

CANADA

TREATY SERIES, 1948

No. 8

*The Secretary of State for External Affairs
to the United States Ambassador to Canada*

DEPARTMENT OF EXTERNAL AFFAIRS

SUPPLEMENTARY EXCHANGE OF NOTES

(January 24, March 2, April 9 and 14, 1948)

BETWEEN

CANADA

AND

THE UNITED STATES OF AMERICA

CONCERNING

WAR SURPLUSES
AND RELATED MATTERS

Effective, March 2, 1948

Retroactive to April 1, 1947



OTTAWA

EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
KING'S PRINTER AND CONTROLLER OF STATIONERY

1949

43-208152 32 756547 6 1633533

CANADA

TREATY SERIES, 1948

The Acting Secretary of State of the United States of America
to the Canadian Ambassador to the United States

DEPARTMENT OF STATE

WASHINGTON, April 13, 1948

SUPPLEMENTARY EXCHANGE OF NOTES

SUMMARY

PAGE

- I. Note, dated January 24, 1948, from the Secretary of State for External Affairs, to the United States Ambassador to Canada..... 3
- II. Note, dated March 2, 1948, from the United States Ambassador to Canada, to the Secretary of State for External Affairs..... 4
- III. Note, dated April 9, 1948, from the United States Ambassador to Canada, to the Secretary of State for External Affairs..... 5
- IV. Note, dated April 14, 1948, from the Secretary of State for External Affairs, to the United States Ambassador to Canada..... 5

Effective, March 2, 1948
Retrospective to April 1, 1947



1818

Under the recent Order-in-Council... above this period has now been extended to June 30, 1948.

**SUPPLEMENTARY EXCHANGE OF NOTES (JANUARY 24, MARCH 2,
APRIL 9 AND 14, 1948) BETWEEN CANADA AND THE UNITED
STATES OF AMERICA CONCERNING WAR SURPLUSES AND
RELATED MATTERS**

*The Secretary of State for External Affairs
to the United States Ambassador to Canada*

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA, January 24, 1948.

No. 20

EXCELLENCY,

I have the honour to refer to the Exchange of Notes of March 30, 1946, (No. 44 from this Department to you and your Note No. 470) on the subject of war surpluses and related matters.*

2. Paragraph 10 of Note No. 44 referred to reads as follows:

"At the request of the Canadian Government, and in order to provide equipment necessary for the training programs of the Canadian armed forces, the United States Government will endeavour to make available surplus military type equipment, up to April 1, 1947, in such quantities and at such prices as may be negotiated between the two Governments up to a maximum cost of \$7,000,000 (U.S.). The Canadian Government will make a payment on account into a suspense account of the United States Government of \$7,000,000 (U.S.) to apply against such purchases. If the United States Government is unable to provide under this agreement the amount of equipment that the Canadian Government desires to purchase and therefore the payment on account should exceed the amount finally determined to be payable, the excess remaining in the suspense account will be returned to the Canadian Government."

3. In my Note No. 126 of October 10, 1947, the request was made that steps be taken to reduce to U.S. \$6,000,000 the Canadian deposit of U.S. \$7,000,000 paid into a suspense account of the United States Government as a result of these arrangements, and, in your Note No. 783 of December 4, 1947, you replied that U.S. \$1,000,000 had been returned to the relevant Canadian authorities in accordance with my request.

4. As a recent Order-in-Council of my Government has limited to U.S. \$3,800,000 the amount to be spent on purchases of the surplus military equipment now in question, I should appreciate it if the United States Government would arrange to return to my Government U.S. \$2,200,000 of the amount remaining in the above-mentioned suspense account.

5. It would appear that paragraph 10 of this Department's Note No. 44 of March 30, 1946, at least in so far as it relates to the intention of the United States Government to make available surplus military equipment, ceased to have effect after April 1, 1947. On the other hand, successive Orders-in-Council of my Government have extended beyond that date the period of time within which the Canadian Armed Forces are permitted to complete the purchases envisaged in the

* For the text of the Exchange of Notes of March 30, 1946, see *Canada Treaty Series, 1946, No. 12.*

Exchange of Notes of March 30, 1946. Under the recent Order-in-Council mentioned in paragraph 4 above, this period has now been extended to June 30, 1948.

6. The availability of the equipment that the Canadian Armed Forces still wish to purchase has already been determined. Additional time is, however, required to permit completion of negotiations for the purchases contemplated. Consequently, my Government would appreciate it if your Government would agree to the terms of the paragraph quoted in paragraph 2 above continuing in effect until June 30, 1948.

7. If the United States Government is agreeable to this proposal, it is the suggestion of my Government that my present Note, together with your Note replying thereto, constitute an agreement effective from the date of your reply and retroactive to April 1, 1947.

Accept, Excellency, the renewed assurances of my highest consideration.

ESCOTT REID
for Secretary of State
for External Affairs

II

*The United States Ambassador to Canada
to the Secretary of State for External Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA

OTTAWA, March 2, 1948.

No. 55

EXCELLENCY,

I have the honor to refer to your Excellency's Note No. 20, dated January 24, 1948, concerning the exchange of notes of March 30, 1946, on the subject of war surpluses and related matters.

The proposal contained in your Note No. 20 for an extension until June 30, 1948 of the provisions of paragraph 10 of your note No. 44, dated March 30, 1946, in order to provide additional time for the completion of purchases contemplated in paragraph 10 is acceptable to my Government, and this note together with your note No. 20, are considered as constituting an agreement effective from this date and retroactive to April 1, 1947.

As soon as I receive further instructions from my Government, I shall reply with regard to your request for the return of \$2,200,000 of the amount remaining in the suspense account.

Please accept, Excellency, the assurances of my highest consideration,

RAY ATHERTON



3 5036 01016083 9

III

*The United States Ambassador to Canada
to the Secretary of State for External Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA

OTTAWA, April 9, 1948.

No. 95

EXCELLENCY,

I have the honor to refer to your note No. 20, dated January 24, 1948 and to my note No. 55 of March 2, 1948 concerning war surpluses and constituting an agreement to extend the time for completion of purchases thereof.

In your note it was also requested that \$2,200,000 of the amount remaining in the suspense account be returned to the Canadian authorities. My government has now completed its examination of the matter and has agreed to the return of this sum. A check for \$2,200,000 will, therefore, be forwarded in the near future to the Treasury officer of the Canadian government in Washington.

I would suggest that, if suitable to you, this note together with your reply, be considered a part of the agreement embodied in the two notes referred to above.

Please accept, Excellency, the assurances of my highest consideration.

RAY ATHERTON

IV

*The Secretary of State for External Affairs
to the United States Ambassador to Canada*

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA, April 14, 1948.

No. 94

EXCELLENCY,

I have the honour to refer to your Note No. 95 of April 9, 1948, in which you state that the United States Government will shortly be forwarding to the Canadian Treasury Officer in Washington a cheque for \$2,200,000 of the amount deposited by the Canadian Government in a United States Government suspense account for application against purchases of United States war surpluses made by the Canadian authorities.

The Canadian Government is agreeable to your suggestion that this Note together with your Note No. 95 of April 9, 1948, be considered as forming part of the agreement embodied in my Note No. 20 of January 24, 1948, and your Note No. 55 of March 2, 1948.

Accept, Excellency, the renewed assurances of my highest consideration.

ESCOTT REID

*for Secretary of State
for External Affairs*

OTTAWA

EDMOND CLOUTIER, CIVIL, B.A., L.

PRINTING AND CONTROLLER OF THE

1948

43-2443

Under the recent Order-in-Council...

III

The Canadian Armed Forces... The United States Ambassador to Canada... to the Secretary of State for External Affairs...

OTTAWA, April 9, 1948.

I have the honor to refer to your note No. 20 dated January 24 1948 and my note No. 55 of March 2 1948 concerning war supplies and constituting an agreement to extend the time for completion of purchases thereof.

In your note it was also requested that \$2,000,000 of the amount remaining in the suspense account be returned to the Canadian authorities. My government has now completed its examination of the matter and has agreed to the return of this sum. A check for \$2,000,000 will, therefore, be forwarded in the near future to the Treasury Office of the Canadian government in Washington.

I would suggest that if suitable to you, this note together with your reply, be considered a part of the agreement embodied in the two notes referred to above.

Please accept, Excellency, the assurance of my highest consideration.

FRANK B. ROWEN, Secretary of State for External Affairs

OTTAWA, April 2, 1948

IV

OTTAWA, April 14, 1948

I have the honor to refer to your Note No. 55 of March 2 1948 in which you requested that the United States Government will shortly be forwarding to the Canadian Treasury Office in Washington a check for \$2,000,000 of the amount suspended by the Canadian Government in a United States Government suspense account for application against purchases of United States war supplies made by the Canadian authorities.

The Canadian Government is agreeable to your suggestion that this Note together with your Note No. 55 of April 9 1948, be considered as forming part of the agreement embodied in my Note No. 55 of January 24 1948, and your Note No. 55 of March 2 1948.

Accept, Excellency, the renewed assurance of my highest consideration.

BSCOTT REID
for Secretary of State
for External Affairs