

EXCHANGE OF NOTES BETWEEN CANADA AND THE UNITED STATES OF  
AMERICA REGARDING THE CONSTRUCTION AND OPERATION OF A LORAN  
STATION BY THE UNITED STATES COAST GUARD AT CAPE CHRISTIAN, BAFFIN  
ISLAND

I

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

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA, May 1, 1954

No. D-99

His Excellency R. Douglas Stuart,  
Ambassador of the United States of America,  
Ottawa

Excellency:

I have the honour to refer to our Aide-Memoire of May 20, 1953, in which the Canadian Government granted to your Government the right of entry to the site of the proposed Loran Station on Cape Christian, Baffin Island, and which authorized the commencement of the preliminary work described in your Note No. 221 of April 16, 1953, subject to the requirements listed in our Aide-Memoire.

Since the Canadian Government considers that the construction and operation of a Loran Station on Cape Christian is in the defence interests of both countries, it is prepared to authorize the erection and operation of the proposed Station by the United States Coast Guard subject to the availability of appropriated funds and in accordance with the terms and conditions listed in the annex to this Note. If these conditions are acceptable to your Government, I should like to suggest that this Note and your reply shall constitute the agreement of our Governments regarding the proposed Station.

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

Brooke Claxton

ANNEX

CONDITIONS FOR CONSTRUCTION AND OPERATION OF THE LORAN STATION  
AT CAPE CHRISTIAN, BAFFIN ISLAND

(In this Annex, unless the context otherwise requires, "Canada" means the Government of Canada, and "United States" means the Government of the United States of America.)

(1) Site

Canada shall retain title to all the land required for the Loran Station and its ancillary facilities. The Canadian Government grants and assures to the U.S. Government, without charge, such rights of access, use and occupancy as may be required for the construction, equipment and operation of the station, subject to the provisions described in the following paragraphs.

(2) Plans

The detailed plans of the buildings, roads, landing and storage facilities, water supply facilities, use of local materials (rock fill, sand, gravel, etc.) and arrangements for disposal of garbage, sewage and rubbish shall require the approval of the Department of Transport and the Department of Northern Affairs and National Resources in advance of the construction. Canadian officials shall have the right of inspection during construction. Any plans for subsequent construction must also be submitted in advance for approval of the appropriate Canadian officials.

(3) Construction

(a) Canadian contractors shall be extended equal consideration with U.S. contractors in the awarding of contracts, and Canadian and U.S. contractors shall have equal consideration in the procurement of materials, equipment and supplies in either Canada or the U.S.

(b) Any contractors awarded a contract for construction in Canada shall be required to give preference to qualified Canadian labour for such construction. The rates of pay and working conditions for this labour will be set after consultation with the Canadian Department of Labour and will be set in accordance with the *Canadian Fair Wages and Hours of Labour Act* of 1935.

(c) Canadian law (e.g. tax laws, labour, workmen's compensation, ordinances of the Northwest Territories, etc.) will apply.

(d) Subject to the agreement of the appropriate Canadian authorities, the U.S. may use, without charge, gravel and other construction material from Federal Crown lands.

(4) Ownership of Movable Property

Ownership of movable property brought into Canada or purchased in Canada by the United States for the Station, shall remain in the United States.

The United States shall have the unrestricted right of removing or disposing of all such property provided

(a) that the removal or disposition does not impair the operation of the station, unless it has been discontinued in accordance with paragraph 5 (b) below, and

(b) that removal or disposition takes place within a reasonable time after the date on which the operation of the Station has been discontinued pursuant to this agreement.

(5) Operation of the Station

(a) Right of Canada to Assume Operation

Canada shall have the right, on one year's notice, to take over the operation and manning of the Station. In the event that Canada does take over the operation and manning of the Station, the subsequent costs of operation (excluding military man-power costs) shall be shared by the two countries, the proportion to be paid by each to be determined on the basis of the use made by each of the services provided by the Station.

(b) Period of Operation of the Station

The Station shall be maintained in operation for a period of ten years or such shorter period as shall be agreed by both countries in the light of their mutual defence interests. Thereafter, the Station shall be operated so long as in the opinion of both countries there is a continuing need for the facilities in their mutual defence interests; in the event that either government wishes to discontinue the arrangement and to close the Station, the question of continuing need shall be referred to the Permanent Joint Board on Defence. In considering the question of continuing need, the Permanent Joint Board on Defence shall take into account the relationship of the Loran facilities at this Station with those established elsewhere in the same general region.

If it is decided at any time that the Station is no longer necessary it shall be closed within one year, and the land together with any immovable facilities on it shall revert to the use of Canada.

(c) It shall be the responsibility of the United States at the end of its occupancy of the site to ensure that the site is left in good order.

(6) Assignment of Radio Frequencies

Arrangements respecting such technical matters as frequencies and powers shall be coordinated with the RCAF and with the Department of Transport, and will be subject to the approval of the Department of Transport.

(7) Scientific Information

Any geological, topographical, hydrographical or other scientific data obtained in the course of operations at Cape Christian shall be transmitted to the Canadian Government.

(8) Protection of Wildlife and Objects of Historic Interest

No game or wildlife shall be taken or molested on Baffin Island by members of the construction force or personnel on the Station staff.

No objects of archaeological interest or historic significance on Baffin Island will be disturbed or removed therefrom.

In the event that facilities planned for the Station might encroach on or disturb the existing settlement at Clyde or any Eskimo settlements, burial grounds, etc., in that area, the permission of the Canadian Department of Northern Affairs and National Resources must be obtained before such facilities are constructed. The United States authorities shall be responsible for the removal of any objects to an acceptable location.

(9) Consultation with Canadian Official on Cape Christian

Should any situation develop during the construction and operation of the Station which conflicts with any of the provisions listed above, the senior United States official shall consult the Canadian officer-in-charge in an attempt to resolve the problem or hindrance.

(10) Station Staff

It is noted that the U.S. Coast Guard expects to staff the Loran Station with one commissioned officer and 32 enlisted men. Any substantial increase in the complement shall become a matter of negotiation between the two Governments.

It is understood that the personnel will not be engaged in any Military operations other than those concerned with the proper functioning of a Loran Transmitting Station.

No provision for station security shall be made beyond that which the normal station complement can make with a nominal allowance of small arms.

(11) Canadian Immigration and Customs Regulations

The entry of U.S. personnel into Baffin Island will be in accordance with Canadian customs and immigration procedures which will be administered by a local Canadian official designated by the Canadian Government. However, the usual arrangements shall be made for the exemption from Canadian customs duties and taxes, of U.S. Government-owned property brought to Baffin Island for the construction and operation of the Station.

II

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

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA  
UNITED STATES EMBASSY

OTTAWA, May 3, 1954

No. 240

The Honorable Brooke Claxton,  
Acting Secretary of State for External Affairs,  
Ottawa

Sir,

I have the honor to refer to your Note No. D-99 of May 1, 1954, stating that the Canadian Government considers that the construction and operation of a Loran Station on Cape Christian, Baffin Island, is in the defence interest of both countries and that it is prepared to authorize the erection and operation of the proposed station by the United States Coast Guard, subject to the conditions contained in the Annex attached to the Note. The United States Government concurs in the conditions mentioned, on the understanding that this agreement is subject to the availability of appropriated funds. The United States Government confirms that your Note and this reply shall constitute the agreement of our two Governments regarding the proposed station.

Accept, Sir, the renewed assurances of my most distinguished consideration.

R. Douglas Stuart