The Foreign Exchange Control Board are advising all Canadian banks tomorrow that all exchange transactions on Japanese account or involving a Japanese interest should be referred to the Board for disposition. These instructions to the banks will have substantially the same effect as the United States freezing order.

The question has arisen whether our instructions should also apply to Chinese transactions. I think we should take the same line as the United States and include Chinese assets in the instructions to the banks, on the understanding which we can give to the Chinese Consul General that all legitimate patriotic Chinese remittances will be freely permitted, but that Chinese benevolent remittances to Japanese occupied China will be subject to very close scrutiny.\*

N. A. R[OBERTSON]

**1320.** 694-39

Le secrétaire d'État aux Affaires extérieures au secrétaire aux Dominions Secretary of State for External Affairs to Dominions Secretary

Telegram 134

Ottawa, July 25, 1941

MOST IMMEDIATE. MOST SECRET. Reference our telegram No. 124 of July 15<sup>1</sup> and your telegram Circular M.183.<sup>2</sup> Is notice of termination of Anglo-Japanese Commercial Treaty to be given in general terms or in respect of United Kingdom only?

**1321.** 592-40

Le sous-secrétaire d'État aux Affaires extérieures au ministre du Japon Under-Secretary of State for External Affairs to Minister of Japan

Ottawa, July 26, 1941

Dear Mr. Yoshizawa,

Confirming our telephone conversation last night, I wish to quote for your information the text, as follows, of the statement made public by the Prime Minister:

The Prime Minister announced tonight that the necessary steps have been taken to prevent the withdrawal of assets in Canada belonging to residents of

<sup>\*</sup> Note telle que dans l'original:

\* Note as in original:

Agreed to over phone. K[ing].

<sup>&</sup>lt;sup>1</sup> Document 1303.

<sup>&</sup>lt;sup>2</sup> Non reproduit.

<sup>&</sup>lt;sup>2</sup> Not printed.