

EMBASSY OF JAPAN
OTTAWA

Room 1005 Fuller Building,
75 Albert Street,
Ottawa, Ontario,
October 17, 1967.

The Honourable Mitchell Sharp,
Minister of Finance and Receiver
General of Canada,
Confederation Building,
Ottawa, Ontario.

Dear Mr. Sharp:

I wish to refer to the annual consultations between the Canadian Government has decided to apply in respect of the 1967 calendar year voluntary export of certain products to Canada in respect of the year 1967.

I wish to inform you that, as a result of these consultations, my Government has decided to apply in respect of the 1967 calendar year voluntary export quotas as set forth in the Annex to this letter.

I wish to take this opportunity to reiterate that these voluntary restraints are undertaken by the Japanese Government of its own accord in order to conform with its established policy of effecting gradual increases of Japanese exports on an orderly basis with a view to avoiding undue injury to the domestic industries of importing countries.

Furthermore, I should like to remind you that the Japanese Government attaches the utmost importance to avoiding a situation where third countries are able to expand their sales to Canada of the products placed under Japanese export control by virtue of the fact that Japan has undertaken to limit her shipments. Should it transpire that such diversion of trade is taking place, I would hope your Government would be willing to enter into consultation with my Government at any time my Government believes that developments warrant it in order to protect Japan's legitimate interests.

In communicating this information to you, I assume that in respect of the products listed in the Annex, for which firm quantities are specified, Canada will not, during the year 1967, invoke the provisions of Article XIX of the GATT or those of the Exchange of Letters annexed to the Agreement on Commerce of 1954 between Canada and Japan.

I take this opportunity to renew my firm belief that by applying these self-restraining measures we help to pave the way for further expansion of two-way trade on an orderly basis, to the mutual benefit of both countries.

Yours sincerely,

(Signed) SHIGERU INADA
Chargé d'Affaires, a.i.