

China.—A modus vivendi with China was concluded on Sept. 26, 1946, by an exchange of notes between the two countries, and came into force two days later. It provides for reciprocal exchange of most-favoured-nation treatment in tariff matters. This agreement is the first commercial convention concluded between Canada and China by direct negotiation. It is to continue in force for a definite period of one year and beyond that until terminated on three months' notice by either country.

Trade Agreements at Present in Force.—At the present time (Mar. 31, 1947), Canada's tariff relations with other countries are affected by trade agreements, conventions of commerce or similar arrangements made directly between Canada and the country concerned or by participation in treaties made by the United Kingdom with foreign powers, listed as follows:—

Empire Countries

| Country | Treaty or Convention | Terms |
|------------------------|---|--|
| UNITED KINGDOM..... | Trade Agreement signed Feb. 23, 1937; in force Sept. 1, 1937. (Modified by United Kingdom-United States Trade Agreement of Nov. 17 1938.) | Various concessions on both sides, increasing preference formerly granted. Also extends preferential system between Canada and the Colonial Empire. Made until Aug. 20, 1940, and thereafter until terminated on six months' notice. |
| EIRE..... | Trade Agreement signed Aug. 20, 1932; in force Jan. 2, 1933. | Canada concedes British Preferential Tariff in return for most-favoured-nation treatment in Eire. Made for five years and thereafter until terminated on six months' notice. |
| AUSTRALIA..... | Trade Agreement signed July 8, 1931; in force Aug. 3, 1931. | Each country accords the other reduced rates on schedules of goods, and otherwise (with a few exceptions in Australia) exchange their British Preferential Tariffs with each other. Made for one year and thereafter until terminated on six months' notice. |
| NEW ZEALAND..... | Trade Agreement signed Apr. 23, 1932; in force May 24, 1932. | Exchange specific preferences on scheduled goods and otherwise concede British Preferential Tariffs reciprocally. Made for one year, but kept in force by short-term extensions. Since Sept. 30, 1941, in force until terminated by six months' notice. |
| UNION OF SOUTH AFRICA. | Trade Agreement signed Aug. 20, 1932; in force Oct. 13, 1932. | Agreement extends list of preferences formerly exchanged in absence of formal Agreement. Made for five years and thereafter until terminated on six months' notice. |