

In 1939 an advertisement was issued giving the substance of the regulations requiring people who had dealings with the enemy involving money to report, and there seemed to be almost 100 per cent degree of cooperation. I think in all that time, although there have been rather wide powers in the regulations, we have only had two or three prosecutions and I am inclined to think in at least one of those cases the individual erred through ignorance rather than design and the court must have had the same impression for it imposed a nominal fine. We have had great cooperation from the departments and agencies of the government, the Department of External Affairs, the Department of Trade and Commerce, the present Department of Reconstruction and Supply, the Department of Justice and the Royal Canadian Mounted Police. I should also mention the Department of Finance, the Foreign Exchange Control Board, the Bank of Canada, Department of Insurance, the army, and the Royal Canadian Navy. Finally I have to pay a tribute, a very well deserved tribute, to the men and women employed in the staff who were taken and thrust into situations they had never contemplated. They had to deal in emergencies with questions which were complex and which contained many ramifications. On their behalf I would like to say, as deputy custodian throughout the entire period, that, while I am quite conscious of the fact there have been errors in judgment and that hindsight is a great deal better than foresight in many of these matters, I feel quite confident that on the part of no member of the staff has there been any serious dereliction of duty and that they have assiduously and conscientiously devoted themselves to their duty. During the period I have been connected with the office there have been seven custodians. The first was the late Mr. P. H. Cahan, who devoted a good deal of work to the expediting of winding up certain affairs. He had something to do with the negotiations with respect to the scaling down of reparations as provided for by the Versailles Treaty; the late Mr. Rinfret, who died almost on the eve of the war; the late Mr. Lapointe, who was acting custodian and secretary of state when the war broke out and for the first nine months of the war; Mr. Justice Casgrain, still living; the late Mr. McLarty, who paid day to day attention to its work from December, 1941 until his retirement in 1945; the former secretary of state Mr. Martin, who came in after hostilities had ended; the present custodian Mr. Gibson.

Now, Mr. Chairman, yesterday I understood that it was decided to go through the schedule and to, in all probability, defer the detailed discussion on administration. However, if any member of the committee has any question which he thinks he would like to ask on a general point I would be glad to deal with it now. If the members are dealing with particular cases I think it would be preferable that we have notice and an opportunity to consult nearly 70,000 files which are in our office. As you will see the transactions now cover a period of nearly eight years. I would not like to speak offhand, although my memory is reasonably good, as to the details of any particular transaction.

The VICE-CHAIRMAN: Gentlemen, you have heard this very interesting recital. Doctor Coleman referred to it as rambling remarks but I would say it has been an interesting story, as interesting as any written by either Upton Sinclair or Philip Gibb, and is perhaps more useful because it is based on fact. What is your wish? Shall we go on immediately with this schedule or are there any questions arising out of the statement made by Doctor Coleman that have direct bearing on the schedule?

Mr. BURTON: Mr. Chairman, if you will allow me, I first want to express my personal appreciation for having an opportunity of hearing the story to which you have just referred, presented to us by Doctor Coleman. For those of us who have not had an opportunity to be closely in contact with his department, it gives us a considerable background to work on. I also appreciate the closing remarks that Doctor Coleman made in that he would be prepared to deal