

As regards New Zealand only it is to be stated that the property of ex-enemy aliens resident in New Zealand prior to the war who were permitted to remain here has not at any time been subjected to the powers of retention and liquidation conferred by the Peace Treaties.

19. A considerable number of applications for release in terms of the above recommendations have been received and dealt with during the past year. It is pleasing to record that Lord Blanesburgh's Committee voluntarily offered to advise, in regard to applications for the compassionate release of property under the control of the Dominion Custodian which might be submitted to it, what principles would be applied and what concessions granted had the cases arisen within the jurisdiction of the Committee. As difficulty has been experienced in several cases in applying the above recommendations to individual cases, and in addition as it is eminently desirable that there should be some degree of uniformity between the practice of the British and Dominion Governments, advantage has been taken of the Committee's offer to submit several applications for the favour of its advice. I have elsewhere expressed my appreciation of the great assistance which has been freely tendered by the Committee.

A statement of the property released by the New Zealand Government by way of compassionate releases and also upon other sufficient grounds appears in paragraph 24 of this report.

20. An interesting point arose in regard to an application for the release of enemy property within the jurisdiction of the Dominion Custodian, as to whether any release ought to be granted where the person whose property was liquidated during the war in pursuance of the War Regulations was a lady of British nationality by birth who had acquired German nationality by marriage. She had died in Germany during the war, leaving property of considerable value in New Zealand, and she was survived by her husband and three children, all of whom were of German nationality and resident in Germany. Had the lady concerned been alive she would have been competent to make an application for the release of her property under section 1 (c) of the recommendations of Lord Blanesburgh's Committee as reprinted above. The case was submitted to Lord Blanesburgh's Committee, who tendered the following advice:—

Had Mrs. ——— been alive she would have been eligible for consideration under paragraph 21 (1) by virtue of her British birth, but according to the information furnished in your letter it would appear that the case of her husband and three children could only have been considered had these persons themselves resided in the British Empire for some period prior to the outbreak of war.

Although the British-born wife of a German national is eligible for consideration in respect of property in her own right under paragraph 21 (1) of the Special Report, I would point out that in the event of her being deceased before or after having had the whole or part of her property released as the result of an application to the Committee the cases of the German beneficiaries under her will could only be entertained provided that these beneficiaries had themselves resided in the British Empire for some period prior to the outbreak of war. If, however, after marriage she resided and died in this country, and left a will in British form in which the German beneficiaries in question were specifically referred to, their cases would fall for consideration under paragraph 21 (IV) (b) of the Special Report of the Committee. The fact that the deceased woman was of British birth would not confer on her beneficiaries any rights above those accorded to ordinary German nationals in applying to the Committee, but, of course, their descent would be a fact to be taken into consideration by the Committee in making a recommendation.

Finally, I would add that in the case of a German national dying subsequent to the 10th January, 1920, His Majesty's Government have been advised that releases to beneficiaries cannot be made, as the original owner's title to the property became vested in the Custodian on the date when the Treaty of Peace came into force. The matter is at present being considered with a view to a practicable solution of this legal difficulty being evolved.

21. *Amendment of British Treaty of Peace Order, 1919.*—With regard to the last paragraph of the above-quoted communication from Lord Blanesburgh's Committee, an Order bearing date 8th December, 1924, amended the British Treaty of Peace Order, 1919, in so far as the release of enemy property is concerned. The proviso to Article I (xvi) of that Order, which creates a charge over German property rights and interests in terms of Article 297 of the Treaty of Versailles, has now been amended to read as follows:—

“Provided that any particular property right or interest may at any time be released by the Custodian, acting under the general direction of the Board of Trade, from the charge so created; and where the property right or interest belonged to a person who has died since the charge attached, the Custodian acting as aforesaid may release it or any part thereof or any interest therein so as to make the release operate in favour of the persons who would have been entitled as beneficiaries under the will or on the intestacy of the deceased person, as the case may be, if the property right or interest had not been subject to the charge, or in favour of any of those persons to the exclusion of any one or more of them, on such terms (if any) as he may think proper with respect to the payment of debts and funeral and testamentary expenses and the discharge of any other obligations.”

Similar amendments were also made by the same Order to the Treaty of Peace Orders relating to Austria, Hungary, and Bulgaria.

#### ALIENS REPATRIATED FROM NEW ZEALAND.

22. *Repatriated German Subjects.*—The Foreign Office has now agreed to the payment direct of amounts held on account of German subjects repatriated from New Zealand, and the High Commissioner is proceeding with the release of the individual amounts, which have been in his hands for the past six years, upon completion of the necessary formalities.