

to the United States affect 447 tariff items or sub-items, under which imports for the fiscal year 1937 amounted to about 58 p.c. of the total imports from the United States. Reductions in Canadian duty are made on 283 items or sub-items, and duty is fixed at rates hitherto effective on 146. Canada undertook to remove a special excise tax of 3 p.c. then levied on these items. The Agreement contains safe-guarding clauses as to quantitative restrictions, customs valuation, variations in rate of exchange, preventing the principal benefit of a concession going to a third country. The Agreement exchanges 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. The United States negotiations were, under a tariff amendment Act of June 12, 1934, (Reciprocal Trade Agreements Act) first enacted for three years but extended for another three years by a law of Mar. 1, 1937. The President of the United States formally proclaimed the new Trade Agreement on Nov. 25, 1938. On the day following the President's Proclamation, i.e., Nov. 26, 1938, Article IX of the Agreement became provisionally effective, the result being to exempt Canadian lumber, shingles, and telegraph poles shipped to the United States from the necessity of a mark of origin. Duty concessions, except where otherwise stated, became provisionally effective in both countries on Jan. 1, 1939. The Canadian ratifying Act was assented to in Ottawa by His Majesty the King on May 19, 1939. The Agreement went into force fully on exchange of ratification by the King and a copy of the President's Proclamation on June 17, 1939. It is to be effective for three years from the effective date of Article IX and thereafter, subject to termination on six months' notice by either country.

A Presidential Proclamation of Feb. 27, 1939, allocated to Canada 86.2 p.c. and to other foreign countries 13.8 p.c. of the quota of cattle weighing 700 pounds or more, in consequence of which Canada's quota for the last nine months of 1939 was 142,230 head, and other foreign countries 22,770 head. Quarterly shipments were not to exceed 51,720 head and 8,280 head, respectively. These allocations of cattle weighing 700 pounds or more were renewed on Nov. 30, 1939, for the year 1940, allocating to Canada 193,950 head and to other foreign countries 31,050 head.

A United States-Cuban Trade Agreement brought into force on Dec. 23, 1939, released the United States from obligation to grant Cuban seed potatoes a 50 p.c. preference during December, January, and February of each year, with the result that the tariff reduction on a quota of Canadian seed potatoes was, in accordance with the Canada-United States Trade Agreement, reduced during these months from 60 cents to 37½ cents per 100 lb., the rate already in effect during the other nine months of the year.

A supplementary Trade Agreement, signed on Dec. 30, 1939, reduced United States duty on silver or black fox furs from 37½ to 35 p.c. *ad valorem* and limited total imports into United States of silver and black foxes and their furs to 100,000 units per twelve-month period, beginning Dec. 1, 1939. Canada's share of this quota is 58,300 units per year.

**Uruguay.**—Canada signed a most-favoured-nation Agreement with Uruguay on Aug. 12, 1936, as regards customs duties, quotas, and allocation of exchange for commercial transactions. Notes then exchanged, and renewed from time to time pending the coming into force of the formal agreement, granted the Canadian Inter-