

**Anti-dumping Act.** Canada's Anti-dumping Act provides, in brief, that where goods are dumped (the export price is less than the normal value) and such dumping causes material injury to the production of similar goods in Canada, or retards the establishment of production in Canada of similar goods as determined by the Anti-dumping Tribunal, there shall be an anti-dumping duty. The amount of this duty is equal to the margin of dumping of the entered goods.

**Drawback.** Drawback legislation is designed to remove the customs duty and sales tax included in the manufacturers' costs to enable them to compete more equitably both abroad and at home with foreign manufacturers. It does this by granting a drawback, in the case of Canadian exporters, of customs duty and sales taxes paid on imported parts or materials used in Canada in the manufacture of goods subsequently exported. In certain strategic industries in Canada (aircraft, automobiles and other secondary manufacturers), costs of plant equipment or key materials are reduced in the same manner when specified imported goods are used in eligible Canadian manufacturing. Other areas where drawbacks are payable include: ships stores; joint Canada-US projects; and imported goods exported or destroyed in Canada.

### Tariff and trade arrangements

19.5.2

Canada's tariff arrangements with other countries fall into three main categories: trade agreements with a number of Commonwealth countries; the General Agreement on Tariffs and Trade (GATT); and other arrangements.

Canada signed the protocol of provisional application of the General Agreement on Tariffs and Trade on October 30, 1947 and brought the agreement into force on January 1, 1948. The agreement provides for scheduled tariff concessions and the exchange of most-favoured-nation treatment among the contracting parties, and lays down rules and regulations to govern the conduct of international trade. As at February 1980 there were 85 members and two provisional members as follows:

Argentina, Australia, Austria, Bangladesh, Barbados, Belgium, Benin, Brazil, Burma, Burundi, Cameroon, Canada, Central African Republic, Chad, Chile, Congo, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Egypt (Arab Republic of), Finland, France, Gabon, Gambia, Germany (Federal Republic of), Ghana, Greece, Guyana, Haiti, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Kenya, Korea (Republic of), Kuwait, Luxembourg, Madagascar, Malawi, Malaysia, Malta, Mauritania, Mauritius, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Rhodesia, Romania, Rwanda, Senegal, Sierra Leone, Singapore, South Africa, Spain, Sri Lanka, Suriname, Sweden, Switzerland, Tanzania, Togo, Trinidad and Tobago, Turkey, Uganda, United Kingdom, United States of America, Upper Volta, Uruguay, Yugoslavia and Zaire.

The two countries acceded provisionally to the GATT were Colombia and Tunisia.

GATT has also been applied to 30 territories which now, as independent states, maintain a de facto application of the general agreement pending decision as to their future commercial policies. They include the following:

Algeria, Angola, Bahamas, Bahrain, Botswana, Cape Verde, Dominica, Equatorial Guinea, Fiji, Grenada, Guinea-Bissau, Kampuchea, Kiribati, Lesotho, Maldives, Mali, Mozambique, Papua New Guinea, Qatar, St. Lucia, St. Vincent, Sao Tomé and Principe, Seychelles, Solomon Islands, Swaziland, Tonga, Tuvalu, United Arab Emirates, Yemen (People's Democratic Republic of) and Zambia.

Trade relations between Canada and a number of other countries are governed by trade agreements of various kinds, by exchange of most-favoured-nation treatment under orders-in-council, and by even less formal arrangements. Details are available from the appropriate international bureaus of the industry, trade and commerce department.

### Tariff preferences for specified countries

19.5.2.1

Canada implemented a system of tariff preferences for specified countries in July 1974. Imports of most manufactured and semi-manufactured products from designated