

Revenue or through him the customs officials have at times been empowered to establish a "fair market value" as a basis of applying duties to be collected. The term "fair market value" is vague and open to various interpretations and has been frequently criticized, but in exceptional cases for which they are designed such valuations have proved effective.

The exchange situation as it affects the Tariff is a different problem. A foreign currency that has become considerably depreciated in relation to the Canadian dollar enables the country concerned to export goods to Canada under a very definite advantage and customs officials have been given power under conditions such as these to value imports from such countries at a "fair rate of exchange". Much, of course, depends on the manner in which the above powers are applied by the administrative officials and their understanding of the reasons for their application, and, while the powers of fixing "fair market value" and "fair rate of exchange" have been applied to meet extraordinary conditions in the past, these powers have lately been modified by clauses in trade agreements drawn up with individual countries.

The Tariff Board.—The Canadian Tariff Act was written in 1907 and, although there have been many changes and revisions, there has been no complete overhaul since that time. In 1931, a Tariff Board was established to make inquiry into and report on any matter in relation to goods that are subject to or exempt from customs or excise duties or on which the Minister of Finance desires information. The duties of this Board are more specifically described at pp. 965-966 of the 1941 Year Book. Since the start of the War in 1939 and in view of the turn taken by wartime trade, the Tariff Board has been inoperative. Its officers and experts worked with various war bureaus and its earlier research is now unrelated to the wide changes that have been brought about in industry and trade as a result of the War. In the post-war formulation of Canadian trade and tariff policies, a change has been introduced by the setting up of a special Interdepartmental Committee. The Canadian Tariff Board has not been abolished, indeed the Chairman of the Board is also head of the Interdepartmental Committee, but will resume its functions along with the Committee. The Committee is to hear representations from industrialists and businessmen. These arrangements should serve a useful purpose in providing valuable guidance to the Government in the formulation of trade policy.

Subsection 2.—Tariff Relationships with Other Countries

Trade agreements entered into by Canada with the United Kingdom, Eire, Australia, New Zealand, Union of South Africa, Southern Rhodesia* and the British West Indies are dealt with at pp. 383-386 of the 1941 Year Book. Reciprocal tariff arrangements of Canada with Argentina, Brazil, Chile and Ecuador are reviewed in the 1942 Year Book at pp. 429-431. 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, Uruguay and Venezuela, continues as outlined in the 1941 Year Book at pp. 387-393.

Reinstatement of Agreements Suspended During War.—During the War, Canadian trade agreements and similar commercial treaty arrangements with several countries were terminated automatically or suspended by applica-

* This Agreement was terminated as from Jan. 2, 1938, but each country, in its own legislation, still grants tariff preferences to the other.