

**Subsection 2.—Tariff Relationships with Other Countries\***

## BRITISH EMPIRE COUNTRIES

Trade agreements entered into by Canada with the United Kingdom, Eire, Australia, New Zealand, Union of South Africa, Southern Rhodesia and British West Indies, are summarized at pp. 383-386 of the 1941 Year Book. Under their original terms, the United Kingdom, Eire, Australian and South African Agreements have continued in force, subject to termination on six months' notice. It was arranged in 1939 that the Trade Agreement with the British West Indies would remain in operation, but could be terminated on six months' notice instead of the former twelve months. The one-year Trade Agreement of 1932 with New Zealand, kept in force by annual renewals, was extended on Sept. 30, 1941, with a six months' notice provision substituted for a fixed date of expiry. Although the Trade Agreement between Canada and Southern Rhodesia made in 1932 came to an end in 1938, each country, in its own legislation, still grants tariff preferences to the products of the other. Enemy occupation of the Channel Islands from July 1, 1940, Hong Kong from Dec. 24, 1941, British Malaya from Feb. 15, 1942, and British Borneo from Mar. 7, 1942, with consequent prohibition of Canadian trade with them, nullified for the time being the tariff preferences in these areas provided by the Canada-United Kingdom Trade Agreement.

## FOREIGN COUNTRIES

Reciprocal tariff arrangements of Canada with Argentina, Brazil, Chile and Ecuador are reviewed in the 1942 Year Book at pp. 429-431. Since that review, the Trade Agreement with Argentina was approved by the Argentine Senate on June 12, 1942. Pending exchange of ratifications it continues in force provisionally subject to termination on three months' notice. The Government of Brazil having, by a Decree-Law of Apr. 15, 1942, ratified that country's Agreement, ratifications were exchanged at Ottawa on Mar. 17, 1943, bringing the Agreement definitely into force 30 days later. It was promulgated in the Brazilian Official Gazette of May 13, 1943. Provisional operation of the Trade Agreement between Canada and Chile, first arranged for one year from Oct. 15, 1941, was continued for another year by notes exchanged on Oct. 9 and 12, 1942. A Canadian *Modus Vivendi* of Apr. 9, 1941, with Venezuela was extended by Exchange of Notes on Apr. 6, 1942, and again on Apr. 9, 1943, for one year on each occasion, subject to termination on three months' notice. Canada's trading position as affected by commercial agreements in respect of Bolivia, Colombia, Costa Rica, Dominican Republic, Guatemala, Haiti, Panama, Paraguay, Portugal, Salvador, Spain, Sweden, Switzerland, United States and Uruguay, continues as outlined in the 1941 Year Book at pp. 387-393. Canadian Trade Agreements and similar commercial treaty relationship, as defined in the 1941 Year Book, were terminated automatically with several countries by application of Enemy Trading Regulations. See p. 441.

The Canadian Trade Agreement with France was not suspended as regards other French Colonies. Reduced rates of the Canadian Tariff resulting from the Trade Agreements with France and Poland apply as formerly to goods from countries entitled to most-favoured-nation treatment in Canada, in addition to the benefits of the intermediate tariff and any lower duties of the Canada-United States Trade Agreement.

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