

that its indefinite continuation in force was not anticipated. The governments of Canada and the United States have in fact from time to time by informal interchanges mutually recognized certain variations from the technical scheme and definitions. The agreement itself, however, has survived unchanged for more than one hundred and twenty years, and with the passage of time has assumed a symbolic importance in the eyes of the peoples of Canada and the United States.

5. Recent negotiations between the Canadian and United States governments, affecting the agreement, took place in June, 1939. It was the desire of the United States government at that time to substitute other naval vessels of larger tonnage for certain naval vessels already in the great lakes. The United States government also desired to use these vessels for training purposes and to equip them with armaments of heavier calibre than those permitted under the terms of the agreement. It was found possible to give effect to the wishes of the United States government by means of an informal exchange of notes and without the necessity of amending the agreement itself in any way.

6. The outbreak of war brought about the need for a further understanding between the two countries with regard to the problem of naval construction on the great lakes. It was therefore suggested by the Canadian government that a further "interpretation" of the Rush-Bagot agreement be made, without involving any deviation from the basic intent of the agreement, namely that important naval vessels should not be built for service on the great lakes. An understanding was accordingly effected by an exchange of notes in November, 1940, to the effect that armaments might be installed on vessels built in great lakes shipyards, but dismantled for the voyage to the sea.

7. It will be observed that the exchanges of notes, now being tabled, are in the nature of informal understandings as to the interpretation and application of the original agreement. They are not intended to rescind the Rush-Bagot agreement or to prejudice in any way the principles underlying that agreement or the underlying political spirit and objective which both countries have maintained. The position is continued whereby the great lakes are recognized as being an area in which naval armaments are not maintained by either country. At the same time, an arrangement has been worked out whereunder the resources of both countries within this area can be utilized to facilitate the defence, both of Canada and the United States, from external attack.

The documents which I now table contain the correspondence referred to in the statement I have just made, and they are submitted in both English and French.