

illness and consequently did not get the benefit of the reasoned statement presented at the time — nor is it certain that he has since read it.

The Ecuadorean officials consented to the deletion of the list of products which they had originally incorporated as Article I of their draft, but as to the banana question they said that they had definite instructions from their Government and could not themselves consent to any alteration in their proposal. They requested the Canadians to prepare a copy of their statement in the form of a letter to the Minister of External Affairs. (This had already been done and the letter was delivered that same afternoon, Oct. 30.)

At the next negotiating meeting on November 1, the Minister of Economic Affairs took the chair and we were surprised and disappointed to find that although he had been brought in to deal with the position that had been reached in previous discussions, he definitely had not been informed of the course of affairs to date, nor had he read the letter in which the whole situation had been recapitulated by the Canadians. In fact he did not even know the mechanics whereby a *modus vivendi* might be arranged instead of a formal treaty. It became clear during this meeting that the five Ecuadorean officials who had been negotiating up to the present time were neither vested with authority themselves nor had they cleared the questions at issue with their respective Ministers, and they gave us no support in respect of any of the matters on which agreement had been reached between the two groups in previous meetings. After some discussion the Minister of Economic Affairs began to suggest reasons for postponing further action. In view of the fact that the last three days of the present week (Nov. 2, 3 and 4) are official holidays, the President and a number of the Ministers are spending a few days out of town, and for a part of the period the Civil Service will not be in their offices. It would therefore be impossible to consult with the Ministers, this week, as would be necessary under Ecuadorean practice, before signing a *modus vivendi*. Moreover, these are the closing days of the session of the Ecuadorean Congress, and there are many matters arising at such a time which require the urgent attention of the Ministers. In view of this situation the Minister suggested that the Canadian Delegation should sign the *Modus Vivendi* and leave it behind to be considered by the Ecuadorean Ministers at some future date and signed by them if and when they agreed to it.

Having regard to the many months that it took to obtain from the Ecuadoreans even a draft agreement for consideration, the Canadian group suspected that if they were to depart from Ecuador at this time leaving matters in the condition suggested by the Minister of Economic Affairs, it might be many a long day before any further progress occurred. During such a waiting period it would be difficult for Canada to continue extending *m.f.n.* treatment to Ecuador and embarrassing to withdraw it. The whole negotiation appeared to be in a state of flux. There was at least the possibility that by remaining here a little longer the Delegation might be able to exert enough pressure by direct and indirect means to bring about the signing of an agreement before its departure. On the other hand if the Delegation departed at this time it might mean postponement of any action for many months, if not complete loss of the effort thus far made. It was therefore decided with considerable reluctance to remain for an additional week, during which time it is planned to press for further meetings with the negotiating group, the Ministers concerned,