(These figures have been supplied by the office of the Comptroller of Imports and Exports).

	Canada		United States of America	
	Exports	Imports	Exports	Imports
1949	846,000	2,495,900	50,305,000	39,517,000
1950	1,898,000	1,796,000	129,150,000	39,266,000
1951	845,000	6,056,000	102,442,000	140,025,000
	\$3,589,000	10,347,000	281,897,000	218,808,000
	More Imports \$6,758,900		More Exports \$63,089,000	

[&]quot;We regret that we do not have on hand the complementary figures for 1952 nor for the first six months of the present year, which should undoubtedly show the same trends.

"It seems obvious that the claim of the Canadian Embassy is not a reasonable one and that Canada has benefited, for the payment of her exports to Uruguay, from the reserve in foreign exchange obtained by our country from our exports to United States.

"It is also fair to add that the policy adopted by the Bank in all matters of allocation of foreign exchange generally follows the principle of reciprocity in commercial relations. If this principle had been strictly adhered to in the case of Canada a restriction of her exports to Uruguay would have undoubtedly followed, and we must further add that the trend observed in the commercial exchanges between the two countries do not leave us any other alternative but to envisage with a restrictive mind the requests for allocation of foreign exchange of purchases to be made in the said country.

"With the assurance etc.

LUIS GUILLOT for the Minister

1113.

DEA/4905-40

L'ambassade en Uruguay au sous-secrétaire d'État aux Affaires extérieures

Embassy in Uruguay to Under-Secretary of State for External Affairs

LETTER No. 196

Montevideo, October 15, 1953

URUGUAY IMPORT RESTRICTIONS

Reference: Our letter No. 194 of October 13, 1953.

Our letter No. 194 of October 13th, was given the wrong reference and the wrong subject matter although it refers to the general subject of Canada-Uruguay trade. The reference should have been your Despatch No. E-75 of May 30th and the subject, Uruguay Import Restrictions. Also your despatch was marked "secret" and our letter was inadvertently sent by registered airmail.