toms Tariffs," usually referred to as the Brussels Tariff Nomenclature (BTN) and to the "Convention on the Valuation of Goods for Customs Purposes," widely known as the Brussels Definition. These countries and Japan are also members of the Customs Co-operation Council, which was established to maintain uniformity in the application of these conventions. Although Japan is not a signatory of either convention, it has adopted the BTN, and its valuation system is not very different from that of the EEC or the EFTA.[47]

Tariff classification problems among the countries that have adopted the BTN have been greatly reduced. A common nomenclature has also facilitated international comparisons of tariff levels and trade statistics. This is not to say that these countries have identical tariff classifications, since they often use different subdivisions under the same general headings.

Tariff classification differences among the countries applying the BTN are minor, however, as compared with the United States and Canada. The "Tariff Schedules of the United States" (TSUS), a major nomenclature revision, became effective in September, 1963. Although this revision was influenced by the BTN, it is markedly different from it.[48] The Canadian classification system differs from both the BTN and the TSUS.[49]

[47] In Japan, valuation is normally on the basis of c.i.f. invoice prices and presents few problems. If value cannot be determined on the basis of invoice prices, it is based on the wholesale price of similar Japanese goods minus customs duties that would be imposed on such goods and expenses incidental to delivery from the port of entry to the domestic wholesale market.

[48] For a report on this revision, see U.S. Tariff Commission, *Tariff Classification Study* (Washington, D.C.: U.S. Government Printing Office, 1960).

[49] A complicating factor in Canadian classification is the determination of whether certain imports are of a "class or kind made in Canada." If 10 per cent of Canadian consumption of a product is supplied from Canadian sources, it is regarded as "made in Canada," and imports are assessed higher rates of duty. For example, the most-favored-nation rate on machinery is 22.5 per cent for items "made in Canada" and 7.5 per cent for items "not made in Canada."

For a discussion of problems involved in the administration of provisions relating to "class or kind made in Canada," see Francis Masson and H. Edward English, *Invisible Trade Barriers Between Canada and the United States* (Canadian-American Committee of the National Planning Association [U.S.A.] and the Private Planning Association of Canada, 1963), pp. 18–22.