

5154 COMMISSIONER OF AGRICULTURAL
LOANS

NAME

*Commissioner of Agricultural
Loans.*

No.

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ONTARIO

COMMISSIONER OF AGRICULTURAL LOANS
PARLIAMENT BUILDINGS
TORONTO

IN REPLY REFER TO
LOAN NO.

OFFICE OF THE CUSTOMER RECEIVED
AUG 21 1940
PASS TO: <i>Mr. Hamilton</i>
TRANSFER TO:
ANS'D BY: FILE

Aug. 20th,
1940

Dear Sir:

A serious problem has arisen in this Department with regard to the effect of the Regulations regarding trading with the Enemy. As you know, we are engaged in the process of liquidating approximately sixteen thousand loans granted by the Ontario Government to the farmers in Ontario prior to 1935. Many of these loans are in default and it is necessary for us to repossess the mortgagors' farms from time to time and sell or lease them to third parties.

Many of the purchasers of our farms are foreign born and up to this date, we have relied mostly on our local Inspectors' reports regarding whether a foreign born purchaser is or is not an enemy alien. Although our Inspectors are thoroughly reliable, we can readily appreciate that they have not all of the information from which they could accurately determine the status of foreign born purchasers.

With a view to protecting this Department from the penalties imposed by the Regulations, we would greatly appreciate your advice relating to the following questions:

1. Should we insert a clause in all of our Offers to Purchase and Lease, whereby the purchaser or tenant must state or declare that he is a British subject or otherwise?
2. Should we attempt to sell or lease farms to persons who have migrated from territory now occupied by Germany and Italy and if such persons have taken out British Citizenship papers, when must they have been granted?

- 2 -

3. In the case of sales in the process of completion, should we obtain declarations from purchasers as to Nationality?

4. In the case of granting discharges of our existing mortgages, should we accept payment in full from a foreign born person without obtaining a declaration as to his or her Nationality?

If you are unable to furnish us with the above information, will you please refer this matter to the proper authorities. As several of our sales are being postponed pending your advice, will you kindly reply at your earliest convenience.

Thanking you for your kind consideration, I remain,

Yours very truly,

Solicitor to the Commissioner.

GWR/MTS.

Mr. T. W. Laidlaw,
Counsel for Custodian,
Room 45 A,
Central Chambers,
OTTAWA, Ontario.

5154

Room 45A, Central Chambers,
Ottawa, August 29th, 1940.
Dict. 28/8/40.

Dear Sir:

Re: Regulations Respecting Trading
With the Enemy

I have your letter of August 20th.

In so far as the above Regulations are concerned an enemy alien residing in Canada is not an enemy unless he has been interned or has been specifically described as such.

Up to the present time no persons in Canada have been specified as enemies and no persons are being treated as enemies except those in the Internment Camps. It would, therefore, appear that this interpretation of the Regulations answers the various points raised in your letter.

Yours truly,

(G.W. McPherson)
Counsel for the Custodian.

Commissioner of Agricultural Loans,
Parliament Buildings,
Toronto, Ontario.

GWM/H