

EXCHANGE OF LETTERS (NOVEMBER 16, 1938) MODIFYING THE
TRADE AGREEMENT OF FEBRUARY 23, 1937 BETWEEN CANADA
AND THE UNITED KINGDOM.

(I)

The High Commissioner for the United Kingdom at Ottawa to the Secretary of
State for External Affairs of Canada

OTTAWA, November 16, 1938.

SIR,

As you are aware, we are now approaching finality in our trade agreement negotiations with the United States, and it is expected that an Agreement may be signed in the near future.

2. In view of the willingness to facilitate these negotiations expressed by His Majesty's Government in Canada in accordance with Article 16 of the Trade Agreement of 23rd February, 1937, during preliminary discussion on this matter between His Majesty's Governments in the United Kingdom and in Canada, the Agreement will provide for reduced duties on imports into the United Kingdom of United States goods on which the Canadian Government have agreed to waive their rights under the United Kingdom-Canada Trade Agreement to the extent indicated below:—

EX SCHEDULE III OF THE UNITED KINGDOM-CANADA TRADE AGREEMENT
OF 1937

	Rate of Duty on Goods the Growth, Produce or Manufacture of the United States
Wheat.....	Free
*Apples, raw.....	3s. per cwt. (16th August to 15th April inclusive)
Pears, raw.....	3s. per cwt. (1st August to 31st January inclusive)
Apples, preserved in syrup.....	2s. 3d. per cwt. (In addition to the rates of duty in respect of sugar content)
Honey.....	5s. per cwt.
Timber.....	**
Chilled or frozen salmon.....	¾d. per lb.
Patent leather not forming part of another article.....	7½ p.c. ad valorem

*Copy of Note to be addressed by the United States Secretary of State to His Majesty's Ambassador
Washington regarding the marketing of apples and citrus fruits is attached (Annex A).

**Rates of duty are set forth in Annex B.
(The reduced rates of duty referred to above, which have been the subject of discussion with the
Canadian Government will be included in Schedule I of the United Kingdom-United States Agreement.)

The Agreement will also provide for maximum preferential margins on
importation of the articles specified in Annex C (Ex Schedule VI of the United
Kingdom-Canada Trade Agreement of 1937) into the Colonies and Protectorates
mentioned in that Annex. (These reduced preferential margins will be included
in Schedule III of the United Kingdom-United States Agreement.)