

EXCHANGE OF NOTES (OCTOBER 30, 1947) BETWEEN CANADA AND THE UNITED KINGDOM RELATING TO THE TRADE AGREEMENT BETWEEN THE TWO COUNTRIES OF FEBRUARY 23, 1937 AND TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE OF OCTOBER 30, 1947.

1. *The Chairman of the Canadian Delegation to the Acting Chairman of the United Kingdom Delegation*

CANADIAN DELEGATION

GENEVA, October 30, 1947.

SIR, In the view of the Canadian Government, the Trade Agreement concluded between the Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland at Ottawa on the 23rd February, 1937, as revised by the Exchange of Letters of the 16th November, 1938, requires to be further revised in the light of changes which have taken place, notably the signature on behalf of our two Governments on this day, firstly, of the Final Act of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment authenticating the text of the General Agreement on Tariffs and Trade and, secondly of the Protocol of Provisional Application of that Agreement. The Canadian Government therefore propose that the trade between our respective countries shall be regulated on the basis set forth below:

2. The Government of Canada will continue to extend to goods the growth, produce or manufacture of the United Kingdom, and of any of the non-self-governing Colonies, Protectorates or Territories under British Trusteeship, entitled to the benefits of the British Preferential Tariff the preferences remaining after the entry into force of the General Agreement on Tariffs and Trade, but the Government of the United Kingdom recognize the right of the Government of Canada to reduce or eliminate such preferences.

3. The Government of Canada undertake, with respect to goods for which rates of duty are for the time being specified in Part I of Schedule V to the General Agreement on Tariffs and Trade, that goods the growth, produce or manufacture of the United Kingdom, and of any of the non-self-governing Colonies, Protectorates or Territories under British Trusteeship, entitled to the benefits of the British Preferential Tariff shall not be subject to rates of duty higher than those which were applicable under the British Preferential Tariff on the 1st July, 1939, to like goods the growth, produce or manufacture of the United Kingdom; or higher than such lower rates as were accorded to goods the growth, produce or manufacture of the United Kingdom by virtue of changes in the British Preferential Tariff under the provisions of Chapter 44 of the Revised Statutes of Canada 1927, as amended by Chapter 13 of the Statutes of 1940-41,