

force as from June 10, 1933. Under its terms Canada was accorded the rates of the French Minimum Tariff and most-favoured-nation treatment on 185 items or parts of items and reductions varying from 17 p.c. to 73 p.c. of the General Tariff on 24 items or parts. The French General Tariff is, for most goods, four times the Minimum Tariff. Intermediate rates are expressed as varying percentage reductions from the General Tariff. In return Canada conceded to France a rate as low as British preferential on 7 items, reductions from the Intermediate Tariff of from 10 p.c. to 25 p.c. on 95 items and Intermediate Tariff rates on an extensive list of items. The French colonies are included within the scope of the Agreement. The Agreement was supplemented by a Protocol of Feb. 26, 1935, and Notes exchanged Mar. 20, 1936, and July 30, 1937, under which Canada secured the Minimum Tariff on 25 more items of the French Tariff, in return for adjustments of duty on some French products. These supplementary arrangements also made provision for quotas on many Canadian articles of which the import into France is subject to quantitative restrictions.

Germany.—In the absence of a commercial agreement, a 'Super Tariff' (*Obertariff*) created by a German law of Jan. 18, 1932, two to four times as high as the General Tariff, on goods affected, was invoked against Canada on Apr. 1, 1932. On account of negotiations that ensued, the Super Tariff was suspended on July 1, 1932, for six months. By Exchange of Notes effective Jan. 1, 1933, an Agreement, for the duration of three months, was entered into, giving Germany the Canadian Intermediate Tariff in return for its ordinary General Tariff and any existing conventional duties. This arrangement was renewed, first for nine months, and on Jan. 1, 1934, for an indefinite period, subject to termination on six months' notice. A Provisional Trade Agreement, including exchange of most-favoured-nation treatment, was signed on Oct. 22, 1936, to become effective fourteen days after exchange of ratifications, and to remain in force until Nov. 14, 1937, and thereafter until terminated on two months' notice. A Canadian Act ratifying the Agreement was assented to on Apr. 10, 1937. On account of the control exercised by Germany over exchange for payment of goods, a Payments Agreement was also entered into on Oct. 22, 1936. It authorized utilization of definite percentages of exchange accruing from German exports to Canada for purchase of Canadian wheat, apples, cheese, honey, fish, fox skins, asbestos, lumber, wood-pulp, sausage casings, and some other goods. Unallocated exchange is available for miscellaneous purchases. By Exchange of Notes on the day the Trade Agreement was signed, Canada agreed, on a basis of reciprocity, to give effect to the Trade Agreement as from Nov. 15, 1936, the Payments Agreement having gone into force on that day. The Exchange of Notes is to remain operative until replaced by the Provisional Trade Agreement or until terminated on six weeks' notice.

Guatemala.—A Guatemalan law of Jan. 25, 1936 (renewing with slight changes a surtax law of Jan. 26, 1935), provided for increasing by 100 p.c. the customs duties on goods from countries whose trade balances are adverse to Guatemala and who had increased their exports to Guatemala by 100 p.c. or more in 1935 as compared with 1934. A Trade Agreement between Canada and Guatemala signed Sept. 28, 1937, by exchange of most-favoured-nation treatment, exempted Canadian goods from the customs surcharge and entitled Canada to reduced duties provided for some items in a Guatemalan Agreement of Apr. 24, 1936, with the United States. Pending ratification of the Agreement, an Exchange of Notes on the same date established most-favoured-nation treatment reciprocally as from Oct. 14, 1937. An Act approving the Agreement was given third reading in the Canadian House of Commons on Apr. 26, 1938.