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THE MINISTER OF FOREIGN AFFAIRS OF NEW ZEALAND TO THE
SECRETARY OF STATE FOR EXTERNAL AFFAIRS OF CANADA

Wellington, 26 July 1973

MY DEAR SECRETARY OF STATE,

With reference to the agreement on rates and margins of preference concluded today between our two Governments by exchange of letters, I would like to place on record the New Zealand Government's understanding that the terms "margin of preference" and "margins of preference" when used in that agreement refer to the margin or margins of preference between the MFN or equivalent rate in force in Canada or New Zealand as the case may be and the preferential rate applied in accordance with the terms of the aforesaid agreement to the goods of one of the countries by the Government of the other country.

I should be glad if you would confirm that the foregoing also represents your Government's understanding of the agreement reached between our two Governments on this matter.

Yours sincerely,

NORMAN E. KIRK
Minister of Foreign Affairs

The Honourable Mitchell W. Sharp,
Secretary of State for External Affairs,
Parliament Buildings,
Ottawa
CANADA