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*The Secretary of State for External Affairs to the Ambassador  
of the United States of America*

## DEPARTMENT OF EXTERNAL AFFAIRS

No. 266

The Secretary of State for External Affairs presents his compliments to His Excellency the Ambassador of the United States of America and has the honour to refer to his Note No. 26 of July 23, 1956, concerning certain proposed navigation improvements that are to be undertaken in the Detroit River section of the Great Lakes connecting channels.

The Secretary of State for External Affairs notes that the proposed improvement of the Great Lakes connecting channels is to provide increased channel dimensions in the interest of the growing needs of commerce on this waterway, and that it was authorized by Public Law 434 of the 84th Congress of March 21, 1956. The portion of the project in the Detroit River provides for dredging of existing channels, disposal of dredging material and the construction of compensating dykes. It is noted also that the construction programme for the current fiscal year includes deepening of the Amherstburg channel which is located in Canadian waters.

The Canadian Government is pleased to approve the project as outlined in Note No. 26 subject to the following terms and conditions:

- (a) That the final plans for the construction of the channel, including plans for spoil disposal areas and for the construction of the compensating dykes, shall be approved by the Canadian authorities;
- (b) That Canadian contractors shall be given an equal opportunity with United States contractors to bid on that portion of the work which lies in Canadian territory; when, however, United States contractors are awarded contracts for work wholly in Canada, Canadian technicians, supervisory staff and workers should be given employment insofar as those of necessary qualifications are available, except where United States key and permanent personnel for dredges are essential; clearance in this regard to be made through the National Employment Service of Canada; the rates of pay and working conditions for all labour employed in Canadian territory on the project will be set after consultation with the Canadian Department of Labour in accordance with the Canadian Fair Wages and Hours of Labour Act;
- (c) That drilling, excavations, the deposit of dredged and excavated materials and the construction of compensating dykes shall not be carried out in Canadian territory by any United States agencies or contractors until such time as the Canadian authorities have made arrangements for the admission of personnel and equipment;
- (d) That the Unemployment Insurance Act of Canada, and regulations thereunder, will apply to any Canadian workmen who may be employed on the project and also to United States workmen employed on this project if they are employed on Canadian territory by a contractor (not by the United States Army Corps of Engineers) and cannot be covered under any employment insurance law of the United States; if any Canadian workmen are employed directly by the United States Army Corps of Engineers the arrangement whereby the United States armed forces will insure Canadian employees from July 1, 1956, will apply;