

menced a movement for specially favourable treatment by Great Britain to "Empire" products. The feeling that Great Britain should give special treatment to such products was in evidence at the Colonial Conference of 1902 and at the Imperial Conferences of 1907 and 1911, but the British Government of 1902 was not ready for the issue, while those of 1907 and 1911 had been elected on a free trade platform. With the Great War, however, there came a change. In 1915 Great Britain imposed customs duties (the so-called "McKenna" duties) on motor cars, motorcycles, musical instruments, watches and clocks, and parts for these articles, all subject to 33½ p.c. *ad valorem* general tariff and two-thirds of this amount (or 22½ p.c.) *ad valorem* British preferential tariff. Cinematograph films, which come under a specific rate of duty, were also affected, with a preferential rate of two-thirds of the general rate. These duties were allowed to expire on Aug. 2, 1924, but were restored on July 1, 1925. Preferential treatment has been extended to include Empire-grown raw tobacco, dried fruits, sugar and articles containing sugar, silk and artificial silk. Certain articles such as arc-lamp carbons, optical and scientific instruments, scientific glassware, wireless tubes, certain chemicals and similar goods are subject to what are called "key industry" duties when imported from foreign countries but are free from Empire countries. Lace and embroidery, cutlery, gloves, incandescent gas mantles, packing and wrapping paper, pottery, buttons and hollow-ware have been subjected to "safeguarding" duties for periods of 5 years beginning at fixed dates in each case, with a preference of about ¼ off for Empire products. There are certain other dutiable goods with varying Empire preferences. Concessions have been granted on nearly all dutiable goods. It is to be noted that Great Britain levies import duties on a limited range of merchandise and the concessions, of course, are within the scope of the tariff.

*Other Empire Countries.*—Without the formality of trade agreements, New Zealand, Southern Rhodesia, Zambesi Basin of Northern Rhodesia, Cyprus, Fiji, and Western Samoa accord preferences to practically all Canadian goods. Under the terms of the latest trade agreement between Canada and the British West Indies, Bermuda, British Guiana and British Honduras, made in 1925 but brought formally into force in 1927 for a ten-year period, Canada grants to these colonies specific preferences on sugar and other selected tropical products as well as a 50 p.c. reduction on the general tariff in return for substantial reciprocal concessions on flour, lumber, motor vehicles, machinery, etc. Preferences on Canadian goods up to 66½ p.c. are included in some cases. There are preferences for specified Canadian goods entering Australia as provided for in a trade agreement. The Irish Free State, Union of South Africa, Southwest Africa, Walfish Bay, Basutoland, Bechuanaland Protectorate, Swaziland, British Borneo, Mauritius, and Gibraltar (spirituous goods only), accord preferences on limited lists of goods, varying much in the different countries.

## Section 2.—The Commercial Intelligence Service.<sup>1</sup>

The Commercial Intelligence Service, maintained by the Department of Trade and Commerce, is designed to further the interests of Canadian trade in other parts of the Empire and in foreign countries. To this end there are established throughout the world offices administered by Trade Commissioners. These Trade Commissioners make periodical reports upon trade and financial

<sup>1</sup> Revised by H. W. Cheney, Secretary, Commercial Intelligence Service, Department of Trade and Commerce.