

present in Washington and has been attached to the British Embassy, *ad interim* and pending confirmation by London, as head of the Trading with the Enemy and Allied Division of the War Trade Department. He is coming to Ottawa to spend some days with us during the week beginning Monday, the 22nd. As is pointed out in Mr. McLarty's letter of May 8th, McCombe is familiar with the course of negotiations in England and in the United States and Mr. McLarty and I would like to discuss with him your latest suggestion. I may, however, remark that we have pretty well cleared up most of the trading companies to which references was made in Mr. McLarty's letter of May 8th. I may also state that no substantial change in any particular is made in the form of Netherlands assets and I cannot think of any genuine Netherlands company which has been liquidated.

As you are aware, the expenses of the Custodian's Office are provided from the commissions and not by an appropriation by Parliament. I am a little doubtful, therefore, how far we could, without impropriety, pay a Netherlands adviser, but this is a point of detail which we may consider later.

I shall write you after we have had the opportunity of discussing the matter with McCombe.

Yours sincerely,

E. H. COLEMAN

1514.

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Mémorandum de la légation des Pays-Bas
Memorandum by Legation of The Netherlands

Ottawa, July 10, 1942

On May the 8th, 1942, Mr. L.B. Pearson addressed a personal and confidential letter to Mr. Groenman[†] concerning the position of Netherlands companies transferred outside enemy-occupied territory.

In the last paragraph of that letter Mr. Pearson stated that he readily understood that the delay in the matter in question might have been irksome for the Netherlands Government and inconvenient for many Netherlands persons and firms but that he hoped that the measures which were being taken in an effort to secure a more satisfactory solution, might achieve their desired result in the *very near future*.

Since the writing of the above-mentioned letter a considerable time has elapsed and I therefore venture to inquire whether already any measures as quoted above have been taken or when it can be expected that these measures will be taken.

But besides, having carefully studied Mr. Pearson's letter, I would like, with regard to some views expressed therein, to make the following observations:

From information received from my Government it appears that negotiations are indeed still in progress in London concerning Netherlands assets that