(III)

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

OTTAWA, November 16, 1938.

In acknowledging the receipt of your letter of to-day's date in regard to the SIR. United States trade negotiations I wish on behalf of His Majesty's Government in the United Kingle Vision of the U in the United Kingdom to express their agreement with what is stated therein

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GERALD CAMPBELL

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(IV)

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

OTTAWA, November 16, 1938.

In my letter of to-day's date I referred to certain modifications of the ed Kingdom-Canada Trada Arms SIR. United Kingdom-Canada Trade Agreement which His Majesty's Government in the United Kingdom and in Canada has been supported by the C in the United Kingdom and in Canada have agreed to make in order to facilitate the conclusion of Trade Agreements between the conclusion of the conclusio the conclusion of Trade Agreements between the United States and Canada and between the United States and the United States and Canada and the United States and Canada and the United States and the United States and Canada and the United States and Canada and Cana between the United States and the United Kingdom.

Apart from these modifications, which relate to United States goods specified be schedules of the two Agreements about the United States goods specified by the two Agreements about the United States goods specified by the two Agreements about the United States goods specified by the two Agreements about the United States goods specified by the United States goods goods specified by the United States goods go in the schedules of the two Agreements about to be concluded, the negotiation have suggested the desirebility of have suggested the desirability of two further modifications of the United Kingdom-Canada Trade Agreements

Kingdom-Canada Trade Agreement.

The United Kingdom Government understand that the Canadian Government would appreciate release from the control of the control ment would appreciate release from the obligation to maintain a fixed margin of preference on wrought iron (Item 277) of preference on wrought iron (Item 377e—formerly ex 377a et al.) appears to complicate uppears appears to complicate uppears and the state of the s appears to complicate unnecessarily the wording of a number of iron and steel items to be included in the Canada Unit of a number of iron and steel items. items to be included in the Canada-United States Agreement. The Kingdom Government for their part are according to the control of the control Kingdom Government for their part are accordingly prepared to agree Trade deletion of this item from Schedule V to the United Kingdom-Canada Agreement of 1937.

At the same time the United Kingdom Government, with a view to main a proper relationship between some Government, with a view to main a proper relationship between some graphs. taining a proper relationship between sawn timber and the logs from which may be sawn, would appreciate your contents to be the content of the logs from which may be sawn. may be sawn, would appreciate your consent to the extension to logs of certain dimensions of the rates of duty on wood and timb dimensions of the rates of duty on wood and timber of coniferous species which provision is to be made in Schedule I of the rates of the rates of duty on wood and timber of coniferous species which provision is to be made in Schedule I of the rate of the rat which provision is to be made in Schedule I of the Trade Agreement between the United Kingdom and the United States of A the United Kingdom and the United States of America. They according propose to reduce the duty on wood and timber of coniferous species in the duty on which is less than 14 inches in the coniferous species and the conice and the c neither end of which is less than 14 inches in mean diameter to 16s. per stands as from the date on which the Trade Agreement as from the date on which the Trade Agreement is to become effective the large standard, 1939). In the eventuality contemplated in the date of the large standard in the second effective contemplated effective conte January, 1939). In the eventuality contemplated in the proviso to the contemplated of the import excise tax on limit the proviso to the proviso to the contemplated in cession (removal of the import excise tax on lumber imported into the proviso to the import excise tax on lumber imported into the proviso to the import excise tax on lumber imported into the proviso to the import excise tax on lumber imported into the import excise tax on lumber imported into the provisor of the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor to the import excise tax on lumber imported into the provisor tax of States of America) the United Kingdom Government propose to according to the United Kingdom Government propose to according to the less than 10. entry to wood and timber of coniferous species in logs neither end of which less than 12 inches in mean diameter and which less than 12 inches in mean diameter and which are 15 feet or more in less than 12 inches in would be so good

I should be glad if you would be so good as to advise me whether adian Government concur in the arms of good as to advise me whether

Canadian Government concur in the arrangements outlined above.