it was suddenly produced in the Committee. He had ample time to decide what Court he wanted this matter tried in. He had ample opportunity to decide what body was most competent to investigate this matter, what group of people was best able to bring to justice those who ought to be brought to justice. He made the choice, not the Government. When he came before the Committee he was the one who had by that time made his choice.

He asks what else he could have done. He says he could not have very well brought it to me personally because I was associated in a business way with some of the people who were named in this Affidavit. He could very easily have said to me, before the House opened, 'I have certain charges here which are contained in an Affidavit; I am prepared to give you a copy of it and if by the time the House opens you have not appointed a Royal Commission, I propose to raise the matter on the floor of the House.' Or when the House opened, he could have risen in the Speech from the Throne debate and said, 'I have certain information that leads me to believe that there is corruption in the administration of the Government Insurance Office. I ask the Government for a Royal Commission or a Judicial Commission'. Or on the 10th day of March when he brought this matter to the attention of the Crown Corporations Committee, he could have said the same thing: 'I have this Affidavit; it contains very serious allegations; I want this Committee to recommend back to the House that the Government be requested to appoint a

April 13, 1953

Royal Commission or a Judicial Committee'. But the Leader of the Opposition did not take any of those courses. He chose to have an investigation by the Legislature of Saskatchewan, and I am not quarrelling with him doing that. I am simply pointing out that he did it with his eyes open; I presume in full control of all his faculties.

As a matter of fact, Mr. Speaker, on two occasions in the past, in 1950 and in 1951, the members of the Opposition made veiled charges and innuendoes regarding the administration of the Department of Natural Resources. On two occasions on behalf of the Government I offered them a Royal Commission. They did not want a Royal Commission then; no, this was the place to investigate this matter, here among the elected representatives of the people; that was the place to get at the truth. They did not want this thing settled in a hole in the corner. Let's have it opened here where the people's elected representatives could sift truth from falsehood. Well, that was the attitude on this question. And if on the 10th or the 11th or 12th of March I or any member of the Government had dared to get up and say to the Opposition, 'Look this is going to be a long and tiresome thing; it is going to be inconclusive; let's have a Judicial Commission or a Crown Commission'. We would have got exactly the same answers.

I want you to notice what the Leader of the Opposition said in the Committee. If you look at the transcript for March 20th, morning sitting, page 20 and 21, he said:

"My attitude was this. That the matter could be gone into properly when the Legislature was in session and before the proper Crown Corporations Committee. And that is why it was brought up at the earliest possible date. Now, then in regard to taking a matter like this, which ultimately if it was gone into fully it might conceivably happen to involve a colleague of the Premier, well then, my feeling was that the proper place was to have the whole Legislature look into it."

Have the whole Legislature look into it. And when I suggested in the course of the Committee's investigation the matter of preparing to get our report, the Leader of the Opposition made his position very clear and I refer now to page 40 of the evening session of Wednesday, April 1st. He says:

"But I do say this: That as far as I am concerned we set out to investigate this matter and it was my opinion the charges to some extent in respect of some of the people involved have been proved and in regard to other people involved as far – I feel that as far – if I were asked to make a report my answer would be 'why should I be asked to make a report before all witnesses had not only been examined but cross-examined? I don't understand this attitude of the Legislature, before we are through with our work should be talking about making a report before we have finished the investigation. Now, if any motion is made that we start making our report before we have finished the investigation I for one will be against it."

And I said, "Mr. Chairman, I move the next witness be called."

The Leader of the Opposition gave no indication there that we were not going to continue with our investigation; that we were not going to get to the bottom of this and make our report. But now, having chosen the high court of the Legislature as the body who should investigate this matter, who should hear the evidence, who should sift the testimony, and who should bring down the final decision, the Opposition says, "We would like to change to another Court now." "We don't think that we are going to win this one." (laughter)

Mr. Speaker: – Order! Order!

Premier Douglas: – . . . "Can we start the game over again and play is somewhere else?"

Well, Mr. Speaker, it has always been a cardinal principle of British justice you don't try people twice. People have been brought before this high court of the Legislature and they have been subjected to examination and cross-examination and this Court is now ready to make its decision – my hon. friends may not agree with it – but they are prepared to make a decision and in my opinion nobody ought to be allowed to stop them. If the members of the Legislature are making a wrong decision, if the conclusions they have come to are not based on good judgment, then the people of the province will deal with the elected members in due time.

Now, Mr. Speaker, what are the reasons that are given by the gentlemen opposite for wanting now to take this matter to a Judicial Committee or Commission. Well, they have given two or three reasons. Let us look at them. The first reason they give is that a Committee like this is not competent to sift evidence and to examine testimony, and I think there is some truth in that. I know that during the scores of hours we have sat here, as a layman with no training in sifting evidence and trying to follow these lawyers as they follow a labyrinth of legal phraseology, I admit that it is very difficult for a committee of the Legislature to deal with a matter of this nature. The Leader of the Opposition points out the tremendous load it places on us, so that we were weary well nigh beyond endurance. Well, I was just as tired as he was. – There is more of him to be tired, but I'm just as tired. And we, incidentally, had to keep the Government and the business of government rolling, as well as to attend to these very lengthy hearings.

The other suggestion is that you cannot get justice in a Legislative Committee because a Legislative Committee is split politically in its viewpoint and, therefore, you are not going to get impartial and objective decisions. Mr. Woodsworth is quoted to that effect. Mr. Speaker, even if we admit all of those – and they could be debated – but even if we admit all of those, this is the same Committee it was five weeks ago, and if it is not capable now it was not capable five weeks ago, when the Leader of the Opposition asked them to make the investigation. If it was too much work for this Committee now it was too much work five weeks ago. If you cannot expect to get justice now from a Legislative Committee, how did you expect to get it five weeks ago? We did not make the decision that a Legislative Committee should investigate; the Leader of the Opposition made it. The Leader of the Opposition waited until a standing committee was sitting. He came in and revealed

April 13, 1953

that he had some information which was of a very serious character reflecting on Mr. Allore and certain other persons. He was the one who moved that these people should be subpoenaed. It is true my desk-mate here (Hon. Mr. Fines) seconded it – I do not know how he could have done otherwise. To have refused to have seconded it would have been to indicate that there was something we wanted to hide, that we feared a full investigation.

I had no objection to the Leader of the Opposition asking for the inquiry, although I think, when you stop to realize the time we have put on this and the other things we have neglected (which I shall discuss at some later date), there may be some criticism. But I have no quarrel to find with the Leader of the Opposition referring this matter to a Legislative Committee and ultimately to the high court of the Legislature; but I do object after he has referred it to them, after they have spent five weeks of their time carrying out the inquiry, that he should come here now and say, 'You are neither competent or capable of doing the thing I asked you to do five weeks ago'. I say it is the height of absurdity and the height of impropriety.

The argument has been advanced that, of course, the reason we need a Judicial Commission is to clear the names of Mr. Fines and Mr. Allore and these other people, either to exonerate them or to find those who are responsible guilty, and that can only be done if we have a Judicial Commission. Well, again, of course, I say that could have been decided five weeks ago. It was not done. But I ask, Mr. Speaker, what will a Judicial Commission settle? – Go over the evidence that we have gone over, call these witnesses again, and when it brings down its decision that decision will only be the opinion of the judge or judges who may be on the Commission. With all due respect to judges and their training in sifting evidence, they are not infallible; they do make mistakes. I see where they have just discovered someone in England committing murders and they hanged somebody for the murders four years ago. Judges do make mistakes. And in the final analysis when they bring their report down it will just be the judge's opinion and there would still be people who would say, "Well, the judge was prejudiced this way, or he was prejudiced that way." That won't settle it. My friends say the only way to settle this is to take it into Court. And maybe that is the place to settle it, because a Judicial Commission, I point out, Mr. Speaker, while it can give an opinion it cannot apply the law; it could not punish a culprit. If the Judicial Commission for instance found that Mr. Rawluk was guilty of perjury, it could not sentence him, could not punish them. It would still have to go to Court and prefer charges. We would have a third trial.

Now the matter can be referred to Court. It could have been referred to Court, as a matter of fact, if the gentlemen opposite or anybody else had been interested, even before this Legislature met. I want to point out of course there is not any doubt of the fact that the taking of a 'kickback' or a commission is a criminal act, with all due deference to my friend from Qu'Appelle-Wolseley (Mr. Wahl) who, I see, is being quoted by the 'Leader-Post' in an editorial today. But section 158 of the Criminal Code says:

"Every one is guilty of an indictable offence and liable to a fine of not less than \$100, and not exceeding \$1000, and to imprisonment for a term not exceeding one year and not less than one month, and in default of payment of such fine to imprisonment

for a further time not exceeding six months who,

(e) Being an official or employee of the Government receives, directly or indirectly . . . any gift, loan, promise, compensation or consideration whatsoever, either in money or otherwise, from any person whomsoever, for assisting or favouring any individual in a transaction of any business whatsoever with the government."

And under Section 155, which precedes it "Government" is defined as to include "the Government of Canada, and the Government of any province in Canada." And an "official" person is defined as being an "official or an employee of the government" and includes "Commissioners of the Transcontinental Railway and persons holding office as such commissioners, and engineers, officials, officers, employees and servants" of the Government and so on. There isn't any doubt that it is an offence. And it is a further offence, of course, under Section 573 of the Criminal Code for a group of people to conspire to do it together." This 573 of the Criminal Code says:

"Every one is guilty of an indictable offence and liable to seven years' imprisonment who, in any case not hereinbefore provided for, conspires with any person to commit any indictable offence."

And so on. And also, of course, the matter can get into the Courts under The Legislative Assembly Act, which the members are all familiar with. Section 13 says:

"No person who is either directly or indirectly concerned or interested in any bargain or contract entered into by or on behalf of the Government, or who participates or claims to be entitled to participate either directly or indirectly in the profit thereof or in any benefit or emolument arising therefrom shall sit or vote in the Assembly, and the election of such person to be a member of the Assembly shall be absolutely null and void."

And section 16 says:

"(1) No person declared by this Act or by any other law ineligible as a member of the Assembly shall sit or vote therein while under such disability.

"(2) If any such person sits or votes in the Assembly he shall be liable to a penalty of \$100 per day for every day he so sits or votes, and such sum may be recovered from him by any person who shall sue for the same in any court of competent jurisdiction in Saskatchewan, and one-half of such sum shall belong to the person so suing and the other half shall belong to the province and be paid over to the Provincial Treasurer."

April 13, 1953

What an excellent opportunity for certain persons to rehabilitate their financial position, because all they have to do is take a civil action against the Provincial Treasurer under The Legislative Assembly Act if they believe these allegations!

I am pointing out, Mr. Speaker, that when my friends opposite say this thing can never be cleared until it gets into the courts, in a proper court under a proper judge, it does not mean only that it must be referred to a Judicial Commission. A Judicial Commission would only be an intermediate step in which the Judicial Commission would hand down its opinion. That would not settle anything. If any person was to be prosecuted it would still have to go into the Courts. All right, let it go to the court directly, if anyone wants. Mr. Rawluk, Mr. Embury, any member of the Opposition who wants to, can, if he so desire, lay a complaint and an information under Section 158 or 156 or 573 of the Criminal Code. They can start a suit under The Legislative Assembly Act under the sections I have quoted. Or, if any one of the gentlemen opposite want to go out when this Session closes and make the allegations of Rawluk their own on any public platform, I have no doubt whatever they will be given adequate opportunity to substantiate their allegations in a court of law where the onus will be on them to prove that these allegations are true.

Let me take just a moment to deal with the 'red herring' that has been dragged into this amendment, namely the case of Mr. Wilks, a former sales manager of the Saskatchewan Minerals Corporation. Actually it had nothing to do with the case under discussion. But may I first of all say that the hon. member for Meadow Lake (Mr. Dunfield), when he talks about the Government not doing anything for eight months, is a bit out; but I will not waste time on that. This matter was brought to the attention of the Cabinet at the Cabinet meeting of September 30, 1952, and I have here in my hand a copy of the Cabinet minutes of that date, Cabinet Minute 3251:

"Re Purchase of Sodium Sulphate Under Contract with Gladmar:

"It was reported that the Government Finance Office has uncovered some evidence which suggested that the former sales manager, Mr. H. Wilks, had arranged a private deal with the Gladmar Sodium Sulphate Plant whereby he would receive 5-per cent commission on sales of 6,000 tons of sulphate per annum for three years and possibly five years. It was agreed that the Government Finance Office should discuss this matter with its solicitors, and that steps should be taken to institute prosecution proceedings if in the opinion of the solicitors there is sufficient evidence to warrant some action."

The Leader of the Opposition wants to know why it took so long. The solicitors and the officers of the Attorney-General's Department conferred in this matter. It was necessary to gather evidence. It was necessary to ask the R.C.M.P. to carry on an investigation, and hon. members will know that it is not easy to gather evidence, particularly if the company concerned is liable for prosecution and the man receiving a secret commission is liable, because their evidence will in all probability be used to support each other's story.

Now, properly speaking, I should not be discussing this thing. The writ has been issued and if I say too much all I am doing is giving Mr. Wilks' solicitors a lot of information which should not be given to them, giving Mr. Wilks' solicitors a lot of information which, of course, they should not have. The point I want to make is that first, gathering of evidence has not been easy. The Government, as I say on the 30th day of September referred this matter to the solicitors of the Government Finance Office who were Messrs. MacPherson and Leslie.

Many members know that Mr. MacPherson because of his health has been in the West Indies for the last six weeks and Mr. Leslie has been here on the floor of the Chamber for four out of the last five weeks. But the matter has been prosecuted with all possible speed. A writ now has been issued for a civil suit. I know that the Leader of the Opposition, as a lawyer, will appreciate the fact that under a prosecution under the Criminal Code there can be no examination for discovery. Under a civil suit there can be an examination for discovery, and that examination for discovery will enable the officers of the Attorney General's Department and the solicitors of the firm of solicitors in question, to advise the Government as to whether or not we have sufficient evidence to take criminal proceedings.

Surely it is not suggested that in order to prove how righteous we are, we just take criminal proceedings against the man whether we have any evidence or not! That would be nothing short of sheer persecution. If the Attorney General's Department and the firm of solicitors tell us that they think there is a reasonable case in which we can get a conviction – and the Government has made it perfectly clear to that firm of solicitors and to the Attorney General's Department that criminal proceedings shall be instituted. Now what would be the purpose of referring this matter, along with the Rawluk charges, to the Judicial Commission? What would it be asking the Judicial Commission to do? We would be asking them – because there is no question, we are not asking them to find out whether or not we think Mr. Wilks got a secret commission; the Government is convinced he got a secret commission, as shown by our minutes of September 30th. All we would be asking the Commission to do would be to decide whether or not we should institute civil proceedings, a civil suit, or criminal proceedings, and whether or not if we instituted criminal proceedings we would be likely to get the conviction. Now can you imagine, Mr. Speaker, a group of intelligent people in this Legislature going and asking a judge to tell us what another judge in a court will decide if we take the case to him? You know what the judge would say – "Well, go to the court and find out; I can't tell you what a judge is going to say. I can't prejudge the case. I can't tell you whether you will get a conviction on this evidence or not. All I can advise you to do is go and try."

Therefore, Mr. Speaker, we propose, having submitted the matter to the Attorney General's Department, with the assistance of the R.C.M.P., and having submitted it to a firm of solicitors, on their advice to decide whether we shall take only civil action or also take criminal action as well against the said Mr. Wilks. But I point out to you, Mr. Speaker, that the case of Wilks of course has nothing to do with the matter now before us. It is simply another attempt to draw a red herring across the trail, because actually I am going to suggest, Mr. Speaker, that the Opposition don't want the Judicial Commission; they want an 'out'. That's what they want. They know perfectly

April 13, 1953

well that this high court of the Legislature having had a matter referred to it for investigation, must complete that investigation and must make its report. They know that. They know perfectly well, too, that we would be making a farce of this Legislature if after having spent five weeks on an investigation and preparing a report we were now to say to the people of Saskatchewan 'we find ourselves incompetent and unable to make a decision.' They know this Legislature cannot do that. They know this Legislature cannot go out and admit that it is incompetent and impotent. They know that this Legislature for its own sake and for its own dignity would not dare turn this high court of the people of Saskatchewan into a farce. Knowing that, they now advance this absurd proposal that instead of bringing down a decision we refer this matter to a Judicial Commission, knowing perfectly well that we cannot do it, but in the hope that they can divert the attention of the people of Saskatchewan away from the fact that they have miserably failed to substantiate any of the allegations that they have brought before the Committee and that the witnesses upon whom they were depending has been found thoroughly unreliable and discredited.

Mr. A. H. McDonald (Moosomin): – Mr. Speaker, I had not intended to take any part in this debate, but after the tirade we have just had from the Premier, I feel that, to fulfil my duty, and despite the protestation of the Minister of Social Welfare, I must say something.

During the course of our inquiry over the past four or five weeks, I did feel that the report which was brought down would be a biased report, but, Mr. Speaker, I never thought that any government could have the audacity to bring this thing into the Legislature of this province and ask the people of the province of Saskatchewan to accept it.

There is a good deal of evidence that has been given, during the past four or five weeks, which substantiates, in my opinion, and I am sure they have done likewise for many of the people of the province of Saskatchewan, certain allegations that were made by Mr. Rawluk. There isn't one of them in this report. This report does nothing but discredit Mr. Rawluk and every witness who came in here and substantiated his statements. There is nothing else; and if I am any judge of the people of the province of Saskatchewan, I am sure that they will be able to see through this report. Surely to goodness the people of the province of Saskatchewan are not going to read the evidence that was laid before this Committee and then read this report and concur in it! I fail to see how any member of this Legislature, who is honest to his own convictions, can stand up and face the public in the political life of this province and support this thing in its entirety.

We have asked that this be taken to a judicial Commission. Probably there is some point in the Premier's argument that this should have been done, as he says, five weeks ago. I am not going to argue with that. As far as I am concerned, I certainly hope that sooner or later somebody takes this to court. I believe that that is the proper place to have a finding. It is all very well for the Premier to invite somebody in this Legislature to take something to court: what about the Government taking it to court? I am sure that I as an individual do not want to go to court or anything else, if I can help it. Why don't you, as the Government, take it to court? Why don't you take the responsibility, instead of passing it on to

an individual member of this Legislature? Have you not more fortitude than a private member of this Legislature? Sometimes I doubt it.

Mr. Speaker, as I said, a moment ago, all that this report has done is that it has endeavoured to discredit the people who gave evidence which substantiates beyond any reasonable doubt the evidence of Mr. Rawluk on many issues. They refer to people in this report as though they were discredited people. There are many people who gave evidence in this inquiry who were not discredited, including those who appeared in their evidence to be supporting Mr. Rawluk's statement, and some who appeared to be not supporting it. I have no quarrel with any one of the witnesses. I believe that a lot of the truth came out, and I believe that if the members who wrote this report had been half as truthful as a lot of the people who gave their evidence, they would not have brought this thing into the Legislature.

Mr. Speaker, I shall not support the . . .

Premier Douglas: – Mr. Speaker, on a question of privilege. I do not want to interfere with my friend's 'diatribe' (I believe that is the term he used) or 'tirade'; but to imply that members of the Legislature who helped in the preparation of this report were not truthful is an unparliamentary remark, and while I personally do not object to it and consider where it came from, I don't think it should be allowed to pass.

Mr. Speaker: – I would also like to remind the hon. member that he is speaking to the amendment. If this amendment is not carried there will be an opportunity to speak to the report. Two previous speakers have made brief references as to the need or the desirability of setting up this Judicial Commission, and I think it would expedite matters if the speakers on this motion will pretty well confine themselves to the amendment.

Mr. McDonald: – Mr. Speaker, that was all I wanted to say because I do not want to exhaust my right to speak on the main motion. I will withdraw the statement the Premier objects to, and I just want to say that as far as the tirade is concerned, I don't think anyone is more capable of putting on a tirade than the one we just listened to by the Premier.

Premier Douglas: – That's right. I will agree on that.

Mr. Tucker: – I would point, in regard to that matter, and on a question of privilege too, the Premier, I thought – well again I would consider where it came from and let it go; but he is pointing out that we knew that these things we were suggesting could not be done. Well, he had no right to say that. We believe they could be done or we would not have made the motion we did.

Mr. Speaker: – I do not think that point of order is well taken. In his opinion, it could not be done. I think that is perfectly justified.

April 13, 1953

Mr. A. C. Cameron (Maple Creek): – Mr. Speaker, I would like to spend a few minutes on this amendment in reference to turning over the inquiry to a judicial Commission. The reason I would support the amendment is that, while it is true we have had four weeks of investigation and have had a great deal of evidence given in the Committee, we have attempted to assess the findings on that evidence given; and I think that we are only reasonable when we say that there has been, I think, in the investigation, a great deal of conflicting evidence. There are many people in the province, today, who would hesitate to assess or to say categorically, in their opinion, whether the charges have been founded on fact or not, and I think that after the investigation that the people in the province, as a whole are still – a great many of them – not definitely decided in their own mind. I don't think the lines are drawn where people can get up and say that the facts have been substantiated – we find Mr. Allore guilty. Others say 'I am not in a position to assess it; there is still some doubt in my mind, but I cannot conscientiously say one way or the other'. And I think, perhaps, there are some people in this Legislature, with certain reservations, who cannot say, in honest conscience, that some of the allegations have been proved and just to what extent they have been disproven. I would say that this involves the civil service – a man in a responsible position, as manager of an expanding and successful business enterprise of this particular Government, one of the most successful enterprises that it has established, and the insurance business is a very competitive field, and Mr. Allore has occupied a prominent position in that competitive field. Insurance firms in this particular field have spent great sums of money on advertisements testifying as to their soundness, their credibility and to the credibility of the managers and officials who direct the firm's activities. They have scrupulously avoided anything which in the eyes of the public would tend to have the public lose confidence in their particular field. You will find that true of all the great business firms. Their reputation, their integrity, their honesty, have been jealously guarded, and so it should.

The result of these allegations by Rawluk has had a direct detrimental effect on the operation of the Government Insurance Office. It has had a reflection on the members of the Legislature throughout the province, in that there has been, for the first time perhaps in the province, questions raised as to the honesty and integrity of the members of this Legislature. I am sure that, as a business firm, the Government Insurance Office is going to find itself embarrassed as a result of this adverse publicity. And it is going to find itself in a position where it may suffer financial reversals . . .

Hon. Mr. Sturdy: – You hope!

Mr. Cameron: – I heard that remark, Mr. Speaker, and I would ask that the Minister of Social Welfare withdraw it. He imputed the motive to me that I had hoped this would happen. He cannot impute a motive to me as a member of this Legislature.

Mr. Speaker: – I didn't hear it, but I am quite sure if the hon. Minister did make that remark he will have to withdraw it.

Hon. Mr. Sturdy: – Well Mr. Speaker, it is the first time that I have ever been required to withdraw the remark 'hope'.

Mr. Speaker: – I didn't catch what it was.

Hon. Mr. Sturdy: – All I said was, 'you hope', and there is nothing to withdraw, and may I emphasize that they do hope that . . .

Mr. Speaker: – Order! Order! We don't want to speak on a point of order.

Mr. Tucker: – Mr. Speaker, when the member was speaking, he was saying that if this was not corrected, great damage would be suffered by the Government Insurance Office. Now then, the Minister said, 'you hope' – in other words, indicating that we wish ill to an important branch of the Government of Saskatchewan. And the Minister nods his head at that. Now that is absolutely improper to impute motives like that to any member of the Legislature. The Minister of Social Welfare should know that, and I suggest, Mr. Speaker, that you have him unequivocally withdraw that implication against another member.

Hon. Mr. Sturdy: – Well Mr. Speaker, I can only refer that to what has happened in this House and the action of the Opposition, ever since Government Insurance was introduced in . . .

Mr. Speaker: – Order! Order!

Mr. Cameron: – It just needs two words: 'I withdraw', on the point of order.

Mr. Speaker: – I will ask the hon. Minister to withdraw if there is any implication on the honour of the member.

Mr. Tucker: – Hear, Hear!

Hon. Mr. Sturdy: – All right, at your request, Mr. Speaker, I withdraw.

Mr. Cameron: – Mr. Speaker, I will go on with what I was about to say and I am sure that Mr. Allore, being a businessman himself – and he must have been one of some ability in order to manage successfully the Government Insurance Office – would be the first man to acquiesce in the thought that it could be of great harm to the Government Insurance Office, the result of him staying in that position. Again, it would be a grave injustice to him if, because, he felt, of the loss of business which may follow as a result of this investigation, he should see fit to resign his position, if these charges have been unfounded, and for that reason I would say Mr. Allore's position is a very precarious position, and I do not think that this report does sufficiently well to re-establish, without any question of doubt in the minds of the people, his complete innocence in this matter.

Therefore, I, for one, feel the matter should be referred to the courts of this province which have been highly respected down through generations for their honesty and integrity in findings. It is true, errors have been made, as the Premier said, but a very, very small percentage of judgments have been made in error, and I would say this: it may not be through a judicial inquiry, but it could be through bringing the matter into court, completely exonerating him or if found guilty . . .

Mr. Speaker: – Order! Order! If you are going to make another amendment and change this you will have to make it in a proper manner. you are suggesting another amendment.

Mr. Tucker: – He is dealing with the Premier's speech.

April 13, 1953

Mr. Cameron: – I am dealing with bringing it into court – the Premier's suggestion. I would say, I am not particular, myself, as to what particular judicial manner it may be dealt with. I think it was unbecoming the Premier to suggest that any one of the Opposition could lay a charge against any one of these gentlemen, or all of them, under the Criminal Code, because later on, in the same address, he remarked that the Government, in the case of Mr. Wilks, was hesitant to lay the charge under the Criminal Code, because under the Criminal Code, there can be no examination of discovery. Now then, any individual who cared to lay it under the Criminal Code would be faced with that same handicap and in an allegation such as this, without an examination of discovery you would go nowhere. Therefore, they don't choose to take that particular action themselves, so why should they expect that any member of the Opposition would choose to do that thing?

Now he says any member of the Opposition can go and lay charges and make allegations on their own, and they will be given an opportunity for the onus is on them to prove the same. When I was elected a member of this Legislature, I thought that a member had certain rights and privileges and together with that, certain grave responsibilities as a member. I remember here, when we passed a special motion removing any doubt of the possibility as to whether or not a member of the Legislature could be prosecuted for what he said in the Chamber as a result of it being broadcast over the air, we took that precaution. And yet we did that in order to make the members feel completely free for any of their actions in here, in order to conduct the affairs of the province. And to suggest that a member – to find out whether or not these charges are correct – should go into the court on his own responsibility, and assume the responsibility of punishment if the charges are not proved correct, certainly does not encourage any member of any Legislature to investigate any charges to find out whether or not they are correct. If every charge that we make, that you want investigated proves false, the allegations made – well would you honestly expect any member of a Legislature to have to go to that extreme to bring this matter before the courts? I say that in itself is self-evident that it is no way to expect the matter to get into the courts and to say that 'you gentlemen in the Opposition have the means of doing so; if you will go out and take the onus upon yourselves and make this allegation'. Well, I haven't sufficient blind faith in Mr. Rawluk, nor in anyone else . . .

Mr. Wahl: – I don't blame you.

Mr. Cameron: – . . . that I would dare go out on my own and take their allegation against any man, and assume it on my own onus to prove him guilty. I think it is just not in keeping with the knowledge of the conduct of this Legislature. And I would say that there may be people who would use this argument, and say, 'well, the Leader of the Opposition or any member of the Opposition can go before the courts if they wish to bring it into court; they can go under the Criminal Code; they can lay a charge under The Legislative Assembly Act; they can assume the onus themselves; take it into court and assume the responsibility for these allegations, and since they don't do any of these things, well, then, they cannot have much confidence in the so-called allegations. Therefore if they don't take the initiative in the matter and bring it into the courts, well then the thing, on the face of it must be false and said for purely political propaganda'. I

think, personally, if I was in the position of Mr. Allore – he doesn't have to go under the Criminal Code and assume the responsibility and the onus; he can lay a charge of libel or slander or anything else. He is not found guilty if his charges are untrue; he is not assessed any punishment as a result of laying that charge. That is a right which he has which we as members of this Legislature have not got. The same course is open to the Provincial Treasurer if he so chooses to use it. I think that the Government themselves should interest themselves in this. If you are content and satisfied that these findings are as stated, without any shadow of doubt, and you are confident of that, then I say that we still have not made a firm decision.

The eyes of the people of the province will be on members of this Legislature I think until some effort is made and it should be encouraged on the part of the Government to get this matter into the courts in order that they can be completely exonerated and if they are, then the man who would have the audacity to go forth and make such serious allegations would be justly punished as he deserves. This way we have not carried out justice in that we have no means of punishing the man who made the allegations, if they are not correct. Neither have we the authority to clear and exonerate completely anyone else, and I think this investigation has certainly been worth while (I don't think anyone would wish it otherwise) during that period of time to bring out these facts and assess them. But I would say that, unfortunately, in the evidence so submitted it has not been sufficiently clear, either for the pros or for the cons, so that you have a clear-cut case that will say, 'this man is completely innocent' or 'this man is completely guilty'. I think that, with all the implications, the best thing that could be done is to have this matter taken before the courts; and surely it is not on my shoulders, as a member of this Legislature, that I would have to stand behind and assume the allegations of Mr. Rawluk, and if proven false that I would have to take the consequences of them. Is that what the Premier suggests that I should do in order to bring it into court? Would he do that, himself? Would any member of this House assume the allegations of their neighbour and be prepared to submit themselves to the punishment if those allegations were not correct? Or course not! The suggestion of itself receives its proper answer in that regard, and that is why I say, in my opinion, whether it is a judicial Committee or whether it is a movement by the Government or by those involved in the allegations, that I do not believe that the complete assessment of the facts relevant to this case will be decided until it has had an opportunity to be taken before the proper persons in the court, and the proper responsibility assessed. If this man is guilty I would be the first man, if the allegations are not correct, that would want Rawluk or anyone else who would ever attempt to blacken a man's name and allege that he is corrupt, to receive the punishment which certainly is due him. And I think this should be done if we are to uphold the dignity of government and to encourage people to go into responsible positions in the civil service, if they are conscientiously attempting to do all in their power to serve loyally and efficiently for the interests of the people whom they serve, and a reflection as serious as this, if not proven completely false and the persons exonerated, has certainly done nothing towards the betterment of the government in the eyes of the people of the province as a whole.

And I say this – maybe it is most unfair, but the spots still remain. And that is why I would urge that we attempt to put it in the courts where we can have a competent decision made and assess the guilt and the punishment where it so lies. If it is Rawluk, he certainly should not be spared. I

April 13, 1953

think the people, today, are in a state of mind where they would welcome just such a move. I think they will be asking for such a move because we cannot let go a mischievous character who would make such serious allegations against any man, let alone a responsible Cabinet Minister or a responsible man, head of the Government Insurance Office – and yet, if they are proven not correct, he goes scot-free. He should be made an example to every man, woman and child of the province, of what will happen to someone who would take and make false allegations; and that way we have the power to assess that particular punishment, if these charges are proven false. For those reasons I think myself that the wisest course for the Government to follow, through the Attorney General's Office, through perjury or through some means, to bring it to the courts in order that justice can be meted out to those who are guilty. Someone is guilty – they are not all innocent; and if it's Rawluk that is guilty, he should receive his just reward for that. If it is someone else, we want it cleaned up, and I think for that reason I will support the motion.

Mr. G. H. Danielson (Arm River): – Mr. Speaker, I support this motion for the reason that I think it is the proper thing to do and anyone who say in this inquiry at the time it was going on and listened to the testimony that was presented during that inquiry, and took notes and assessed to the best of his ability the credibility of the witnesses, I say that the report which is submitted to this Legislative Assembly, today, is a masterpiece of 'whitewashing' which has ever been presented by any Committee in this province of Saskatchewan.

I think there is hardly anything that has been submitted in the affidavit, without it having, in some part of the evidence, by someone been corroborated. Most of it has been corroborated. This report, written by a C.C.F. Committee, has completely ignored all the evidence of Miss Fradette, Mr. George – and I think Mr. George told the truth, I am absolutely sure he told the truth. You can tell pretty well when a man comes in and takes his oath and sits down and gives his evidence, whether he is telling the truth or not. When you find a person, Mr. Speaker, who has a perfect memory, clear as it can be up to a certain point, and when a question is put to him which should really put him on the spot and then his memory is completely blank, when you find that – and show me one of the witnesses who appeared against Mr. Rawluk, in trying to whitewash this whole thing, who did not do that very thing – not one of them.

Another thing I cannot help saying a few words in regard to, is the very emphatic statements made by the Premier a few minutes ago. He laboured long and hard, this afternoon, in trying to convince himself, I think, too, that this thing should not be done. But after he had exhausted all his argument and persuasion, he went one step farther, and he said that if anyone on this side of the House took it on his own volition, on his own account, and would go in and make a charge in the courts against some of the Government officials who have been accused here of certain wrongdoings, then we would find out what was what and what was not so. Well I think, Mr. Speaker, that, coming from the Premier of this Province, is one of the most (should I say) ridiculous and fantastic statements that any man should ever utter, particularly the Premier of the province of Saskatchewan. Now just think it over for a minute – that a private individual would have to go into court and

prove that some Government official was not honest in doing his job he was engaged to do, for which he was paid by the people of the province. And he would have the whole government machinery against him and all its supporters and 'spotters' all over the province of Saskatchewan – and they have got some; they have some right around this building here. We found that out in the last few days. Yes, we have found that out this last few days and we will hear some more about that before this thing is over. That's right.

Mr. Speaker: – Order! Order!

Mr. Danielson: – What is the 'order' Mr. Speaker? We could . . .

Mr. Speaker: – I am just calling the member to order. We are not discussing the last election. We are discussing this amendment.

Premier Douglas: – He said the 'last few days'.

Mr. Speaker: – Oh, I beg your pardon. I thought he was referring to the election.

Mr. Danielson: – And that is a revelation – calling me to order, because you certainly never heard the Premier discuss anything without referring to the last election. At least I never did. Even in the Committee in Room 267, he never got on his feet when somebody made a remark to him that he couldn't answer, without throwing the last election in; so if there is anyone that should be called to order, I suggest to you, Mr. Speaker, that he should be the first one. I might be the next one, but I am willing to accept that if you do your duty and call the Premier to order.

But after all, we can go back to some of the evidence given and we can take Miss Fradette, for instance. She came in here, a fine young lady; she came in and gave perfect, straightforward evidence. She had no axe to grind. She came in here and told the Committee exactly what she had been told to do. Well, it is a peculiar thing that when Mrs. Cates came in here, she corroborated her evidence right up to a certain point, and then Miss Fradette didn't tell the truth – that is the substance of what she said. Just up to a certain point – and then the rest, of course, was wrong. Well Mr. Speaker, these things did not call for any untruth from these witnesses who didn't have any axe to grind, who were trying to tell the truth – just as Miss Fradette did, and if there was anyone who had something to hide, to protect someone, that was Mrs. Cates, in view of her position. That is my opinion, and we can apply that to some of the others, too – a good many of them.

So I say to you, when we look at this 'whitewash' report together with all the evidence, when we submit it should be taken to a judicial tribunal, to review the evidence, call on more witnesses or review some of the evidence given by the present witnesses, personally, and make a finding on this thing, we are asking for something that the people of Saskatchewan want. They are entitled to it, Mr. Speaker. They have paid so much money, now, for this inquiry, that they are certainly entitled to get a verdict that the people will accept and which the average man and woman in the province of Saskatchewan can look at and say, 'this thing was referred to so and so, who has the power to do so and so, who has an open mind to assess the value of this evidence, and if they have found so and so it must be right.' After all, this is the last tribunal, I think, that is before us and we know they would do justice in this case.

April 13, 1953

The Premier, of course, refers to the fact that we should have started this thing sooner; that we should have started from the very beginning; that from the very opening of this inquiry we should have demanded a judicial inquiry. Of course he didn't go as far, Mr. Speaker, as to say that he would have granted it. Well, I have no doubt in my mind as to what would have happened. We wouldn't have had any more chance of getting a judicial inquiry at that time than we have now, judging by the statements that have been made and the sentiments that have been expressed by the members on the other side of the House. Now a thing – I remember the night . . .

Mr. Speaker: – Order! I don't think the hon. member is entitled to predicate what the vote will be on this motion until it is put.

Mr. Danielson: – Well, perhaps you are right, Mr. Speaker. I will withdraw that statement, but I have been sitting in room 267 for the last two days and, Mr. Speaker, I do not think I have very much doubt.

Hon. Mr. Brockelbank: – Is the hon. member referring to the 'in camera' session? Is that in order, Mr. Speaker?

Mr. Danielson: – That has been referred to three times here, Mr. Speaker.

Hon. Mr. Brockelbank: – By two or three members of the Opposition, yes.

Mr. Danielson: – And that has been referred to over there, too.

Mr. Speaker: – Order! Order! Continue.

Mr. Danielson: – Everybody knows that we sat in camera.

Hon. Mr. Brockelbank: – . . . blabber . . .

Mr. Danielson: – Yes, if anybody blabbers, you're no piker yourself.

Mr. Speaker: – Order! Order! Order! I do not want any cross-fire across the floor of the House because if you are going to start there will be no stopping, and I am intending to stop it.

Mr. Danielson: – Mr. Speaker, it comes from over there. I said that I do not think we would have any chance in the world to ever have a suggestion from us for a judicial inquiry followed as far as the Government members of this Committee were concerned. I don't think there was a chance in the world.

I remember the night when the Premier came into the House and he was speaking to the Committee and I got the impression that he came in there with the intention of closing up the whole thing. As a matter of fact, he said it was time that this was finished and that the Committee should begin to write their report. That is what he said that evening; and something was said about a judicial inquiry – I think he said that it was too late, then. It was too late at that time.

Premier Douglas: – Mr. Speaker, that is not correct.

Mr. Danielson: – Well, would you please correct me, then?

Premier Douglas: – I made no statement that it was too late for a judicial Commission. I have said repeatedly that the Government would have willingly granted a Royal Commission or a Judicial Commission had it been asked for on the 10th of March, or even within the first few days or the first week. On the question which my friend is referring to, when I suggested that we proceed to make our report, I, at no time, during that discussion – and my hon. friend can look at the transcript – at no time did I suggest that we would not agree to a judicial Commission, but I certainly object to it after we have spent all that time . . .

Mr. Speaker: – Order!

Mr. Danielson: – Mr. Speaker, I asked the Premier to verify my statement. It just simply amounts to this – that he said it would have been accepted, if it had been asked for on March 10th. Is that correct? Yes, that is what he said. And I said that. As a matter of fact there is not very much difference in what I said, Mr. Speaker, and what the Premier said. The fact that he says at March 10th, if it has been requested by us, indicates that the Premier –

Premier Douglas: – Mr. Speaker, at no time have I said that it was too late. It is too late now that we are all ready with the report.

Mr. Danielson: – I'm accepting what the Premier said, but that evening Mr. Embury immediately got up on his feet and said that 'we would be glad to accept a solution of that kind' on behalf of his client, and the Leader of the Opposition got up at that time and accepted that suggestion also. Now, then, there is no question about that. That was on March 10th, Mr. Speaker, and I think this inquiry started about March 4th or 5th. I do not think, Mr. Speaker, the Committee had been sitting more than five or six days at the time this was brought out before the Committee, when the Premier suggested that the Committee should start to make a report. Well that might have been all right for the Premier, and I don't think it would have made very much difference to anything in the report that has been forthcoming from the Chairman, representing the C.C.F. members on the other side of the House, because it is a complete whitewash. It is exonerating everything, and when you read it you find that sworn, straightforward evidence is never mentioned; it is just washed out entirely. On the other hand, we find that evidence by some of the people who have been implicated here – 'they're thinking and they're sorry and their memories were not working at all' when they were on the witness stand; they were just blank, but their evidence is accepted as the whole truth, as being the correct thing. Well, if you read it and digest it, it is remarkable what an accommodating memory these men who wrote this report must have, because they have forgotten everything that was said which might substantiate the allegations and they have elaborated on and magnified any trifling and spite-given evidence given by the ones that had something at stake in this inquiry.

Now those are the things I take objection to, Mr. Speaker, because, as my friend from Maple Creek has said, there is time now – for after all these weeks' inquiry and publicity and work by everyone around this Committee, it is time, now, that we should get something definite settled on this matter once and for all. This report is not going to settle this matter, Mr. Speaker. It absolutely is not going to settle the matter. It is going

April 13, 1953

to stir up conflicting views in the province of Saskatchewan; it is going to split the communities wide open . . . Well that's all right; you go out in the country and listen and see what the people think about it. That is the topic of discussion everywhere, and the feeling is spreading now; there are all kinds of reports of the Government, today. I was up home a week ago last weekend and I spoke to people. One of them came into my place on Sunday night – he is a fine fellow and a good citizen and he is a supporter of this Government – and he said quite frankly, "what is this all about?" Well, I said, we are trying to find out.

(interruption)

Mr. Speaker: – Order! Order!

Mr. Danielson: – Mr. Speaker, I think you had better muzzle that gentleman over there. He is the one that blabbers always, every few moments.

So that is the situation. If we are going to accomplish what we set out to do, I will say that, not only to the best interests of the people as a whole but of this Government which professes to be such a good government of the province and I think it would be the best thing for the C.C.F. Party – in fact I am sure it would have been – if the Premier had come out and said, 'here, this is a serious allegation; we are going to let the thing take its proper course and let the chips fall where they like; and he could have stayed out of this and he should have made a statement to the effect that anyone that was found guilty was going to be cleaned out of this Government. He would have had a higher standing in this province than he ever had before. On the other hand, he stepped right into this thing. He was examining, he was interrupting and he was doing his level best, during this three or four weeks that we have been sitting here, when the critical time came for a witness to answer important questions, he was right there; he was right there to do his level best to try and suggest answers in one way or another . . .

Mr. Speaker: – Order! Order! I have made one ruling on imputing and I am going to make the same ruling and that is that you must withdraw that imputation that you have made against the Premier.

Mr. Danielson: – Well, I withdraw that statement. And I also say that any person hearing the evidence for himself, when the questions were asked then he would answer the question. And that applied to all of them.

Hon. Mr. Lloyd: – On a point of order, Mr. Speaker, for the member's own protection, I am wondering if he is discussing the amendment or the report – just where his position is with regard to the main motion.

Mr. Danielson: – Well, Mr. Speaker, I do not think there is any doubt about what I am discussing. I have been discussing this report in reference to a Judicial Commission, and I connected it up in trying to give the reason why. If the Minister of Education does not want to hear it, he does not have to concern himself. After all what we want is to have this thing referred to a power who is qualified to take evidence and to weigh evidence and we prefer to have it where it will have the protection of the court, where they will have the story as we have prepared it and where we

don't have anyone sitting around trying to steer the thing along certain lines. We want a judicial inquiry for the purpose of getting at the truth and nothing but the truth. It is not going to hurt any innocent person; no person who is not guilty, Mr. Speaker, should be afraid of that. This Government should be glad to do that. If there are one or two guilty, this Government can clean it out and will be rated higher than it ever was before.

History repeats itself, Mr. Speaker. There have been many times where individuals have been proven wrong; there may be reasons for it, but nevertheless in their responsible positions, they must accept the responsibility. You have 14 cabinet Ministers here in this Government, maybe next year you will have 16, but we have 14, and maybe one or probably none – but some employee of a Department has gone wrong, but that is not going to ruin this Government; but the people will ask that they not be allowed to work for the Government any longer and if it is established that there has been wrongdoing on the part of any employees, then let him get out, because he is not fit to be in. That is all we ask. This does not mean that the Government is going to be victimized. Let the wrongdoers get out. The Government should be the first to want to take the action necessary to show the people that they are doing the right thing, and there is only one way that can be done, Mr. Speaker. It cannot be done by a group of twenty-six or twenty-eight C.C.F. members handing in a report whitewashing the whole thing; it cannot be done that way . . .

Hon. Mr. Brockelbank: – Just for the record, may I correct the hon. member and point out there are 41. Just a correction, it's 41.

Mr. Cameron: – On the Committee?

Mr. Speaker: – Order! Order!

Mr. Danielson: – There is another thing, Mr. Speaker, we . . .

Mr. Speaker: – Might I ask the hon. member if he intends to continue on this after recess?

Mr. Danielson: – I will just be a few minutes. There is another part of this amendment, with regard to the 'kickback' or whatever you call it. It is an expression which indicates many things in the province today, and we can add one more. But after all, there is no doubt about this thing, because there seems to be strong evidence now that the Government itself has been forced to take action or to make some move – they indicated that they are taking action. But it is peculiar and it is significant, also, that that has not been done until the last few days, until the thing was brought up in the Committee. Before that time there had been no action taken.

Premier Douglas: – The member is making a statement which is false, whether unconsciously or deliberately, I do not know. I gave a certified minute of the Cabinet which shows that action was taken on the 30th day of September. The member has no right to get up now and say no action was taken until the last few days.

Mr. Danielson: – Well, Mr. Speaker, if I am wrong – the writ was issued on Friday, and the matter was brought up in Committee last

April 13, 1953

Tuesday, so the Premier can say what he likes but there was no action taken, there was no definite action taken, until after the matter was brought up in the Committee, and you can't get away from that fact. But he will go out in the country and do that sometime, and he will get away with it, too. But that is a fact, Mr. Speaker, and I knew when I said this thing that I was right; but he gets up and he tries to cover, so I say to you that that is one reason, too, why this amendment should carry. It should be carried because there are new allegations which are practically admitted, that someone has been able to cop off a bunch of money which really comes out of the revenues of the Government, and he stuck it in his own pocket. Now, the most he has drawn for that is that they have issued a writ to try to recover this money, so that is the situation. Now I say again that, in order to clean up this whole thing, this should be submitted, together with the allegations of Mr. Rawluk and the material which has been assembled by the Committee, to this Judicial Commission for study and a complete report, and then the people of this province will have the answer.

I assure you, Mr. Speaker, that I support the amendment for the reasons which I have indicated.

Mr. A. Lopton (Saltcoats): – Mr. Speaker, in regard to the Wilks case, the Government did not know anything about it until September, and I would like to draw to the Premier's attention the fact that, when we were in Crown Corporations, the Minister in charge of the Sodium-Sulphate Plant told us that they knew about it in July – that would be about two months before the Government took action, and I think that they could very well have acted sooner than they did. Even after the Government knew about it, they had not taken any action until last Friday. So, it is quite reasonable to assume that had this other case been drawn to their attention, which was more serious, in fact, than the Wilks case, they probably would have deferred the time a great deal more.

Another thing he said that it was not too late to bring this case before a judicial committee, and I think he is right. If you are on a road that is going to lead you to disaster, the sooner you turn back the better, and I believe, myself, that this is one time when the Government should consider very seriously whether they are on the right road to draw the right conclusion from the evidence that has been given in this investigation. I do not possess the confidence that my hon. friend the Premier of this province seems to have when he says that he is competent to judge the evidence that has been brought before this investigation. True, he has had access to the evidence that I have not had, and I might say that he is, of course, for that reason in a much better position to assess the evidence. But I want to say that there are a few more members on the Government side not in any better position than I am to judge the evidence that has been brought forward in this investigation, and it is nothing but a farce to say that we are expressing an intelligent judgment on what has been brought out in the investigation.

I have had no access to the evidence, except what I have read in the press and I want to compliment the press on how well they have reported it. But I want to say that I have found passages omitted in the press that were of great importance, passages that I have found in the transcript, and when any one in this House says that they are judging on the evidence that has been produced in this investigation, why I would say that they are in no better position than I am, in judging from what we have heard and not seen, to say who is guilty and who is innocent. From what I have gathered, I believe that there have been matters brought out that should have the judgment of an experience judicial body. You take even the smallest court, where there are only a few people involved, – you will find the judge sitting there, or maybe a jury, and in spite of the fact that the judges are quite capable of summing up the evidence, they have the advantage of a summary of the two opposing lawyers. They present their views on the evidence and the judge has that to help him to evaluate the evidence taken down.

Now what position are we in, in comparison with that? We have had no summary from the counsel. We have had no summary from the Committee counsel and no summary from Mr. Embury as to what they think has been brought out in this investigation, and when the Premier says that this is a fair judgment, why he is not telling the truth. Everybody in this House knows that none of us feel in a position to say just who is right and who is wrong except possibly the Premier himself, if he wants to assume that responsibility, or assume his ability is great enough to evaluate the evidence. I think the Leader of the Opposition himself is prepared to admit that before he makes any absolute judgment, he would like to have the assistance of another counsel. And yet the Premier says he does not need any assistance – he knows the verdict. Apparently he knew the verdict before it ever started and, in fact, every one who is sitting behind him is quite prepared to take his word for it.

I do not believe that any of the members sitting to your right have studied the evidence at all. I think that they are quite prepared to accept what the Premier said, and that is what is right as far as he is concerned. In view of that fact, I think that it is not fair to the people of this province to let the verdict of the evidence that has been gathered before this Committee be settled by one man in this House. I do not think it is a fair decision and, for that reason, I think, with all due respect to the Premier, and realizing the rights of the people in the country, they are entitled to the judgment of a body that has had more experience and would be more reliable than the Premier of this province.

For that reason, Mr. Speaker, I am supporting the amendment, and I am hoping that some of the members on the other side might express their opinion on it. It is one thing to gather evidence and another thing to pass judgment on that evidence. I think that we probably did a pretty good job in gather the evidence, but I submit to you, Mr. Speaker, that once we have gathered this evidence, we should have some capable body to sum it up and see what they think is right and what is wrong; and for that reason, Mr. Speaker, I am supporting the amendment.

The question being put on Mr. Dunfield's amendment, it was negatived by 34 votes against 9.

April 13, 1953

Mr. J. W. Horsman (Wilkie): – I have just a very few things to say on this Motion. I have sat in this House during this investigation, and I have listened with a great deal of interest to the evidence that has come before the Committee. I was a little disappointed when this report was issued because I do not believe that it presents a fair picture of the evidence given. Now this report was supposed to have been written by the Chairman of the Committee, Mr. Erb. I think the hon. member for Milestone is a gentleman and an honest man; I am willing to believe that. I think he had some help in writing this report. I am willing to believe that the voice might be Mr. Erb's, but I think the hand is the hand of Dr. Shumiatcher.

Mr. Speaker: – Order! Order!

Premier Douglas: – Mr. Speaker, on a question of privilege: that statement is false, and I think deliberately false. No member of this House has a right to attack the Chairman of the Committee and to imply that the report which he has prepared along with other members of the Committee, was prepared by someone else outside the House and, particularly, when that implication was made in camera in the Committee and denied by the Chairman. Mr. Speaker, I ask that that statement and that implication be withdrawn, and the Chairman's word accepted.

Mr. Speaker: – The point of order is very well taken. The hon. member must withdraw that statement. Do you want to talk to the motion? My ruling is that the hon. member must withdraw that statement.

Mr. Horsman: – Okay, I will withdraw it. I was just expressing my own opinion. It was not anyone else's – just my own.

Mr. Speaker: – As I heard it, it could be described as a direct charge against the Chairman of the Committee.

Mr. Horsman: – I have nothing against the Chairman at all. Now I wish to make it clear, before I go any further –

Mr. Speaker: – Does the hon. member withdraw the implication?

Mr. Horsman: – Yes, I did – yes, surely. I make no excuse here for any wrong that may have been done by any person who gave evidence before this Committee. I make no excuses for the man who admitted before this Committee, for instance, that he forged cheques, or anything like that – wrote cheques when he had no money in the bank. I make no excuse for these things.

I am going to start with Mr. Rawluk. He stated, in the first place, in this Committee, when he was confronted with cheques that were evidently forged that he had no knowledge of them. Later on, he admitted, after referring to his records, that these cheques were forged. Now the Committee states in their report that they cannot accept his explanation that he did not know these cheques were forged until he had referred to his records, and only admitted it when he found out that he would be confronted with a handwriting expert who would go over these cheques and would compare them against a sample of his own handwriting. Now I have no objection to that, but I want to direct your attention to other similar incidents that have come before the Committee during this investigation.

I am going to mention Mr. Allore. When he was first confronted in this Committee, with Exhibit "R", he admitted that Exhibit "R" was in his handwriting; he admitted that. Later on, he did not seem to be so sure; he said that it 'might' be in his handwriting, but he would not admit that it was. Then, after consultation with his counsel, when the next session came up he admitted again that Exhibit "R" was in his handwriting. Now when Mr. Rawluk changed his evidence under oath – they were both under oath – it was considered a terrible thing for him to do, but when Mr. Allore changed his evidence there was not anything said about it in the report. Now if it was criminal for one man to do a thing like that, why was it not criminal for another man?

I am going to mention another instance. When the Provincial Treasurer was asked, when he was under oath, right in this Committee, whether he had ever seen Mr. Rawluk before, he stated very, very definitely (and every member of the Committee knows it) that he had never laid eyes on this man before in his life. Then, after Mr. Rawluk told him about a certain time when he had picked Rawluk and two other men up on the street and driven them down into the city some place, and when they were getting out of the car that Mr. Rawluk introduced himself and the other two men to Mr. Fines, then Mr. Fines admitted he had known Mr. Rawluk before. Well that is a change of evidence too, and I think that the rule that applies to one man in this Committee should apply to all. If you are going to criticize one man for changing evidence after consulting records or anything else, it does not matter what, I think the same rule should apply to every one.

The evidence also showed that Dr. Shumiatcher was very anxious to procure from Mr. Rawluk a copy of this so-called 'affidavit' – that is what they call it in their report, 'so-called affidavit' – and he went to great lengths to get it. He made several calls at Mr. Rawluk's home, interviewed Mrs. Rawluk at his own office, and so on – very anxious. Why was he so anxious to get hold of a copy of this affidavit? If Mr. Rawluk had offered me that affidavit, I would not have given him a plugged nickel for it, because I would have known that regardless of what the affidavit contained, it would not make any difference to me. Now if Dr. Shumiatcher had had a clear conscience in the matter, he would not have had any need of that affidavit. He would not have wanted it; it would not have been worth anything to him. I just wish to point this out. You know, Mr. Speaker, that a clear conscience fears no condemnation from anyone.

Now regarding the cheques that Mrs. Rawluk received. She was, according to the report here, placed on the payroll of Financial Agencies at \$100 a month. It has been proven I think, conclusively in evidence, that she performed no service for the salary that she received. Now there are a good many of these cheques that were cashed here and there around town; they are hard to trace. I am not going to deal with them at all, because I have not time; but Mr. Rawluk stated in his affidavit: "Commencing with my wife's salary cheque for the last two weeks of February, 1951, I was instructed not to make the payments to Mr. Allore, myself, but was instructed by Dr. Shumiatcher to make out my wife's salary cheques, to have her endorse them, and then turn over the endorsed cheques to Dr. Shumiatcher, and he said that he would use the cheques to pay Mr. Allore and Mr. Fines, and from and after that date, I turned all of my wife's salary cheques over to Dr. Shumiatcher, or someone in his office."

April 13, 1953

The report shows that six cheques were turned into Dr. Shumiatcher's office. The cheques were taken out and cashed and I am going to say, first, what Mr. Rawluk said about these cheques. He said: "These cheques were sent to Dr. Shumiatcher's office for signature. From there they were taken out and cashed and the proceeds were brought back" and, according to his story, the proceeds of the cheques were used to pay these 'kick-backs'. That is what he said.

Up to the point where the money was paid out, Mr. Rawluk's evidence and the evidence of Dr. Shumiatcher and others in his office, coincide – up to the time that the cash was brought back from the bank to Dr. Shumiatcher's office. The only difference is that Rawluk says the money was used to pay the 'kick-backs'; Shumiatcher, Mrs. Cates and Bodnoff claim that the money was used to pay a loan that Mr. Rawluk owed to Mr. Bodnoff. Up to the time that the cash got back into Dr. Shumiatcher's office, there is no difference in the evidence, as far as I can see. Now, suppose that we accept this statement as true, that this money was taken back into Dr. Shumiatcher's office and used for the purpose that Dr. Shumiatcher and Bodnoff and Mrs. Cates said it was used for – suppose we accept that statement as true; in the first place, why did Mr. Bodnoff insist on having cash? He was the president of Financial Agencies; he knew that those cheques were good. Why did he not take the cheque and cash it himself, endorse the cheque himself? The cheque would then have come back to the office of Financial Agencies and would have been a voucher to prove that that money had been paid to him. But he did not do that. He insisted on having the cash, according to that evidence.

The way the situation is now, there was no receipts given whatsoever, for the money that was paid out, if it was paid out – no receipts given to Rawluk. There was no receipt given to Dr. Shumiatcher's office from Bodnoff. No entry was made in the books of the company; nothing whatever to show that that money had been paid to anyone. Now suppose that Mr. Rawluk did own him that \$300. What has he got now, to show that the money was paid? According to the evidence here, there was \$285 paid on that loan of \$300; he paid it all but \$15. No receipts were issued, no vouchers of any kind. Well, it seems a very queer way to do business. I know, and everyone in this room knows that Dr. Shumiatcher and his associates are very shrewd business people. Dr. Shumiatcher is probably one of the most brilliant lawyers in Saskatchewan, and I do not think he would do business that way. If he did, he would not stay in business very long. I do not think there is any question about that. That just shows the similarity of the two statements up to that time.

Then there was the cheque for \$90 that was cashed by William George – Mr. Allore had this cheque cashed, apparently. When Mr. Allore was asked in this House if he knew, when he was confronted with that cheque first, this man who had endorsed the cheque, William George, he said that he did not know William George, did not know anybody by that name, but later he found out that this William George – well "Oh, yes," he said he knew him but he said, "we always called him 'Willie'," and it never occurred to him that someone by the name of William could be called Willie. It would be just like myself, some people call me 'John' and others call me 'Jack'. If anyone used to hearing me referred to as 'Jack' was asked if he knew 'John Horsman', he might say, no, he did not know him at all; it would never occur to him that some people might call me 'Jack' and others might call me 'John'. Now I think that is pretty flimsy-looking evidence.

Now then, Paragraph 10 of the report deals with Mr. Tennant, who gave evidence before this Committee. This young man came down here and gave evidence. I cannot believe that there was anything in it for him, one way or the other. He gave evidence here and his evidence corroborated, to a certain extent some of the evidence which Mr. Rawluk had given before that time regarding his description, that he heard snatches of a conversation. He did not hear it all, but he heard certain snatches of a conversation, certain parts. He heard Dr. Shumiatcher talking to someone on the 'phone; describing someone, said that, 'he had dark hair, and he would be wearing a purple coat, and he would be walking down Eleventh Avenue' and so on. It is not word for word, or anything like that, of the evidence given by Mr. Rawluk. If it was exactly word for word with Rawluk's evidence, the first thought that would cross my mind would be that those two fellows had got together and 'cooked' this evidence up between them, so that there would be no difference at all in the evidence.

Well, the Committee reports that Tennant's evidence showed a fogginess in memory which would make it extremely difficult for the Committee to accept as true. But the Committee accepted Mr. Allore's evidence! He did not remember anything about William George, and after – the next day, or something like that – he did remember that this was William George – "we called him 'Willie'." Now I do not know, but I think there is a lot of fogginess in memory as you follow this evidence through; and the fault that I have with this report is that certain people could change their evidence and so on, and get away with it, but if someone else did that, well, that was considered a terrible thing for them to do, and a crime. The report does not even endorse, in full, the doctor's certificate regarding Mrs. Rawluk's physical condition.

And there is just one other matter that I want to deal with and that is the evidence given here by Miss Fradette, a young woman who worked for about a month in Shumiatcher's office. This is all ancient history to this Committee, but I am going to mention it. In her evidence here, she said that she was instructed to go out with a certain cheque and get the money for that cheque and take it to Mr. Allore's office. She said that Mrs. Cates gave her those instructions, and she said that she cashed the cheque; took it over there to the office and gave the money to Mr. Rawluk.

Mrs. Cates, in her evidence, denied that she had ever given Miss Fradette any such instructions and she also swore that Miss Fradette brought the money back to Shumiatcher's office and gave it to her. Now here are two women – one of them must be telling a lie. One of them must be swearing a false oath. There cannot be any question about that – they are not both right. Now what motive would Miss Fradette have for coming here before this Committee and swearing to something that was false? I do not think she did have, yet the Committee, in this instance, accepts Mrs. Cates' evidence and discards Miss Fradette's evidence. What reason have they got for doing that?

There is absolutely no proof that Miss Fradette did not tell the truth and, on the other hand, there is no proof to show that Mrs. Cates did tell the truth. That is the way I look at this thing, and in view of these few things that I have said, Mr. Speaker, I cannot accept this report, and I want to move this amendment, seconded by my seatmate here, Mr. MacNutt:

April 13, 1953

Premier Douglas: – Is my hon. friend going to read his proposed amendment?

Mr. Horsman: – It would take me three-quarters of an hour.

Premier Douglas: – Well, we cannot proceed to debate something we have not heard.

Mr. Loptson: – There have been other amendments made and the speaker has not read them.

Premier Douglas: – Only the Speaker may dispense with the reading, by consent of the House, but not the person moving an amendment. May we have a copy of it, Mr. Speaker, to follow it?

Mr. Speaker: – Have you any copies?

Mr. Tucker: – Mr. Speaker, we have given a copy to the Clerk and there is the copy of the member here, and we just have one copy left. There has been great difficulty getting the typing done; there has been so little time. In other words, the members know when this report was finally adopted and there just has not been time to get it typed in sufficient quantity. I regret that but it has been physically impossible.

Hon. Mr. Brockelbank: – Mr. Speaker, the Leader of the Opposition will have to see that there is one copy over here. He could send his copy over. They have the one that the member has.

Mr. Speaker: – The Clerk has just called it to my attention that he has only one copy. We have got to have that copy to send to the printers, otherwise how will we get it on the Order Paper? The copy that the Clerk had he has already sent to the printers.

Mr. Tucker: – Yes, and there is the copy here of the member's, and as far as that goes, this is maybe not an exact copy, but I am quite prepared to give it to the Premier.

Mr. Horsman: – I move, seconded by the hon. member for Nipawin (Mr. MacNutt):

That all the words after the word "That" in the first line of the motion be struck out, and the following substituted therefor: –

"that the said report be not now concurred in, but that it be referred back to the Select Standing Committee on Crown Corporations with instructions that the said Committee have power to amend the same as hereinafter set forth:

1. That Para. 4 be struck out.

2. That Para. 5 be renumbered as paragraph 4 and reworded as follows:

"The Committee notes that the evidence indicated that the exhibits attached to the said Affidavit were first shown to Mr. D. V. Heald, a solicitor of Regina, Saskatchewan who accompanied Mr. Rawluk to Saskatoon to show them to Mr. Tucker. That thereafter the Affidavit was drafted by Mr. Heald on behalf of Mr. Rawluk and copies were given to Mr. Tucker, Mr. Jacob Benson and Mr. Heald. A copy was shown to Mr. J. G. Diefenbaker on May 30th, 1952. At this time Mr. Rawluk attempted, without success, to read the document at a public meeting in Bethune addressed by Mr. Diefenbaker, in the Provincial General Election Campaign then underway. Mr. Rawluk unsuccessfully attempted to persuade Mr. Jacob Benson, an independent candidate in said Election, to permit him to read the Affidavit at one of Mr. Benson's meetings. Later the evidence indicates that 4 days after the Diefenbaker Meeting Dr. M. C. Shumiatcher, in an obvious endeavour to get possession of the Affidavit, invited the wife of the said Rawluk into his office in the evening and adopted such an attitude towards Mrs. Rawluk that she, in fear for her husband, was reduced to nervous hysteria and had to be in effect rescued by a companion and then taken home by car by Dr. Shumiatcher's secretary. Among other things, he told Mrs. Rawluk that her husband has misappropriated trust funds and was peddling an Affidavit around the country. Next day Dr. Shumiatcher came to Rawluk's house and tried without success to get possession of the Affidavit. On June 10th, according to a memorandum in Dr. Shumiatcher's own handwriting, he, Shumiatcher, again attempted to see the Affidavit by promising to obtain a re-instatement of the Saskatchewan Government Insurance Contract and a Collection Agency Bond. It is a fair inference that Dr. Shumiatcher, knowing of the corrupt action in paying kick-backs to Allore thought it desirable to suppress the Affidavit. If he had nothing to fear and no corrupt practices had taken place there was no need for the concern admittedly shown by him. It is further shown by the evidence of Shumiatcher that Rawluk told Shumiatcher that Allore would know what was in the Affidavit about him (Allore). If the transactions were trumped up by Rawluk he would not have made this statement. As to why nothing further was done in the matter until the 2nd meeting of the Crown Corporation Committee on March 10th, 1953, Rawluk's explanation is that he had tried to bring the matter public attention and had failed and had given up and was only before the Committee because he had been subpoenaed to come. As to Mr. Tucker waiting until the meeting of the Crown Corporations Committee to bring some of the contents of the Affidavit to public attention the Committee is of the opinion that he acted properly in not making public said Affidavit just before the election when those involved would not have had a chance to answer it and in disclosing it as soon as

April 13, 1953

possible to the proper Committee of the Legislature. It was not reasonable to expect that Mr. Tucker would ask Mr. Rawluk to show the Affidavit and documents to Premier Douglas, as suggested by Premier Douglas, because it was known to Mr. Tucker that two of the parties involved in the said transaction, namely Philip Bodnoff and Dr. Shumiatcher, were associated with Premier Douglas and Hon. C. M. Fines as fellow shareholders and Directors in an enterprise in Regina known as "Theatre Under the Stars Ltd."

3. That Para. 6 be struck out and Paragraph 7 be renumbered 5.

4. That Para. 8 be renumbered as 6 and amended by adding thereto after the word "Company" in the 16th line thereof the following words:

"It is to be noted that no credit was so set up in the books of Dr. Shumiatcher's firm and as a result money collected by Shumiatcher & McLeod on behalf of Financial Agencies Ltd., was retained and not remitted as should have been done."

5. That Para. 9 of the report be renumbered as 7 and amended by striking out the words "Mr. Rawluk, the maker of these charges" in the 12th and 13th lines of the paragraph and replacing them by the words "the people directly involved, namely Hon. C. M. Fines, M. F. Allore, Philip Bodnoff, Dr. M. C. Shumiatcher and J. O. Rawluk." That all the words after "charges" in the 13th line of the paragraph to the end of the page be struck out and replaced by the following: "The Committee draws attention first to the following taken from Rawluk's evidence."

6. That (g), (h) and (i) of Para. 9 on page 11 be struck out and replaced by the following:

"The Committee, however, is of the opinion that Rawluk who gave testimony for nearly 33 hours and underwent close examination by Counsel for the Committee, Mr. E. C. Leslie, Q.C., and the Premier, gave his testimony in a much more straightforward manner than did the witnesses Shumiatcher, Bodnoff, Allore and Castes, who, at crucial points of their evidence were most evasive and at times contradictory in their evidence." This feature of their evidence will be dealt with later in this report.

7. That Para. 10 be re-numbered and amended by deleting "pure" in the 10th line thereof and "absolutely" in the 11th line, and by deleting the balance of the paragraph commencing with the sentence, "The inherent improbability of these allegations would, in itself, be sufficient to cause its rejection by the Committee unless it were supported by very credible evidence or documents" and replacing it by the following:

"Rawluk must have known that his story would be attacked as improbable and that many would wonder why Dr. Shumiatcher would convey money to Mr. Fines through an intermediary rather than directly and whether Mr. Fines would go to so much trouble for \$100.00 or \$200.00. Yet Rawluk chose to put this in his Affidavit and did not waver in any way in giving evidence before the Committee as to the transaction. There is no conceivable motive for his so involving Hon. C. M. Fines in the matter except that it was part of the transaction. It is fantastic to suggest that he made up such a story about the Provincial Treasurer out of thin air and perjured himself in telling it with no motive whatever. There is no suggestion of dislike of Mr. Fines or hope of advantage in any way. No suggestion of strong political bias. Rawluk could not know or expect but that his story would be denied

as fantastic and left entirely unsupported. He could not know that William Tennant, a Regina lawyer would come forward and testify to hearing Dr. Shumiatcher engage in such a telephone conversation about the time in question. Mr. Tennant gave his evidence in a straightforward, convincing manner and was not shaken in cross-examination. It is simply inconceivable that he would come forward and swear to hearing Dr. Shumiatcher obviously making an appointment for Rawluk unless it happened. It is to be noted that Dr. Shumiatcher strenuously denies that he ever engaged in such a conversation. Tennant is an entirely disinterested witness and the Committee must accept his evidence and find that Dr. Shumiatcher swore falsely when he denied the conversation took place. If it was an innocent appointment that was being made there was no reason for its being denied as it was by Dr. Shumiatcher. The fact that there was a slight discrepancy as between Rawluk's recollection of the matter and Tennant's indicates each is giving his independent recollection and negatives any possible arrangement between the two. Further the stories of the two witnesses are reconcilable for it. Rawluk was to go to the Insurance Office as he said he was to do. He would go along Eleventh Avenue as stated in the conversation overheard by Tennant. The Committee, therefore find that Rawluk's story as given in Paragraph 41 of his Affidavit supported in some measure as it is by that of the disinterested witness Tennant has not been disproved."

8. That Para. 11 be struck out and Paragraph 12 be renumbered as 8.

9. That Paragraph 13 be renumbered as Paragraph 9 and all the words after "amount" in the 7th line thereof be struck out and the following substituted therefor:

"The Committee finds that this arrangement was made for the fraudulent purpose of obtaining the proceeds of her salary cheque to build up a fund out of which these kickbacks could be paid. Rawluk so swears in his Affidavit, and again in his evidence before the Committee he corroborated in his evidence by the fact that Mrs. Rawluk earned nothing of this salary. This is clearly established by the evidence of Mrs. M. Severson, Mrs. Dorothy Smibert, Mrs. Lillian Cariss and Mr. Ed August, who were also employed by the Company during part of the period in question. Rawluk is corroborated further in his statement that this was a device for the fraudulent purposes indicated by the fact that at least six of Mrs. Rawluk's salary cheques were cashed by persons employed by Messrs. Shumiatcher and McLeod, or deposited to the General Account of that firm.

"Rawluk is further corroborated by the evidence of his wife who stated categorically that she received none of the proceeds of these cheques. Rawluk is corroborated further by the evidence of Miss Jeannine Fradette, who described the cashing of one of these cheques by her, and of taking the proceeds in cash to Mr. Rawluk in Mr. Allore's office in the Saskatchewan Government Insurance Building.

"Rawluk is corroborated further by the evidence of Lillian Cariss whose endorsement appears on Exhibit NN4 and NN5, and by her evidence that she cashed these cheques and brought the cash to Rawluk, and Rawluk swears in turn, that the cash was given to Dr. Shumiatcher in furtherance of this corrupt practice. Above all Rawluk is corroborated by the obvious anxiety of Dr. Shumiatcher to obtain possession of the Affidavit, as shown by his activities on June 3rd and 4th, 1952, and on June 10th, 1952. If there were no documents and records and no evidence to incriminate Dr. Shumiatcher, there was no need for him to take the steps he is shown to have taken in his efforts to obtain possession of the Affidavit.

April 13, 1953

"Dr. Shumiatcher first stated that Rawluk had been to him prior to June 3rd, 1952, and had attempted to sell the Affidavit to him. Dr. Shumiatcher then had to admit that this was false. It clearly appears from the evidence that Dr. Shumiatcher approached Mrs. Rawluk on the evening of June 3rd, 1952, and invited her to his office. He said to her, "By the way, I think it would be a good idea if we had a little chat; there is something I would like to tell you about Joe – Joe Rawluk – that has rather concerned me." And later, "I hear Joe has been around the country peddling some sort of an Affidavit; that he came here to offer it to me if I gave his promissory notes."

"That is his evidence although he had previously sworn that he knew nothing about the Affidavit on that date from Rawluk. At the meeting with Mrs. Rawluk on June 3rd, he told her of the trust monies owing to customers of Financial Agencies. He told her of the cheque for \$3,350.00. He brought her to a state bordering on nervous hysteria, in his efforts to lay the foundation to later gain possession of this Affidavit. She was finally rescued by one of her companions and had to be driven home by Mrs. Cates in Dr. Shumiatcher's car. Her condition was such when Rawluk returned home in the early hours of June 4th, that Rawluk 'phoned Dr. Shumiatcher to challenge his actions. Dr. Shumiatcher says this call was a friendly one, but Rawluk's evidence that it was a call made to Dr. Shumiatcher to reproach him for those actions seems more credible.

"On June 4th with Mrs. Cates, Dr. Shumiatcher was again trying to gain possession of this Affidavit. On June 10th, according to the memorandum in Dr. Shumiatcher's own handwriting, he promised to obtain a reinstatement of the Saskatchewan Government Insurance Office contract, and a bond, if Rawluk would produce this Affidavit. If Dr. Shumiatcher had nothing to fear, and no corrupt practices had transpired, there was no need for him to show such concern with the Affidavit.

"In addition to salary cheques Rawluk states that on June 28th, 1951, he prepared a cheque for \$161.35, Exhibit "Q". This cheque was made out, signed by Dr. Shumiatcher, and cashed by Rawluk, on account of a fictitious trip to Vancouver. Particulars of the expenses are shown on Exhibit "VVV." Rawluk swore that no such trip took place, and was corroborated to some extent by the two exhibits. An investigator from the R.C.M.P. was made available to Committee Counsel to check records of the Railway Company to see whether any train reservations were made by Rawluk during the appropriate dates after June 17th, 1951. Exhibit "VVV" and the cheque indicate that this fictitious trip was supposed to have been taken between June 17th and June 23rd, 1951. It is fair to assume that such an investigation was made, and that no records of such a trip could be found. It will be clear from the memorandum, Exhibit "VVV", that the costs of a berth were included in this expense cheque totalling \$161.35. The Committee must take it, therefore, that the R.C.M.P. investigator was unable to challenge this statement made by Rawluk that the trip was never taken, and that the cheque, Exhibit "Q", for \$161.35 was indeed made out for the corrupt practices indicated.

"In addition to the above, Exhibit "J", being a cheque for \$90.00 drawn on Rawluk's personal account, payable to cash, dated January 26th, 1951, and bearing the endorsement of M. F. Allore and William George, support the evidence of Mr. Rawluk that money was paid by him to Allore on or about the date indicated.

"However, in the opinion of this Committee the most conclusive evidence of all is Exhibit "R", admitted by Allore to be in his handwriting, in which a 40 per cent calculation is made of the commissions upon certain insurance written. Allore later sought to qualify this admission but after considerable question he finally admitted without qualification that it was in his handwriting but only when faced with a handwriting test. The writings and calculations on Exhibit "R" are not consistent with any reasonable explanation other than that it was made out by him to ascertain the amount he was claiming as his kickback in respect of April 1951, business done by Financial Agencies Ltd. Allore gave no less than six different explanations. He first said to Committee Counsel, "Well, I can only say Mr. Chairman at this time, that it was either in respect to an arrangement whereby I could get Mr. Rawluk to watch his collections, as well as his writings, and suggesting that he budget on a basis of 40 per cent and 60 per cent, or it is some other computation with respect to the profit on the business that he was discussing with me."

"Looking at these two suggestions it is clear that neither are consistent with the document. First of all, if this was made with respect to an arrangement whereby Allore could get Rawluk to watch his collections as well as his writings, and suggesting that he budget on the basis of 40% and 60%, it is apparent that the computation was only made in respect of the five policies to Smith Bros., A. Young, Poole Construction, J. and G. South and Henderson Bros. Also the words 'balance at March 31st \$124.90' at the Top of Exhibit "R" are inconsistent with this pretended explanation. Furthermore, the Smith Bros. policy referred to is not a contractor's bond, but a fire policy, while the other four are contractor's bonds. This particular explanation by Allore is patently false. The second suggestion that it was some other computation with respect to the profit on the business is also patently false, because Exhibit "R" does not purport to deal with the profit on the entire business, but only relates to the commissions on these five policies, out of many others. That suggestion therefore is patently false and untenable.

"Allore then offers further explanations, each as untenable as the others. He said 'I assume that they were computations made either with respect to the change in the rate of these policies or computations made with respect to the account of the agency which was in arrears at the time.'

"Looking at these two explanations and comparing them with Exhibit "R" it is apparent that no such explanations could be accepted. If the calculations had anything to do with the change in the rate of these policies, such change could be related to the facts. These policies had already been written and he was calculating 40% of the commission on those five policies alone. The rate was not in fact changed, nor is it shown that any such change was contemplated at the time. The other explanation that it was a computation with respect of the account of the agency which was in arrears at the time, is equally false. First of all because the accounts of the Agency in April was not seriously in arrears at the time. On January 29th, 1951 the account of the Agency was in credit in the amount of \$12.40. A debit of premiums on the business written in the sum of \$1,217.75 was carried into the account of February 28th. A further debit of \$2,254.13 was carried into the account for insurance written on March 31st, 1951, and the account then stood in debit a total of \$3,471.88. As to the sum of \$2,254.13, the Company would have either 30 or 60 days to make it good, and it was in fact made good on May 1st, and the account stood in credit in the sum of \$17.50 on May 1st, 1951.

April 13, 1953

"The explanation that Mr. Allore gave therefore that this was a computation made with respect of the account of the Agency, is not a credible one.

"On the 13th of March, 1953, three days after these hearings started, Mr. McLeod and Mr. Allore interviewed Mr. Ed August and suggested to him that the computation in Exhibit "R" might have been made for his advantage so as to show an entitlement August might have in commission revenues from these five policies. August repudiated that suggestion and disclaimed any such interest and there is no suggestion that he had any such interest.

"Finally, after all these futile efforts to explain Exhibit "R" Allore admitted to the Committee that he didn't know what Exhibit "R" referred to. The Committee finds that the reasonable and true explanation of Exhibit "R" is that it was indeed a calculation of 40% of the commission of those five policies for the corrupt purposes alleged.

"Rawluk was corroborated further by the evidence of contractors like Mr. N. Hilsden who regularly placed their business with Garnet Barlow Agencies, who also hold a Saskatchewan Government Insurance Agency. It is significant that the large contractor's bond covering the new Administration Building should suddenly be diverted to Financial Agencies, a firm Mr. Hilsden never heard of before. Mr. Allore admits giving assistance to this firm to obtain this and other profitable Government bonds for Financial Agencies Limited. It is shown in evidence that he attended on at least one occasion to assist Financial Agencies in filling envelopes, working at night with the staff. It is shown that he attended upon the late Mr. Barre to obtain the business of issuing a performance bond for Smith Brothers and Wilson for Financial Agencies Ltd. In this connection he even helped fill out the application for the bond and got the transaction so completed that practically all Rawluk had to do was deliver the bond. The commission paid to Financial Agencies for this business was \$338.84, of which Rawluk swore Allore received 40% or \$135.53. The assistance which he admits himself to have given to Financial Agencies, corroborates Rawluk fully in this respect. If Allore gave similar assistance even to each of the seventeen agencies in Regina City alone, he would have no time to carry out his duties as Manager of the Saskatchewan Government Insurance Office, and it cannot be accepted that he promoted the business of other agencies to the same extent.

"Rawluk is also corroborated in many other of the details of his Affidavit, and of his evidence. For example, the Company was incorporated and commenced business as stated in his Affidavit. The documents prove this. The financing of the Company was provided as stated in his evidence. Dr. Shumiatcher and Bodnoff admitted this. According to the records of Company meetings kept by Dr. Shumiatcher as Secretary during the relevant period, Directors' meetings were held and recorded on the dates alleged in the Affidavit.

Mr. Rawluk took a car ride with two other men in Mr. Fines' automobile in June, 1952, and although Mr. Fines has previously sworn that he had never seen Rawluk before, he had to come back to the House on cross-examination and admit it. Rawluk stated that he had played golf with the Premier, which apparently the Premier had forgotten until it was drawn back to his mind by Rawluk telling of the incident.

"Bodnoff approached Mr. Allore for the contract of insurance with the Saskatchewan Government Insurance Office, as alleged in the Affidavit and Bodnoff admitted this.

"During the period from September 23rd, 1950, to December 13th, 1950, the Company did write some fire and automobile insurance policies for the Saskatchewan Government Insurance Office, but during the period of the operations by the Company from September 1st, 1950, to October 1st, 1950, expenses of the Company totalled \$1,188.42 and the income earned by the Company for the same period totalled only \$120.52, as alleged in paragraph 18 of the Affidavit, and the records corroborate that evidence.

"Exhibit "R" is in the handwriting of Mr. Allore as stated by Mr. Rawluk, and Allore, finally and with obvious reluctance had to admit it. Mr. Allore did advise Rawluk of the fact that the second lowest tenderer was awarded the contract for the construction of the new Administration Building in Regina and as a result Rawluk managed to approach the main contractor and sub-contractors for the business of issuing performance bonds ahead of any other agent and as a result Financial Agencies got the business of issuing all the bonds but one in connection therewith.

"The Saskatchewan Government Insurance Office printed the blotters specially for Financial Agencies Limited, as alleged in the affidavit of Mr. Rawluk. Time and time again throughout his evidence, Rawluk has been corroborated in his statements by officials of the Government, and by the documents and records.

"As against this impressive record the Committee has heard evidence of the most unreliable sort from persons who were vitally interested in clearing themselves.

"In seeking to explain Exhibit "R", Mr. Allore said, 'it would appear to me to be the result of a discussion with Mr. Rawluk wherein I was endeavouring to suggest the budgeting of his commissions so he could continue on a properly balanced basis in the operation of his agency.' This is obviously untrue because he was only calculating 40% on the five policies mentioned. Later on the same page he says 'it would appear to me to be an outline of those contractors to whom he had referred Mr. Rawluk in order to get their business, and to indicate the extent to which he could develop this business.

"Allore's evidence and the manner in which it was given was such that it was difficult to place any confidence whatever in it.

"It was proved and he admitted he frequented gambling establishments. The Prairie Social and Athletic Club, the Railwayman's Club, the Shamrock Club, all knew him. He played dice games, but would not admit that he lost the proceeds of said \$90 cheque in a gambling game although it was cashed by Wm. George, who acted as chief steward at the Prairie Social and Athletic Club and the Shamrock Club."

10. That Paragraph 14 be renumbered as Paragraph 10 and that all of it be struck out after the word 'Rawluk' in the 26th line of said paragraph and the following substituted therefor:

April 13, 1953

"Dr. Shumiatcher, like Mr. Allore, had a keen personal interest in the outcome because these charges involve him in criminal corruption and bribery of a public official. His manner in testifying was extremely evasive and he showed a disregard for the fact that he was under oath by an obvious tendency to swear to facts which supported his story but which he later found were incorrect.

"He denied receiving any of Mrs. Rawluk's pay cheques except where this could not be denied as in the case of the cheques endorsed by his employees or bearing the deposit stamp of his firm which, of course, he could not deny. In the opinion of this Committee the episode of the \$300.00 alleged loan to Rawluk was fabricated to explain these cheques.

"Dr. Shumiatcher and Philip Bodnoff claimed that Dr. Shumiatcher was collecting these cheques totalling \$285.00 as a personal favour for Bodnoff who was supposed to have loaned \$300.00 to Rawluk in cash, on or shortly after the 4th of May, 1951.

"Dr. Shumiatcher stated, 'well now, Mr. Bodnoff I know advanced certain money to Mr. Rawluk, both for the purchase of an automobile, and otherwise.' Later he said, 'so that the sale of the car was deferred, and as I was advised, and I say I don't know this personally because Mr. Bodnoff advised me of it because I came into the picture later, Mr. Bodnoff said, 'I will loan you additional money (and I think it was \$300.00 finally arrived at) on condition that you put your car up for sale at a used car lot, and indicate to the car lot owner that the car is being held in my name so that I will be able to realize something on the proceeds when it is sold.' This evidence was hearsay and given to bolster up the \$300 alleged loan story."

The transcript of Bodnoff's evidence relating to this transaction, on Page 27 of the transcript for Monday, March 16th, evening session, by its vagueness indicates it was an invented story.

It is as follows: –

"Q. On May 4th, 1951, he gave you \$1,000.00.

A. I believe that is it, sir.

Q. Which was made good, the cheque for \$1,000.00?

A. Yes, that cheque was good, sir.

Q. And then do you remember when you were paid the balance of the \$1,365.00?

A. It was the latter part of the summer, sir, I believe, after the car was disposed of. I believe it was the latter part of the summer.

Q. Well, we'll leave that deal for a minute. Did you charge him any interest on this money or anything?

A. There never has been any charge of any kind, sir. I never asked for any.

Q. August 28th, 1951, is the date of the cheque for \$1, 365.00 from Shumiatcher & McLeod. Now that was one deal you had with Mr. Rawluk. Were there any others?

A. Yes, I believe there was. In fact, I know there was.

Q. Well, would you tell the members of the Committee about it?

A. Well, after he had given me this cheque for this \$1,000.00 he informed me that he wasn't going to sell the car – he had changed his mind and didn't want to sell the car and that he would give me the money as soon – that it was coming shortly from some source, I don't know where it was – I believe it was still his father-in-law and the money was coming from that particular source and I was inclined – I did believe him, I don't know why.

Q. The \$1,000.00 cheque had done something . . .

A. It had done something to restore my morale. It must have because I give him some more, so it must have.

Q. How much more did you give him?

A. I don't know – it was just about – somewhere around the middle of the month, I don't know exactly just what, but he came to me with a pathetic story – it must have been for me to be foolish enough to give him some more money; and he wanted \$500.00. I told him that that was impossible, that he owed me \$1,365.00 and that I wasn't going to give him any more money. He pleaded that he needed this money very badly.

Q. When was this, Mr. Bodnoff, do you know?

A. It wasn't long after I had received the cheque – it wasn't very long. I don't know, but I think it might have been the middle of the month . . .

Q. Of May?

A. Of May, that's right, sir, of May.

Q. He came to you and tried to borrow \$500.00?

A. That's right, \$500.00.

Q. And did you give him the old stony stare or what did you do?

A. Well, I don't know just exactly what I gave him; I know he got money, I know that.

Q. How much money did he get?

A. Well, I finally agreed to give him \$300.00, on . . .

Q. You say 'give'?

A. Loan him, rather, I'm sorry. I finally agreed to loan him \$300.00 providing or on the condition that he would put the car on the lot in my name and that he was to repay that \$300.00 immediately or very shortly.

April 13, 1953

Q. Mr. Bodnoff, did you give him the \$300.00 by cheque or in cash?

A. No I give it to him in cash.

Q. Did you take a receipt from him?

A. No, sir, I don't believe I did. I know I didn't.

Q. You'll be losing some more money some of these days if you're not careful.

A. Well no, this looked all right, sir. I was getting the car. I was finally getting the car.

Q. You think it looked all right?

A. Well it looked all right because I was finally getting the car without having to put any pressure on him.

And later on Page 29 the transcript of Mr. Bodnoff's evidence as follows:

"Q. Do you remember where you gave him this \$300.00?

A. I believe it was on the same premises I had given him the cheque for the car.

Q. What premises were those?

A. The Montefiore Club, sir, in the Westman Chamber Bldg.

Q. The Montefiore Club?

A. Yes, in the Westman Chamber Bldg.

Q. Did you have the money on you? Did you have to go to the bank to get it or were you carrying that much?

A. No, I had the money on me, sir.

Q. And you counted it out and gave it to him. What were the stipulations you made about the repayment of that money?

A. The stipulation was that I was to get that money back in cash within a short time – I think, possibly, I think he mentioned that he would give it back to me within a week, and that the car would be put on the lot in my name to be sold.

Q. Well, was the car put on the lot in your name, to be sold?

A. It was, sir. I believe – I was informed by Dr. Shumiatcher that the car was on the lot. It was on the lot in my name to be sold."

Later on Page 30, Mr. Bodnoff said, "I told him (Shumiatcher) what I had done and that I had instructed Joe to pay the money – I told him that I had given Joe \$300.00 and that Joe was to deliver \$300.00 in cash in the office and also that Joe was to put the car in the lot in my name and I told him to please look after it and see that he got the cash from Joe."

"Q. How were those to be made? How was the money to get from Dr. Shumiatcher to you?

A. Well, as soon as Dr. Shumiatcher got the \$300.00 there why he turned it over to me — \$300.00 in cash.

Q. Why did you stipulate 'in cash'?

A. Well I had given him cash. I just wanted cash.

Q. Well Dr. Shumiatcher's cheque or Shumiatcher & McLeod's cheque would have been as good to you as cash, wouldn't it?

A. No, I give him cash and I told him that I wanted cash: I don't know . . .

Q. Told who?

A. I told Dr. Shumiatcher that I wanted \$300.00 in cash from him."

It will be noted that the reason given by Bodnoff for making this loan to Rawluk was to get the car put on the car lot for sale in Bodnoff's name.

In this connection it is to be noted that on the 28th date of April, as shown in the minutes, it was agreed by Rawluk that Rawluk would sell the car which he had, for the purpose of paying off some of his indebtedness, and that his car allowance would cease forthwith.

On that date he executed Bill of Sale of the car (See Exhibit "KK").

Both Shumiatcher and Bodnoff admit that they were aware of the fact that Rawluk was in financial difficulties. They were aware of the fact that the car had previously been financed with the Niagara Finance Co. for an amount in excess of \$1,000.00, and that there was \$950.00 owing on this on the 28th day of April, 1951.

In this connection the Affidavit purporting to be sworn by Dr. Shumiatcher appended to this bill of sale, wherein it was sworn that no lien of hypothec or other encumbrance existed against the car on the 28th of April, 1951, was to Shumiatcher's knowledge untrue.

In effect, Bodnoff's and Shumiatcher's story was most improbable.

At that moment Bodnoff had \$1,365.00 owing to him in respect of the car. Also against the car there stood the balance of the financing agreement in an amount approximately \$1,000.00. This alleged loan to Rawluk of \$300.00 would increase his claim to over \$2,600.00, far more than the car could possibly be sold for. His solicitors, Shumiatcher & McLeod, were holding a bill of sale dated the 28th day of April, apparently taken concurrently with the Directors' Meeting of April 28th, which empowered him fully to take possession of the vehicle, and to dispose of it without investing a further \$300.00 in the transaction, as alleged. Rawluk denies that any such loan was made to him.

There are numerous reasons why this alleged loan of \$300.00 would appear to have been invented to explain the receipt of the proceeds of Mrs. Rawluk's six cheques by Dr. Shumiatcher. Although Dr. Shumiatcher was collecting the \$2,365.00, as a friend he actually put this transaction through his books on August 28th, 1951, after the car was sold, but he swears that as he was only

April 13, 1953

acting as a friend to collect the \$300.00, he did not put it through his books, or issue any cheque or take any receipt in connection with it. The question arises why was one transaction put through the books and the other not. One of the reasons given for the desire to have the transaction in cash was that Bodnoff's income tax position might be affected. That is obviously absurd. Repayment of a loan of \$300.00 would not affect his income tax. On the 28th day of August, 1951, when the car was sold, for \$1,975.00, the entire proceeds were disbursed by two cheques. One for \$610.00 to Rawluk, (see Exhibit "JJ") and the other to Mr. Bodnoff in the sum of \$1,365.00, (see Exhibit "3G").

It is significant that the balance of the alleged \$300.00 loan had not been repaid on August 28th, 1951, and if such a loan was ever made, there is no doubt that this balance would have been collected out of the \$610.00 remitted at that time to Rawluk by Shumiatcher.

Even more significant was the evidence of Miss Jeannine Fradette. This witness was a young and inexperienced stenographer who was employed by Dr. Shumiatcher from the 17th of July, 1951, until the 17th of August, 1951. She was obviously a truthful witness and clearly had no motive to do other than tell the truth about the transaction. Her endorsement appears upon the cheque dated July 13th, 1951 (Exhibit "L"). This cheque shows that it was cashed at the Royal Bank of Canada on the 16th day of August, 1951. This is one of the cheques which Dr. Shumiatcher says was collected and the proceeds of which were paid to Bodnoff on the alleged \$300.00. If Dr. Shumiatcher was telling the truth, then Jeannine Fradette was not telling the truth. She swore she took the proceeds of this cheque in cash to Mr. Allore's office in the Government Insurance Office, and there delivered it to Mr. Rawluk. She says that she did this on the instructions of Mrs. Cates, Dr. Shumiatcher's secretary. The records show that Jeannine Fradette made a deposit for the firm of Shumiatcher & McLeod at the Canadian Bank of Commerce on that day. It is significant that this cheque was cashed at the Royal Bank of Canada, and she therefore must have made a special trip to the Royal Bank of Canada for the purpose of cashing it and would not have done this unless specifically instructed to do so. Why was she not instructed to cash the cheque at the Canadian Bank of Commerce if the cash was to be brought back to Shumiatcher's office?

Dr. Shumiatcher denied her statement that she took this money to Mr. Allore's office, and told the Committee that Jeannine Fradette had made many trips to the Saskatchewan Government Insurance Office on other business matters for his firm during the time of her employment, and she must have been confused in this respect.

This is an example of Dr. Shumiatcher's facile explanations of embarrassing testimony. The record of Miss Fradette's evidence under cross-examination by Dr. Shumiatcher is as follows:

"Q. You don't recall whether he was? I see. And had you met Mr. Allore at any time?

A. No, I hadn't.

Q. No. Had you been to the Government Insurance Office, prior to the day when you say you went there with this envelope?

A. No, I hadn't.

Q. You hadn't been there. Now where is the Government Insurance Office located?

A. On Eleventh Ave. and Lorne, I believe it is.

Q. And you had been there before, had you?

A. Well, not in the Government Insurance Office, no.

Q. Ever heard of the Government Insurance Office before that?

A. Oh, yes.

Q. But you had no business with the Government Insurance Office prior to that?

A. That's right.

Q. Had you ever been to Mr. Allore's office prior to that?

A. No, I hadn't.

Q. I see. Never talked with him over the telephone?

A. No."

The Committee finds it to be obvious that this trip to the Saskatchewan Government Insurance Office was on the 16th day of August, 1951, the day before Jeannine Fradette left the employ of Dr. Shumiatcher, and Dr. Shumiatcher's explanation of numerous trips in which she could have been confused is false.

Miss Jeannine Fradette's evidence before this Committee, if believed, destroys the whole fabric of the defence of these charges. It is true that Miss Fradette readily admitted she did not know Mr. Allore. This indicates what a frank and conscientious witness she was.

The transcript of her evidence in this connection is as follows:

"Q. Do you know this gentleman here? (pointing at Mr. Allore). Do you know who that is?

A. No, I can't say that I do.

Q. You don't know him? How do you know that you were in Mr. Allore's office when you went to the building?

A. The receptionist just told me that I should go right into his office.

Q. You were directed there by the receptionist, were you?

A. That's right.

Q. It's been suggested here that the proceeds of that cheque was paid to Mr. Bodnoff. This is Mr. Bodnoff. Was he there?

A. No, I don't believe so. There was just the two of them in the office."

April 13, 1953

The Committee accepts the evidence of Miss Fradette which means that Mrs. Cates' evidence that the money from Mrs. Rawluk's six alleged pay cheques was accumulated and paid over in November, 1951, in one lump sum of \$285.00 to Bodnoff was untrue.

Mrs. J. Cates is a senior employee of Dr. Shumiatcher. She is still employed by Shumiatcher & McLeod. She had every interest in attempting to support Dr. Shumiatcher's position. She positively swore that no other cheques came into her possession, other than the six cheques to Mr. Bodnoff on November, 1951. It is to be noted that Dr. Shumiatcher swore that the proceeds of these cheques were paid over to Bodnoff in two instalments, one in October and the other about November 7th or 8th.

Where, as here, the Committee must choose between the evidence of Miss Jeannine Fradette and Mrs. J. Cates, one a totally disinterested witness and the other deeply interested and bearing in mind the respective demeanours of these two witnesses when giving evidence the Committee unhesitatingly accepts Miss Fradette's evidence.

11. That Paragraph 15 be renumbered as Paragraph 11 and that all the words after the word "place" in the 8th line therein be struck out and the following substituted therefor:

"In the case of Mr. Allore it was shown that he was well acquainted with William George, familiarly known to him as Willy George. When asked by Committee Counsel whether he knew William George he answered, "I don't recall who that is." And to the question, "You don't know William George?" he replied, "I don't recall offhand who he is, no." Then he was confronted later with the evidence of William George. He said he didn't associate Willy George with William George, yet William George who endorsed the \$90.00 cheque, Exhibit "J", was the only William George of his acquaintance. This Committee is of the opinion that in these answers Mr. Allore was not telling the truth. Mr. Allore did not categorically swear that he did not receive the proceeds of the \$90.00 cheque given to him by Rawluk. His answer was, "It can only be a cheque I have cashed for Rawluk when he probably said, have you any money." He further said, "I was surprised to know that I even cashed a cheque for him, until I saw it." It will be noted that he finally does not even unequivocally affirm that it was this \$90 cheque which he claims to have cashed for Rawluk. The transcript from the evidence in this regard is as follows:

"Q. (by Mr. Tucker to Allore) Than you did know that you had cashed that cheque? (referring to the \$90.00 cheque given to Allore by Rawluk dated January 26, 1951).

A. Oh yes. At least I am not sure it was that one but I remember cashing a cheque and it's quite likely that one.

Q. I see. So that you may have cashed another cheque for Mr. Rawluk. Are you telling us now?

A. I don't know."

12. That Para. 16 be struck out and the following substituted therefor as Paragraph 12.

"12. The next item offered in corroboration of Mr. Rawluk's charges is Exhibit "R" to his Affidavit. This document reads as follows:

		Bal. at March 31	\$124.90
April	Premis.	Com.	
Smith Bros. & W.	\$ 57.70	\$ 11.54	
A. Young	142.08	35.52	
Poole Const.	1,792.69	448.17	
J. & G. South	342.18	85.55	
Henderson Bros.	<u>172.25</u>	<u>43.06</u>	
	\$2,506.90	\$623.84	
		<u>40</u>	
		<u>\$249.5360</u>	<u>\$249.54</u>
		Bal. at April 30/51	\$374.44
		July 10	
		21	

It is suggested that this document is consistent only with the allegations made by Mr. Rawluk to the effect that Mr. Allore was to get a "kickback" of 40 per cent on the commissions on business directed to Financial Agencies Limited by him, Mr. Allore, or as Mr. Rawluk put it in his evidence before the Committee, on business that Mr. Allore was instrumental in getting for the Company.

The Committee finds, as finally admitted by Mr. Allore, that Exhibit "R" is in his handwriting and that it refers to a 40 per cent calculation on business done by Financial Agencies Ltd., as agent for the Saskatchewan Government Insurance Office.

The transcript of the first evidence given by Mr. Allore in regard to Exhibit "R" is as follows:
(Page 42 March 10, Evening Session)

By Mr. Leslie referring to Exhibit "R".

"Q. Is that your writing?

A. Yes, that is my handwriting.

Q. Will you just explain to the Committee just what that means?

A. It would appear to me to be the result of a discussion with Mr. Rawluk wherein I was endeavouring to suggest a method of budgeting his commissions so that he could stay on a properly balanced basis in the operation of his agency. I would have to check these to see what particular items are referred to. They are definitely my figures.

Q. "Balance at March 31st \$124.90." Do you know what that means?

A. No I don't, sir.

Q. "April, Smith Bros. & Wilson, Premiums \$57.70 and Commissions \$11.54."

A. That looks like it was taken from this account here – yes there it is. It would appear to me to be an outline of those contractors to whom I

April 13, 1953

had referred Mr. Rawluk in order to get their business and to indicate the extent to which he could develop this business. Now I do not know any more about it at this time without making a further study of it, but that is what it would appear to me."

Mr. Allore later made several different explanations of Exhibit "R" but wound up saying:

"Yes, I've examined that slip of paper, or at least a copy of it which was made available to me and I cannot relate the balance shown at the top to anything that looks familiar or that I can understand."

He went on to say:

Well, I think I've explored the thing from many angles to try to get some recollection of what it was about, and the suggestion I related earlier is the most likely answer to why that computation was made, and that is that it was in respect to engaging a man to concentrate on this bond business. I don't know whether I did explain that Mr. Rawluk had complained about the owners of this business – that is, his other partners in the firm – wanting him to concentrate on the collection end of the business, and that he wasn't finding time to do all of the work in both ends of the business."

Yet later Mr. Allore admitted that the first item on Exhibit "R" was a fire insurance policy.

Later again the transcript of his evidence is as follows:

"Q. Well, now, for the purposes of these calculations we were mentioning on Exhibit "R", you really don't know what you were calculating at all, do you, unless –

A. I don't recall the computations.

Q. All you're suggesting to the Committee is a number of alternative possibilities.

A. That is correct.

Q. None of which you know to be true at all.

A. Correct.

13. That Para. 17 be renumbered as 13 and be amended by striking out all the words after "kick-back" in the third and fourth lines thereof and adding the following:

"The fact that this was not done by Rawluk with any intention of later establishing a case against Messrs. Allore and Fines is shown by the fact that he did not even recall that he had told them of the kickbacks for when asked what persons he had told about them prior to the preparation of the Affidavit he only recalled that he had told his wife and Messrs. Heald and Tucker. This evidence completely demolishes the suggestion that Rawluk's story was later fabricated for political purposes for when he told Mr. August and Mrs. Cariss and Mrs. Severson of them he was on excellent terms with Messrs. Allore, Bodnoff and Shumiatcher and was a great admirer of Premier Douglas. It was around

this time that Allore went to the office of Financial Agencies Ltd., and assisted in stuffing envelopes for their advertising campaign. It was months before Bodnoff and Shumiatcher withdrew from Financial Agencies Ltd.

14. That Para. 18 be renumbered as 14 and be amended by striking out all the words in the paragraph after "witness" in the 8th line of the paragraph and replacing them with the following:

"As a result her evidence was not subjected to cross examination which was borne in the mind by the Committee in assessing the weight to be given to it."

15. That Para. 19 be renumbered as 15 and be amended by striking out all the words in the paragraph after "bidders" in the fourth line thereof and replacing them with the following:

"This is borne out by what happened in regard to insurance business in connection with the contract for the New Administration Building where the contract was awarded to the second lowest bidder and where Allore admitted he might have supplied Rawluk with a list of the contractors."

A transcript of the evidence of the evening of March 28th is as follows:

"Mr. Tucker: There's just one thing. Here it is: Page 42, meeting of March 10th, 1953:

Answer: (Of Allore) "That looks like it was taken from this account here – yes, there it is. It would appear to be an outline of those contractors to whom I referred Mr. Rawluk, in order to get their business, to indicate the extent to which he could develop this business."

Now you were referring to Exhibit "R".

A. That's right. I can explain that.

Q. Well, will you explain it?

A. You will notice that on Exhibit "R" the first three items are contractors and in other evidence I told the Committee about taking Mr. Rawluk to meet Mr. Barre of Smith Bros. & Wilson and I recognized the name of Young as one of the sub-contractors on the Administration Building and I knew that Poole Construction had been bonded in connection with respect to the training school at Moose Jaw. When I made that statement, of course, I hadn't gone all the way down the whole five and it wasn't until I referred to our records later that I found that the last two were actually construction bonds. In other words, the reference – in referring to Mr. Rawluk there only means that I may have supplied Mr. Rawluk with a list of the sub-contractors."

When first giving evidence Mr. Allore stated: "What we do in those cases where we get a list of potential bidders, we ask either one or more of our agents to get busy and try to get the business. Now I do not recall this particular case, whether it was Financial Agencies who were asked to visit them or not but on every large project we like either one or more of our agents to go after the business."

Rawluk swore that Allore did give him such a list in respect of the Training School at Moose Jaw and the New Administration Building at Regina. In the

April 13, 1953

latter case Financial Agencies got all but one of the bonds written in connection with the project including the bond guaranteeing the general contractor Hilsden Smith. Rawluk states that he consulted Allore with respect to a list of successful bidders on the highway contracts awarded in spring of 1951 and it is to be noted that of the first highway performance bonds written by Saskatchewan Government Insurance Office, Financial Agencies Limited wrote seven.

16. That Para. 20, 21, 22, 23 and 24 be struck out and replaced by the following as Paragraph 16.

"The Committee finds that the arrangement to place Mrs. Georgina Rawluk on the payroll of Financial Agencies Ltd., as from Dec. 1st, 1950, at a salary of \$100.00 per month although she clearly did not work and was not expected to work for Financial Agencies Ltd., was to carry out an arrangement made by Dr. M. C. Shumiatcher and Philip Bodnoff to pay M. F. Allore a secret commission of 40% on business which he was instrumental in directing to Financial Agencies. The Committee feels more certain that this arrangement was made and that J. O. Rawluk was instructed to carry it out as sworn to by him not only by the circumstances already hereinbefore referred to but by the facts in connection with the loan of \$75,000.00 to Philip Bodnoff by the Saskatchewan Government Insurance Office authorized by the Board of Directors on the 19th day of July, 1950, on the recommendation of M. F. Allore. (Page 27 of March 31, morning session). These facts are as follows: In April Philip Bodnoff applied verbally to M. F. Allore for such a loan. Such a loan was impossible under the existing regulations of the Government Insurance Office. These regulations were changed by the Board of Directors on the 3rd of May, 1950, as a result of which it was possible to make this loan of \$75,000.00 to Bodnoff. These regulations were changed on the recommendation of the management consisting of Allore and Hammond of which, of course, Allore was a dominant figure due to his being manager of the Corporation. The loan was disbursed to Bodnoff or his order on October 4th, 1950. Thereafter Bodnoff and Shumiatcher invited Premier Douglas and Hon. C. M. Fines into partnership with them in an outdoor theatre venue to be operated by a Corporation known as "Theatre Under the Stars Ltd." Premier Douglas and Hon. C. M. Fines were accepted as shareholders and directors of said Corporation by agreement made on Oct. 16th, 1951. This relationship makes it more probable that Bodnoff and Shumiatcher would be more prepared to make the arrangements made shortly after with Mr. Allore. The desire of Shumiatcher and Bodnoff to get the Premier and Hon. C. M. Fines involved in the Theatre Company sheds some light on the motives which probably caused Dr. Shumiatcher to have the money given to Mr. Fines by Mr. Rawluk handled in the manner it was.

17. That Para. 25 be struck out and replaced by the following a Para. 17.

Mr. Rawluk's Affidavit as to Paragraph 38 and 39 was fully corroborated by Mr. Allore. These paragraphs are as follows:

"38. That hereunto annexed and marked as Exhibit "V2" to this my Affidavit is a memorandum in the handwriting of Mr. M. F. Allore, which is a memorandum written by him for my guidance in attempting to get certain business from Foster, Wheeler and Co. Ltd., and hereunto annexed and marked as Exhibit "W" to this my Affidavit is a draft of a letter to Foster, Wheeler and Co. Ltd., which Mr. Allore dictated to be used by me as a guide for the letter which I would write to Foster, Wheeler and Co. Ltd.

"39. That on the 5th day of October, 1951, Messrs. Bodnoff and Shumiatcher transferred their shares in Financial Agencies Limited to myself and my wife, and that since that time there has been no arrangement with Mr. Allore whereby he and Mr. Fines would receive any cut or commission on business directed by him to the company and that since that time the Company has received no commissions on building bonds or on any Saskatchewan Government Insurance contracts with the exception of Fire and Automobile policies which I have written myself."

In this connection the transcript of Mr. Allore's evidence given the morning of Tuesday, March 31st, commencing at Page 13, is as follows:

Witness: Mr. M. F. Allore by Mr. W. A. Tucker:

"Q. Mr. Allore, when we rose yesterday, I was asking you about Exhibit "V", which, as I recall it, you stated was in your handwriting except for a few words and the figure \$105,000.00

A. That's right.

Q. And we were referring to the contents of it, and it stated there, just to connect up with yesterday's evidence, "Get those particulars from Architect K. Black," and it goes on to values, building construction, location, etc., "Get rates from Mr. Garnett." Who is Mr. Garnett?

A. He was our chief fire underwriter at the time.

Q. Then, "Write Mr. J. Cromie, Foster Wheeler and Co. Ltd., Winnipeg, soliciting business as suggested by the Deputy Minister of Public Works, Mr. E. Eisenhauer." I suppose you didn't know that Mr. Cromie would be the right one to write to in regard to this Company.

A. Well, I must have found out – that is in my writing.

Q. I take it that that was as suggested by Mr. Eisenhauer?

A. As I recall it, this was a project that was up for tender which would be public information, and Mr. Rawluk would have asked me to get the information with regard to the insurance on it, and I believe that Mr. Eisenhauer 'phoned or I 'phoned him – I am not certain which – to give me the name of the contractor for to install these two boilers. He told me the insurance that he would require on that project. And then it appears that I was assisting Mr. Rawluk in getting the thing into the position of an application.

Q. And it says on the bottom: "Mr. Eisenhauer says 100 per cent of value to be insured."

Apparently he had to tell you that; you didn't know that?

A. That is correct. Some assureds don't want to carry 100 per cent insurance; some of them only want to carry 80 per cent or various percentages.

Q. So that, apparently you made a note of it – I take it – to be able to tell Mr. Rawluk that it would be a 100 per cent proposition?

April 13, 1953

A. That is right. That is what it appears to be.

Q. Then you went on, Mr. Allore, to make out this – to help Mr. Rawluk with this application form?

A. That's right. Yes . . .

Q. This writing here, Mr. Allore – is that in your handwriting or Rawluk's?

A. I would say that all of it, except perhaps this – I don't know what that means.

Q. All of it is in whose?

A. In my writing.

Q. Your writing – I see. All except this "mj" in pencil?

A. Yes, on the front. Apparently there is nothing on the back.

Q. Nothing on the back of it?

A. In other words, it is not a completed application.

Q. And I see that there is written in pencil, "Attention Mr. J. Cromie." That's in your handwriting, too?

A. Yes, that would be the man to refer to at Foster Wheeler Company.

Premier Douglas: – We can't hear the witness.

A. I'm sorry. The application is uncompleted and it looks like a draft of an application that I may have asked Mr. Rawluk to send along with his proposed letter to Mr. J. Cromie of Foster Wheeler & Company Limited in Winnipeg.

Q. It would look, Mr. Allore – it would be a fair inference that when you got this 'phone call from Mr. Eisenhower, you then filled in this draft application form and – afterwards?

A. Oh, I think the whole thing would have happened at the same time, most likely in the presence of Mr. Rawluk and on the application, of course, there is only the name of the firm and part of the description of the risk to be insured.

Q. That's equipment, then, used in the construction of a boiler at MJ –

A. That would be Moose Jaw.

Q. And then it is written in pencil, MJ. That would be Moose Jaw?

A. I would say that's what it is.

Q. Now, then you had – there's a draft letter here which I understand you drafted up for the assistance of Mr. Rawluk. Is that correct?

A. I have stated that is in my draft, although upon giving it further study it is certainly a draft I've seen – if I didn't prepare it – probably made suggestions and the draft may have been made by Mr. Rawluk and I've approved it, or vice versa, I'm not sure. I notice in reading it that it's probably a little different construction of sentence than I would use, and I may have drafted part of it or suggested amendments to it, but I did state it was my draft, but for the purpose of evidence, I did approve it.

Q. Yes, because I see, in this draft letter: "We are pleased to quote a rate of 40 cents per hundred dollars per annum for this coverage." I take it that you would supply that rate to Mr. Rawluk?

A. No, that would have been supplied by Mr. Garnett.

Q. Oh, I see.

Who?

A. Mr. Garnett, our chief fire underwriter.

Q. That is the gentleman mentioned here in Exhibit "V. So that you would get in touch with Mr. Garnett, and then you drafted this letter up to write to Foster Wheeler & Company?

A. I don't recall the sequence, but that could have been the sequence.

Q. And it said here in the draft, "boiler installation at Moose Jaw, Saskatchewan."

That apparently was checked up on after you wrote Exhibit "V"?

A. Oh, I doubt it. The tender would describe the project; that would be where the thing would be drawn to the attention of Mr. Rawluk and these other particulars would probably be information which would not have been available at the time the tender was published.

Q. One of the things I'd like to ask you, Mr. Allore. When you've got it on Exhibit "V" here: "Get full particulars from Architect K. Black."

A. Yes.

Q. Was that for your information or was that for Rawluk's? Was the memo – was Rawluk to get the information or were you reminding yourself to get that information?

A. I would say that would be for Rawluk's information.

Q. So that you jotted that down in order to pass it along to Rawluk?

A. Well, to assist him in getting all of the information which would be necessary for this policy.

Premier Douglas: – Would you ask him if they got the contract?

Mr. Tucker: – I understand that this piece of business was not obtained.

A. That's right.

April 13, 1953

This evidence shows that on or about June 22nd, 1951, Mr. Allore was passing on information as to insurance required obtained from the Deputy Minister of Public Works to Mr. Rawluk, and even helping him draft a letter to get the business. Is it credible he did this for other agents? Why was Rawluk picked out to get this information and thereby by first on the job to get this business?

18. That Para. 26 be renumbered 18 and that all the words in said Paragraph 26 after the word "greatly" at the end of the 12th line thereof be struck out and replaced by the following:

In regard to the blotters supplied without cost to Financial Agencies Ltd., this was the only case where blotters were printed especially for any agency advertising that particular agency. Other agents were at times supplied with blotters advertising the Saskatchewan Government Insurance Office with space for imprinting or stamping thereon the names of the agent wishing to put them on. Further the assistance given by Mr. Allore to Mr. Rawluk went beyond anything he could possibly have given to all other agents. There were many instances of the evidence of Mr. Allore would bear this out: (Page 37, March 30, 1953, A.M.)

Transcript of Mr. Allore's evidence:

"Q. (by Tucker) Now in regard to the administration bond of this building – on this Administration Building – my recollection of the evidence, and you can correct me if it's wrong, is that Mr. Rawluk got the main bond there and all the sub-contractors except one. Is that right?

A. On the Administration Building? I believe that is correct.

Q. That's correct. And did you furnish him with a list of the sub-contractors on that building?

A. I'm not positive whether I provided him with a list or whether he may have secured it from the general contractors but we had a list available and I think it is quite possible I supplied him with a list."

The evidence of Mr. Allore given on Tuesday, March 10th (Page 4) was read by Mr. Tucker to Mr. Allore, as follows:

"Q. I would like you to look at this Exhibit "R" again, the Smith Bros. & Wilson account. Had you been instrumental in obtaining that?

A. Only to the degree which I would use with any agent in helping the agent to enlist the business. We visited Mr. Barre in his office and were successful in obtaining the application.

Mr. Tucker then put the question arising out of this previous evidence.

"That is, 'we' visited him and had success in getting application?"

A. (by Allore) That is correct.

Q. That is correct. So that all that Rawluk did so far as your evidence is concerned there – he went along with you?

A. He came along, yes. But he did more work afterwards.

Q. Would you explain what work he would do afterwards?

A. There would be the servicing of the policy.

Q. The what?

A. Servicing.

Q. Servicing? Well, what's that?

A. Well, getting additional information and getting the policy, delivering the policy, writing the . . .

Q. Well, the actual application was made out partly by you and partly by him. After that all he had to do was delivery the policy.

A. No, the policy would have to be made up after that.

Q. He could have nothing to do with making the policy up.

A. Not in the actual process he wouldn't but . . .

Q. All he had to do after that was just hand the policy over. Is that right?

A. No, that is not correct.

Q. Well, what else did he . . .

Premier Douglas: – Well, give him a chance to . . .

A. I've explained what servicing a policy means.

Q. Well, explain what work he had to do.

A. Servicing a policy usually means bringing in an application to underwriters; getting additional information for underwriters; delivering the policy; collecting the premium.

Q. Yes. Well, you were with him when the application was made out. You helped to fill it in.

A. That is correct.

Q. You told him what rate should be put in there.

A. No, I don't think I did at the time, although . . .

Q. Well, then, later on.

A. Possibly our underwriter department conferred with me on the rate.

_____ A little louder – the witness – we can't hear him.

April 13, 1953

A. Possibly our underwriting department conferred with me with regard to the rate after the application was taken.

Q. And then it looks that the actual rate is filled in in your handwriting. Remember

A. That's quite possible.

Q. As a matter of fact, you made up that application as much as Rawluk did?

A. I assisted Mr. Rawluk.

Q. Yes. And when it was all made up then your office filled in the bond.

A. We produced the bond.

Q. And all Rawluk had to do then was deliver the bond then collect the money?

A. Deliver the bond and collect the premium. I don't know there might have been additional information required by the underwriters. I am not aware of that.

Q. And that's part of Exhibit "D" where he shows that the premium for that was three hundred and some dollars.

A. No, the commission was . . .

Q. The commission was three hundred and some odd . . .

A. \$300 and some odd; that's right.

Q. And it shows Exhibit "D" – that the money, the 40% of that was paid to you partly by this \$90 cheque. Is that right?

A. That was the allegation."

The evidence in regard to the Highway Bond business procured by Rawluk with the active help of Allore is another example of Allore assisting Rawluk far beyond what he could possibly have done for all his agents.

The following are excerpts from the evidence in regard to this: (Page 21, March 31, Morning Session):

"(Mr. Tucker) – I show you Exhibit "4Y" Mr. Allore. It's headed 'Department of Highways and Transport; Bonding Companies; Agencies; Date of Contract; Contracts', and it purports to give the agency, the date of bond, bond number, amount of bond, premium, contractor and contract?

A. (Mr. Allore) That's right.

Q. Now from the period from April 6, 1951 – that's the first item on this Exhibit "4Y" down to May 28, 1951, and there are there – how many bonds were written?

A. Seven.

Q. Now then, so of the bonds written by the Saskatchewan Government Insurance Office from April 6, 1951, to May 28, 1951, there were how many bonds written? Of highway guarantee contract bonds?

A. There were nine to May 28th – do you want to go to the 30th or the 28th?

Q. May 28th. There were nine written?

A. That's right.

Q. Now of the first seven on the list, how many of those were Financial Agencies?

A. Six out of the first seven.

Q. So out of the first six of seven on the list here – the first six out of the seven on the list were written by Financial Agencies?

A. That's right.

Q. Have you any explanation of why that should have happened?

A. Well, I would say that it's because the Agency went after the business."

Mr. Rawluk swore that he attended at the opening of bids in regard to highway contracts in the Spring of 1951; that he was new at this business and consulted Mr. Allore about it and received his assistance and advice in getting the business. In regard to the Vadeboncoeur business referred to in the preceding transcript Rawluk swore:

"Later in the morning, when discussing it with Mr. Allore, Mr. Allore 'phoned Mr. Vadeboncoeur. I think he attempted to 'phone him in the city of Regina. I know that there was another bond coming up for Vadeboncoeur and there was a long distance 'phone call made. I know there were wires passed between Mr. Vadeboncoeur and Mr. Allore on one of these two instants – I am not certain which. The business was successfully placed to Financial Agencies."

"Q. So that Mr. Allore did take a fairly active part in placing that policy?

A. Yes, sir."

In regard to the Beatty Ramsay Construction Company Bond above referred to, Rawluk swore:

"Q. Now the Beatty Ramsay Construction Company. Will you tell us about that?

April 13, 1953

A. This I believe was also a road construction job. They were successful bidders.

Q. Then what did you do, having found out that Beatty Ramsay Construction Company were successful bidders, what did you do then?

A. Mr. Allore had 'phoned the offices of Beatty Ramsay and spoke to, I believe, Mr. Ramsay; quoted rates – told him that a representative of Financial Agencies would be down to attempt to sign up the application. I don't know how many 'phone calls were made but I think there was a series of possibly two or three 'phone calls and then I went to their offices and we obtained the policies – the application.

Q. You wrote up the application and got the policy? Whom did you see? The late Mr. Ramsay, do you remember? You may not remember?

A. I believe it was the late Mr. Ramsay, sir.

Q. And that's all in June."

Mr. Allore did not positively deny assisting Rawluk to obtain this business so the Committee accepts the evidence of Rawluk in regard to the procuring of these bonds.

19. That Para. 27 be struck out and the following substituted therefor as Para. 19.

"23. The Committee in considering the charges against Mr. Allore had to consider the substance of his evidence and the manner of his giving it, also his admitted habits. His evidence as a whole, leaving aside his denial of receiving kickbacks, corroborated the evidence of Rawluk that he received an amount of help, in getting business for Financial Agencies, far beyond anything to be expected of the Manager of a large Insurance Company with 600 agents to supervise. His failure to give any plausible explanation of Exhibit "R" where in his own handwriting 40 per cent of the commission on certain items of insurance business done by Financial Agencies in April, 1951, for the Government Insurance Office was calculated and added to a balance carried at March 31, 1951, added to the rest of the evidence is, in the opinion of the Committee enough to prove beyond any reasonable doubt the charge that he was in fact receiving secret commissions on business turned in to the Government Insurance Office by Rawluk. His evidence in regard to receiving the proceeds of the cheque given for the trip to Vancouver, which was not made, was evasive. The evidence, in part, was as follows:

"Q. Now then you heard the evidence of Mr. Rawluk about the expenses of that trip to Vancouver – the expense cheque for \$161.35, which was cashed on June 28th, 1951? You remember hearing Mr. Rawluk,

and he said that he cashed it and gave you the money? You remember hearing him give that evidence?

A. Yes.

Q. Now then have you any recollection of any transaction like that?

A. I don't recall.

It is true he went on to qualify this answer, but if the transaction never happened, it is not likely he would have referred to it in this way.

He gave no conclusive answer as to whether, due to gambling or other activities, he was under a heavy demand for money, which might have explained his desire to receive a secret commission. In this regard the transcript of evidence is as follows:

"Q. Now then, On January 28th, 1951, were you under any extraordinary heavy demands financially?

A. I don't recall any unusual . . . at that time.

Q. You don't recall? Well, this is quite important, Mr. Allore, and I suggest that you check up and see if you were under any extraordinary expense in regard to your – in regard to buying property or in regard to any domestic demands upon you of any sort, personal demands upon you of any sort, at that time. You say you can't recall whether you were under any demands in June of 1951. I suppose from your bank accounts and your receipts you could verify whether you were under any demands of that kind – of any heavy demands?

A. I don't recall any heavy demands. I could do some searching and see if there is anything that might be of value, but . . .

Q. I wish you would do that, Mr. Allore.

A. What period?

Q. June 28, 1951, is when Mr. Rawluk said you had indicated that you would like to have some money over and above these salary cheques of Mrs. Rawluk's and so this trip was figured out and the cheque was made out and signed and cashed, and he says he gave you the money."

No further evidence was given by Allore to contradict the evidence of Rawluk that Allore, from time to time, needed money and came to him and indicated items of business on which he claimed to be entitled to a 40 per cent kickback. The Committee, therefore, finds on the evidence submitted to it, that M. F. Allore received secret commissions from Financial Agencies Limited during the year 1951, in respect of insurance business turned in to the Saskatchewan Government Insurance Office by Financial Agencies Limited. It further finds that Dr. M. C. Shumiatcher and Philip Bodnoff conspired with the said Allore so that said secret commission could be paid by the device of putting Mrs. Rawluk on the payroll and using her alleged salary to build up a fund for that purpose.

April 13, 1953

The Committee further finds that the proceeds of the cheque for \$161.35 dated June 26th, 1951, to cover expenses of a trip to Vancouver by Rawluk which was never made, were used to pay said secret commissions to Allore.

20. That the following be added as Paragraph 20 of said report:

"The question of whether the Hon. C. M. Fines shared in said secret commissions so paid to Mr. M. F. Allore is more difficult to determine, due to the lack of documentary corroboration of the evidence that he did.

The charge against him is set out in the Affidavit at Para. 41. It relates that at some time during July or August, 1951, Dr. Shumiatcher telephoned to Mr. Fines and described Rawluk's clothing as a man clothed in a mauve jacket, an arrangement was made whereby Rawluk was to meet Mr. Fines. The exact words of the Affidavit are:

"Dr. Shumiatcher then called Mr. Fines, in my presence, and told Mr. Fines that I had the money for him and would be at Mr. Allore's office in the Government Insurance Building at his convenience, and since Mr. Fines had never met me, Dr. Shumiatcher described my appearance to Mr. Fines, and told him that I was wearing a mauve coloured jacket. That I then went to Mr. Allore's office, and after I had been there a while, Mr. Fines telephoned and advised he would meet me at the corner of Cornwall Street and 11th Avenue, in about 15 minutes, and that I waited for him there, and he came along and picked me up in his car and drove me to the corner of Rose Street and 11th Avenue, and during the process of that ride, I gave him the envelope containing the money from Dr. Shumiatcher."

It would have been difficult for the Committee to accept the uncorroborated testimony of Rawluk against the Provincial Treasurer of this province, were it not for the evidence of William Tennant, a young solicitor, who overheard some parts of that vital telephone conversation. It is fantastic to suggest that William Tennant is the type of person who could be persuaded to come and deliberately perjure himself before this Committee. What conceivable motive could be suggested for his doing so? It was found that he knew something of the matter and he was asked to come before the Committee, it being intimated to him that he would be subpoenaed if he did not come voluntarily. He indicated on a plan, exactly where he was standing when he heard the conversation. He described the partition between the boardroom and Shumiatcher's private office. The transcript of evidence includes that he said, "Dr. Shumiatcher was talking on the telephone to some person – I couldn't tell who it was. He was describing Mr. Rawluk. How I only caught a portion of the conversation, I went and got whatever I was looking for and left."

"Q. Well, now, what did you hear of that conversation, before you left it?

A. The portions which I recollect hearing, were words by Dr. Shumiatcher describing Mr. Rawluk, to the effect that he had dark hair, and he would be wearing a purple coat and that he would be walking down 11th Avenue. Now that's all I heard. I left the boardroom

then, and I believe I went back to my own office. (See Friday morning transcript, March 27, Page 14.)

Later in his evidence he stated, at Page 15 of the transcript of his evidence.

"Q. How much longer after?

A. Oh, perhaps five or ten minutes – five minutes, five or six – I was back here to get a book.

Q. Mark your position "B".

A. "B" with a circle around it.

Q. You went to where you've written – about where "B" is, with a circle?

A. Correct. That is the bookcase in the office where the receptionist counter is located. And it's along the west wall of that room. It's a large L-shaped room. I was getting a book out of there, and at that particular time, Mr. Rawluk was standing over by the receptionist counter.

Q. That's "C" there?

A. "C" with a circle around it. Dr. Shumiatcher came out of his office and put – came out of his private office – put his hand on Joe's shoulder or back . . .

Q. Joe Rawluk that is?

A. I beg your pardon – Mr. Rawluk's shoulder or back, and said, "I have described you to him; I've told him that you would be wearing a purple coat, and that you would be walking along Eleventh Avenue." I – at the time – I expect the only reason I remember it was because it seemed rather a peculiar thing to do, but other than that I had no interest in it and having obtained that which I went out to the bookcase for, I went back to my own office.

Q. You saw Rawluk there?

A. That is correct. Mr. Rawluk was there.

Q. He was wearing what kind of clothes?

A. Oh, he was wearing what I've always considered a flamboyant purple jacket.

Q. I'll show you that jacket – would you say that it appeared to be like that?

A. The colour of the jacket that Mr. Rawluk was wearing was identical with this jacket."

April 13, 1953

The Committee considers that this evidence is a substantial corroboration of the evidence of Mr. Rawluk. It is true that Mr. Rawluk swears he was to go to Mr. Allore's office to be at the disposal of Mr. Fines, but the fact is that these monies were alleged to be given to Mr. Fines at a meeting which took place on 11th Avenue, and Mr. Tennant does not purport to say that he heard all of the conversation. Indeed, he does not purport to say that Dr. Shumiatcher was talking to Mr. Fines, but it is far too much of a coincidence to expect that such an unusual transaction as this would be repeated more than once.

Much time and effort was spent cross-examining Mr. Rawluk and cross-examining Mr. Tennant to try and get them to fix a precise date when this conversation took place, but it was impossible to fix it more nearly than during the summer of 1951, in the months of July or August. As Mr. Rawluk pointed out, during this cross-examination, it was a red-letter day for him when he played golf with the Premier, but he couldn't be sure of the day or month during the summer of that year. He therefore said that it was quite reasonable that he should not be able to establish the date upon which this transaction took place.

Mr. Rawluk is corroborated further by the evidence of his wife who recalls his relating the event to her when he came home that evening. Mr. Ed August also gave evidence to the same effect. Portions of the transcript of his evidence is as follows: (Page 47, March 23rd, Evening Session).

"Q. And your recollection is that Mr. Rawluk told you what seems to have been in the Affidavit?

A. Yes.

Q. About when did he say that to you?

A. Well, I was only there two months and it was certainly shortly after I started there, perhaps within two weeks after I started there, which would be by the 15th of February.

Q. So that – did he tell you anything about giving any money to Mr. Fines? That's in the Affidavit.

A. He mentioned both of them.

Q. He mentioned that he was giving money to Mr. Fines?

A. To my recollection that's what I heard him say.

Q . Can you help me by saying whereabouts the conversation took place?

A. Well, usually in a car – Mr. Rawluk had a car – and I would use it in the evening trying to sell some real estate. I didn't have an opportunity during the day, because I was looking after the office with the insurance, because Mr. Rawluk did have a habit of disappearing when business was there and I was the type that couldn't run away when there were customers there to be served and I did the best I could on insurance, not knowing too much about it, and in the evenings Mr. Rawluk and I sometimes went

together and he was trying to learn the procedures of real estate selling. I recall taking him to one home one evening which we were going to take on as a listing and that was very early after I started working and this particular evening upon driving home the discussion took place in the car.

Q. Did you only have one conversation, or did you have more conversations about this matter?

A. Oh, there were several.

Q. And it was in an automobile? The first of these conversations. It was in the evening I think you said?

A. Yes.

Q. You and he were driving along in the automobile when he told you about the necessity for him making what I shall call 'kickbacks' to Mr. Fines and Mr. – did you say anybody else besides Mr. Fines?

A. Well, he mentioned both gentlemen.

Q. Who is the other gentleman that he mentioned?

A. Mr. Allore."

This evidence goes to contradict suggestions made from time to time that Rawluk's story was invented later for political purposes.

The Provincial Treasurer had categorically denied receiving the money in the manner described; he stated before the Committee on the evening of March 10th, Page 23 of the transcript, "I will say something else, that at no time in my life, until tonight, have I ever seen Mr. Rawluk. This is the first time in my life I have ever cast eyes upon the gentleman." Later, Mr. fines stated that he had been mistaken, that Rawluk had introduced him to two other men in his automobile in June, prior to the election in 1952. The Provincial Treasurer had been aware of the allegations in Para. 41 of the Affidavit ever since the morning of Tuesday, March 10th. His evidence was given after his having had hours to consider, and it is shown to have been untrue in this respect on his own admission. (See Transcript, Thursday morning Session, March 26, Page 22). The Committee having come to the conclusion that Rawluk was telling the truth in regard to Messrs. Allore, Shumiatcher and Bodnoff sees little reason to find that he implicated Mr. Fines unless he was actually implicated. What conceivable motive could there be for his telling such a story to Mr. Ed August in February, 1951, unless he believed it was true?

However, the case against Mr. Fines lacks the corroboration that was available to such an extent against Messrs. Allore, Shumiatcher and Bodnoff, but the Committee finds it is sufficiently proved to require further action if he wishes to clear his name. His name cannot be cleared and has not been cleared where the issue has been tried before a Committee of the House of which he is a member himself and composed as it is of a heavy majority of his political associates, whose own political fortunes would be adversely affected by an unfavourable verdict.

April 13, 1953

21. That the expression "so-called Affidavit" be struck out wherever it occurs and replaced by "Affidavit".

21. That Para. 28 of said report be renumbered as Para. 21.

Hon. Mr. Brockelbank: – The question I would like to ask the hon. member, as this is rather a long amendment: could he now, in a few well chosen words explain it to us?

Mr. Horsman: – No, I do not think I will bother doing that.

Mr. Speaker: – I have listened with as much attention as I could give to the reading of this amendment. To me, from the little reading I have done on parliamentary procedure and things of that kind, this is altogether a new departure. I expect the Clerk was asked his opinion as to whether it was proper or not, but in my opinion it is an extended negative in the form of a substitute report. That is all that I can make out of it. I expect the Clerk, in his wisdom, has probably informed the hon. member that it was acceptable, but I am sure that there is not one member in this House who can intelligently discuss this amendment until he has it read over again, so I propose to read it myself.

Premier Douglas: – Mr. Speaker, if Your Honour insists on reading it again, I must report you to the Humane Society. I submit, Your Honour, and I am on a point of order now, I am not speaking to the amendment, that we have suffered through the agony of listening for one and twenty-five minutes –

Mr. Speaker: – No, let us have the point of order.

Premier Douglas: – I am suggesting, Your Honour, that the reading of it again could be dispensed with. If it is in order, I presume it will be appearing in the Journals and 'Votes and Proceedings' of the House, in which case the members will have a chance to read it in the morning, if they are interested in that kind of literature, and those who do not want to read it do not have to; but it seems to me that since it would take another hour and a half to read it, it is completely unnecessary. It is quite usual, in lengthy amendments, to disperse with the reading and I would, for one, be prepared to forgo the pleasure of listening to it again.

Mr. Speaker: – My only answer to that is that no one in this House can intelligently vote on this amendment if it is put to a vote in the state that it is in now. If you wish to defer it until it is before you in print, then I would propose the amendment as read.

Hon. Mr. Brockelbank: – On the point of order, Mr. Speaker, if it comes to a vote on it tonight, why I think you have some good logic there; but I doubt very much if we will come to a vote on it tonight. I rather imagine that some members have some speeches ready to give on this amendment, and there might be even some speeches on both sides of the House. I think we have time to go on with the debate now.

Mr. Speaker: – Well, on that understanding that it is not called to a vote tonight. If you like to accept it, as read, for debate, on the

understanding that it will not come to the vote until the members have had an opportunity of seeing it in printed form, I shall let the debate proceed, but I am absolutely opposed to taking a vote on an amendment when I am sure there is hardly anyone in the House who is conversant with its subject matter.

Hon. Mr. Brockelbank: – There is no chance of this coming to a vote tonight; several people want to speak on it.

Mr. A. C. Cameron (Maple Creek): – Mr. Speaker, I am not going to be as long as the member for Wilkie was in the reading of it, but I am going to try to be brief, in order that we may be able to adjourn by 11 o'clock. I would like to speak in connection with the amendment and perhaps in connection with the main report itself.

There are several reasons evident in the report itself that would assist me in drawing the conclusion that I am not in a position to vote in support of that particular motion or to concur in it, and one of the reasons is that I think, even at the very beginning of the report, shortly after the preamble, the report sets forth to discuss the affidavit as having been taken in the form of an affidavit rather than in the form of a statutory declaration, and it cites extracts from the Criminal Code which would lead one to believe that if an affidavit was taken where a statutory declaration should have been taken, it must have been done in order to prevent the possibility of Mr. Rawluk being up on a perjury charge. It goes on to point out, from Section 179 of the Criminal Code of Page 3 (which I do not intend to read) but it goes into it in quite some detail showing the responsibility of a Commissioner of Oaths or solicitor or someone else, who chooses to take an affidavit in place of a statutory declaration, and it says:

"Every justice or other person is guilty of an indictable offence who administers or causes or allows to be administered, or receives, or causes or allows to be received, any oath or affirmation touching any matter or thing whereof such justice or other person has not jurisdiction or cognizance by some law in force at the time being, or not authorized or required by any such law."

And it would attempt to show that there is a possibility there that the solicitor who drew up this affidavit, if he knew that it should have been a statutory declaration in place of an affidavit, is subject to some of these things under Section 179 of the Criminal Code. I would say that this has led to a great deal of discussion both within the Committee and perhaps outside of the Committee since the report has been tabled, and I have heard some prominent lawyers in the city say that perhaps 95 per cent of all the declarations taken are in the form of an affidavit, and it has been recognized in courts down through some time, and they feel that this fine distinction made between an affidavit and a statutory declaration is a fine distinction drawn purposely in order to impute some motive, some sinister motive behind the drawing of this particular affidavit.

Now then, I would say this. If the particular person who signed on behalf of the witness of this affidavit might possibly be found guilty under the Criminal Act, then I would say that it is probably done without full knowledge, knowing that it had been taken all down through practice that way. And I want to read to you an affidavit which was taken by

April 13, 1953

every member of the Government here, last year or the year before, an affidavit which purports to state certain things and it says: (this is a copy, there are no names on it)

"I _____ of the _____ in the province of Saskatchewan, make oath and say that I have been a member of the Legislative Assembly of Saskatchewan since 19__, that I am not now, nor have I at any time since I have been a member of the Legislative Assembly of Saskatchewan, been the holder of any lease, permit, licence, grant or other disposition or contract with Her Majesty or with any public office or department of the Government of Saskatchewan, or any corporation thereof, with respect to any mines, mineral rights, timber or timber rights, either in my own name or by the interposition of any trustee.

Sworn before me, at the City of Regina
in the province of Saskatchewan, this
_____ day of March, A.D. 1952.

A Commissioner for Oaths in and for
the Province of Saskatchewan."

Now I think those affidavits were taken in the same light – an affirmation as to a situation – and there will be some question, then, raised as to whether or not this affidavit should have been an affidavit or a statutory declaration, and if the fine point is stretched there, we may find 31 members and former members of the Legislature being asked for an explanation of an affidavit instead of a statutory declaration.

And we may find, further, that the man who was Commissioner of Oaths who took the affidavits at the time – I do not know whether the one man took them all or not, but I know that one man who took some of them is now a member of the Cabinet. And do you mean to tell me that that man took those affidavits in order to protect the other people from a charge of perjury being made under it?

That is the same situation exactly as we find here, but in one it was taken at its face value and the intent behind it, merely a statement of fact; but this affidavit – oh, there's a sinister motive behind it all – and that is why an affidavit was taken in place of a statutory declaration. But I am sure there was no sinister motive behind 31 members of the Government, in 1952, when they took an affidavit instead of a statutory declaration. I would be the last one to suggest that the Commissioner of Oaths who was responsible for the verification of the signature of this affidavit, would be guilty under Section 179 of the Criminal Code. And so that part, in itself, at the beginning, let me to think that the report was just a little one-sided.

Then we come down to page 8 and we find there references to the amount of money which Mr. Rawluk owed the Government Insurance Office as a result of not remitting his money earned on insurance policies written. It goes on to show that he had taken moneys from insurance policies and had put them into his general account and from that general fund he had drawn out \$1100 in his own name; and if he had not placed those moneys in the general fund, his bank account would have been overdrawn and he would not have been

able to draw for himself that \$1100. It is deduced from that, that this was a clear case of fraudulent misappropriation of funds, and I think there is something in the Government Insurance Office contract which states that all moneys received on behalf of writing insurance must be placed in a trust fund. If that is the case, Mr. Rawluk must have used money that should have gone into a trust fund, and put it into a general account, and thus was guilty perhaps of fraudulent misappropriation of funds. Well I would suggest that when the Government Insurance Office was investigating Mr. Rawluk's delinquency in the meeting of his accounts, being familiar with the type of contract which Mr. Rawluk was obliged to sign, they must have been aware at that particular time that it was a clear case of fraudulent misappropriation of funds. Yet the Government Insurance Office laid no charges under the Criminal Code, they chose, rather, to lay a charge under the civil law to collect this \$3,000. Why wasn't the charge laid then, if the evidence was there, that this man was indulging in corrupt practices? That was in October, and yet we find that earlier, in August, the Financial Agencies was behind on remitting payments to the Government Insurance Office. They found that some difficulty was experienced in collecting and they had to hold a draft for some 27 days for payment of \$2200 and some odd, because they said that it was difficult to collect from Financial Agencies.

Now if they had to hold the draft for 27 days, then that money could not have been placed in the trust fund at that time. And if that stands true, today, with Rawluk, it stood true in August when Dr. Shumiatcher and Mr. Bodnoff were the directors of Financial Agencies. If it is true in Rawluk's case, it must be true in the others. If the funds were not in the trust fund from which to draw to pay the Government Insurance Office, it must have been put into some other account. Therefore, a fraudulent misappropriation of funds could be charged in August, as it was in October.

Then we come to some of the evidence that was given by some of the witnesses. I want to refer briefly to Mr. Tennant, and on page 4 of the report reference is made to the evidence given by Mr. Tennant. You will recall, of course, that Mr. Tennant was the lawyer who articulated with Dr. Shumiatcher and later worked in his office and had something to do with the filing system of Financial Agencies at that time. And it says:

"The Committee is unable to accept the evidence of Mr. Tennant. Tennant could not name a single client of Financial Agencies. This reveals a faulty memory . . ." (I am not quoting; I'm just giving the statements that lead up to that) ". . . and it is difficult for the Committee to accept his recollection of a fragment of a conversation heard casually two years before."

Now then, "it is difficult to accept Mr. Tennant's evidence" because when he was asked the clients' names, he could not readily name them, and it showed a faulty memory; and yet while his memory was faulty in regard to clients, it was very clear in regard to remembering snatches of a casual conversation two years before. Now I think if I heard snatches of a conversation referring to black hair, a purple coat and the rest of it, I don't think that to me would be a very casual conversation. I think it would interest me very much; and to place that evidence, because he couldn't recall immediately clients' names, in the same category with this information which he overheard in the telephone conversation, and to place them side by side, and because you couldn't remember the casual accounts of the names on the

April 13, 1953

books, how could you expect to recall a casual conversation. That is Mr. Tennant.

Mrs. Rawluk was on the payroll. There was no one ever came forth to substantiate the fact that Mrs. Rawluk ever worked at the office. In this regard, on page 15 the report says: "It is not unreasonable that Mr. Rawluk, managing director, was deceiving his partners as to the fact that Mrs. Rawluk did not work." There is no indication that cheques were made in her name, disregarding the evidence that witness after witness that worked in the firm came forward and said that so long as they worked there Mrs. Rawluk never worked in that office; but because she didn't work there the other directors in the company would not necessarily have any information about the fact as to whether or not she was working; Mr. Rawluk was deceiving his partners in this connection; therefore, that can be dismissed.

We come to the loan of the \$300 and the envelope and the rest of it, where the cash was put into the envelope. The Committee says, on page 18: "this Committee finds the loan was made and paid off in the manner sworn to by Mrs. Cates." Now you will recall that Miss Fradette was brought on to the witness stand and Miss Fradette came in from a smaller point; her first experience in working in a law office; she was laid off. She spoke of specific instructions from Mrs. Cates to go to the Royal Bank to cash a cheque and to take the cash to the Government Insurance office and give the money to Mr. Rawluk in Mr. Allore's office. The answer to that evidence in the report is: "Miss Fradette may have been genuinely mistaken, but the Committee cannot accept her evidence in view of other factors." So Miss Fradette goes overboard.

Exhibit "R" – and I am only going to deal very briefly with this. Mr. Allore gave several possible . . .

Premier Douglas: – Is the hon. member discussing the amendment which is now before the House, or the motion?

Mr. Cameron: – The amendment provides for this Exhibit "R"; the amendment touches on Miss Fradette; it touches on Tennant.

Premier Douglas: – Yes, but I haven't noticed the member quoting from the amendment once. I have noticed him quoting from the motion. I don't blame him for not wanting to associate himself with the amendment, but I thought he might mention it.

Mr. Cameron: – Well the amendment, Mr. Premier – I think you were one of the fortunate ones – you at least had a copy, I didn't. But the amendment . . .

Premier Douglas: – You don't mean to tell me you all supported it without getting copies?

Mr. Cameron: – The amendment says that we move that we strike these things out; that is why I am saying why I support this amendment that we strike these things out.

So, it is Exhibit "R". Mr. Allore gave several possible explanations of Exhibit "R" and listen to some of them: "It could have been in making arrangements to put in a sub-agent"; . . .

Mr. Speaker: – Order! In regard to that point of order. I myself am having difficulty in determining whether the hon. member is speaking to the amendment or to the transcript of the evidence, but as most of this in the amendment is taken verbatim, as I understand it, from the transcript, well then I think they are in order in dealing with this on the amendment.

Mr. Walker (Hanley): – He doesn't know what he is talking about either.

Mr. Tucker: – I think, Mr. Speaker, you will find he is in order.

Mr. Speaker: – I am not finding the gentleman out of order. I am just saying that I find it difficult as most of this is in reference, by changing the meaning in a substitute motion and I hold that you are in order.

Mr. Cameron: – I would find this, too, Mr. Speaker, that the member from Hanley who remarked that "he doesn't know a thing he is talking about" is not in keeping with the dignity of this House, and whether the Speaker wishes to call his attention to it or not . . .

Mr. Speaker: – I didn't catch it myself.

Mr. Cameron: – Then we make mention, in the amendment, to the three witnesses Mr. August, Mrs. Cariss, Mrs. Sieverson, stating that Mr. Rawluk told them in March, 1951, about the alleged 'kickbacks' – that is over a year before the affidavit was drawn at a time when he was on a most friendly basis with every one of his partners and the people who were giving evidence here in connection with Shumiatcher & McLeod's firm and Financial Agencies, when he had no reason to state those things from a desire to get even or to 'knife' someone. This evidence, according to the report, is pure 'hearsay' and rests on the statement of Rawluk himself; therefore, it has little emphasis.

"It is a significant feature that in spite of the fact that the Committee issued a general invitation to all Government Insurance agents of whom there are 600, not one came forward to testify that they had been asked to pay kickbacks." Well, in my opinion, Mr. Speaker, that is of no significance whatever. If my employer asked me to come before him and accuse him of something as serious as this, and having seen Mr. Rawluk on the stand for thirty-some hours, and having seen the sweat that came from his brow in trying to produce his evidence, do you imagine for one minute that any one of those 600 insurance agents would volunteer to go through that? No, no!

The Committee finds without hesitation that the allegations in the "so-called affidavit are false in every material respect." I am going to say that I think that this has been a truly light-hearted manner of brushing aside evidence under oath of men and women who have come here and stated categorically what they had heard or what they knew to be true, if it had a bearing on this case, and I think that there is sufficient there that would cause me to question whether this report has been drafted in a sincere and intelligent effort to arrive at a conclusion. It looks more to me as if it desperately tried to erase any degree of importance from all evidence given that would tend in any way to substantiate the charges as made in the affidavit. Because of this deliberate attempt to dismiss these important witnesses who had nothing to gain by it, whose character has never been questioned, who command and occupy a place of dignity and respect in the particular community and their field of endeavours, so little weight is given to the evidence they brought forward and it is dismissed so light-handedly, I cannot believe that

April 13, 1953

this report was written for any other purpose than to 'whitewash' the whole investigation; and because of that, Mr. Speaker, I am going to support the amendment.

Mr. W. A. Tucker (Leader of the Opposition): – Mr. Speaker, in regard to the amendment that is now before the Assembly there are parts of it where parts of the report brought in by the majority of the Committee, of course, are to be struck out and parts where there are additions suggested that the Committee would have a right to consider adding them in place of what is struck out.

Now in regard to the paragraph 4 of the report which it is suggested in the amendment be struck out, the reference is made in the report itself to the "so-called affidavit of Mr. J. O. Rawluk" and it says:

"This was generally referred to before the Committee as an affidavit, but in fact it cannot be properly so described."

And then there is a quotation from the Criminal Code. Now, in regard to this matter every person practising law knows that where affidavits are provided, for example in connection with transfers, there is no law providing for them under actions of Agreements for Sale and yet they are taken by every lawyer in the province from time to time. There are other cases exactly the same where affidavits are taken right along and as pointed out by the hon. member from Maple Creek (Mr. Cameron) we had the case of the C.C.F. members of the Government and Legislature taking affidavits that they were not interested in mineral rights and so on. Yet they put in this report that when Mr. Rawluk took this affidavit before Mr. Heald – here is what they put in this report which we are moving to strike out and I would think that the members of the Government would be the first ones to support the striking out of paragraph 4 because here is what they say:

"Mr. Heald must have known that perjury could only be charged if a statutory declaration and not an affidavit had been sworn to by Mr. Rawluk."

Did the people who swore in the members of the Government that they were not interested in mineral leases, did they know that no charge could be brought against them? That these affidavits were perfectly worthless? Did they know that? And then they go on to say, and I recall the Hon. Mr. Fines made an affidavit in connection with this theatre deal that he had not known Mr. Bodnoff before September 1950. Did he know that no charge could be brought against him in respect of that affidavit? Well, here if Mr. Rawluk and Mr. Heald are supposed to know this, is it suggested that the Provincial Treasurer and the other members of the Government, no less – and I think the Attorney General had a part in taking this affidavit; is it suggested that they know less than Mr. Heald and Mr. Rawluk? And yet here in this so-called report:

"In the absence of any explanation, the Committee cannot avoid the inference that an affidavit instead of a statutory declaration was taken to rule out the possibility of an indictment for perjury."

Here are the majority of this Committee suggesting that the reason why this was taken in the form of an affidavit was so that Rawluk could

not be proceeded against for perjury. Well, then – you can make your speech afterwards – oh, I'll let you ask a question. I would be interested to know . . .

Mr. Walker (Hanley): – Does the Leader of the Opposition know that if we can't charge Mr. Rawluk with perjury there is nothing we can charge him with, but the members of the Legislature could have been charged with an offence under The Legislative Assembly Act entirely apart from the affidavit?

Mr. Tucker: – Mr. Speaker, I am really surprised at the member for Hanley asking that question.

Mr. Walker: – Do you know that?

Mr. Tucker: – I know this – that Rawluk repeated everything he said in this affidavit and a whole lot more on oath right on the floor of this Chamber, and if he swore incorrectly at that time he can be proceeded against for perjury. I know that. And I know further that if the hon. member for Hanley is correct that this was done so that Mr. Rawluk would not be liable for perjury, is that the reason why the members of the Legislature and the members of the Government took an affidavit in regard to mineral rights?

Mr. Walker: – They could have been proceeded against under The Legislative Assembly Act.

Mr. Tucker: – Now then, that is not the question.

Mr. Speaker: – This is not the place for barristers to argue who know the most law.

Mr. Tucker: – No, I agree with you, Mr. Speaker; but the only trouble is when he gets up and asks these questions I don't think he demonstrates his knowledge of law. That is the only way I differ with you.

Mr. Walker: – Mr. Speaker, on a point of order. I submit that me learned friend did not know enough law to answer my question.

Mr. Speaker: – Order! Order!

Mr. Tucker: – I know enough law, Mr. Speaker, to know that Mr. Rawluk could be proceeded against for perjury, and if the opinion of the C.C.F. members of this Legislature is that they could take these affidavits in regard to holding mineral rights and leases and they could not be proceeded against for perjury, if this option is right, here it is again – I'll read it to you, Mr. Speaker:

"In the absence of any explanation, the Committee cannot avoid the inference that an affidavit instead of a statutory declaration was taken to rule out the possibility of an indictment for perjury."

If that is their opinion in regard to this particular affidavit of a man like Rawluk, can they object if every person in the country says, 'Oh, so that's what they did'. The first time that an affidavit by a man like Rawluk comes before them they say, 'Oh, well, the only inference we can draw from that is that he took it that way so he couldn't be proceeded against

April 13, 1953

for perjury'. And the people in the country are going to say, 'Well, if that's what they say about Rawluk that must have been the reason they took their own affidavits in that form.' There is no more reason why you should infer that Rawluk took the affidavit in that form to avoid the chance of being proceeded against for perjury, than that you should infer that the Hon. Mr. Fines took the affidavit he did or that the Premier took the affidavit he did for the same reason. What this Legislature is doing if it carries this report, is that it is putting itself in the position of saying that a fair inference from what the members of the Legislature on the C.C.F. side did in regard to all these affidavits was that they took them in that form so that there would be ruled out the possibility of an indictment for perjury. That is the measure they are applying to Rawluk – and what right have they to say that it should not be applied to themselves? I hate to think that I would concur in saying that the Premier and the Provincial Treasurer and the Attorney General and yes, you, Mr. Speaker, took an affidavit on this floor so you could not be prosecuted for perjury. I hate to vote for a report that had that inference tied right up in it. And I suggest that if you apply it to Rawluk you apply it to yourselves. Now we are trying to spare the members of the C.C.F. Party and the members of the C.C.F. Government from the country being able to say this very thing, because if you vote for this report, you are voting that anybody that takes an affidavit as Rawluk did probably had it in his mind that 'if I take it in this form they can't prosecute me for perjury'. And if that is in your own mind then it is fair that that is the reason you took the affidavits in the form you did in regard to these mineral rights; but you knew that these so-called affidavits that were boasted about in the country, boasted about in election campaigns, were perfectly worthless. Well now, if you want to put yourself in that light in front of the country I say then, of course, you should vote against the amendment and you should vote to uphold this report.

The next thing that we want to strike out of this report is a suggestion – here it is, page 4:

"The Committee feels it is significant that no attempt was made by Mr. Rawluk to read the so-called affidavit . . ."

Of course, they put 'so-called' all through this report. It was an affidavit, Mr. Speaker; there is no question about it; it wasn't a 'so-called affidavit'. And yet in their desperate desire to make out that there is something wrong with this matter they import this finding, this re-opinion, which brands everyone of them as people who tried to mislead the people of this province into thinking they had sworn to something when they had not done so. And then, having done that, they refer to this as a 'so-called affidavit'; they think that that sort of makes out that in some way it puts a smear on the matter. But it shows the length they are willing to go. In order to smear Rawluk they are ready to smear themselves to that extent.

But they go on. Having started out to smear Rawluk and smear Heald, who is doing what I understand the Minister of the Crown did in swearing an affidavit, the same form as Heald did. Then, having done that they think, "Well, we can't let Tucker go. He didn't swear any affidavit so we have got to take a crack at him." And so the Committee – here is the solemn finding of this Committee:

"The Committee feels it is significant . . ."

Significant of what I don't know, but they say they feel –

". . . it is significant that no attempt was made by Mr. Rawluk to read the so-called affidavit at any of Mr. Tucker's meetings during the general election campaign, despite the fact that Mr. Tucker had a copy of it."

Now, there they have this terrible feeling that there is some significance in the fact that this wasn't read at one of my meetings, in spite of the fact that the Committee has before them the evidence of Rawluk and my statements that I had intimated to Rawluk that, in view of the fact that this contained charges that would damage the reputation of people very prominent in public life, I didn't think that I wanted to have anything to do with it just before an election, where they wouldn't have a proper chance to answer it.

(interruptions)

Mr. Speaker: – Order! Order!

Mr. Tucker: – Of course, people on the other side, particularly the Minister of Social Welfare, laughs at that. The only inference I can draw from that is that he would have dearly loved to have got some such affidavit on me and he wouldn't have refrained from pouring it out just before the election, because when I say that I refrained from doing it, he regards that as incredible. Well, the Minister – I am not surprised that people (like the Minister of Natural Resources) that indicates that anybody in public life would take that attitude of not putting out something like that that couldn't be answered just on the eve of the election; I say that if that is in their minds that they couldn't believe that anybody else would consider a thing like that as not only right and proper but the wise thing to do politically, then it indicates to me that they would be quite capable of doing it themselves, because after all people in matters like this are inclined to judge others by what they feel they would have done themselves.

Premier Douglas: – That explains the amendment that has been moved tonight.

Mr. Tucker: – Well, what explains the amendment is this: this report from first to last is written just like a lawyer's brief to exonerate the people charged, bring out all evidence favourable to them and discrediting any evidence against them. It is a crude attempt to 'whitewash' the people involved; I would not even say it is a clever attempt. It is so obvious in every paragraph of the thing, the desire to smear anybody who in any way spoke against the people charged and to bring out only the evidence supporting that viewpoint. It is so obvious from first to last in this report that I am surprised that the people with whom I have been associated for the last five years would give their support to a document of this nature.

Now then, as far as the amendment is concerned it strikes out the part of this report that is objected to as is known to the Committee and is shown by the votes while we were in camera; it strikes those out and seeks to replace them by a balanced view of the evidence as we see it.

I heard a loud and raucous laugh from Hanley. I said, Mr. Speaker, the evidence as we see it. It is one of the things that has been pointed out that having strong political views, as all of us have who are members of this Legislature, that is the reason why I suggested that this matter should go to a Judicial Commission, because I do not think that where I have very strong feelings in such a matter, I do not feel that I can pass an absolutely impartial judgment. But I do say to the members opposite that if they

April 13, 1953

are going to pass judgment in this matter, I think I am equally as capable of having a judgment as they have. I am not going to say that it is absolutely impartial, because I am ready to admit that I am politically-minded, strongly politically-minded; but the thing that strikes me as strange is that the members of the C.C.F. Party are continually taking the attitude, "Oh, we are above such things; we are not affected by our political inclinations; we can judge people justly regardless of our strong political inclinations; we are different from you Liberals."

Hon. Mr. Brockelbank: – Thank God!

Mr. Tucker: – Now then, people right around – and Thank God, as the Minister of Natural Resources just said. He anticipated my words. He said 'Thank God'. I asked him to recall what was said about people who went around thanking God that they were not as other people. I ought to apply that to the Minister of Natural Resources.

Hon. Mr. Brockelbank: – Oh well –

Mr. Tucker: – Well, he said 'thank God'. When it was said . . .

Hon. Mr. Brockelbank: – Mr. Speaker, on a point of privilege, that circumstance was entirely different. in this circumstance I am referring not to the multitude but only to a very small group.

Mr. Tucker: – Well, I don't remember that it was applied to the multitude. It was applied to the people who took the attitude 'we are more just than others; we are more upright than others'. When something is involved in which we have strong convictions, we can put those convictions firmly to one side and judge justly.' Now, that is the attitude of the C.C.F. Party and I say that I do not care for that sort of an attitude and I do not admire it and I do not approve it.

I was going to say, Mr. Speaker, when interrupted by various members across the way, that the Committee finds it feels it is significant that no attempt was made by Mr. Rawluk to read the so-called affidavit at any of Mr. Tucker's meetings during the election campaign. Why should he come to a meeting of mine when I had already indicated to him that, as far as I was concerned in regard to the immediate pre-election vote, that I did not want to be associated with these charges being made public. Why then, when the Committee has that evidence before them, why should they seek to smear in some way by saying it is significant that he didn't go to a Liberal meeting? Is it significant that when he went to Mr. Diefenbaker's meeting and Mr. Diefenbaker didn't let him read the affidavit? Is that significant? When he went to Mr. Benson's meeting – is that significant? I wonder if he had gone to a C.C.F. meeting if they would have let him read it. I just wonder, Mr. Speaker. And yet, having told him ahead of time I didn't want it, because he didn't go to my meetings the Committee feel it is significant. Well, that shows just how biassed this report is and how it attempts to smear everybody other than the C.C.F. supporters.

Now then, there is another evidence of that:

"In spite of Mr. Tucker's protestations that he acted from a sense of public duty in bringing this matter to the attention of the Crown Corporation Committee, it is significant that more than nine months passed before it was made public."

Now then, the Committee there is going to say that because I, who was at the time that this was brought to my attention not a member of the Legislature but Leader of a political party in this province, and because I waited until I could bring these charges before the Legislature of this province and did bring it forth at the earliest possible date I could, then this report is going to say that there is something significant that I, who was not even a member of the Legislature at the time I got these charges, did not do anything until I could bring it before the Legislature, I ask how much more significant it is when the Government of this province knows that secret commissions have been taken by the sales manager of the Sodium Sulphate plant and has known since some time in September, that they did not take action of any shape or description until the matter was brought out in the Crown Corporations Committee.

Premier Douglas: – That is a deliberate falsehood, as I have already told the hon. members exactly the steps that were taken. If he insists on lying about it repeatedly, there is only one thing to say and that is that it is a deliberate falsehood.

Mr. Tucker: – And I say that you are lying now when you say what you are doing. I have as much right to call you a liar as you have to call me.

Premier Douglas: – Mr. Speaker, the facts were given to him.

Mr. Tucker: – Of course you have more rights, you think, in this Legislature, but I assure you, you haven't.

Mr. Speaker: – Order, order!

Hon. Mr. Brockelbank: – He has no personal knowledge of what's . . .

Premier Douglas: – On a question of privilege. The Leader of the Opposition has no knowledge of what steps were taken. He has been told what steps were taken. He brought no evidence to refute those statements. I told him that on September 30 the Government referred the matter to the Attorney General's Department and to a firm of solicitors, that investigation was instigated by the R.C.M.P., that the evidence has been carefully worked out and gone over, and that on last Friday a writ was issued. To stand up here in the light of that information without anything to support it and simply say that nothing was done until it was raised in the Crown Corporations Committee is false. The hon. gentleman knows it is false, but he keeps thinking if he bleats something forth long enough, he will get away with it.

Mr. Tucker: – Mr. Speaker, the Premier is misstating what I said. I said, Mr. Speaker, that no actual steps or action was taken against this man until after the matter was brought up in the Crown Corporation Committee. That's what I said.

Mr. Speaker: – Order, Order! The point of privilege was that the hon. Premier on a point of privilege corrected the member who was speaking as to his statement. I don't think that he was in order to call you a liar or you to call him a liar, but I think on a point of privilege any member is entitled to get up and correct a statement which he claims is false and it is the duty of the member who is speaking to accept that statement.

April 13, 1953

Mr. Tucker: – Well, Mr. Speaker, I was just accepting the word of the members of the Government themselves, or the Premier himself. No criminal action has been taken against this man, Wilks. No civil action was taken till after the matter was brought out in the Crown Corporations Committee. It can't be denied. And that is what I was saying – that no action has been taken against this man until after it was brought out in the Crown Corporations Committee although they knew that something corrupt had taken place at least seven months before and then . . .

Mr. Speaker: – Order, Order! The point that I am making is this. When on a point of privilege any member makes a statement that what has been said by another member is untrue, I don't think you can change the interpretation. The question of action is very wide in its application. Taking action does not always entail taking court action, so I think when a member on a point of privilege draws that to the attention it should be gracefully accepted. And if the hon. Leader of the Opposition is just about in the position where he would like to adjourn the debate (it is just about 11 o'clock), if you will just adjourn the debate at some point that will suit you.

Mr. Tucker: – I will just complete this reference, Mr. Speaker. If it is significant, then it is a reflection on my sincerity . . .

Mr. Speaker: – Order!

Mr. Tucker: – . . . I'll just finish this . . . because it was nine months before something was done about the matter, then I submit that it is even a greater reflection upon this Government when they took no definite action against Wilks in regard to this action of his in taking a secret commission until seven months after they knew that some corrupt action had taken place, and until after the matter had been brought out in the Crown Corporations Committee. If there is something to be put against me, then I say that the Government who were so slow in doing anything against Wilks are the last people who should ask for the adoption of this report reflecting upon me.

Now, Mr. Speaker, I move the adjournment of this debate.

Mr. Speaker: – It being 11 o'clock the House will adjourn until 11 a.m. tomorrow.