

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.) instituted 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. A one-year renewal to Sept. 30, 1938, effected by Canada granting further reductions in duty on some New Zealand products was followed by another renewal to Sept. 30, 1939, by Canada waiving exchange dumping duty on New Zealand butter and New Zealand undertaking to co-operate as far as possible by limiting shipments to proportions that would not unduly prejudice the interests of Canadian producers.

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. Although the Trade Agreement was cancelled, Southern Rhodesia, under a new tariff of 331 items, adopted May 18, 1937, accords Canada and the United Kingdom the same preferences over foreign countries on 177 tariff items. On 78 items Canada has a rate intermediate between the United Kingdom and foreign countries. On 10 items Canada has no preference over foreign countries although the United Kingdom has preference. On the remaining 66 items the rates are the same to all countries. 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 Apr. 30, 1927, and 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.) Notice for termination of this Agreement as from Dec. 31, 1939, was given by the Dominion Government with a proposal that in the meantime negotiations be entered upon leading to a new Agreement.

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