

finances would allow and to give sympathetic consideration to the abolition of the exchange dumping duty on British goods. (By amendments to the Special War Revenue Act, an excise tax on imports amounting to 3 p.c. levied on duty-paid value was, as regards goods entered under the British Preferential tariff or under any trade agreement with a British country, reduced to 1½ p.c. on June 28, 1934, and removed altogether on June 13, 1935.) The Agreement was to continue for 5 years and be subject thereafter to termination upon 6 months notice by either party.

*Other Agreements.*—The Agreement between Canada and the Union of South Africa places commercial relations between these two Dominions on a treaty basis for the first time. It covers many of the commodities which each Dominion can sell to the other, but is more limited in scope than the Trade Agreements concluded earlier with Australia and New Zealand. A considerable extension of the preferred list of commodities has been obtained for Canada. Special consideration has been given to corn from South Africa, although fruits in certain seasons, peanuts, sugar and molasses are also given consideration. Wheat, flour, apples, hosiery, binder twine, machinery, vacuum cleaners, iron pipes, tools, shooks, lumber, canned fish, motor cars, electrical appliances, rubber goods and paper products are the chief items on which concessions are made to Canada.

The Agreement with the Irish Free State secured for all goods the produce and manufacture of Canada imported into the Irish Free State the benefits of the lowest rates of duty accorded to similar products of any country. In return, goods the produce of the Irish Free State, when imported into Canada, were to be accorded the same tariff treatment as similar goods imported from the United Kingdom.

The Agreement with Southern Rhodesia made provision for the exchange of preferential treatment on selected lists of commodities. In addition, other goods not enumerated in the schedules continue to enjoy the benefits of existing and future British preferences. Indian corn, citrous fruits and peanuts are given free entry by Canada, whereas Southern Rhodesia gives our manufacturers important concessions on cream separators, batteries, boots and shoes, and paper products.

*Other Empire Preferences on Canadian Goods.*—Even in the absence of trade agreements many tariff preferences are accorded to Canadian goods throughout the Empire. The general position now is that nearly all goods, the produce or manufacture of Canada, shipped in accordance with prescribed regulations, are granted tariff preferences over non-Empire goods in Great Britain and Northern Ireland, Australia, New Zealand, Fiji, Western Samoa, British West Indies, Bermuda, British Guiana, British Honduras, Southern Rhodesia, Northern Rhodesia, (Zambesi Basin), Gambia, Sierra Leone, Seychelles, British Somaliland, Cyprus, Channel Islands, and Isle of Man. To a considerable extent tariff preference is similarly granted to Canadian goods in the Irish Free State, the Union of South Africa, Ceylon, Mauritius, St. Helena, British Protectorate of Tonga, British Solomon islands, Gilbert and Ellice Islands, and Malta, also on some goods in the Federated Malay States, the Unfederated Malay States, British North Borneo, Sarawak, Brunei and Cayman Islands. Empire motor cars enjoy preference in Hong Kong and the Straits Settlements; spirits and malt liquors in Gibraltar; and wines in the Falkland Islands.

*Trade Agreement of 1933 between Canada and France.*—A Trade Agreement between Canada and France replacing an Agreement of 1922 which had lapsed on June 16, 1932, was brought into force as from June 10, 1933. Under the