

Subsection 2.—Empire and Foreign Import Restrictions Affecting Canadian Exports

Canadian export trade is, of course, affected by restrictions on imports imposed by Empire and other countries with which the Dominion trades and, in order to show both sides of the picture, the following summary of such import licensing, prohibitions and exchange-control restrictions as affect outgoing commerce is presented.

EMPIRE COUNTRIES

The United Kingdom.—Restrictions adopted in the United Kingdom in Sept., 1939, to safeguard exchange resources, were extended from time to time and by June, 1940, practically all commodities were subject to import licence. During 1941, more than 90,000 import licences were issued, and a still greater number of applications for licences had to be considered by the Import Licensing Department of the Board of Trade. During the two years 1940 and 1941, apart from a few cargoes diverted to the United Kingdom when European countries were overrun by Germany, there were no importations into the United Kingdom of such goods as toys, household glassware, pottery, vacuum cleaners, refrigerators, leather footwear, printing and textile machinery, toilet preparations, furniture, motor-cars, and other articles of common use, as well as many foods that formed part of the general diet in pre-war years.

Australia.—A customs import licensing system was adopted in Australia on Dec. 1, 1939, to control imports from non-sterling countries, and on Dec. 8, 1941, was extended to apply to luxury or non-essential goods from the sterling area (New Zealand excepted). At the end of 1941, out of 2,250 designations of goods, 1,250 were in a category not to be licensed from any country. A limited number of articles are dealt with on the merits of each application for licence. The others are admitted to the extent of 25 p.c. and upwards of the imports of the same goods into Australia during the year ended June 30, 1939.

New Zealand.—A schedule announced in New Zealand on July 23, 1941, for the control of imports during 1942, shows 328 items of tariff nomenclature with no import allocation; 80 items admissible only from the United Kingdom and Crown Colonies; 57 items only from British countries; and 176 items from all sources. These permitted imports are nearly all subjected to 50 p.c. reduction in value as compared with values licensed in 1940. There were 152 items dependent upon the merits of individual requests for permission to import.

Union of South Africa.—On Sept. 15, 1941, imports from non-sterling countries into the Union of South Africa became subject to licence from a newly created Imports and Exports Control Board. At the same time, goods in 40 of the 335 items of the Customs Tariff were, in whole or in part, placed in a category for which import licences were not to be issued. The prohibited merchandise included manufactured foodstuffs, whisky, tobaccos, toilet preparations, toys, furs, jewellery, musical instruments, lawn mowers, vacuum cleaners, ladies' handbags, and various other goods regarded as luxuries. Total purchases from Canada in 1939 of such goods amounted to £61,269.

Southern and Northern Rhodesia.—Restrictions in Southern Rhodesia were introduced against non-Empire trade early in 1941 and, on Jan. 1, 1942, imports from all sources became subject to import licence. All goods entering Northern