

10, 1936, in consequence of which the Soviet Union repealed an Order of Apr. 20, 1931, which had prevented her importing organizations and trade representatives from purchasing Canadian goods or chartering Canadian vessels.

**Salvador.**—By Exchange of Notes of Nov. 2, 1937, Canada and El Salvador granted each other most-favoured-nation treatment in tariff matters. The Tariff of El Salvador consists of a Maximum Tariff, a Minimum Tariff (one-third the maximum) and some conventional rates lower than the minimum.

**Spain.**—A Treaty of Commerce and Navigation between the United Kingdom and Spain, signed Oct. 31, 1922 (revised Apr. 5, 1927), providing for exchange of most-favoured-nation treatment in tariff matters, was accepted on behalf of Canada by the Spanish Treaty Act of June 11, 1928. The Tariff of Spain consists of a First (the highest) Tariff, a Second Tariff (usually one-third of the first) and some conventional rates lower than the Second.

**Sweden.**—A Convention of Commerce and Navigation between the United Kingdom and Sweden (and Norway) of Mar. 18, 1826, had the effect of establishing most-favoured-nation tariff relationship between Canada and Sweden. Sweden, in commercial treaties with various countries, has granted conventional rates of duty which, however, have been incorporated into the ordinary tariff and made applicable to all countries.

**Switzerland.**—Under the Treaty of Friendship, Commerce and Reciprocal Establishment between the United Kingdom and Switzerland of Sept. 6, 1855, Canada and Switzerland exchanged most-favoured-nation treatment of each other's goods. Switzerland has reduced some of her rates in treaties, but reductions are incorporated in a single-column tariff which applies to all countries.

**United States.**—A Trade Agreement between Canada and the United States, signed on Nov. 15, 1935, became operative as regards tariff reductions on Jan. 1, 1936, and upon exchange of ratifications went into force in its entirety on May 14, 1936. United States negotiations were under a tariff amendment Act of June 12, 1934 (Reciprocal Trade Agreements Act), first enacted for three years duration, but extended for another three years by a law of Mar. 1, 1937. The enactment sets 50 p.c. as the maximum reduction that can be made in any rate of duty. Concessions to Canada in the 1935 Agreement were 50 p.c. on 27 items; 25 to 49 p.c. on 32 items; under 25 p.c., or existing rate confirmed on 8 items; continuance of free entry assured on 21 items. There were Canadian tariff reductions on 88 items, modification of some customs valuations and exemption from duty of purchases up to \$100 made by returning Canadian residents, corresponding to a similar provision in the United States tariff. The Agreement exchanged unconditional most-favoured-nation treatment with reservation of Canada's Empire preferences and United States preferences granted to Cuba, Philippine Islands and the Panama Canal Zone.

A more comprehensive Trade Agreement, signed Nov. 17, 1938, grants Canada concessions on 202 items or sub-items of the United States tariff, covering 83 p.c. of Canadian sales (dutiable and free) to the United States for the year 1937. On 107 of these items, representing \$76,577,000 (about half the dutiable imports in 1937) the maximum 50 p.c. reduction in duty was obtained. Of the remaining items 58 are accorded reductions in duty ranging from 10 to 50 p.c., 5 are assured continuance of the existing rate and 32 continuance of free entry. All concessions of the 1935 Agreement are retained and where quotas existed, they are either increased or the quota limitation entirely removed. Principal Canadian products benefiting