

## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

April 29, 1947.

The Standing Committee on Public Accounts met this day at 11.30 a.m. The Vice-Chairman, Mr. G. B. Isnor, presided.

The VICE-CHAIRMAN: Gentlemen, we have our quorum and we can proceed.

Immediately following the meeting of the main committee yesterday we had a meeting of the steering committee and I shall now ask the clerk to present the report of the steering committee.

(See minutes of proceedings)

Dr. E. H. COLEMAN, K.C., C.M.G. (Under-Secretary of State): Mr. Chairman, I do not like to interrupt, but I should point out that the first regulation was made on the 2nd of September, 1939.

The VICE-CHAIRMAN: Subject to amendment in that respect shall the report of the steering committee be adopted?

Carried.

And now, gentlemen, we have with us as arranged by the steering committee Dr. E. H. Coleman, Under-Secretary of State, who appears before this committee in his capacity of Deputy Custodian of Enemy Property. Is it your pleasure that we now hear Dr. Coleman?

Agreed.

May I suggest, as was brought out at the steering committee meeting yesterday, that Dr. Coleman be allowed to proceed to complete his statement before questioning.

### **Dr. E. H. Coleman, C.M.G., K.C., Under-Secretary of State and Deputy Custodian of Enemy Property, called:**

The WITNESS: Mr. Chairman, the short title of this bill is "The Trading with the Enemy (Transitional Powers) Act". Every member of the committee is of course familiar with the fact that no definitive treaties of peace have yet been agreed upon with respect to the principal enemies, Germany and Japan; and that the treaties with the so-called satellites have not yet been ratified. In 1918 the Armistice which was agreed upon came into force on November 11th and the treaty of Versailles was signed on the 28th of June, 1919, a period of less than eight months. Had conditions permitted similar expedition regarding the recent war I have no doubt the department would not have presented this particular piece of legislation but through the ratification of related treaties by parliament would have given effect to those treaties and provided for the setting up of machinery to take care of any obligations imposed on Canada by such treaties.

When war broke out in 1939 there was in existence a custodian's office set up under the treaty of peace German order of 1920, and similar orders related to Austria, Bulgaria and Turkey. It had a very small staff and was engaged in an endeavour to clear up the loose ends which remained after the treaty of Versailles and the subsequent arrangements relating to reparations with Germany. You may think it is somewhat extraordinary that nearly twenty