

Section 3.—The War in Its Relation to Government Control of External Trade*

In order that this chapter of the Year Book should explain more fully the influences that are bringing about the re-orientation of trade now taking place and reflected by the statistical tables in their resultant effect only, paragraphs describing the various controls that have been organized under such legislation as the War Exchange Conservation Act, the Enemy Trading Regulations, etc., are here introduced. Studied in conjunction with Section 1 on the tariff relationships existing between Canada and other countries, they will give to the student a more complete picture of the organization that has been established by the Government to cope with the special circumstances induced by the War.

Subsection 1.—Canadian War-Time Restrictions

Enemy Trading Regulations.—The "Regulations respecting Trading with the Enemy (1939)" were brought into force by Order in Council P.C. 2512 of Sept. 5, 1939, under and by virtue of the War Measures Act (R.S.C. 1927, c. 206). These, as amended, were replaced by "Consolidated Regulations respecting Trading with the Enemy (1939)" as provided in Order in Council P.C. 3959 of Aug. 21, 1940. Further, slight amendments to the Regulations were effected by Orders in Council P.C. 5353 of Oct. 3, 1940, and P.C. 9797 of Dec. 16, 1941. The regulations prescribe conditions governing enemy property and related subjects.

Because of occupation by an enemy State, or by reason of real or apprehended hostilities, the following were brought within the scope of provisions of the Enemy Trading Regulations: Poland, Slovakia, Bohemia and Moravia (Sept. 2, 1939); Denmark and Norway (Apr. 9, 1940); Netherlands, Belgium and Luxemburg (May 10, 1940); Continental France, French Morocco, Corsica, Algeria and Tunisia (June 21, 1940); Channel Islands (July 1, 1940); Roumania (Oct. 12, 1940); Bulgaria and Hungary (Mar. 1, 1941); Yugoslavia (Apr. 15, 1941).

With the expansion of the war zone, various additional territories were brought within the scope of the Enemy Trading Regulations, and consequent control by the Custodian of Enemy Property. These Regulations were applied to Greece on May 1, 1941; to French Somaliland on May 27; to Syria and Lebanon on May 27, but withdrawn on Sept. 15; to Esthonia, Latvia, Lithuania and Finland on Aug. 2. As from Dec. 7, 1941, a state of war was declared against Hungary, Roumania and Finland. A proclamation declaring existence of a state of war with Japan as from Dec. 7 was issued on Dec. 8. Enemy Trading Regulations were applied as of midnight Dec. 6 to Japan, Karafuto, Korea, Manchuria, Kwantung Leased Territory, Formosa, Japanese Mandated Islands, Japanese-Occupied China including the whole of the Chinese coastline, Indo-China, International and French Concessions at Shanghai, and any other territory occupied by Japan at the time. Due to further war developments, Enemy Trading Regulations were extended to Thailand on Dec. 22, 1941; Hong Kong on Dec. 24, 1941; Philippine Islands on Jan. 14, 1942; Singapore and the Malay Peninsula on Feb. 15, 1942, and the Netherlands East Indies on Mar. 7, 1942.

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