

During the course of the year several members of the Canadian Government visited the United Kingdom to discuss with the United Kingdom Government questions arising out of the war, and, more particularly, Canada's participation therein. These included the late Minister of National Defence, the Hon. Norman Rogers, the Hon. J. G. Gardiner, the Hon. J. L. Ralston, and the Hon. C. D. Howe. The Office endeavoured to be of assistance in discussions and arrangements arising from these visits.

The Office was in touch with a number of Foreign Missions in London in connection with a variety of subjects chiefly arising out of the war.

Canadian Legation, Washington

During 1940, the first full year of war-time conditions and a period of frequent and rapid changes in both the international and domestic scenes, the Legation was charged with increased responsibility in reporting developments to the Department of External Affairs and in dealing with a wide range of old and new problems. Many aspects of relations between Canada and the United States gave rise to a variety of questions which required the immediate and constant attention of the Legation. As in the past, the closest touch was maintained with the authorities of the United States Government which facilitated the rapid consideration and disposition of such questions. The Legation also maintained close relations with the diplomatic and special missions of other British and Allied countries.

Legislation: Congress remained in session for practically the whole year, and naturally devoted the bulk of its energies to problems of national defence. The Legation submitted regular reports on the progress of legislation to the Secretary of State for External Affairs and special detailed studies were undertaken in a number of cases for the benefit of various agencies of the Canadian Government. More than ever before, the legislation being considered by Congress affected Canada directly or indirectly and demanded close attention from the Legation.

While the Neutrality Act was not amended substantially, its terms continued to create a number of problems in the interlocking commercial and financial relations between Canada and the United States. These problems were discussed at conferences with the appropriate United States officials, and in most cases it was found possible to reach a satisfactory solution of the difficulties.

Treaties and Agreements: Discussions between representatives of the United States and Canada on the proposed Great Lakes - St. Lawrence Basin Treaty which had been opened in Ottawa were resumed in Washington from January 21 to January 24 and were then continued through diplomatic channels. By an Exchange of Notes dated October 14 between the Canadian Minister and the Secretary of State, each Government set up a Temporary Great Lakes - St. Lawrence Basin Committee to direct preliminary engineering and other investigations for that part of the project which is located in the International Rapids Section of the St. Lawrence River. The United States also agreed, pending the conclusion of a final Great Lakes - St. Lawrence Basin Agreement, to Ontario's utilizing for power purposes at Niagara Falls waters equivalent in quantity to the waters which Ontario had agreed to divert into the Great Lakes from the Hudson Bay watershed.

The Legation undertook negotiations with the Department of State on the subject of reciprocal exemptions for citizens of one country residing in the other from certain exchange control requirements, and these negotiations culminated in an Exchange of Notes signed in Ottawa on June 18.