

undermine the confidence and goodwill which exist in Canada towards our trade with Uruguay.

A.E. RITCHIE
for the Acting Under-Secretary of State
for External Affairs

1115.

DEA/4905-40

L'ambassade en Uruguay
au sous-secrétaire d'État aux Affaires extérieures
Embassy in Uruguay
to Under-Secretary of State for External Affairs

LETTER NO. 6

Montevideo, January 11, 1954

URUGUAYAN EXPORT CONTROL

Reference: Your letter No. 189, dated December 17, 1953.

Your suggestion to send a further protest to the Uruguayan authorities on discrimination shown in the past against Canada in the allocation of foreign exchange has been studied bearing in mind recent developments along these lines. Whether on account of our previous protests, or on account of the personal interventions of both the commercial secretary and myself, there seems to exist an improvement in the attitude towards Canada in this regard.

2. Following the Commercial Secretary's arrival in Montevideo a certain number of formal calls were arranged to afford him an opportunity to meet the government officials dealing with foreign trade. We first visited the Chief of the Economic Division of the Department of Relaciones Exteriores. We later called on the head of the Bank of the Republic and other officials of the same institution stressing in all cases the importance attached by the Canadian Government to equality of treatment between nations in the dollar area, especially the United States of America, when any amount was allotted for imports from these countries. The reception everywhere was friendly but a little elusive.

3. It is thought that we finally knocked at the right door when we paid our call on the controller of the Import and Export Board who stated to us that, as far as he was concerned, he saw no reason why Canada should not figure amongst the prospective suppliers on the same footing as the United States, whenever a quota was opened in our area. Immediately after our visit, and probably too soon to expect any tangible result, another quota was announced omitting again the name of Canada. In agreement with the Commercial Secretary, a letter was directed to the Controller on December 1st (copy enclosed†) reminding him of his promise and requesting for Canada equality of treatment with other competitors.

4. Since then, only one quota was granted and Canada was comprised among the prospective tenderers. The Commercial Secretary makes a constant examination of all the quotas granted for imports which have not revealed any inimical action