In the course of the year attention was given to numerous matters affecting the direct relations between Canada and the United States. Members of the Legation staff assisted from time to time in the negotiation of the new trade agreement with the United States, which was signed at Washington on November 17, 1938, by the Right Hon. W. L. Mackenzie King, for Canada, and by the Hon. Cordell Hull, for the United States.

Early in January a conference on Civil Aviation was held between representatives of Canada and the United States. As a result of this conference notes on the subjects of air navigation, the issuance of certificates of competency or licences for the piloting of aircraft, and the recognition of certificates of airworthiness for export, were exchanged between the Canadian Minister and the Secretary of State.

Close attention was given during the year to matters relating to waterways and boundary waters, the preservation of the fisheries on the Atlantic and Pacific coasts, the issuance of passports, and nationality and immigration Questions connected with civil aviation and radio communication

received much more attention than in former years.

There was an increase, due partly to new legislation, in the number of enquiries received from private interests in Canada with respect to commercial treaties, commerce, tariffs, excise, import duties, customs regulations, import quota restrictions, agricultural production, transportation, and legal and other matters. Much of the time of the members of the Legation staff was taken up in preparing replies to these enquiries, in studying United States legislation and in considering the probable effect of such legislation on Canadian interests.

The Legation frequently assisted in making arrangements for the visits of Canadian officials and others, and enabled them to have interviews with various

departments and commissions in Washington.

Close co-operation was maintained with the competent United States officials in all matters of common interest to the two countries.

Canadian Legation, Paris.

Events in Europe made the year 1938 a particularly busy one for the Canadian Legation in Paris. The Legation followed carefully the development of social, political and economic problems in France, and the crises in European international relations which on more than one occasion threatened to plunge the continent into war.

Among the questions dealt with in regular despatches were the following: the 40-hour week, procedures of conciliation and arbitration, and other matters respecting labour in France; the financial measures of the French Government, including those concerning the exchange value of the franc, and budget and tariff measures; political developments, parliamentary crises, and the policies of the governments of MM. Blum, Chautemps and Daladier; German policy, and the Austrian and Czechoslovak crises; armaments, military preparations and the alliance between France and Czechoslovakia; German military manoeuvres; the Spanish civil war and related questions; and the visit of Their Majesties the King and Queen to Paris.

During the year the Minister or members of the staff of the Legation attended the following Conferences or Committees:

Imperial War Graves Commission,

Institut International du Froid,

Bureau International des Poids et Mesures,

Bureau International des Expositions,

Commission Internationale de Navigation Aerienne.

The Legation co-operated with the Deputy Minister of Finance and the Commissioner of Income Tax in negotiations with the French Ministry of Finance on the subject of a proposed agreement on double taxation.