

Austria, Bulgaria, Hungary, and Turkey. In the case of incorporated bodies, enemy character attaches only to those incorporated in an enemy country.

The expression "national of an ex-enemy Power" means the subject of a State with whom a Treaty of Peace has come into force, wherever resident, other than a person or corporation which, under the Treaty of Peace with that Power, has acquired *ipso facto* Allied or neutral nationality.

The Board of Trade announce that their consent will no longer be required to the allotment or transfer of any share, stock, debenture, or other security issued by a company to or for the benefit of an enemy subject under section 10 (2) of the Trading with the Enemy Amendment Act, 1916, and accordingly in this connection no declaration by transferees will in future be required.

PROPERTY BELONGING TO PERSONS OF SERB-CROAT AND SLOVENE NATIONALITY.

9. Despatch dated 5th July, 1920, forwarded copies of notes from the Serb-Croat and Slovene Legation, London, regarding the money and effects belonging to persons of Serb-Croat and Slovene nationality which had been retained in New Zealand. The despatch further advised that in similar cases in the United Kingdom it was the practice of His Majesty's Government to release the property of persons claiming to be subjects of the Kingdom of Serbs, Croats, and Slovenes, on production of a certificate granted by the Government of that State to the effect that the applicant was a subject of that State.

INSURANCE POLICIES OF GERMANS.

10. Despatch dated 6th July, 1920, advised that overdue premiums on life-insurance policies did not constitute a "debt" under Article 296, nor could the surrender value of policies, unless actually payable prior to the 10th January, 1920, be claimed through the Clearing Office. The Central Clearing Office has decided, as regards life and endowment policies effected in the United Kingdom, that the surrender value of such policies issued to German nationals, and in the case of matured policies, when such policies have lapsed during the war through non-payment of premiums, the claims of the assured thereunder are not to be considered as subject to the charge created by the Treaty of Peace Order, 1919, Section 1 (XVI). It was further stated that British life offices had been authorized to direct all communications direct to their German policyholders except where such communications related to the payment of claims in respect to policies which matured during the war and which, not having lapsed owing to the non-payment of premiums or other causes, were enemy debts within the meaning of Article 296 of the Treaty of Versailles, and as such can only be settled through the Clearing Office.

PERSONAL EFFECTS OF AUSTRIANS.

11. Despatch dated 27th July, 1921, enclosed a copy of a memorandum forwarded to His Majesty's representative at Vienna by the Austrian Foreign Office for transmission to His Majesty's Government. The text of the memorandum is as follows:—

MEMORANDUM.

According to Article 249, paragraph (b), of the Treaty of St. Germain, the Allied and Associated Powers reserve the right to retain and liquidate all property, rights, and interests which belong at the date of the coming into force of the said Treaty to nationals of the former Austrian Empire, or companies controlled by them, and are within the territories, colonies, possessions, and protectorates of such Powers.

On the representations made by the Austrian peace delegates concerning these stipulations, which were addressed to the Peace Conference in Paris, the Allied and Associated Powers, in their reply dated 2nd September, 1919, declared that they intended to make use of their right of liquidating Austrian property according to circumstances, but they did not wish to liquidate personal effects or souvenirs of minor value which belonged to Austrian subjects.

Now, there are many Austrian subjects who before the outbreak of the war had their residence in Great Britain or her territories (it is mostly the question of business people on a small scale, workmen, craftsmen, waiters, servants, and other money-earning persons of the not-well-off classes) and who, either at the time of their departure from English territory when the war broke out, or later before they were being interned, were obliged partly to leave behind all their belongings, especially clothes, linen, household implements, and sundry effects for daily and personal use, in their places of abode, partly to have them sent to a storehouse. After the termination of the war the owners of the abovesaid effects have repeatedly tried to recover them, as they cannot do without them. These effects, though time-worn and deteriorated by long storage, and thus being of little value on the market, are yet their only resource, and practically irreplaceable, as the people concerned are totally destitute and, considering the tremendous rise of prices in Austria, unable to buy new things.

As this Foreign Office understands, the custodians of these effects, especially the managers of the storehouses, insist, in conformity with the British law, on having first the Public Trustee informed that enemy property is under their care, and said Trustee regularly refuses the release of the property mentioned. The consequence is that the owners, just now when they try to begin a new life, cannot dispose of their property which they so badly want. They are thus not only deprived of the possibility of finding a way out of their desolate situation, but they get, with their families, in ever deeper mischief, augmenting the number of these unhappy ones who join the army of the proletariat and paupers, and who, in their despair, willingly listen to the words of agitators.

Of the same importance as the recuperation of these effects is, for many Austrians who had their residence in England, the release of their savings which they had earned during their stay in England by hard work that had also benefited England. This is specially the case with Austrians who, when being sent away or interned at short notice, had to sell their belongings under cost, as they were unable to have them properly stored. These Austrians need their most necessary good furniture, &c., which they would have to buy new, as badly as the persons enumerated before. But they are refused to be allowed to make use of the only means to meet the necessary expenses connected therewith, and thus to give a modest home again to their families, their savings being sequestered as enemy property, and under Article 249 liable to liquidation. The Austrian Government, it is true, has the obligation to indemnify these persons for the liquidation of their property, and it will undoubtedly do all in its power to comply with this provision of the Peace Treaty, as it will with all the others. But the deplorable financial situation of the Austrian Republic renders it most difficult, if not impossible, considering the depreciation of the crown, fully to indemnify its citizens for the loss of their accounts, which are low in English currency.

The same considerations that speak for a release of the personal and sundry effects of Austrian citizens can be put forward for reasons of humanity not to confiscate the small amounts, which hardly influence English economic life.