

The Secretary of State for External Affairs, the Honourable Mitchell Sharp, announced the signature in Ottawa today by the Honourable Edgar J. Benson on behalf of Canada of an Agreement settling outstanding claims of Canadian citizens and the Canadian Government against Romania. The Romanian Minister of Finance, Mr. Florea Dumitrescu, signed the Agreement on behalf of the Government of Romania. The Agreement will come into force on exchange of instruments of ratification, which is to be done in Bucharest as soon as possible.

In 1967, following preliminary agreement with the Romanian Government to negotiate the settlement of these claims, Canadian citizens were invited to submit such claims to the Department of External Affairs. Negotiations between officials of the two governments began in Bucharest in May 1969 and subsequent rounds were held there and in Ottawa.

The claims covered by the Agreement arose from post-war nationalization and similar measures of the Romanian Government, Romanian obligations under the Treaty of Peace of February 10, 1947 and Canadian-held bonds of the Romanian external public debt.

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 payment of the lump sum of \$1.4 million as a percentage of Romanian exports to Canada in quarterly instalments. In agreeing to these terms, the Canadian Government took into account the circumstances giving rise to the Canadian claims as well as other similar claims settlements.

The Foreign Claims Commission will be authorized to make recommendations to the Secretary of State for External Affairs and the Minister of Finance regarding the distribution of the nationalization portion of the proceeds of the settlement. Persons who have filed claims with the Government will be notified of the settlement.

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