

CANADA

EXCHANGE OF NOTES (February 19 and June 14, 1952) BETWEEN CANADA AND THE UNION OF SOUTH AFRICA CONSTITUTING AN AGREEMENT IN REGARD TO THE TEMPORARY SUSPENSION OF THE MARGIN OF PREFERENCE ON WOOL

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The High Commissioner for Canada to the Secretary for External Affairs of the Union of South Africa

OFFICE OF THE HIGH COMMISSIONER

501 Grand Parade Centre, Cape Town, February 19, 1952.

SIR,

I have the honour to refer to my letter of March 5, 1951, and subsequent correspondence between us in regard to the suspension of the margin of preference on wool as between Canada and South Africa.

As you will remember, by an exchange of Notes* in April last the Union Government agreed to the temporary suspension of the margin of preference per pound weight on wool, not further advanced than scoured, during the period from 1st April 1951 to 31st March 1952 inclusive.

Under Canadian Order-in-Council P.C. 1410 of March 21, 1951, the duty of 10 cents per pound under M.F.N. tariff and 15 cents under general tariff on "wool not further advanced than scoured, for use in Canadian manufacture" until February 29, 1952, was eliminated. Today the situation in this connection is more acute than it was a year ago. In 1951 Canada imported approximately 34 million pounds of wool of which Australia and New Zealand supplied some 24 million, South Africa 1 million and the United States 2.9 million. Although exact statistics are not available, importers estimate that at least 80 per cent of the wool imported from the United States was of Australian, New Zealand and South African origin and was purchased on the Boston market.

I am instructed to ascertain if, in view of the present wool situation in Canada, the Union Government would be prepared to waive the temporary margin of preference on wool not further advanced than scoured for a period of one year, ending not later than March 31, 1953.

I should be glad to know if the Union Government is prepared to give favourable consideration to this suggestion.

I have the honour to be,

Sir,

Your obedient Servant,

T. W. L. MacDERMOT, High Commissioner.

The Secretary for External Affairs, Government of the Union of South Africa, Cape Town.

*Canada Treaty Series 1951, No. 38.