

owner of the property, being in the occupied territory, is outside its jurisdiction; the gold was not, technically speaking, the property of the French Government; the Government and constitution of France as it existed at the time of the deposit no longer exists, and the present Government of France, although the de facto Government, and to be regarded as such, is not the Government of the French Nation as a whole, and is probably under German domination.

7. If there be a moral aspect the Government's primary duty is to its own people and its secondary duty to France. If the welfare of both can be assisted by this transaction surely that is better than immobilizing the gold so as to benefit Germany.
8. The Government of France by the Armistice deprived itself of the opportunity of regaining control of this fund.

Probably nothing quite like the French situation is to be found in the history of international law: at all events my attention has not been drawn to a parallel case; but so far as this particular point is concerned no legal difficulty appears to arise. Once the enemy character of the gold is established - and this is mainly a question of fact - it becomes subject exclusively to Dominion laws and the Governor in Council may deal with it under the War Measures Act. However, the following references to authority may be of interest:-