

No. 3253

**CANADA
and
FRANCE**

Exchange of notes constituting an agreement for the settlement of Canada's claim in respect of military relief and the claim of France in respect of French vessels requisitioned by Canada during the war. Ottawa, 26 June and 4 July 1951

Official texts: English and French.

Registered by Canada on 12 April 1956.

**CANADA
et
FRANCE**

Échange de notes constituant un accord concernant les fournitures faites aux populations civiles par les autorités militaires canadiennes et l'indemnité relative aux navires français réquisitionnés par le Canada durant la guerre. Ottawa, 26 juin et 4 juillet 1951

Textes officiels anglais et français.

Enregistré par le Canada le 12 avril 1956.

No. 3253. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN CANADA AND FRANCE FOR THE SETTLEMENT OF CANADA'S CLAIM IN RESPECT OF MILITARY RELIEF AND THE CLAIM OF FRANCE IN RESPECT OF FRENCH VESSELS REQUISITIONED BY CANADA DURING THE WAR. OTTAWA, 26 JUNE AND 4 JULY 1951

I

*The Acting Secretary of State for External Affairs to the Ambassador of France
in Canada*

DEPARTMENT OF EXTERNAL AFFAIRS

Ottawa, June 26, 1951

No. E76

Excellency,

In March, 1950, an Interim Agreement was reached between your Minister of Foreign Affairs and the Canadian Ambassador in France pending final settlement of Canada's claim in respect of military relief. This claim of the Government of Canada against the Government of France in the amount of U.S. \$13,455,414.98 is for reimbursement in respect of Canada's share of the value of supplies distributed to the civilian population of Metropolitan France and to the French Zones of Germany and Austria by the combined military authorities under the Supreme Allied Command.

2. In February and April, 1950, the lump sum of \$1,150,000 was agreed upon as the amount of compensation due by the Government of Canada to the Government of France in respect of French vessels requisitioned by Canada during the war, the conditions and method of payment of this amount to be a matter for discussion between our two governments. This claim is made by your Government on behalf of the owners of vessels concerned.

3. During recent discussions in Paris between representatives of our two governments, it was agreed that full and final settlement of these two claims

¹ Came into force on 4 July 1951 by the exchange of the said notes.

arising from the war should be made under one agreement in the manner and terms set forth in the following paragraphs.

4. The Government of France agrees that the amount of the compensation referred to in paragraph 2 above due to the Government of France in respect of vessels requisitioned during the war shall be offset against the claim of the Government of Canada, referred to in paragraph 1 above, and agrees that this shall constitute full and final settlement of the claim of the Government of France referred to in paragraph 2 above and the Government of France agrees to take any steps and obtain any releases, consents, waivers or other documents that the Government of Canada considers necessary to extinguish any claim in respect of French vessels and the cargoes of such vessels requisitioned by the Government of Canada during the last war; and the Government of France agrees to indemnify the Government of Canada against any claim by it or its nationals or the owners of the said vessels in respect of the vessels or their cargoes; and for the purpose of this Agreement the expression "owners" shall be deemed to include all persons having an interest in or a claim in respect of the said vessels or their cargoes.

5. The Government of Canada, in view of the above settlement and of representations concerning adjustments in the accounts of military relief supplies and in consideration of the serious long-term effects of the war on the French economy, agrees to accept an amount of U.S. \$7,535,580 in French francs in full and final settlement of the claim referred to in paragraph 1 above.

6. The Government of France agrees to deposit from time to time as requested to the credit of the Government of Canada in special accounts established for this purpose, French francs not exceeding the equivalent in value of U. S. \$7,535,580 including payments equivalent to U.S. \$1,000,000 already made on account under the arrangement referred to in paragraph 1 above. French francs so transferred to the account of the Government of Canada will be credited under this settlement in terms of U.S. dollars at the rate of exchange established in accordance with the rules and regulations of the International Monetary Fund or, in the absence of such a rate, at the rate of exchange used by the Government of France in its official transactions on the date each such deposit is made.

7. Any deposits into the special accounts may be used by the Government of Canada :

- (a) to meet any of its current expenditures in France ;
- (b) to purchase and improve real property for Canadian diplomatic and consular establishments in France ;
- (c) to purchase in France furniture and furnishings for Canadian Government establishment both in France and in other countries ;

- (d) to meet the costs of educational and cultural programmes which the Canadian Government may undertake or arrange in France ;
- (e) to provide for any other expenditures which might later be agreed upon between our two governments.

The Canadian Government considers that deposits into the special accounts at the rate of the equivalent of U.S. \$500,000 every six months will be sufficient to meet its requirements under items (a), (b) and (c) above. The requirements of the Government of Canada to meet the costs of educational and cultural programmes in France will be the subject for discussion between our two governments when inauguration of such programmes is being considered.

8. If the present note correctly sets out the understanding reached between the representatives of our two governments in regard to the foregoing, I have the honour to suggest that this note and your reply be regarded as constituting an agreement between our two governments.

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

Brooke CLAXTON

II

The French Ambassador in Canada to the Secretary of State for External Affairs

[TRANSLATION¹ — TRADUCTION²]

FRENCH EMBASSY

Ottawa, July 4, 1951

No. 98

Sir :

I have the honour to acknowledge receipt of your letter No. E-76 of June 26, 1951, which is worded as follows :

[*See note I*]

That letter sets forth accurately the terms of the agreement concluded between the representatives of our two Governments with regard to the above. On behalf of the French Government, I have the honour to inform you that I regard that letter and this reply as constituting an agreement between our two Governments, both texts being authentic.

Accept, Sir, the assurances of my highest consideration.

Hubert GUÉRIN

¹ Translation by the Government of Canada.

² Traduction du Gouvernement canadien.