

It has been noted that in conjunction with the Agreement of 1953, arrangements were made by the Government of Canada for the remission of duties and Federal taxes, on construction equipment, materials and supplies imported into or purchased in Canada, when consigned to the project and used in its construction. It is understood that similar arrangements will be made in connection with the construction of the three additional pumping stations in Canada.

I have the honor to propose, if it is acceptable to the Government of Canada, that this Note and your reply shall constitute an agreement between our two Governments for the construction by the United States, in Canadian territory, of three additional pumping stations on the Haines-Fairbanks Pipeline.

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

LIVINGSTON T. MERCHANT

The Honorable

Howard C. Green, P.C., Q.C., M.P.,

Secretary of State for External Affairs,
Ottawa.