

Q. As a matter of policy a public body should not wait until a certain lot of surplus assets has been declared as such before making any request?—  
A. That is quite correct.

Q. They might be too late to get their priority?—A. They might or might not be too late. They certainly should make their request at the earliest possible date.

*By Mr. Reid:*

Q. There are some questions I should like to ask. Looking over the report I notice that you have items on pages 6 and 7 where it says land leased from a certain estate and land leased from perhaps a provincial or other municipal body. Then if you look further you will see that the estimated cost of restoring the land is \$144. I take it that is to restore the land to its original condition. It is my understanding—and it is based on information given me—that the responsibility to restore land that had been appropriated or taken over for use by the Department of National Defence was the responsibility of that department. I am wondering how the responsibility of restoring leased land would come under your organization because the question of buying land would not be in the picture at all. The land is leased. It is taken from some individual or from some municipal body. I notice on page 7 you have the estimated cost of restoring the land at \$144. I think that requires some explanation.—A. The Act provides that the corporation may pay any sums required to restore to its original condition any property made available to the Crown. Under order in council 6204 in respect of the disposal of land which I outlined in the brief when leased land is reported surplus the committee may return it to the reporting department to wind up the lease. If so the reporting department will have to pay any moneys required to wind up the lease or the committee may refer the lease to War Assets Corporation in order that the corporation may have an opportunity to assign the lease if it is assignable or otherwise deal with it. If the corporation comes to the conclusion after investigation that they must surrender the lease and wind up then the corporation pays the sums which are required to be paid to straighten out the whole situation.

Q. I have in mind many cases. I am not bringing them before this committee particularly because I realize we are not dealing with individual cases, but I have a particular case in mind where some department of the government just moved in, appropriated land and altered it. I have one particular case in mind where an island belonging to a farmer was divided in two. They just walked in and divided it in two. They did away with his bridge, and interfered entirely with it. The responsibility there was that of the Department of National Defence for Air. We have been working with the Department of National Defence for Air. I am wondering when it comes to the settlement if it is going to be turned over to your department because I cannot see where you enter into the picture. You had nothing at all to do with it.—A. In the particular case you mention probably it will never come to the committee or the corporation, but it might. The normal situation is if you have a complicated arrangement between the department and the landlord, if there is no sellable asset, that is, if the leased land cannot be assigned or other things, and it is no good, then it is normally reported surplus and returned to the reporting department with instructions to make all settlements you have to make and wind it up. Probably you will find in your case you will go on dealing with the Department.