The Intermediate Tariff duty levied on liquorice paste not sweetened listed under item 235a of the Canadian Customs Tariff, is decreased from 15 per cent to 12½ per cent ad valorem.

Finally the Intermediate Tariff duty levied on liquorice in sticks, not sweetened, listed under item 235b of the Canadian Customs Tariff, is brought down from 20 per cent to 15 per cent ad valorem.

- (2) The Canadian Government agree no longer to avail themselves, while the present Agreement is in force:—
- (a) of the provisions of Schedule F to the Additional Protocol of February 26, 1935, as regards the grant of special quotas on electrical heating apparatus (item 524 bis K of the French Customs Tariff) and on vacuum cleaners (item Ex 524 bis M of the French Customs Tariff);
- (b) of the provisions of Schedule E to the Additional Protocol of February 26, 1935, as regards the grant of quotas referred to in the said Protocol on passenger automobiles (item Ex 614 ter A of the French Customs Tariff), such renunciation to take effect as from July 1, 1936.

Taking note of the intention expressed by the Canadian Government to modify and consolidate in a broader agreement the present conventional provisions in force between Canada and France, the Governments of France and Canada consider that the said agreement should come into force before March 31, 1938, negotiations to take place either in Paris or Ottawa as the Canadian Government may choose.

During the conversations which just took place in Paris looking to the conclusion of the present exchange of notes the representatives of the Canadian Legation have pointed out that the broader agreement referred to in the preceding paragraph might, among other things, provide for the consolidation of conventional duties now levied on French products imported into Canada.

I have the honour to inform you that the text of the Note referred to above meets with the approval of the Canadian Government.

Accept, Sir, the assurances of my highest consideration.

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