Ottawa, July 17, 1942.

No. 111

Sir.

I have the honour to refer to Mr. Moffat's note No. 708 of June 85th concerning the movement of goods from Detroit to Buffalo and back via motor truck in bond through the Province of Ontario and to inform you that the Canadian Government have ordered that, for the duration of the present war, war materials in transit from a point or points in the United States of America to another point or points therein, shall be permitted to be entered for transportation "in bond" through the Province of Ontario by motor vehicles, without payment of duties and taxes, and under such regulations as the Minister of Mational Revenue may prescribe.

The regulations to be prescribed by the Minister of National Revenue were discussed at a meeting held in Ottawa en July 15th between representatives of Canadian Government Departments, the Department of Highways of the Province of Ontario and Mr. W. Y. Blanning, Director of Motor Vehicle Division, Interstate Commerce Commission, Mr. Burt A. Flynn, Chief, Division of Entry and Appraisal, Bureau of Customs, and Mr. Walter S. Petty, Assistant Collector of Customs, Port of Detroit. The proposed regulations governing the movement of war materials through Ontario were satisfactory to the United States representatives present.

Under the regulations, the privilege of transporting war materials in bend through the Prevince of Ontario will be available only to persons or firms operating motor vehicles in the transportation of goods, either on their evaluation of shippers generally. The motor vehicle operators desiring to become bonded earriers shall make application to the Commissioner of Oustons, Department of National Revenue, Ottawn, for the privilege. If the operator proposes to transport war materials on behalf of one or more particular shippers or on behalf of shippers generally, the applicant shall furnish a certificate issued by the Interstate Commerce Commission to the effect that he is authorized to operate as a common carrier in the United States and over the Ganadian route referred to in his application. The personnel in charge of the motor vehicles operating through Ontario shall be restricted to citizens of the United States and to citizens or residents of Canada. In the case of United States citizens they shall be in the possession of border-crossing eards, with photograph and description attached thereto, issued by the United States Immigration Service.

The United States Charge d'Affaires, Whe Legation of the United States of America, OTTAWA, Canada.