

number of natural products, including *inter alia*, lumber,* fish, potatoes, milk and cream, and live cattle; a number of other agricultural products, and several minerals both metallic and non-metallic.

- (d) The reduction of the existing rates of duty by the United States on a number of partly or wholly manufactured products of Canada, including some processed natural products and certain products in which hydro-electric power comprises an important element in the cost of production.
- (e) The reduction of the existing rates of duty by Canada on a number of natural and partly or wholly manufactured products of the United States.

In view of the declared policy of the Governments of the United States and Canada to improve existing trade relations, and of the progress already made in both countries in the necessary preparatory studies, there would appear to be no barrier to the immediate initiation of negotiations and their speedy conclusion. I am desired, therefore, to request that I may be furnished with a statement of the views of the Government of the United States on this highly important question.

I have the honour to be, with the highest consideration, Sir,

Your most obedient, humble servant,

(Sgd.) W. D. HERRIDGE.

The Hon. CORDELL HULL,

Secretary of State of the United States,

Washington, D.C.

* This proposal is made on the assumption that the present excise tax of \$3 upon Canadian lumber will be discontinued after June 30, 1935.