

976.

*Le premier ministre par intérim d'Afrique du Sud au secrétaire d'État
par intérim aux Affaires extérieures*

*Acting Prime Minister of South Africa to Acting Secretary of State
for External Affairs*

TELEGRAM

Capetown, May 7, 1935

Under the new Customs Act which provides for maximum, intermediate and minimum duties, Union Government contemplate granting intermediate tariff to countries on diverse items as a result of negotiations. As soon as such agreements are concluded maximum tariff will be applied to all countries not having most favoured nation treatment agreements with the Union. Customs Act safeguards all preferential margins granted to members of the Commonwealth, but in the absence of most favoured nation treatment agreements, maximum tariff will be applied also to goods specified in agreements with other countries, coming from members of the Commonwealth.

To prevent them being prejudiced in regard to goods not on preferential list, Union Government prepared by formal exchange of notes on basis of reciprocity to provide for intermediate tariff to apply to non-preferential goods coming from members of the Commonwealth whenever maximum is brought into force.

Matter is one of urgency as Union contemplates according Italy intermediate tariff shortly on cotton piece goods, woollen piece goods, woven or knitted, mixed piece goods (containing 50% or more of artificial silk) new hats, caps and bonnets of wool, felt, hair, straw and other vegetable fibres, glassware, citric and tartar acids, beads.

977.

*Le secrétaire d'État par intérim aux Affaires extérieures
au premier ministre par intérim d'Afrique du Sud*

*Acting Secretary of State for External Affairs
to Acting Prime Minister of South Africa*

TELEGRAM 91

Ottawa, May 17, 1935

Canadian Government is prepared to carry out, by formal Exchange of Notes, suggestion in your telegram of May 7th, which we understand as follows: Canada would undertake to extend to South African goods, other than those provided for in Trade Agreement of 1932, lowest rates of Customs duty applicable to similar goods imported from any foreign country, in return for grant to Canadian goods, other than those covered in Trade Agreement,