

Memorandum re Meeting of
Cabinet War Committee

September 5th, 1940.

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CABINET WAR COMMITTEE

A meeting of the War Committee of the Cabinet was held in the Prime Minister's Office in the East Block, at 2.30 p.m., on September the 5th, 1940.

There were present the following members:

The Prime Minister,
The Minister of Justice (Mr. Lapointe),
The Associate Minister of National Defence
and Minister of National Defence for
Air (Mr. Power),
The Minister of Finance (Mr. Ilsley),
The Minister of Agriculture and Minister of
National War Services (Mr. Gardiner),
The Minister of National Defence for
Naval Services (Mr. Macdonald).

The Under-Secretary of State for External
Affairs (Dr. Skelton),
The Secretary (Mr. Heeney).

Recruiting of Canadian nationals and
British subjects domiciled in Canada,
by agencies of allied governments.

1. The Prime Minister raised the questions of recruiting activities in Canada on the part of allied governments.

2. The Under-Secretary of State for External Affairs observed that Canada had already agreed to permit recruiting by the Netherlands, Norwegian and Polish governments of their own nationals resident in this country, or coming to Canada for enlistment.

3. After some discussion it was agreed that it would be undesirable to permit recruiting in Canada of Canadians, or British subjects of Canadian domicile, by racial groups or under foreign auspices, it being in every way preferable to enlist such persons in Canadian units, irrespective of their racial origin.

It was, however, felt that provision for such exceptional treatment should now be repealed and that the Custodian should assume control of the gold and dollar balances with the Bank in the same manner as he had done with other property of French nationals.

21. After some discussion, it was agreed that the advisability of amending the Order-in-Council in question should be referred, for report at a later meeting, to the special committee giving consideration to the general question of French gold and balances with the Bank of Canada.

Relations with Japan

22. Mr. King reported to the meeting the substance of conversations between the Under-Secretary of State for External Affairs and the Japanese Minister who had called to advise upon his coming departure from Canada.

Baron Tomii had indicated his desire to complete the Foreign Exchange Agreement, to have some clarification of Canadian policy with regard to the export of metals, and to bring the government's attention to what he regarded as unfriendly treatment of persons of Japanese race in British Columbia.

Dr. Skelton had indicated the Canadian government's view on these matters.

(See memorandum of August the 28th).

Greenland

23. The Prime Minister communicated to the Committee a report received from the British Admiralty that an expedition was known to have set out from Norway for the purpose of establishing a meteorological station and preparing a landing ground on the East coast of Greenland. The expedition had been fitted out with a machine gun and large stores of petrol and had sailed on the sealer "Furenak" under the Norwegian flag. The United States had been informed.