

vides for mutual accord of most-favoured-nation treatment in all matters concerning customs duties and subsidiary charges, formalities of customs entries, and regulations affecting the sale or use of imported goods. Most-favoured-nation treatment in Brazil entitles imports to the benefit of a minimum tariff usually about one-fifth lower than the General Tariff, and on some goods further reductions as established in a Brazilian-United States Trade Agreement of Feb. 2, 1935. Advantages accorded by Canada to other parts of the British Empire and by Brazil to contiguous territories are excluded from the operation of the agreement. Canada and Brazil assure each other treatment in matters relating to control of foreign exchange and of imports not less favourable than is accorded to any other foreign country under like circumstances and conditions. In the event of the adoption by either country of quantitative restrictions, the agreement guarantees to the other country an equitable share of the trade. The commerce of each of the two contracting countries is guaranteed fair and equitable treatment in the other, as regards foreign purchases, if either one maintains a monopoly for importation, production, or sale of any commodity, or grants exclusive import or selling privileges to any agency.

OTHER FEATURES OF THE CHILEAN, ARGENTINE AND BRAZILIAN AGREEMENTS

The Trade Agreements with Chile, Argentina and Brazil contain other features that are common to them all. Goods are exempted from internal taxes, fees, or exactions, other or higher than are payable on like articles of national or any other origin, except as required by laws in force when the agreements were signed. Assurance is given of no higher duties or more burdensome regulations on goods exported from the territory of one party to the territory of the other than would apply to exports to any third country. Exception is made of advantages accorded to adjacent countries to facilitate frontier traffic, and concessions resulting from a customs union to which any of the countries may become a party. Each agreement allows enforcement of such measures as the Government concerned sees fit to adopt relating to importation or exportation of gold or silver; or to control of import, export or sale for export of arms, ammunition, or implements of war, and, in exceptional circumstances, other military supplies. In the event of either party adopting a measure which is considered by the other party to nullify or impair any object of the agreement entered into, even though not conflicting with its terms, the country which adopts the measure is to consider proposals from the other, with a view to a mutually satisfactory adjustment of the matter. Similarly, the countries concerned are to accord sympathetic consideration to, and afford, when requested, opportunity for consultation regarding representations from each other on customs regulations, control of foreign exchange, quantitative restrictions, observance of customs formalities, and application of sanitary laws and regulations. The Chilean, Argentine and Brazilian Agreements call for approval of the Canadian Parliament, with subsequent ratification by the Secretary of State for External Affairs and corresponding ratification in each of the other contracting States. Thirty days after exchange of the instruments of ratification at Ottawa, these Trade Agreements go into force definitively for two years. Their duration is automatically continued thereafter for one-year periods, subject to termination on six months' notice by either party. Resolutions approving the three Trade Agreements were passed by the Canadian House of Commons on Mar. 3, 1942, and by the Senate on Mar. 11.