

GLOSSARY OF TRADE AND RELATED TERMS

Competition Policy	Set of policy measures whose objective is to protect the effective operation of the economy based on the premise that generally a market system will give better results in terms of economic and industrial performance than any alternative systems of industrial organization. Canada's competition policy is founded in the Competition Act. (See also Restrictive Business Practices).
Compound Duty or Tariff	An import tax consisting of a specific rate plus an ad valorem charge, or a provision that an ad valorem or specific tax will apply, whichever is higher. Also called a "mixed tariff". (See also Ad Valorem Tariff and Specific Tariff).
Contingency Protection	Collective term referring to anti-dumping and countervailing duties and safeguards.
Countertrade	Transactions in which the seller provides the buyer with deliveries (e.g. technology, know-how, finished products, machinery and equipment) and contractually agrees to purchase goods from the buyer equal to an agreed-upon percentage of the original sales contract value. A practice which has become increasingly prevalent in East-West trade; non-market economy countries have adopted countertrade in various forms as a tool for generating some or all of the hard currency needed for new industrial projects, expanding exports to the West and minimizing the outlay of scarce resources of hard currency. Also referred to as barter, buy-back, counter-purchase, offset and compensation trade.
Countervailing	Additional duties imposed by the importing country to offset government subsidies in the exporting country, when the subsidized imports cause material injury to domestic industry in the importing country.
Cultural sovereignty	A term coined by nationalists and producers of cultural products to describe the state where domestically-produced cultural products, such as books, films, magazines and TV programs have sufficient access to their home market to ensure that national values are not supplanted by foreign values.
Current Account	That portion of a country's balance of payments that records current (as opposed to capital) transactions, including visible trade (exports and imports), invisible trade (income and expenditures for services), profits earned from foreign operations, interest and transfer payments.