

Reductions in duty were secured on tomato purée reduced from 50 kroner per 100 kilograms to 25 kroner per 100 kilograms during the period May 1 to November 30 in each year; vitamin concentrates reduced from 15% to free; and sauces reduced from 60 to 50 kroner per 100 kilograms.

Free entry has been bound on salted salmon, sausage casings, dried apples, clover and alfalfa seed, lubricating oils, hides, skins of sheep and cattle, synthetic rubber, manufactures of asbestos other than engine packings and brake bands, unwrought copper and copper alloys, and crude lead, aluminum, nickel, cobalt and cadmium.

Items on which the existing duties were bound include concentrated soup and canned lobster and salmon, hats and hat shapes of felt, transmission bolts of rubber, tires, certain rubber footwear, asbestos engine packings and brake bands, electric motors weighing not more than 25 kilograms each, and ploughs, harrows, harvesting machines, and horse rakes.

URUGUAY

Trade relations between Canada and Uruguay have been governed by a trade agreement signed on August 12, 1936, which provides for an exchange of most-favoured-nation treatment. The Annex negotiations, however, represent the first time that the two countries have negotiated for scheduled tariff concessions. Although there are few items in which either country is the other country's principal supplier, it was found possible to reach an agreement covering a substantial volume of trade. Total exports from Canada to Uruguay were valued at \$4,200,000 in 1948. The leading items in the Uruguayan schedule of importance to Canada cover approximately \$1,600,000 of this trade.

The tariff of Uruguay is made up of a unique and complex combination of customs duties and several kinds of supplementary charges, partly on an ad valorem basis, and partly on a specific basis. The ad valorem components of the duties are calculated on standard official valuations or "aforos" listed in the tariff. These official valuations are in general considerably below current market prices. The concessions extended by Uruguay at Annex comprise not only reductions or bindings of existing rates, but also an undertaking not to increase the "aforos" on any item during the period of the agreement.

In the following summary, effective rates have been calculated on the basis of combined imposts in pesos per unit of quantity. For example, the duty plus all surtaxes on calcium carbide has been bound at 61.5%, and since the official valuation is 7.80 pesos per 100 kilograms, the operative rate of duty is 4.80 pesos per 100 kilograms. In a few cases there is no official valuation and the ad valorem rate is levied on the c.i.f. value.

The peso is officially quoted at 72.41 cents Canadian (controlled), and 61.80 cents (uncontrolled). One peso per hundred kilograms is therefore equivalent to .529 cents a pound (controlled) or .281 cents a pound (uncontrolled).

Reductions in duty were extended by Uruguay at Annex on pedigreed cattle, reduced from 6% to 0.75%; apples reduced during the season October 1 to February 15 from 8.20 pesos per 100 kg. to 6.24 pesos per 100 kg.; cardboard, reduced from 11.49 pesos per 100 kg. to 9.63 pesos per 100 kg.; zinc, rolled or drawn, slabs and leaves, reduced from 9.59 pesos per 100 kg. to 5.20 pesos per 100 kg.; harvesters, from 54.60 pesos each to free.

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