

CONFIDENTIAL

GRS 100

[FRAME EXTERNAL]
CONFIDENTIAL

FM OTTAWA

TO DESKBY 080900Z FCO

TELNO 641

OF 072140Z NOVEMBER 85

YOUR TELNO 241 TO UKMIS GENEVA: SOUTH AFRICA:

KRUGERRANDS: GATT ASPECTS: CANADA

1. THE CANADIAN GOVERNMENT HAVE NOT (NOT) TAKEN LEGISLATIVE MEASURES TO BAN KRUGERRANDS. THEY ENCOURAGED A VOLUNTARY BAN ON KRUGERRANDS IN AUGUST AMONG MANY BANKERS AND COIN DEALERS. THIS IS WORKING SUCCESSFULLY . IT GIVES EFFECT TO THE CHOGM AGREEMENT WITHOUT, IN THE CANADIAN VIEW, CHALLENGING GATT.

2. OUR CONTACTS IN DEA SUGGEST THAT IT IS UNLIKELY THE CANADIAN GOVERNMENT WILL WISH TO ALTER THEIR CURRENT STANCE.

3. PLEASE SEE PARA 1 OF OUR TELNO 536 OF 13 SEPTEMBER. THE CANADIANS NOW ACCEPT THAT ARTICLE XXI WOULD NOT APPLY. THEY CONTINUE TO BE PESSIMISTIC ABOUT THE POSSIBILITY OF INVOKING ARTICLE XX(C).

BAKER
FRAME EXTERNAL
ECD(LE)
SAFD
NAD

CONFIDENTIAL