

and consent of both governments. To adopt any other course is to create embarrassment and friction. I greatly fear that such must necessarily be the consequence of Mr. Bennett's disregard of all proper procedure in this matter. Not only has the conclusion of an agreement been rendered more difficult as a consequence, but the power of a subsequent Administration successfully to carry on negotiations may be materially prejudiced thereby. After all, Mr. Bennett's actions stand in the eyes of another country as those of the country of which, for the time being, he is the political head. If negotiations have failed, it is not difficult to see to what the failure is due. The correspondence, and Mr. Bennett's own radio speech, makes that pretty plain.

It will be noted that, in entering into negotiations with Canada, the Secretary of State for the United States proposed that there should be added to the outline of negotiations, suggested by Canada, "the question of methods of determining the value of merchandise for duty purposes in either country". "A matter, Mr. Cordell Hull said, "which I consider of importance in the proposed negotiations". That was aimed at the practice of arbitrary valuations, effected by order in council under the Customs Act, introduced by Mr. Bennett at the special session of Parliament in the fall of 1930. It will be recalled that strong

W.L.M. King Papers, Memoranda and Notes, 1933-1939
(M.G. 26, J 4, volume 163, pages C116385-C116956)

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