OTTAWA, November 24,1945.

Bear Mr. Atherton:

I am referring to my letter of October 23, addressed to Mr. Clark, United States Chargé d'Affaires, on the subject of provincial and municipal taxation in connection with United States defence projects in Canada. In this letter I described the position in all provinces, but my reference to the Province of British Columbia was, of necessity, very brief, It is now possible to add some details.

British Columbia will not impose a poll tax on non-military personnel normally resident in the United States who are engaged on United States military projects in Canada.

The Alaska Highway is considered a private road and no license is required or fees collected in connection with the operation of motor vehicles which operate solely on that Highway. Motor vehicles belonging to the United States Government and motor vehicles belonging to the United States contractors employed in connection with the Alaska Highway, or other projects of the United States Government in that area, are permitted to operate without the payment of any license fees. However, motor vehicles belonging to Canadian contractors employed on the Alaska Highway and other projects of the United States Government are required to be fully licensed in all cases where they operate on public highways off the Alaska Highway in the Province. Motor vehicles of the private passenger type belonging to the United States Government and used by liaison officers, and others, are required to be licensed for operation in the Province, but the fee charged has been reduced to \$2.00. Motor vehicles owned by members of the United States Army, Navy, or Air Force, which bear current motor vehicle licenses of the State in which they are licensed, are licensed for operation in British Columbia on payment of a nominal fee of \$2.00. This arrangement is similar to that obtaining in the case of motor vehicles owned by members of the Ganadian Armed Forces.

Drivers and chauffeur's licenses are not required from members of the United States Armed Forces when driving motor vehicles owned and operated by such Forces, but this exemption does not extend to persons acting in a civilian capacity who have not been attested.

Yours sincerely.

The Honourable Ray Atherton, (Signed) H. L. Keenleyside
The United States Ambassador to Canada, Under Secretary of State
The Embassy of the United States for External Affairs.

Ottawa.