A.--1.

1938. NEW ZEALAND.

NEW ZEALAND AND SWITZERLAND.

EXCHANGE OF NOTES CONSTITUTING A TRADE ARRANGEMENT BETWEEN NEW ZEALAND AND SWITZERLAND, 5TH MAY, 1938, AND 20TH MAY, 1938.

Presented to both Houses of the General Assembly by Command of His Excellency.

Consulate of Switzerland, Wellington, 5th May, 1938.

MY DEAR MINISTER,-

With reference to our conversations regarding the promotion of trade between New Zealand and Switzerland, I have the honour to submit the following proposals for a Trade Arrangement between our respective countries:—

1. (a) Goods the produce or manufacture of Switzerland enumerated in the Schedule annexed hereto, on importation into New Zealand, shall enjoy in all matters concerning Customs duties, or fees, taxes, or other charges payable in respect of imported goods and in all matters concerning Customs formalities treatment not less favourable than that accorded to like goods the produce or manufacture of any other foreign country.

1. (b) The Government of New Zealand undertake to receive with goodwill and to give consideration to any requests which may be made by the Government of Switzerland for the grant of most-favoured-nation treatment in respect of articles, other than those enumerated in the schedule referred to in paragraph 1 (a) hereof, the produce or manufacture of Switzerland, when imported into New Zealand. It shall be understood that such articles shall be articles in the exportation of which Swiss export industries are primarily interested.

2. (a) The Government of Switzerland shall guarantee to the Government of New Zealand a quota for the importation of New Zealand apples and pears into Switzerland to

the extent of 1,500 metric tons per annum.

2. (b) Swiss import permits issued for New Zealand apples and pears in general shall not be transferable in favour of like produce of other countries. The Government of Switzerland shall permit transfers of import permits for New Zealand apples and pears in favour of like produce of other countries only with the consent of the Government of New Zealand or their officially designated representatives. The Government of Switzerland, in placing the import quota for New Zealand apples and pears at the disposal of importers shall take into consideration the seasonal character of importations of apples and pears into Switzerland.

2. (c) The Government of Switzerland shall issue permits for the importation of New Zealand apples and pears on the condition that importers arrange their purchases directly with the New Zealand Fruit Export Control Board or their specifically designated

agents

2. (d) In all matters concerning the procedure in connection with the granting of import permits, particularly regarding the fees imposed for issuing import permits, the Government of Switzerland undertake to accord to New Zealand products treatment not less favourable than that accorded to like products of the most-favoured foreign

2. (e) The Government of Switzerland undertake to receive with goodwill and to give consideration to any requests which may be made by the Government of New Zealand for the grant of import quotas for products other than apples and pears, the produce or manufacture of New Zealand, which are subjected to import restrictions in Switzerland.

2. (f) Goods the produce or manufacture of New Zealand, on importation into Switzerland, shall enjoy in all matters concerning Customs duties, or fees, taxes, or other charges payable in respect of imported goods and in all matters concerning Customs formalities, treatment not less favourable than that accorded to like goods the produce or manufacture of any other foreign country.

3. If, after the conclusion of this Arrangement, questions arise affecting the operation of any of the provisions thereof such questions shall be determined by negotiation between

the respective Governments or their officially designated representatives.

4. In the event of the economic benefits anticipated by both contracting parties on concluding the present Arrangement not being attained or in the event of either of the contracting parties considering itself at a disadvantage through developments unfavourable to its interests or through the adoption by the other party of measures of an economic nature, either of the contracting parties may request that negotiations be commenced without delay with a view to effecting a mutually satisfactory adjustment of the matter. If such negotiations should not lead to a satisfactory settlement within three months from the date of receipt of the request, the party which considers itself at a disadvantage shall have the right to terminate the present Arrangement six weeks from the date of the receipt by the other party of notification of termination.

5. Subject to the provisions of paragraph 4 this Arrangement shall be binding for a period of one year from the date of its coming into force. If neither Government shall have notified the other, three months before the expiration of that period, of its intention to terminate the Arrangement it shall remain in force thereafter until the expiration of three months from the date on which either Government shall have given

to the other notice of its intention to terminate the Arrangement.

In the event of the above proposals proving acceptable to your Government it is suggested that this letter and your reply thereto conveying an acceptance on the part of your Government be regarded as constituting a Trade Arrangement between New Zealand and Switzerland and that such Arrangement take effect on the date of your reply.

Yours faithfully,
The Acting Consul of Switzerland,
(Sgd.) WALTER SCHMID, Vice Consul.

The Hon. Walter Nash, Minister of Customs, Wellington.

SCHEDULE.

Item No. of the Customs Tariff of New Zealand.	Tarit! Items.
Ex 121	(1) Medicinal preparations (except wines) containing 50 per cent. of proof spirit or less; medicinal preparations, drugs, druggists' sundries, and apothecaries' wares, n.e.i.; also aerated-water makers', cordial-makers', and brewers' drugs, chemicals, and other sundries, n.e.i.; chemicals, and chemical preparations, n.e.i.
143	Braids, and bindings, all kinds, n.e.i.; cords, n.e.i., of wool, cotton, silk, imitation silk, artificial silk, or of combinations of these materials with one another or with any other material.
203	Leather manufactures n.e.i.
237	Clocks, time-registers, and time-detectors.
Ex 247	Musical instruments, and parts, viz. :—
	(4) Pianos, player pianos, organs n.e.i., harmoniums, and similar instruments. (5) Musical instruments n.e.i.
254	Photographic cameras.
255	Photographic goods n.e.i.
Ex 338	Machinery or appliances, electrical, viz.:—
	(1) (a) Machinery or applicances n.c.i. peculiar to the generation of electricity, to the transformation of pressures of electric currents, or to the conversion of one type of electric current to another; electric motors; slide rails for electric generators or electric motors. (b) Batteries or cells not including storage batteries. (c) Storage batteries (including parts thereof).
	(2) Switchboards, fuse boards, and distribution boards or boxes for electric circuits; shunt or voltage regulators; starters or controllers for electric motors; rheostats, and resistances n.e.i. including reactance or choking coils, for the reduction or control of electric currents, condensors, relays, electro-magnets, switches, wall-plugs and shoes or sockets therefor, circuit breakers, circuit makers, cut-outs, fuses, wire or cable connectors and similar
	articles, and terminals; lightning arresters for the protection of electrical apparatus.
	(3) Carbons or electrodes for arc lamps, for electric furnaces, or for electric welding.
	(4) Electric applicanes n.e.i. peculiar to electro-plating, electro-chemistry, electro-metallurgy, surgery, telegraphy, telephony (not including cabinets or parts of cabinets for wireless broad east receiving sets); X-ray tubes and electrical vacuum tubes not suitable for purposes of illumination.
	(5) Electric locomotives; trolly-poles or collectors for electric tram-cars or electric locomotives; frogs, crossings, and line-ears, for overhead conductors for electric railways or tramways; rail bonds with terminals attached.
	(6) Metal poles or towers, specially suited for use in electrical transmission-lines.
	(7) Insulated cable and wire; carbon in block, sheet, or rod; mica, vulcanite, insulating-tape, and other insulating materials n.e.i., not including insulating-piping or tubing, or insulating fittings
	for pipes.
	(8) Sparking-plugs for oil engines.
	(10) (a) Electric irons.
	(b) N.e.i.

SCHEDULE—continued.

Item No. of the Customs Tariff of New Zealand.	Tariff Items.
Ex 351	 Machinery, machines, machine tools, and appliances, viz.:— Anvils, forges, and hearths, viz.:—blacksmiths', and similar. Blacksmiths', braziers', assay, and treadle-power bellows. Boring and well-drilling machinery; rock drills, and diamond drills; coal cutters. Blowers, and fans, viz.:—Exhaust, blast, and ventilating; vacuum cleaners. Card clothing suitable for use in woollen mills and paper mills. Grinding machines, emery, and similar; emery and similar wheels. Grinding mills, grinding pans, ball mills, tube mills, bone crushers, corn mills, coffee and spice mills, food chopping, mincing, and similar machines. Knitting and kilting machines. Peculiar to metal-working, wood-working, stone-working, or glass-working. Hydro-extractors. Weighing machines, scales, and balances, n.e.i.
352	(13) Printing machines. Machinery, machines, machine tools, engines, and appliances, as may be approved by the Minister, peculiar to use in manufacturing, industrial and similar processes.
356	Ex (1) Field glasses.
Ex 357	Metal, viz.:
	 (2) Aluminium, brass, copper, lead, tin, and other metal, n.c.i., in bars or rods (except cast bars or rods of copper alloy) (6) Metal n.e.i., viz.:—foil, leaf; hoop, plate or sheet, plain, whether in the rough, polished, enamelled, galvanized, plated, tinued, or otherwise coated with metal.
362	 Pipes, piping, tubes, and tubing (except coil pipes), viz.:— Wrought iron, steel, or wood, n.e.i., (including such pipes or tubes when protected with a cement or similar coating), not less than 4 inches but less than 9 inches in internal diameter. (a) Cast iron n.e.i., including rain-water, soil and similar pipes. (b) (i) Centrifugally-cast iron pipes piping tubes and tubing, exceeding 6 inches but not exceeding 12 inches in nominal internal diameter. (ii) Centrifugally-cast iron pipes piping tubes and tubing, not less than 4 inches but not exceeding 6 inches in nominal internal diameter. (3) Wrought iron, or steel, screwed; boiler tubes flanged or unflanged; and all pipes, piping, tubes and tubing, n.e.i. (4) Lead or composition. (5) Knees, bends, elbows, junction or inspection boxes including covers therefor, and other fittings, n.e.i., for pipes, piping, tubes or tubing, viz.:— (a) Of brass or other copper alloy. (b) Of cast iron for rain-water, soil, and similar pipes. (6) Knees, bends, elbows, junction or inspection boxes including covers therefor, and other fittings, n.e.i., for any of the above-mentioned pipes, piping, tubes, or tubing, shall be classed under the same item of the Tariff as the pipes, piping, tubes, and tubing, for which they are fittings.

C. 30/33.

DOMINION OF NEW ZEALAND.

Minister's Office, Customs Department, Wellington, 5th May, 1938.

MY DEAR CONSUL,-

I have the honour to acknowledge receipt of your letter of 5th May, 1938, reading as follows:—
"With reference to our conversations regarding the promotion of trade between New Zealand and Switzerland, I have the honour to submit the following proposals for a Trade Arrangement between our respective countries:—

"1. (a) Goods the produce or manufacture of Switzerland enumerated in the Schedule annexed hereto, on importation into New Zealand, shall enjoy in all matters concerning customs duties, or fees, taxes, or other charges payable in respect of imported goods and in all matters concerning customs formalities treatment not less favourable than that accorded to like goods the produce or manufacture of any other foreign country.

"1. (b) The Government of New Zealand undertake to receive with goodwill and to give consideration to any requests which may be made by the Government of Switzerland for the grant of most-favoured-nation treatment in respect of articles, other than those enumerated in the schedule referred to in paragraph 1 (a) hereof, the produce or manufacture of Switzerland, when imported into New Zealand. It shall be understood that such articles shall be articles in the exportation of which Swiss export industries are primarily interested.

"2. (a) The Government of Switzerland shall guarantee to the Government of New Zealand a quota for the importation of New Zealand apples and pears into Switzerland to the extent of 1,500 metric tons per annum.

"2. (b) Swiss import permits issued for New Zealand apples and pears in general shall not be transferable in favour of like produce of other countries. The Government of Switzerland shall permit transfers of import permits for New Zealand apples and pears in favour of like produce of other countries only with the consent of the Government of New Zealand or their officially designated representatives. The Government of Switzerland, in placing the import quota for New Zealand apples and pears at the disposal of importers, shall take into consideration the seasonal character of importations of apples and pears into Switzerland.

"2. (c) The Government of Switzerland shall issue permits for the importation of New Zealand apples and pears on the condition that importers arrange their purchases directly with the New Zealand Fruit Export Control Board or their specifically designated agents.

"2. (d) In all matters concerning the procedure in connection with the granting of import permits, particularly regarding the fees imposed for issuing import permits, the Government of Switzerland undertake to accord to New Zealand products treatment not less favourable than that accorded to like products of the most-favoured foreign country.

"2. (e) The Government of Switzerland undertake to receive with goodwill and to give consideration to any requests which may be made by the Government of New Zealand for the grant of import quotas for products other than apples and pears, the produce or manufacture of New Zealand, which are subjected to import restrictions in Switzerland.

"2. (f) Goods the produce or manufacture of New Zealand, on importation into Switzerland, shall enjoy in all matters concerning customs duties, or fees, taxes, or other charges payable in respect of imported goods and in all matters concerning customs formalities, treatment not less favourable than that accorded to like goods the produce or manufacture of any other foreign country.

"3. If, after the conclusion of this Arrangement, questions arise affecting the operation of any of the provisions thereof such questions shall be determined by negotiation between the respective Governments or their officially designated representatives.

"4. In the event of the economic benefits anticipated by both contracting parties on concluding the present Arrangement not being attained or in the event of either of the contracting parties considering itself at a disadvantage through developments unfavourable to its interests or through the adoption by the other party of measures of an economic nature, either of the contracting parties may request that negotiations be commenced without delay with a view to effecting a mutually satisfactory adjust ment of the matter. If such negotiations should not lead to a satisfactory settlement within three months from the date of receipt of the request, the party which considers itself at a disadvantage shall have the right to terminate the present Arrangement six weeks from the date of the receipt by the other party of notification of termination.

"5. Subject to the provisions of paragraph 4 this Arrangement shall be binding for a period of one year from the date of its coming into force. If neither Government shall have notified the other, three months before the expiration of that period, of its intention to terminate the Arrangement it shall remain in force thereafter until the expiration of three months from the date on which either Government shall have given to the other potice of its intention to terminate the Arrangement.

given to the other notice of its intention to terminate the Arrangement.

"In the event of the above proposals proving acceptable to your Government it is suggested that this letter and your reply thereto conveying an acceptance on the part of your Government be regarded as constituting a Trade Arrangement between New Zealand and Switzerland and that such Arrangement take effect on the date of your reply."

In reply I have to inform you that the proposals set out in your letter and in the Schedule annexed thereto for the conclusion of a Trade Arrangement between Switzerland and New Zealand are acceptable

to my Government.

Yours faithfully,

(Sd.) W. Nash, Minister of Customs.

Dr. Walter Schmid, Acting Consul of Switzerland, Wellington.

DOMINION OF NEW ZEALAND.

Minister's Office, Customs Department, Wellington, 20th May, 1938.

C. 30/33.

MY DEAR CONSUL,

With reference to your letter of 5th May, 1938, and my reply thereto of same date, constituting a Trade Arrangement between New Zealand and Switzerland, I have the honour to inform you that it is understood that the term "foreign country" appearing therein in relation to New Zealand means a country not being part of the British Commonwealth of Nations, nor a territory under British protection or suzerainty, nor a mandated territory in respect of which the mandate is exercised by the Government of a part of the British Commonwealth of Nations.

Yours faithfully, (Sgd.) W. NASH, Minister of Customs.

Dr. Walter Schmid, Acting Consul of Switzerland, Wellington.

Consulate of Switzerland, Wellington, 20th May, 1938.

My Dear Minister,

I have the honour to acknowledge receipt of your letter of 20th May 1938 reading as follows:—

"With reference to your letter of 5th May, 1938, and my reply thereto of same date, constituting a Trade Arrangement between New Zealand and Switzerland, I have the honour to inform you that it is understood that the term "foreign country" appearing therein in relation to New Zealand means a country not being part of the British Commonwealth of Nations, nor a territory under British protection or suzerainty, nor a mandated territory in respect of which the mandate is exercised by the Government of a part of the British Commonwealth of Nations."

The position as set out in your letter is agreed to.

Yours faithfully,

(Sgd.) Walter Schmid, Acting Consul of Switzerland.

The Hon. Walter Nash, Minister of Customs, Wellington.

Approximate Cost of Paper.—Preparation, not given; printing (710 copies), £4 15s.