

External Affairs and the Custodian. The Department acts as a channel of communication and when questions of major policy are not concerned, it is in point of fact transmitting inquiries from you to the Custodian and in turn transmitting replies.

In conclusion let me repeat that I am confident that a frank discussion can remove the unfortunate misunderstandings which appear to have existed and dissipate what you have described as an atmosphere of aloofness.

Yours sincerely,

W. L. MACKENZIE KING

1522.

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*Le sous-secrétaire d'État aux Affaires extérieures  
au sous-secrétaire d'État*

*Under-Secretary of State for External Affairs  
to Under-Secretary of State*

Ottawa, February 17, 1943

A conference was held this afternoon with the Netherlands Minister who was given, on an entirely unofficial basis, a memorandum prepared by the Legal Division of the Department of External Affairs, of which I enclose a copy.<sup>†</sup> As a result of the discussion which ensued a tentative agreement was reached that the best results could be obtained by forming a consultative committee of three representing the Netherlands Legation, the Custodian and the Department of External Affairs. This committee would discuss all matters relating to Netherlands assets and would enable the Netherlands Minister to obtain full information concerning them. It would thus give effect to your suggestion that in the Lippman-Rosenthal case information might be supplied through the Netherlands Minister to the interested parties.

The Netherlands Minister welcomed the proposed arrangement which would dispose of his attempts to secure recognition for the Netherlands decrees and which would be preferable from his standpoint to his suggestion that freezing should replace vesting. It is suggested that the proposed committee might begin by meeting once a month, though it might easily happen that after a few meetings the intervals could be increased. It is my understanding that this proposal is in conformity with the suggestions which you made at yesterday's meeting and I should be glad to have your confirmation of it.

The tentative agreement reached with the Netherlands Minister leaves three matters outstanding, of which I hope that it will be possible to dispose fairly quickly. These are:

- (1) The answer to Note 550 of March 24, 1942,<sup>†</sup>
- (2) The answer to Note 2731 of October 17, 1941;<sup>39</sup>
- (3) A statement of the present position of the Rembours -en Industriebank.

<sup>39</sup> Voir le document suivant, troisième paragraphe.

<sup>39</sup> See following document, third paragraph.