

# A Long and Close Relationship

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Canada has long and close historical links with the Commonwealth Caribbean. Special economic and trade relationships between the two areas go back to the early 18th century when the British northern Atlantic colonies exchanged fish, lumber and other staples for West Indian rum, molasses and spices.

Preferential trade relationships between Canada and the Commonwealth Caribbean also have a long history. In 1898 Canada unilaterally granted a 25 per cent tariff preference to a number of West Indian exports, including raw and refined sugar. In 1900 the sugar preference was raised to 33 1/3 per cent, and Canada became the main market for West Indian sugar. In 1912 tariff preferences between the two areas were further extended by the Canadian-West Indian Reciprocal Treaty, which was revised in 1920 and 1925 and changed substantially in 1937. The Treaty provided for the extension by both parties of general tariff preferences for each other's goods, and deeper preferences for some selected products.

In 1966 a special Canada-Commonwealth Caribbean Conference was held, aimed at bolstering trade and economic relations, and a special protocol to the 1925 trade arrangement was adopted. One important element of the protocol was a new Canadian preference for sugar. Canada granted duty-free entry for West Indian sugar, up to a level based on the average quantity of West Indian sugar exports to Canada over the previous five years. To facilitate continued consultation between the governments on trade and