

EXCHANGE OF NOTES (April 18 and 19, 1956) BETWEEN CANADA AND THE UNITED STATES OF AMERICA RESPECTING THE CONSTRUCTION OF HOUSING UNITS AT PEPPERRELL AIR FORCE BASE, ST. JOHN'S, NEWFOUNDLAND

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The Ambassador of the United States of America to Canada to the Secretary of State for External Affairs

No. 266

The Ambassador of the United States of America presents his compliments to the Secretary of State for External Affairs and has the honour to refer to informal conversations between representatives of the Canadian and United States Governments regarding the desire of the Northeast Air Command to arrange for the construction of family housing units at Pepperrell Air Force Base, St. John's, Newfoundland.

As explained in the discussions, the proposed installations will be located within the present boundaries of the Pepperrell Base, with the leasehold interest in all buildings and their installed equipment vesting in the United States. Accordingly, the development will constitute a United States Government project undertaken in accordance with the terms of the Leased Bases Agreement of March 27, 1941.*

The United States Government proposes to have the construction of this housing undertaken by a private contractor in accordance with the guaranteed military family housing program of the United States Government. Designs and specifications, copies of which will be furnished to Canadian authorities upon request, will be drawn up by the United States Government and will be used as a basis for receiving bids from Canadian and United States contractors. The contract will be awarded to the contractor with adequate financial and technical resources who offers the best terms.

A copy of the proposed contract is attached, in order that interested Canadian authorities may have an opportunity to examine its terms. The Canadian Government will be consulted regarding any change which may be made in the contents of the contract prior to its signature by a prospective contractor. Such a procedure will be in keeping with the 1941 Agreement, which provides in the preamble that its terms shall be fulfilled in a "spirit of good neighborliness" and further anticipates, in other parts of its provisions, that there shall be constant cooperation between authorities of the two countries in exercising the terms of the Agreement.

In this regard, Article XXI of the 1941 Agreement provides a statement of procedure to be followed in the event that the United States should desire to abandon any portion of the base area and notes that the area abandoned would revert to the lessor (now the Government of Canada). While the United States has no present plans looking toward abandonment of any portion of the 99-year leased areas, the United States Government proposes that the Canadian Government permit the contractor of the housing project to continue

*Canada Treaty Series 1952, No. 14.