

Customs Tariff of 1907.—In 1907 a new customs tariff was introduced, establishing three scales of duties, British preferential (the lowest), intermediate and general, the intermediate tariff being set up as a basis for negotiation with foreign countries in the interest of Canadian trade. This tariff of 1907 is still in operation, with modifications. Under it, the British preferential tariff applied in 1930 to nearly the whole of the British Empire except Australia. With Australia, however, there is an exchange of preferences on a restricted list of goods.¹ To the British West Indies, under an agreement of June, 1920, rates of duties were granted even lower than those of the ordinary preferential tariff—in nearly all cases a remission of 50 p.c. of the duty ordinarily charged. This trade agreement of 1920 was replaced in 1925 by a more extensive one (see p. 482). The regular British preference was further increased in 1923 (13-14 Geo. V, c. 42) by a discount of 10 p.c. of the amount of duty computed under the British preferential tariff, when goods paying 15 p.c. duty or over are conveyed without transshipment from a port of a country enjoying the British preferential tariff into a sea or river port of Canada. The British preferential tariff was extended to Newfoundland by Order in Council of June 26, 1928. Prior to that time the general tariff applied to Newfoundland except that her fish were admitted free.²

The intermediate tariff applied in 1930 to the products of the following countries:—France with her colonies and protectorates, Belgium, Italy, and the Netherlands (all these under special treaties), Argentina, Colombia, Cuba, Denmark, Japan, Norway, Spain, Sweden, Switzerland and Venezuela (under reciprocal most-favoured-nation-clause treatment). New commercial treaties with France (including her colonies and protectorates) and Italy were approved at the 1923 session of Parliament (13-14 Geo. V, cc. 14 and 17), a commercial convention with Belgium at the 1924 session (14-15 Geo. V, c. 9), agreements with Australia, Finland and the Netherlands (including the Dutch colonies) at the 1925 session (15-16 Geo. V, cc. 30, 11 and 19), and a trade convention with Czechoslovakia at the 1928 session (18-19 Geo. V, c. 18). Under c. 52 of 1928, most-favoured-nation agreements with Estonia, Hungary, Latvia, Lithuania, Portugal, Roumania and Yugoslavia became effective in 1928. The present situation with regard to Canadian tariff arrangements with foreign countries is shown in the following table³:—

Country.	Treaty or Convention.	Date.
Argentine Republic.....	Treaty of Amity, Commerce and Navigation with Great Britain.....	Feb. 2, 1825.
Economic Union of Belgium and Luxembourg, Belgian colonies, possessions and mandated territory.....	Convention of Commerce with Canada.....	July 3, 1924.
Colombia.....	Treaty of Friendship, Commerce and Navigation with Great Britain.....	Feb. 16, 1868.
Cuba.....	Canadian Orders in Council and Cuban Decrees. Not full most-favoured-nation treatment on either side. (Canadian intermediate tariff exchanged for Cuban general, which is one-half maximum).	Nov. 22, 1927. Dec. 6, 1928. Dec. 3, 1929.

¹ On the Australian Trade Agreement of 1925 (15-16 Geo. V, C. 30) see p. 1017 of the 1925 Year Book.

² A pamphlet "Empire Tariff Preferences on Canadian Goods" recently issued by the Foreign Tariffs Division of the Commercial Intelligence Service gives more detailed information on this subject.

³ Taken from pamphlet mentioned in footnote 2.