

tuted on Aug. 18, 1930, was cancelled by a New Zealand tariff amendment of Nov. 19, 1932, as regards all Empire goods except those from Canada, Union of South Africa, Irish Free State, Newfoundland, and India. The 1932 Trade Agreement was made for one year, but has been kept in force by various renewals. It would have expired on Sept. 30, 1937, and, in order to secure a further renewal, New Zealand was granted certain reductions in Canadian duty including some being accorded to Australia. The Agreement was then renewed to Sept. 30, 1938, by Order in Council of Oct. 1, 1937. New Zealand, as from Mar. 1, 1938, increased some rates against Canada, Australia, and foreign countries on the ground that her manufacturing costs had increased.

**Union of South Africa.**—In addition to the British Preferential Tariff which Canada accords to the Union of South Africa under the Tariff Act of 1907, commerce with the Union of South Africa is governed by a Trade Agreement signed Aug. 20, 1932. It provides for exchange of preferential treatment on selected commodities. (See p. 487 of the 1936 Year Book.) By an Exchange of Notes (Union of South Africa dated Aug. 2, 1935; Canada dated Aug. 31, 1935) effective July 1, 1935, each Dominion assures the other of as low rates as apply to the goods of any foreign country.

**Southern Rhodesia.**—A Trade Agreement signed Aug. 20, 1932, exchanging preferences on a few selected commodities and each country's British Preferential Tariffs on nearly all other commodities, was terminated as from Jan. 2, 1938, on notice by Southern Rhodesia. Canadian goods are now accorded an Intermediate Tariff in Southern Rhodesia, and Canada, under the Tariff Act of 1907, applies her British Preferential Tariff to Southern Rhodesian goods.

**British West Indies.**—Under the Canadian Customs Tariff Act, 1907, the British Preferential Tariff applies to the British West Indies, Bermuda, and British Guiana, and by Order in Council effective Feb. 1, 1913, to British Honduras. Special tariff concessions were made to the British West Indies in a reciprocal Trade Agreement of 1912, enlarged in 1920. The latter was replaced on July 6, 1925, by an Agreement still more extensive and brought formally into force by proclamation as from April 30, 1927. It is binding for a 12-year period and thereafter until terminated, on a year's notice. It includes: Jamaica, Trinidad, Barbados, Bahamas, Leeward Islands, Windward Islands, Bermuda, British Guiana, and British Honduras. (For further details see p. 484 of the 1936 Year Book.)

## FOREIGN COUNTRIES.

The power given under Sec. 4 of the Tariff Act to extend the Intermediate Tariff, in whole or in part, by Order in Council, to British countries, applies equally to foreign countries. Another important means of arranging for reciprocal concessions from foreign countries is afforded by Sec. 11 of the Customs Tariff which authorizes the making by Order in Council of such reductions of duties on goods imported into Canada from any other country as may be deemed reasonable by way of compensation for concessions granted by any such country. On the other hand, power is given under Sec. 7 to impose a surtax of 33½ p.c. *ad valorem* on goods from any foreign country which treats imports from Canada less favourably than those from other countries.

**Most-Favoured-Nation Treatment.**—Mutual guarantee of most-favoured-foreign-nation treatment, or, as it is commonly called, most-favoured-nation treatment, enters into many of the tariff arrangements between Canada and foreign