

Mr. BURTON: May I ask Doctor Coleman under what circumstances would the secretary of state exercise the power given to him here.

The WITNESS: Well there have been very few cases of that and I think I can only remember one where we did allow the company to retain an Italian director for a considerable period.

Mr. BURTON: Here it says "except by leave of the secretary of state". Apparently the secretary of state has the power to say that someone might act as a director.

The WITNESS: Yes, but as I say, I can only recall one case where there was a very large board and there had been an Italian who had founded that particular business and they allowed him to remain on the board because there were eight others who could perform functions. It subsequently developed, I may say, at the end of the war, we received information from certain British authorities that the Italian in question had been an anti-Fascist.

Mr. PROBE: Did you have that information at the time the decision was made?

The WITNESS: No, we did not, but he was only one of eight and he could not attend and there was a quorum to carry on.

The VICE-CHAIRMAN: Shall section 19 carry?

Carried.

Section 21?

Mr. RINFRET: I am sorry I could not attend the first meeting where the vesting of the enemy property was discussed. Does the word "enemy property" cover the case of a company incorporated by persons who are not enemies, within the meaning of the Act, operating in a country which is not presently at war but which becomes at war and the territory is occupied at a later date.

The WITNESS: Yes, it would apply if the company is incorporated in either enemy territory as defined in regulation 1 or in proscribed territory, the definition (c).

The VICE-CHAIRMAN: Page 2, Mr. Rinfret.

*By Mr. Rinfret:*

Q. Yes, but suppose a Canadian incorporated a company in Holland, before it was occupied by Germany. The office of the company, the head office moves ahead of the Germans and the head office is never in occupied territory.—A. You mean it is a Dutch corporation.

Q. One which was incorporated in Holland and Holland was not at war at that time and its territory was not occupied by the enemy.—A. I know. And this company under the law of the incorporating country, which is Holland, has effectually transferred its head office to—

Q. Paris. And before Paris was occupied, to Portugal.—A. Well, it would not come under this, would it?

Q. I do not think so, but your department seems to think so.—A. Well in connection with the case you have in mind I do not think you really appreciate our point but I could not say offhand without refreshing my memory and looking at the file.

Q. I would like to look at the file with you.

The VICE-CHAIRMAN: Shall rule 21 carry?

Carried.

Section 23, real estate.

Carried.

Section 24, patent copyrights, trade mark or design. I believe this was the section you referred to Mr. Stewart.