

In the case of Newfoundland, in addition to the preference, Canada grants free admission to fish and fish products. The British West Indies receives special concessions under the Agreement of 1925 referred to at p. 385.

The British Preferential Tariff enacted in 1897 has had the effect of stimulating Canada's Empire trade. When this preference became effective in 1897, Canada's total imports from the United Kingdom amounted to only \$29,401,000, compared with imports in 1887 valued at \$44,741,000 and in 1873 at \$67,997,000, so that from 1873 to 1897 imports from the United Kingdom declined by \$38,596,000 or 56.7 p.c. After the introduction of the British Preferential Tariff, the downward trend in the value of imports from the United Kingdom was reversed, although the proportion of total imports coming from the United Kingdom continued to decline. Imports from other Empire countries, which were insignificant before the beginning of the century, have increased both in actual value and proportion of total imports.

Average Rates of Duty under the British Preference.—Table 11, at p. 420, shows the average ad valorem rates of duty on imports from the United Kingdom, United States, and all countries in each year since 1911. It should be noted that the apparently higher average rate of duty collected on imports from the United Kingdom than on those from the United States, in spite of the Preferential Tariff accorded British goods since 1897, is due largely to the following factors: (1) imports of alcoholic beverages, which are subject to high duties, bulk largely in imports from the United Kingdom but are negligible from the United States; (2) imports of raw materials for processing in Canada, which are free of duty, form an important part of imports from the United States; and (3) dutiable imports from the United Kingdom are largely highly manufactured goods, which are subject to relatively higher rates than the semi-manufactured goods for further manufacture in Canada that form another large element of imports from the United States. To make a fair comparison between the United Kingdom and the United States of the average rates of duty collected on ordinary dutiable imports, imports of alcoholic beverages and manufactured tobaccos should be eliminated, while imports free of duty under the British preference but dutiable when imported from the United States should be added to the dutiable imports from the United Kingdom. After these logical adjustments, the average rate of duty on imports from the United Kingdom has been lower in each year since 1922, while the difference in favour of the United Kingdom has become 50 p.c. or more in recent years. This subject is treated in more detail at pp. 58-59 of the "Condensed Preliminary Report on the Trade of Canada, 1936", and at pp. 509-510 of the 1937 Year Book.

9.—Dutiable and Free Imports from Principal British Empire and Foreign Countries, 1938 and 1939

NOTE.—This table continues the series appearing as Table 17 or 18 of the External Trade chapter of former Year Books, but the division between General, Preferential and Treaty Tariffs is not available after Mar. 31, 1939.

Country	Imports, 1938			Imports, 1939		
	Dutiable	Free	Total	Dutiable	Free	Total
British Empire	\$	\$	\$	\$	\$	\$
United Kingdom.....	54,908,148	64,384,282	119,292,430	52,588,567	61,418,842	114,007,409
Eire.....	9,244	17,853	27,097	9,737	123,365	133,102
Africa—British East.....	183,446	1,551,465	1,734,911	757,284	1,869,024	2,626,308
British South.....	516,402	1,474,893	1,991,295	784,410	3,206,471	3,990,881
Southern Rhodesia.....	2,151	1,024	3,175	717	¹	717
Gold Coast.....	82,559	548,192	630,751	250,570	370	250,940
Bermuda.....	7,585	60,944	68,529	7,677	57,567	65,244

¹ None recorded.