CANADA SIGNS CLAIMS AGREEMENT WITH CZECHOSLOVAKIA

DEPARTMENT OF EXTERNAL AFFAIRS
MINISTÈRE DES AFFAIRES EXTÉRIEURES

The Secretary of State for External Affairs, the Honourable Mitchell Sharp, announced that he had signed on April 18 in Ottawa on behalf of the Government of Canada, an Agreement settling outstanding claims of Canadian citizens against Czechoslovakia. Dr. Rudolf Rohlicek, the Czechoslovak Minister of Finance, signed the Agreement on behalf of the Government of Czechoslovakia. The Agreement is to come into force on the date on which the contracting parties inform each other through an exchange of letters that the Agreement has been approved by their respective Governments. This exchange will take place in Prague as soon as possible.

The claims covered in the Agreement arose from post-war nationalization and similar measures of the Government of Czechoslovakia. The Agreement covers certain properties which were owned by persons who were Canadian citizens at the time of the nationalization. The claim of Mr. Thomas Bata Jr. for the nationalization of the firm Bata a.s., Zlin and its subsidiaries in Czechoslovakia is not covered by the Agreement.

Negotiations between officials of the two Governments began in Prague in May, 1971 and subsequent discussions were held there and in Ottawa.

The Agreement provides for the payment of a lump sum of $3.25 million in seven equal annual instalments, the first instalment to be paid not later than ninety days from the coming into force of the Agreement.

The Foreign Claims Commission will be authorized to make recommendations to the Secretary of State for External Affairs and the Minister of Finance regarding the distribution of the proceeds of the settlement. Those persons who have filed claims with the Government will be notified in due course of the settlement.

Copies of the text of the Agreement will be tabled in Parliament and will be available from Information Canada.