

arrivals would cause much difficulty. There were some delays during the past year owing to shipping difficulties which the Relief Commission hopes can be made up by additional shipments in the near future. This would appear to be the origin of the British suggestion for an increase of 12,000 tons in the shipments during 1944."³⁴

N. A. R[OBERTSON]

PARTIE 10/PART 10
PAYS-BAS/THE NETHERLANDS

1510.

DEA/614-A-40

Le Premier ministre au secrétaire d'État
Prime Minister to Secretary of State

Ottawa, April 8, 1942

My dear Colleague,

For some time now the Netherlands Minister to Canada has been increasingly anxious to reach a settlement of the position of Netherlands assets in Canada, a problem which has been the subject of much consideration by the Deputy Custodian and Assistant Deputy Custodian, as well as by the Department of External Affairs, for almost two years. Continual postponement of any solution has given rise to much embarrassment, and I think it would be most desirable if you could give this matter your attention with a view to resolving a very complicated situation.

The principal difficulty arises out of the fact that by Order in Council P.C. 1936 of May 11, 1940, the Netherlands was declared proscribed territory, and Netherlands assets in Canada became vested in the Custodian, which position came into conflict with that which the Netherlands Government sought to establish under a Royal Decree of May 24th, 1940.³⁵ The Royal Decree vested in the Netherlands Government all assets in Canada, as well as elsewhere abroad, which belonged to persons resident in the occupied Netherlands. A further Decree of March 6, 1942, did the same with respect to assets of Netherlands citizens resident in the Netherlands East Indies. Thus, under our Order in Council the assets vest in the Canadian Custodian while from the Netherlands point of view they should and do vest in the Netherlands Government.

Precisely the same situation arose in the United Kingdom, and negotiations have been carried on there in an effort to settle the problem. Some progress has been made, I believe, although our information is indefinite. Our latest commu-

³⁴ La note suivante était écrite sur ce mémorandum:

³⁴ The following note was written on the memorandum:

Approved. W. L. M[ACKENZIE] K[ING]

³⁵ Voir le volume 8, document 765.

³⁵ See Volume 8, Document 765.