

application of standards for the classification, grading or marketing of goods, or to the operation of recognized commodity marketing boards.

ARTICLE VII — AGRICULTURAL, HORTICULTURAL
AND FISHERY PRODUCTS

1. The Contracting Parties recognize the importance of trade between their countries in agricultural, horticultural and fishery products.

2. The Government of Canada agrees:

- (a) to turn to New Zealand as among preferred suppliers when Canada has an import requirement for butter;
- (b) to consult with the Government of New Zealand if consideration is being given to changing the import regime on cheese, buttermilk powder or casein;
- (c) to consult with the Government of New Zealand if consideration is being given to introducing a quantitative limitation on imports of fresh, chilled or frozen lamb;
- (d) for any calendar year in which it restricts imports of fresh, chilled, or frozen beef and veal into Canada, to give notice in writing to the Government of New Zealand as far in advance as may be practicable and to give full consideration to such representations as may be made by the Government of New Zealand in respect of actual levels of permitted imports and arrangements for each year; and
- (e) to give favourable consideration to such representations as may be made by the Government of New Zealand in respect of shortfalls in deliveries of beef and veal from other countries and to reapportion promptly such supplies taking account of New Zealand's position as a traditional supplier.

3. The Government of New Zealand agrees:

- (a) to consult with the Government of Canada if consideration is being given to introducing a quantitative limitation on imports of pork; and
- (b) to consult with the Government of Canada if consideration is being given to changing the import regime on fishery products of active trade interest to Canada (as defined in Article III).

4. The Contracting Parties agree to consult if consideration is being given to changes in existing import regimes, or to the introduction of quantitative limitations, on horticultural products.

5. The Contracting Parties, being concerned with the damage caused to efficient agricultural and horticultural producers through the disruption of markets by subsidized exports, agree to consult with a view to reducing the adverse effects of such export subsidization.