

The United Kingdom introduced preferences in 1919 on the limited number of products then subject to customs duties. With the expansion of the United Kingdom tariff, preferences granted by that country were extended to more commodities. Under the terms of the Ottawa Agreement, signed on Aug. 20, 1932, Canadian goods were exempted from the payment of duties under the Import Duties Act, which imposed duties on a large number of items entering the United Kingdom. This exemption was continued under the Canada-United Kingdom Agreement of 1937, which with certain modifications is still in effect. Canada exchanges preferential rates with several of the self-governing countries of the Commonwealth under Agreements with Australia (1931), New Zealand (1932) and the Union of South Africa (1932). An Agreement with the British West Indies was concluded in 1925.

The following list gives the tariff arrangements in which Canada was participating in October, 1949:—

Commonwealth Countries

Country	Treaty or Convention	Terms
UNITED KINGDOM.....	Trade Agreement signed Feb. 23, 1937; in force Sept. 1, 1937. Modified by an Exchange of Letters, Nov. 16, 1938, resulting from United Kingdom-United States Trade Agreement of Nov. 17, 1938. Further modified by General Agreement on Tariffs and Trade and Exchange of Notes, Oct. 30, 1947.	Various concessions by both countries, including exchange of lowest tariff rates (some reservations by Canada) and binding against increase of scheduled preferential duties. Extends also to Colonial Empire. Exchange of Notes, 1947, continues in force until Jan. 1, 1951, and thereafter until terminated on six months notice.
IRELAND.....	Trade Agreement signed Aug. 20, 1932; in force Jan. 2, 1933.	Canada concedes British Preferential Tariff in return for most-favoured-nation treatment in Ireland. Made for five years and thereafter until terminated on six months notice.
AUSTRALIA.....	Trade Agreement signed July 8, 1931; in force Aug. 3, 1931. Supplemented by General Agreement on Tariffs and Trade.	Each country accords the other reduced rates on schedules of goods, and otherwise (with a few exceptions in Australia) exchange their British Preferential Tariffs with each other. Made for one year and thereafter until terminated on six months notice. Preferences modified by General Agreement on Tariffs and Trade.
NEW ZEALAND.....	Trade Agreement signed Apr. 23, 1932; in force May 24, 1932. Supplemented by General Agreement on Tariffs and Trade.	Exchange specific preferences on scheduled goods and otherwise concede British Preferential Tariffs reciprocally. Made for one year, but kept in force by short-term extensions. Since Sept. 30, 1941, in force until terminated on six months notice.