

ANNEX

STATEMENT OF CONDITIONS TO GOVERN THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF GROUND-TO-AIR COMMUNICATIONS FACILITIES IN NORTHERN CANADA

1. All costs of the establishment, operation and maintenance of the ground-to-air communications facilities shall be the responsibility of the United States.
2. The United States Air Force may operate the facilities with contractor personnel.
3. Procedures for awarding contracts for establishment of the facilities, for the procurement and installation of equipment, and for the operation and maintenance of the facilities shall be determined by agreement between the appropriate agencies of the two Governments.
4. With regard to the establishment, construction, operation and maintenance of the facilities, rates of pay and working conditions for Canadian labor will be set after consultation with the Canadian Department of Labour in accordance with the Canadian Fair Wages and Hours of Labour Act.
5. Ownership and right of disposal of removable property brought into Canada or purchased in Canada and placed on the sites for the facilities, including readily demountable structures, shall remain in the United States. The United States shall have the unrestricted right of removing or disposing of all such property at any time, *provided* that removal or disposal shall not be delayed beyond a reasonable time after the date on which the operation of the facility has been discontinued. The disposal of United States excess property in Canada shall be carried out in accordance with the provisions of the exchange of notes of August 28 and September 1, 1961, concerning the disposal of excess property.
6. The United States military authorities shall obtain, through the Royal Canadian Air Force, the approval of the Canadian Department of Transport for the establishment of radio stations associated with this project and shall establish and operate stations so approved in accordance with the terms of the license issued by the Department of Transport.
7. Except as otherwise agreed, the direct entry of United States personnel from outside Canada shall be in accordance with Canadian customs and immigration procedures which shall be administered by local Canadian officials designated by Canada. Canada shall take the necessary steps to facilitate the admission into the territory of Canada of such United States citizens as may be employed on the facilities, it being understood that the United States shall bear the cost of repatriating any such persons if the contractors fail to do so.
8. Canada shall grant remission of customs duties and Federal sales and excise taxes on goods imported, and of Federal sales and excise taxes on goods purchased in Canada which are or are to become the property of the United States and are to be used in the establishment, maintenance or operation of the additional proposed facilities. Canada shall also grant refunds by way of drawback of the customs duty paid on goods imported by Canadian manufacturers and used in the manufacture or production of goods purchased by or on behalf of the United States and to become the property of the United