

DEPARTMENT OF NATIONAL DEFENCE

ARMY

HQS

OTTAWA, 13 Mar 46

Chairman,
Interdepartmental Committee, Veterans Affairs,
Ottawa.

DEAR SIR,—Reference is made to the representations placed before the Special Parliamentary Committee on Veterans Affairs at the last session of Parliament in connection with the distribution of Army funds now in the possession of the Government and the establishment of an Army benevolent fund similar to those operated by the RCN and RCAF. It is understood that these representations recommend:—

- (a) that a National Board of Trustees be set up to administer the funds now available in Canada and to lay down the general lines upon which the distribution of funds shall be carried out.
- (b) that surplus Canteen Funds should be made available for Army personnel who are in indigent circumstances.

For your information as of 13 Mar 1946 the sum of \$2,175,661 is held in a central trust fund under the Comptroller of the Treasury, being mostly proceeds of Auxiliary Service Organizations, NAAFI and interest. The various Services' quotas of the above amount are as under:—

Army	\$2,055,001 17
Navy	61,558 52
Air Force	58,733 73
Safe Keeping	367 93
	\$2,175,661 35

In addition to the above, the Regimental Funds Board holds in trust from disbanded units a sum of \$710,970 to which should be added a further remittance in transit of \$340,453, making a total in this fund of \$1,051,423. This total represents monies turned in by Units of the Canadian Army at the time of disbandment and is made up of Regimental Funds, Officers' and Sergeants' Mess Balances and Men's Canteen Balances.

This Department has at present no authority to disburse either of the above funds but the matter of their disposal including the provision of a fund designed to provide assistance to Servicemen, ex-Servicemen and their dependents where warranted has for some time been the subject of serious consideration by the appropriate officers. An early recommendation is expected.

Yours very truly,

(Signed) B. B. CAMPBELL,
for Deputy Minister (Army)

Apropos of Army's contention that no authority exists for the disbursement of these funds, the Interdepartmental Committee invites attention to the following extract from pages 15 and 16 of the Auditor General's Report, 1945, dealing with the R.C.A.F. Benevolent Fund:—