

L.O.D. SKELTON TO W.L.M.K.

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OFFICE OF
THE UNDER-SECRETARY OF STATE
FOR EXTERNAL AFFAIRS
CANADA.
E.T.

Memorandum.

I do not know of any memorandum or discussion on the McKenna duties, which were imposed during the war on manufactured luxuries (motors, pianos, watches, etc.). They were imposed for a definite term, which expired in 1924, when the Labour Government decided not to extend them. These duties involved a one-third preference on Empire goods. *Mr Churchill is now restoring them.*

During the Imperial Economic Conference of 1923, the British Government offered to recommend further preference on certain Empire food stuffs. The proposals fell into two groups (1) reductions of existing duties so far as Empire products were concerned, chiefly ^{on} certain dried fruits, wine, tobacco, sugar, and (2) the imposition of new duties on certain foreign products which were to come in with free entry ^{as for the} ~~for~~ Empire ~~products~~. This included apples, canned salmon, etc.

The McDonald Government declined to carry out either group of the proposals. The Baldwin Government has now agreed to carry out the first group, and it has asked the Imperial Economic Committee to report as to the possibility of compensating in some other way for the withdrawal of the second

W.L. Mackenzie King Papers
Memoranda & Notes

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