

Europe would in fact involve the outflanking of North America. It is, of course, inconceivable that so long as free men are able to resist, this dark day will ever come to pass.

2. SEVERANCE OF DIPLOMATIC RELATIONS WITH HUNGARY, STATEMENT BY PRIME MINISTER, APRIL 8, 1941.

Mr. Speaker, on March 5, I made a brief statement on the situation in the Balkans as it affected citizens of certain of the Balkan countries. Upon instructions from the government of the United Kingdom, his majesty's minister at Budapest has broken off diplomatic relations with Hungary. By reason of this action it is necessary for me to make a further statement.

There is no Canadian diplomatic mission in Hungary, and there are no Canadian government offices of any sort within that country. There has therefore been no occasion for any action by the Canadian government with a view to recalling Canadian government officials from Hungary. There are, however, two Hungarian consulates in Canada, and action is being taken with regard to them.

The breaking off of diplomatic relations does not necessarily bring about a state of war. On the other hand, it was not possible, even at an earlier stage, to overlook the fact that Hungary was contiguous to territory under German domination, and that Hungary's alignment with the axis, and the according to the enemy of privileges with regard to troop movements and like matters, was not consistent with neutrality. Hungary accordingly was made proscribed territory, and transactions with that country were subjected to the regime of the trading with the enemy regulations. These measures were precautionary, and consistent with the continuation of diplomatic relations. No steps were taken, however, to interfere in any way with the maintenance by the Hungarian government of its consulates within this country.

The action of the Hungarian government in enabling the enemy to use Hungarian territory as a basis for unprovoked and unwarranted aggression against Yugoslavia, as well as the action of the government of the United Kingdom in breaking off diplomatic relations, make it necessary to reconsider the position of the consulates. Arrangements therefore are already in progress to provide for the immediate withdrawal from this country of the Hungarian consulates, both at Montreal and at Winnipeg.