We learn from His Majesty's Ambassador at Buenos Aires, who had been instructed to keep in touch with his Canadian colleague in earlier discussions, that notwithstanding your telegram of December 16th, No. 258,<sup>†</sup> Canadian Government do not desire change of their representation unless the Argentine Government expressly wish such change, and in the circumstances we assume you will not desire any approach to be made to the Swiss Government in the matter.

106. DEA/1954-E-40

Le secrétaire d'État aux Affaires extérieures au haut commissaire en Grande-Bretagne Secretary of State for External Affairs to High Commissioner in Great Britain

Telegram 732

Ottawa, April 14, 1942

IMMEDIATE. SECRET. With reference to Dominions Office telegram No. Circular D. 183 of April 1st relating to the protection of British interests in Japan in the last paragraph of which reference is made to the statement reported in my telegram to yourself No. 430 of March 7th, second paragraph beginning, If you think sent in an instruction to the Canadian Minister at Buenos Aires. It is statement should be read in context. The Canadian Minister had reported that the Argentine authorities might take offense if a request were made to them to relinquish the protection of Canadian interests in Japan. He had previously indicated that the Argentine authorities might wish to relinquish the protection of Canadian interests. Our statement was not intended to imply that at no time would the Canadian authorities consider the transfer except at the request of the Argentine Government. The Canadian Minister reported that he had not found it necessary to communicate a statement in these terms and therefore had not done so.

The Canadian authorities find themselves in a very awkward position. No indication has been received from the United States authorities that they wish the transfer of Canadian interests from the Argentine and as indicated in previous telegrams we fear that an approach by the Canadian Minister at Buenos Aires might damage the cordial relations which we have been attempting to foster. We would, therefore, prefer to take no initiative and to await developments. On the other hand too long a delay by the Canadian authorities in following the example of the United Kingdom in transferring the protection of British interests to Switzerland might focus unfavourable criticism on Canada.

We are replying to the last paragraph of the above-mentioned telegram from the Dominions Office to the effect that the British Minister at Berne might inform the Swiss that a similar request for the assumption of the protection of Canadian interests in Japan may be anticipated.

Please explain position to United Kingdom authorities in the light of this and previous telegrams and report their views by cable.

<sup>50</sup>Document 101.