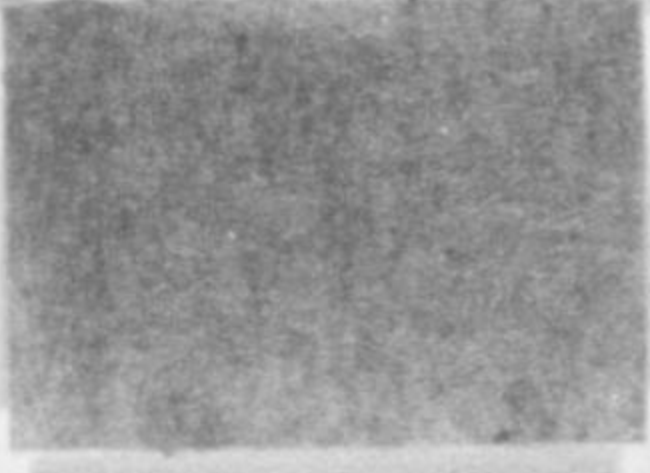


№ 2778



Ex 2798

Def. Doc. #1836-C

Excerpt from  
IMPERIAL ECONOMIC CONFERENCE AT OTTAWA  
1932

UNITED KINGDOM-INDIAN AGREEMENT.

We, the representatives of His Majesty's Government in the United Kingdom and of the Government of India, hereby agree with one another, on behalf of our respective Governments, as follows:---

Article 1.

His Majesty's Government in the United Kingdom undertake that Orders shall be made in accordance with provisions of Section 4 of the Import Duties Act, 1932, which will ensure the continuance after the 15th November, 1932, of entry free of duty into the United Kingdom of Indian goods which comply with the law and statutory regulations for the time being in force, defining Empire goods for the purpose of customs duties, and which, by virtue of that Act, are now free of duty.

Article 2.

His Majesty's Government in the United Kingdom will invite Parliament to pass the legislation necessary to impose on the foreign goods specified in Schedule A appended hereto the duties of customs shown in that Schedule in place of the duties (if any) now leviable.



Article 3.

His Majesty's Government in the United Kingdom will invite Parliament to pass the legislation necessary to secure to Indian goods of the kinds specified in Schedule B appended hereto, which comply with the law and statutory regulations for the time being in force, defining Empire goods for the purpose of customs duties, the margin of preference over similar foreign goods shown in that Schedule.

Article 4.

His Majesty's Government in the United Kingdom undertake that no order will be made, and that Parliament will not be invited to pass legislation which would have the effect of reducing the margin of preference now enjoyed by Indian goods of the kinds specified in Schedule C over similar foreign goods, and further undertake that, in the event of any greater preference being accorded in respect of such goods imported from any other part of the Empire, such greater preference will be extended to similar Indian goods.

Article 5.

It is agreed that the duty on either wheat in grain or lead as provided in this Agreement may be removed if at any time Empire producers of wheat in grain and lead respectively are unable or unwilling to offer these commodities on first sale in the United Kingdom at prices not exceeding the world prices, and in quantities sufficient to supply the requirements of United Kingdom consumers.

Article 6.

His Majesty's Government in the United Kingdom will invite Parliament to pass legislation which will secure for a period of ten years from the date hereof to tobacco, which complies with the law and statutory regulations for the time being in force defining Empire goods for the purpose of customs duties, the existing margin of preference over foreign tobacco, so long, however, as the duty on foreign unmanufactured tobacco does not fall below 2s.  $0\frac{1}{2}$ d. per lb., in which event the margin of preference shall be equivalent to the full duty.

Article 7.

His Majesty's Government in the United Kingdom will invite Parliament to pass legislation providing for the admission into the United Kingdom free of duty from all sources of the goods specified in Schedule D.

Article 8.

His Majesty's Government in the United Kingdom undertake that they will co-operate in any practicable scheme that may be agreed between the manufacturing, trading and producing interests in the United Kingdom and India for promoting, whether by research, propaganda or improved marketing, the greater use of Indian cotton in the United Kingdom.

Article 9.

His Majesty's Government in the United Kingdom will invite the Governments of the non-self-governing Colonies and Protectorates to accord to India

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any preference which may, for the time being, be accorded to any other part of the British Empire, provided that this Clause shall not extend to any preferences accorded by Northern Rhodesia to the Union of South Africa, Southern Rhodesia and the Territories of the South African High Commission by virtue of the Customs Agreement of 1930, and, further, will invite the Governments of the Colonies and Protectorates, shown in Schedule E, to accord to India new or additional preferences on the commodities and at the rates shown therein.

Article 10.

The Government of <sup>India</sup> will invite the Legislature to pass the legislation necessary to secure to United Kingdom goods of the kinds specified in Schedule F, which comply with the laws and statutory regulations for the time being in force defining Empire goods for the purpose of customs duties the margins of preference over similar foreign goods shown in that Schedule.

Article 11.

The Government of India will consider, in the light of the findings of the Tariff Board, the protective duties to be imposed on goods of cotton and artificial silk according as they are made in the United Kingdom or elsewhere, and will invite the Legislature to pass legislation by which, where protective duties are not imposed as a result of the recommendations of the Tariff Board upon United Kingdom goods of the kinds specified in Schedule G, the margins of preference shown in that Schedule will be extended to such goods.

Article 12.

The Government of India will invite the Legislature to pass the legislation necessary to secure to the Colonies and Protectorates and the Mandated Territories of Tanganyika, the Cameroons under British Mandate and Togoland under British Mandate, preferences on the commodities which comply with the laws and statutory regulations for the time being in force defining Empire goods for the purpose of customs duties and at the rates shown in Schedule H, and also any preferences from time to time accorded to the United Kingdom if His Majesty's Government in the United Kingdom so request. Provided that the Government of India shall not be bound to accord any preferences to any Colony or Protectorate which, not being precluded by international obligations from according preferences, either (i) accords to India no preferences, or (ii) accords to some other part of the Empire (in the case of Northern Rhodesia, excepting the Union of South Africa, Southern Rhodesia and the territories of the High Commission) preferences not accorded to India.

Article 13.

His Majesty's Government in the United Kingdom declare that they will maintain their existing policy under which tariff preferences accorded to any Dominion are also accorded to India, and the Government of India, for their part, declare that it is their intention to extend to the United Kingdom any tariff preferences which they may accord to any Dominion.

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Article 14.

This agreement between His Majesty's Government in the United Kingdom and the Government of India shall continue in force until a date six months after notice of denunciation has been given by either party.

Provided that in the event of circumstances arising which in the opinion of either party necessitate a change in the rates of duty or margins of preference settled by the agreement on any particular description of goods, that party shall notify and consult with the other party with a view to adjustments being agreed upon. If no agreement is reached within six months of the date of such notice it shall then be open to the original party to give to the other party six months' notice of his intention to carry into effect the change desired in the rate of duty or margin of preference on goods of the description named in the original notice, and to bring the revised rate or rates into operation at the expiration of this period.

Signed on behalf of His Majesty's Government  
in the United Kingdom:

STANLEY BALDWIN.

Signed on behalf of the Government of India:

ATUL C. CHATTERJEE.

(Initialled) R. B. H.

August 20, 1932.