

Government does not agree, the question of continuing need will be referred to the Permanent Joint Board on Defence. In considering the question of need, the Permanent Joint Board on Defence will take into account the relationship of the facilities to any other similar installation established in the mutual defence interest of the two countries. Following consideration by the Permanent Joint Board on Defence, as provided above, either Government may decide that the facilities in question may be disposed of, in which case the arrangements shown in paragraph 11 below regarding ownership and disposition of the installations shall apply.

11. *Ownership and Disposal of Removable Property*

- (a) Ownership of all removable property brought into or purchased in Canada by the United States and placed on the sites, including readily demountable structures, shall remain in the United States. Subject to subparagraph 11(b), the United States shall have the unrestricted right of removing or disposing of such property, PROVIDED that the removal or disposition shall not impair the operation of any installation whose discontinuance had not been determined in accordance with the provisions of paragraph 10 above, and PROVIDED further that removal or disposition takes place within a reasonable time after the date on which the operation of the installation has been discontinued.
- (b) The disposal in Canada of United States property imported into or purchased in Canada by the United States for these facilities and declared surplus to defence needs shall be the subject of consultation between the appropriate authorities of the two Governments. In the event that the SAGE equipment is declared surplus to defence needs, Canada shall have the option to acquire any or all of it at such time and subject to such conditions as shall be mutually agreed upon.

12. *Immigration and Customs Regulations*

- (a) 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 will be administered by local Canadian officials designated by Canada.
- (b) Canada will take the necessary steps to facilitate the admission into the territory of Canada of such United States citizens as may be employed on the construction or operation of the facilities, it being understood that the United States will undertake to repatriate without expense to Canada any such persons if the contractors fail to do so.

13. *Taxes*

Canada shall grant remission of customs duties 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 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 States in connection with the establishment, maintenance or operation of the facilities.