

July 15, 1938.

Ha.Handels- und Zahlungsabkommen.

nk 15/7.

Messrs. Williams & Wilson Ltd.,
544 Inspector, Street,
Montreal, Que.

Dear Sirs:

Referring to the recent telephone conversation with your Mr. Kingsland I wish to inform you that barter transactions between Germany and Canada are no longer permitted. There is also no possibility of shipping goods from Germany to Canada against full or partial payment in Aski or Registered Marks. Neither is payment through an Inland Account for cotton barter with the United States possible.

The various methods of facilitating German exports to Canada have been abolished since Germany is enjoying most-favoured-nation treatment in Canada and since the Canadian Government has ordered that the rate of exchange of the Reichsmark for determining the home market value be 32 ¢. This means, however, that customs duties are charged on the "Price as sold to purchaser in Canada" if this sum, computed at daily rate of exchange, is higher than the fair market value computed at 32 ¢.

Yours very truly,

The German Consul

by:

AWG.
(Dr. Anton Wagner)
Commercial Attaché

W/H