

tions that he was first, to attempt to obtain a postponement of the Executive Committee meeting, at least pending the outcome of the truce talks in Rhodes; second, if this was impossible, to work for a solution acceptable to both parties; third, if the matter was finally forced to a vote, to cast his vote against the assumption of responsibility by I.R.O., prefacing his action by a statement to the effect that the vote was based solely on present disturbed conditions in Palestine, which it is to be hoped are temporary, and that when these disturbed conditions have come to an end, Canada would be glad to vote in favour of I.R.O.'s assumption of responsibility.

5. Since these instructions were sent, it has become evident that a postponement of the Committee meeting will not be feasible. The U.S. is certain not to agree and in any case another very urgent problem—that of White Russian refugees in Shanghai—has been put on the agenda.

6. The State Department has made an appeal to the United Kingdom Government and to the Canadian Government (through our Ambassador in Washington) to reverse the present I.R.O. policy. We have been confidentially informed that the United Kingdom Government will not respond to this appeal.

7. The Director-General of I.R.O. and Mr. Désy informed us that with the exception of the United States members of the Executive Committee are opposed to a change of policy.

8. Articles appearing in the press during the last few days have indicated that the Jewish agencies are willing to go the limit in financing Jewish immigration into Palestine; that the Israeli Government is actively engaged in settling Jewish immigrants on land vacated by Arab refugees. The Israeli authorities have several times stated their intention to enter into agreements with Arab states for the exchange of Palestinian Arab refugees with Jewish residents of Arab lands who would be brought to Palestine and settled there permanently. It is Mr. Shertok's personal opinion that Arab refugees resettled in Arab countries should be compensated for property left in Israel, but in his statement to Mrs. Ann O'Hare McCormick on January 16 he made it clear that his government was not yet committed to this principle.

9. We had hoped to avoid adverse comment from Canadian Jewish groups by having the issue postponed so that the Delegation would not have to take up a position. It is now probable, however, that unless Mr. Désy's instructions are altered, he will have to vote against the assumption by the IRO of paramount responsibility for Jewish movements in Palestine.

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