

erential rates under 246 items, and, in the case of 91 items (mainly products of a class not made in Canada), undertakes that margins of preference will not be reduced. If any duty-free Canadian article is exported to the United Kingdom below fair market value in Canada, and the situation, after notification, not corrected, Canadian anti-dumping provisions are to be waived as regards similar United Kingdom goods. The Canadian Government, which is given a quota of 2,500,000 cwt. per annum of bacon and hams, undertakes to assist in the promotion of orderly marketing of these and other meats in the United Kingdom. Either country may suspend or modify scheduled concessions if it is established that, by means of the preference, any organization of exporters controls trade to the prejudice of consumers. Each Government agrees not to increase beyond 50 p.c. the Empire content required for preference in manufactured goods. The 1937 Agreement was approved by the Canadian Parliament on Mar. 31, 1937, implemented by the United Kingdom Budget of Apr. 20, 1937, and formally proclaimed in force from Sept. 1, 1937. It is to remain in force until Aug. 20, 1940, and afterwards until terminated on six months' notice.

**Ireland.**—Ireland at its inception in 1923 as the Irish Free State, granted Canada any preferential rates in force, and in return received the benefit of the British Preferential Tariff. A formal Trade Agreement between Canada and Ireland, signed Aug. 20, 1932, secured for all goods the produce and manufacture of Canada, the benefits of the lowest rates of duty accorded to similar products of any country. In return, goods the produce or manufacture of Ireland, when imported into Canada, were to be accorded the same tariff treatment as similar goods imported from the United Kingdom.

**Australia.**—A Trade Agreement between Canada and Australia (superseding a 1925 arrangement of limited scope) was brought into force on Aug. 3, 1931. British Preferential Tariffs were exchanged, with some reservations by Australia, and some additional concessions by Canada. Enlarged margins of preference were also granted by each country on certain products of importance to the other. (See p. 484 of the 1936 Year Book.) The Agreement, which was obligatory for one year, has remained in force subject to six months' notice of denunciation by either Government. During the calendar year 1937 Canada's exports to Australia reached \$30,500,000. Imports from Australia were \$12,000,000. In view of trade balances being so much in Canada's favour, the Australian Government intimated last year that if the Agreement was to continue, further Canadian concessions should be accorded Australian products. After negotiations, the Canadian duties on certain Australian goods were reduced by Order in Council effective Oct. 1, 1937, and the Trade Agreement was kept in force, subject, as before, to denunciation on six months' notice by either Government.

**New Zealand.**—Canada was granted the British preferential rates of the New Zealand Tariff established in 1903. Canada has extended her British Preferential Tariff to New Zealand since 1904. On Oct. 1, 1925, Canadian special rates then granted Australia were also extended to New Zealand, but withdrawn on Oct. 12, 1930. As from June 2, 1931, New Zealand cancelled nearly all her British preferential rates to Canada. On May 24, 1932, a new Trade Agreement was brought into force for one year (applicable also to Western Samoa and Cook Islands), whereby Canada granted New Zealand some rates lower than British preferential, and otherwise the British Preferential Tariff. New Zealand restored the British preferential rates to Canada except for 6 items upon which intermediate rates were conceded. A New Zealand surtax of 22½ p.c. of duty (in a few instances 5 p.c.) insti-