

Newfoundland, British Honduras, Australia, Territory of Papua (British New Guinea), Labuan, St. Helena, Aden, Hong Kong, Cyprus, Malta, Falkland Islands, Gibraltar, British North Borneo, Sarawak, British West African Colonies as follows: Gambia, Gold Coast, Sierra Leone, Southern Nigeria, Northern Nigeria and Lagos; British Central Africa, Mauritius, Seychelles Islands; Federated Malay States as follows: Pahang, Negri Sembilan, Perak, Selangor, Solomon Islands, Gilbert and Ellice Islands, Tonga and Norfolk Island.

Canada Gets Nothing in Return

Section 8 of the Customs Tariff Act of 1907 provides that fish and other products of the fisheries of Newfoundland may be imported into Canada free until otherwise determined by Governor-in-Council. The above named favored nations and British Countries, however, (excepting France, New Zealand and the South African Customs Union) offer no special tariff advantages to Canada in return for the advantages obtained by them under the provisions of the French Treaty and the proposed agreement with the United States. South African Customs Union and New Zealand now give a preference to Canadian products.

The marked difference in the interpretation of trade treaties by Great Britain and Canada, as compared with the United States, is such that the United States consider favored nations have no right to participate in the tariff advantages granted to a named country in return for tariff advantages granted by that named country to the United States.

Conclusions

(1) The tariff advantages granted by the United States to Canada do not extend to any other country.

(2) Canada, under the resolutions pertaining to the Reciprocity Agreement, will grant advantages to many countries.

(3) Canada's power to negotiate preferential trade arrangements with other British Dominions would be in a large measure paralyzed, inasmuch as certain British Dominions hitherto not given a preference would be granted the same advantages as the United States through the application of Resolution No. 4 of the Reciprocity Agreement. In this way Canada would lose any opportunity she might have had of establishing a closer trade relationship with Australia.

(4) With the exception of the treaties with France and Japan, power of abrogation is vested in Great Britain. Canada, therefore, cannot withdraw in any degree from such treaties without the renunciation of the whole treaties by the Imperial Government, which would imperil a large portion of the trade of the United Kingdom.