

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 that 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 (see p. 496 of the 1938 Year Book).

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 (dutiabie 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 quotas, where they existed, are either increased or the quota limitation entirely removed. Principal Canadian products benefiting are lumber, shingles, horses, cattle, dairy products, hog products, potatoes, fish, certain grains, hay, poultry, pulp and paper, metals, non-metallic minerals, ferro-alloys, and many lines of manufactured goods. Among the benefits accruing to Canada under the reciprocal most-favoured-nation clause are many reductions in United States duty arising out of a United States-United Kingdom Trade Agreement signed on the same day as the Canadian Agreement. Canada's concessions 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 authorization for the negotiations was 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