

3. The Norwegian Government have taken cognizance of the settlements arrived at between the Canadian and the Netherlands Governments and the Canadian and the Danish Governments.

The Norwegian Government also greatly appreciate the statement made by the Canadian delegates during the discussions in Oslo that the Canadian Government in their endeavours to reach an amicable settlement of this claim were prepared to take into consideration Norway's war effort and war losses, and the long-term effects of the war upon the Norwegian economy.

At the end of the discussions the Norwegian representatives suggested that the claim of the Government of Canada be settled as follows:

Either

By payment before the 31st March 1950, from the Government of Norway to the Government of Canada of *US \$850,000 in cash*

Or

By the Norwegian Government paying into a kroner account for the Government of Canada *8 million kroner*, the whole amount to be used in Norway for the purchase of property and to cover other expenditures of the Canadian Government in Norway and by Canadians for educational and cultural purposes. The Norwegian Government would at any time be willing to consider a request from the Canadian Government for the transfer of part of the kroner amount into other "soft" currencies, but there would be no obligation on the part of the Norwegian Government to allow such transfers.

I would appreciate being informed of the Canadian Government's reaction to the above mentioned proposals made by the Norwegian Government.

Accept, Sir, the renewed assurances of my highest consideration.

DANIEL STEEN.

Les comptes n'ont été présentés que longtemps après que les marchandises
étaient livrées et vendues en Norvège aux prix du marché. Les prix factuels
totalisaient 34 millions de dollars soit, au cours du change de 5 couronnes
norvégiennes pour 1 (E-U), 170 millions de couronnes. Ce chiffre démontre
le part du Canada, laquelle était établie par stipulation à 5 p. 100 du total,
soit 8-5 millions de couronnes, ce chiffre, compte tenu de la réduction demandée
de 30 p. 100 serait ramené à 5-9 millions de couronnes.