RELATIONS AVEC DIVERS PAYS

From newspaper reports, the situation regarding Syria and Lebanon is not clear and I would appreciate your advice as to what tariff treatment should be accorded the products of these territories.

Yours faithfully,

D. Sim

1267.

DEA/8771-40

Le sous-secrétaire d'État par intérim aux Affaires extérieures au sous-ministre du Commerce

Acting Under-Secretary of State for External Affairs to Deputy Minister of Trade and Commerce

Ottawa, June 11, 1946

I refer to our letter to Mr. Sim of February 25[†] and further correspondence with the Department of National Revenue (Customs) forwarded to your Department on the question of the customs treatment to be accorded goods originating in Syria and the Lebanon.

You will recall it was agreed that while the Levant States were no longer considered "territories under French mandate" in the sense of our trade agreement with France of May 1933, all the formalities to bring the mandate over the Levant States to an end had not yet been completed. Since Canadian exporters were benefiting from the 1933 agreement it was thought desirable that the advantages extended by Canada to Syria and the Lebanon in accordance with Article 14 of the trade agreement should be continued for the time being.

We have now been informed that during the final session of the Assembly of the League of Nations held at Geneva in April 1946 a resolution was adopted welcoming the termination of the mandated status of Syria and the Lebanon. The last formalities marking the recognition of Syrian and Lebanese independence have thus been completed.

Article 14 of the Canada-France Trade Agreement and Article 4 of the Additional Protocol of February 26th, 1935, under which intermediate tariff rates are levied against certain products of territories under French mandate, can thus no longer be interpreted as applying to Syria and the Lebanon, since the latter are no longer under mandate. Of their own accord, however, both Syria and the Lebanon continue to grant Canada the most-favoured-nation treatment which was required under the mandate. Neither have they made any change in other rights guaranteed to Canadians under Articles 10 and 11 of the mandate which has now been extinguished.

The Department of External Affairs therefore takes the view that the customary intermediate tariff rates should continue to be levied against goods

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