

Subsection 2.—Present Tariffs.¹

Tariff of 1907 and Empire Preferences.—A new Canadian Customs Tariff was adopted on April 12, 1907, containing three columns of duties, British preferential, intermediate and general. This tariff with amendments is still in operation. The Tariff Act itself mentions as being entitled to the British preference those parts of the Empire which were already enjoying it under previous measures, namely: United Kingdom, British India, Ceylon, New Zealand, Union of South Africa, Southern Rhodesia, Bermuda, British West Indies, British Guiana and Straits Settlements. Power was taken to extend the same advantages, by Order in Council, to other parts of the Empire. Under this authority the British preference was, on Jan. 25, 1913, granted to: Swaziland, Basutoland, Bechuanaland Protectorate, Northern Rhodesia, Nyasaland Protectorate, Uganda Protectorate, East Africa Protectorate, Protectorate of Northern Nigeria, Colony and Protectorate of Southern Nigeria, Gold Coast, Sierra Leone, Gambia, Somaliland Protectorate, Federated Malay States, British North Borneo, Sarawak, Brunei, Mauritius and Dependencies thereof, Seychelles, St. Helena, Ascension, Friendly or Tonga Islands, Fiji, Falkland Islands and British Honduras. Further extensions were to: Irish Free State, Sept. 21, 1923; Territory of Western Samoa, Oct. 1, 1924; Newfoundland, June 26, 1928; Tanganyika Territory, Dec. 19, 1930; Channel Islands, Isle of Man, Kenya Colony and Protectorate, Colony and Protectorate of Nigeria, British Sphere of the Cameroons, British Sphere of Togoland, part of New Guinea under mandate of Australia, and Cyprus, all on Sept. 24, 1931.

Trade Agreements with Australia.—Australia remained almost the only part of the Empire not accorded the British preferential tariff, either by Statute or Order in Council. However, a formal trade Agreement between Canada and Australia (superseding an arrangement of 1925, exchanging limited preferences by legislation) was brought into force on Aug. 3, 1931, providing for exchange of British preferential rates, except as set forth in two schedules—one of which concedes special Canadian rates on some Australian products, while the other specifies the tariff treatment given by Australia to Canada on certain items, as well as enumerating items which Australia reserves as regards granting preferential treatment. Canada is accorded the British preferential tariff of Australia on all but 18 of the 438 items comprising the entire tariff. On six items the intermediate tariff applies and on the other twelve, the general tariff. An important concession to Canada is the creation of new or larger margins of preference than existed in the former tariff on some products of importance to Canada. Other general provisions waive anti-dumping laws, define qualifications for domestic products, and permit either country to apply its general tariff rates to imports from the other which are injuriously affecting the sale of similar domestic goods, provided that, after three months' notice, the exporting country has failed to remedy the situation.

Trade Agreements with British West Indies.—To the British West Indies concessions independent of the British preference were made in an Agreement of 1912, which obtained West Indian preferential rates of four-fifths of the general tariff on some Canadian goods. In 1920 a second trade Agreement, broader both as to the extent of the preferences exchanged and the number of West Indian signatories, superseded the first. This in turn was replaced on July 6, 1925, by one still more extensive, brought formally into force by proclamation as from April 30,

¹ Revised by W. Gilchrist, Chief, Foreign Tariffs Division, Department of Trade and Commerce.