

92. *Le Premier ministre au Premier ministre par intérim*

TELEGRAM X. 192

Paris, April 1, 1919

It appears that enemy property situate in Canada or within control of Dominion Parliament and Provincial Legislatures amounts to about thirty-eight million dollars and that Canadian property in Germany amounts to less than one half million dollars. Serious question arises as to our attitude respecting relevant provisions of Peace Treaty. We are considering proposals that treaty should provide that this property shall be applied in reimbursement of Canada's claim for reparation and indemnity and the German Government must undertake compensation to its nationals in whom this property is now vested. Subject has not yet been discussed in British Delegations but will probably be considered during coming week. Would be glad to have views of Council.

BORDEN

93. *Le Premier ministre au Premier ministre par intérim*

TELEGRAM X. 193

[Paris,] April 1, 1919

Your 256. Present proposals recommended by British Authorities and now under consideration are as follows: Each Government should be responsible for collecting the sums ascertained to be due from its own nationals and would pay the sums ascertained to be due to its nationals, the balance being settled between governments. All direct settlements between debtors and creditors would be prohibited. Scheme would apply to British Empire as a whole. Clearing Offices would be established to determine amount of debts and to effect payment. Government of each Dominion would be responsible to British Government for collection of debts due from persons in its territory but in final settlement with Enemy Governments British Government would act on behalf of whole Empire. Such common action is urged on ground that any divergence in treatment of different parts of Empire would introduce difficult complications. From Canadian standpoint following considerations must be taken into account. Proposal involves: First, payment by Canadian Government to Canadian creditors of all debts owing by persons in enemy countries amounting to seven hundred and seventy five thousand dollars approximately. Second, responsibility for the collection of amounts owing by Canadians to persons in enemy countries, amounting to one million six hundred and sixty thousand dollars approximately. Third, payment by Canadian Government to British Government of balance amounting approximately to eight hundred and eighty five thousand dollars, and this without