

ANNEX II

RELATING TO DIRECT SHIPMENT AND THE OPERATION OF ARTICLE IV OF THE 1960 TRADE AGREEMENT

The Government of Canada, in respect of goods accorded tariff advantages provided for in paragraph 1 of Article I of the Canada/Australia Trade Agreement of 12 February 1960, undertakes the following:

- (1) notwithstanding the direct shipment provisions of paragraph 1 of Article IV of the said Trade Agreement, goods specified in sub-paragraph (a) of paragraph (1) of Article I, that are shipped from Australia to Canada on a through bill of lading consigned to a consignee in a specified port in Canada, but that are not shipped direct, will be treated for purposes of the Customs Tariff of Canada as if they were shipped direct;
- (2) notwithstanding the provisions of paragraph (2) of section 3 (and paragraph (2) of section 5) of the Customs Tariff of Canada, goods specified in sub-paragraph (b) of paragraph (1) of Article I of the said Trade Agreement, that are shipped from Australia to Canada on a through bill of lading consigned to a consignee in a specified port in Canada but that are not shipped in accordance with the aforementioned provisions, will be treated for purposes of the Customs Tariff of Canada as if they were shipped direct;
- (3) the foregoing provisions will not be extended to dried currants and raisins that are the growth or produce of Australia.

The foregoing provisions will remain in effect for a period of six months from the date of entry into force of the Exchange of Letters, and will continue in force unless the Government of Canada gives the Government of Australia 60 days prior notice of its intention to terminate them. In the event such notice of intention to terminate is given, the Government of Canada will, on request of the Government of Australia, consult on the matter.