

EXCHANGE OF LETTERS (OCTOBER 30, 1947) BETWEEN CANADA  
AND THE UNITED STATES OF AMERICA RELATING TO THE  
AGREEMENT BETWEEN THE TWO COUNTRIES SUPPLE-  
MENTARY TO THE GENERAL AGREEMENT ON TARIFFS AND  
TRADE

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

DELEGATION OF THE UNITED STATES OF AMERICA

GENEVA, October 30, 1947.

DEAR MR. WILGRESS,

A point of legal detail has been brought to my attention in connection with the Agreement Supplementary to the General Agreement on Tariffs and Trade which we propose to sign on behalf of our two Governments on October 30 making the Reciprocal Trade Agreement of 1939 between the United States and Canada inoperative so long as both the United States and Canada are parties to the General Agreement on Tariffs and Trade.

As you know, Article XVIII of the 1939 Agreement provides that it may be terminated by either party after three years on six months' notice. The inclusion of such a provision in all our trade agreements is required by the Trade Agreements Act. Our lawyers have suggested that the very general terms of the proposed Supplementary Agreement might possibly be interpreted as making it impossible for either party to the 1939 Agreement to exercise this right of termination.

It is, of course, improbable that either of our Governments would wish to exercise this right of termination, but under our law we must, nevertheless, retain it in force. To suggest a formal amendment to the proposed Supplementary Agreement expressly excepting Article XVIII of the 1939 Agreement at this late date would cause considerable inconvenience and would give greater emphasis to this point than it deserves. I am therefore writing to make it clear that we would be signing the Supplementary Agreement with the understanding that its general language would not prevent notice of termination of the 1939 Agreement given by either party while we were both parties to the General Agreement on Tariffs and Trade from effecting termination of the 1939 Agreement in six months.

I would appreciate it if you could give me the assurance that your Government has the same understanding.

Sincerely yours,

WINTHROP G. BROWN