

As the Canadian general tariff corresponds with the normal tariff of Poland (the surtax of 20% ad valorem which may be levied on goods of any foreign country which treats imports from Canada less favourably than those from other countries under Section 7 of the Canadian Customs Tariff corresponding to the maximum tariff of Poland), it is considered that it would not be possible to grant the benefits of the Canadian intermediate tariff, which is lower than the general tariff on nearly all commodities, except in return for the grant of certain Polish conventional duties. Under these circumstances, therefore, the Canadian Government would be unable to conclude a temporary agreement on the basis proposed in the Polish note of January 16th.

The Canadian Government is, however, in cordial agreement with the proposal of the Government of Poland to open negotiations as soon as possible for the conclusion of a permanent trade convention on the basis of a mutual exchange of most favoured nation tariff terms. It is not yet certain whether it will be practicable for a Canadian representative, vested with the necessary full powers to conclude negotiations, to visit Europe in the near future. The Minister of Finance and the Tariff Commissioner, Mr. J. A. Russell, will, however, both be in Europe within the next two months, and an endeavour will be made to arrange a preliminary discussion with representatives of the Government of Poland, when, it is hoped, provision can be made for concluding the negotiations before the next session of the Canadian Parliament.

Under these circumstances, it is trusted that the Polish Government will find it possible to arrange for a further postponement of the imposition of the maximum customs rate.

I have etc.

O. D. SKELTON
for the Secretary of State
for External Affairs

941.

*Le secrétaire aux Dominions au secrétaire d'État
aux Affaires extérieures*

Dominions Secretary to Secretary of State for External Affairs

DESPATCH 336

Downing Street, August 18, 1928

Sir,

With reference to my despatch No. 266 of the 9th July, I have the honour to transmit for the consideration of His Majesty's Government in Canada, the accompanying copies of a despatch from His Majesty's Minister at Warsaw forwarding a note from the Polish Ministry for Foreign Affairs on the subject of negotiations for a commercial agreement between Canada and Poland.