

No. 394

**UNITED STATES OF AMERICA
and
CANADA**

**Agreement supplementary to the General Agreement on
Tariffs and Trade (with Exchange of Letters). Signed at
Geneva, on 30 October 1947**

*English official text communicated by the Permanent Representative of the
United States of America at the seat of the United Nations. The registra-
tion took place on 1 April 1949.*

**ETATS-UNIS D'AMERIQUE
et
CANADA**

**Accord complémentaire à l'Accord général sur les tarifs
douaniers et le commerce (avec échange de lettres).
Signé à Genève, le 30 octobre 1947**

*Texte officiel anglais communiqué par le représentant permanent des Etats-Unis
d'Amérique au siège de l'Organisation des Nations Unies. L'enregistre-
ment a eu lieu le 1er avril 1949.*

No. 394. AGREEMENT¹ BETWEEN THE GOVERNMENTS OF
THE UNITED STATES OF AMERICA AND CANADA
SUPPLEMENTARY TO THE GENERAL AGREEMENT ON
TARIFFS AND TRADE. SIGNED AT GENEVA, ON 30
OCTOBER 1947

The Governments of the United States of America and Canada,

Having participated in the framing of a General Agreement on Tariffs and Trade and a Protocol of Provisional Application,² the texts of which have been authenticated by the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment, signed this day,

Hereby agree that the Trade Agreement between the United States of America and Canada, signed November 17, 1938,³ with accompanying exchange of notes, shall be inoperative for such time as the United States of America and Canada are both contracting parties to the General Agreement on Tariffs and Trade as defined in Article XXXII thereof.

IN WITNESS WHEREOF the representatives of the Governments of the United States of America and Canada, after having exchanged their full powers, found to be in good and due form, have signed this Supplementary Agreement.

DONE in duplicate, at Geneva, this thirtieth day of October, one thousand nine hundred and forty-seven.

For the Government of the United States of America:
Winthrop G. BROWN

For the Government of Canada:
L. D. WILGRESS

¹ Came into force on 30 October 1947, by signature.

² United Nations, 1947.II.10, Volumes I-IV.

³ League of Nations, *Treaty Series*, Volume CXCIX, page 91; Volume CC, page 594, and Volume CCIII, page 211.

EXCHANGE OF LETTERS

I

The Acting Chairman of the United States Delegation to the Chairman of the Canadian Delegation

October 30, 1947

Dear Mr. Wilgress:

A point of legal detail has been brought to my attention in connection with the Agreement Supplementary to the General Agreement on Tariffs and Trade which we propose to sign on behalf of our two Governments on October 30 making the Reciprocal Trade Agreement of 1939¹ between the United States and Canada inoperative so long as both the United States and Canada are parties to the General Agreement on Tariffs and Trade.

As you know, Article XVIII of the 1939 Agreement provides that it may be terminated by either party after three years on six months' notice. The inclusion of such a provision in all our trade agreements is required by the Trade Agreements Act. Our lawyers have suggested that the very general terms of the proposed Supplementary Agreement might possibly be interpreted as making it impossible for either party to the 1939 Agreement to exercise this right of termination.

It is, of course, improbable that either of our two Governments would wish to exercise this right of termination, but under our law we must, nevertheless, retain it in force. To suggest a formal amendment to the proposed Supplementary Agreement expressly excepting Article XVIII of the 1939 Agreement at this late date would cause considerable inconvenience and would give greater emphasis to this point than it deserves. I am therefore writing to make it clear that we would be signing the Supplementary Agreement with the understanding that its general language would not prevent notice of termination of the 1939 Agreement given by either party while we were both parties to the General Agreement on Tariffs and Trade from effecting termination of the 1939 Agreement in six months.

¹ The following information is provided by the Department of State of the United States of America: "This agreement was signed 17 November 1938 and entered into force provisionally 26 November 1938, for article IX, and after 1 January 1939, for articles I, VI and VII, and definitively 17 June 1939."

I would appreciate it if you could give me the assurance that your Government has the same understanding.

Sincerely yours,

Winthrop G. BROWN
Acting Chairman

Hon. L. D. Wilgress
The Delegation of Canada
Palais des Nations

II

*The Chairman of the Canadian Delegation to the Acting Chairman of the
United States Delegation*

CANADIAN DELEGATION
TO THE
SECOND SESSION OF THE
PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE
ON
TRADE AND EMPLOYMENT

DÉLÉGATION DU CANADA
À LA
DEUXIÈME SESSION DE LA
COMMISSION PRÉPARATOIRE DE LA
CONFÉRENCE DES NATIONS UNIES
DU
COMMERCE ET DE L'EMPLOI

Geneva, October 30, 1947

Dear Mr. Brown,

I have received your letter of October 30th with regard to the Agreement Supplementary to the General Agreement on Tariffs and Trade which we propose to sign on behalf of our two Governments.

I note that your purpose in writing to me is to make it clear that you would be signing the Supplementary Agreement with the understanding that its general language would not prevent notice of termination of the 1938 Trade Agreement given by either party while we were both parties to the General Agreement on Tariffs and Trade from effecting termination of the 1938 Agreement in six months.

I wish to give you the assurance that my Government has the same understanding of the position as that set forth in your letter.

Yours sincerely,

L. D. WILGRESS
Chairman, Canadian Delegation

Winthrop G. Brown, Esq.
Acting Chairman
United States Delegation