"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.

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