

An agreement concerning outstanding claims of Canadian citizens against Hungary was signed today in Budapest by T. Wainman-Wood, Canadian Ambassador to Hungary, on behalf of the Canadian Government, and by Mr. Karoly Reti, Head of Department of the Ministry of Finance, on behalf of the Hungarian Government. The Agreement came into force on signature.

In 1964, following preliminary agreement with the Hungarian Government to negotiate the settlement of Canadian claims against that state, Canadian citizens were invited to submit such claims to the Department of External Affairs. Negotiations between officials of the two governments began in Budapest in January, 1966, and subsequent rounds were held there and in Ottawa.

The claims covered by the Agreement arise from postwar nationalizations and similar measures effected by the Hungarian Government, obligations of the Hungarian Government under Articles 24 and 26 of the Treaty of Peace with Hungary of February 10, 1947, and certain obligations of the Hungarian Government under Articles 231 and 232 of the Treaty of Trianon of June 4, 1920.

To come within the Agreement, a claim must have been owned continuously by a Canadian citizen from the time of loss until the date of the Agreement.

The Agreement provides for a lump-sum of \$1.1 million to be paid in five equal annual instalments, the first to be made within two months of the coming into force of the Agreement.

A Claims Commission will shortly be established to examine individual claims and make recommendations to the Secretary of State for External Affairs and the Minister of Finance regarding the distribution of the proceeds of the settlement. In due course persons who have filed claims will be contacted.

Copies of the text of the Agreement will be tabled in Parliament and will be available from the Queen's Printer in due course.