

The United States authority to reduce rates will be limited by certain provisions of the Trade Agreements Extension Act of 1955. This Act empowers the President, beginning July 1, 1955, to make reductions of not more than 15 per cent of the rates prevailing on January 1, 1955. Reductions must be spread over three years and the maximum reduction in any one year is limited to 5 per cent. The President is also authorized to decrease certain rates now above 50% to an ad valorem duty of 50%; not more than one-third of the total reduction in such cases is to be made effective in any one year. The President's authority to negotiate reductions is further subject to limitation by the so-called "peril points" procedure.

Representations dealing with possible reductions in the Canadian Tariff should be addressed to the Tariff Section of the International Economic Relations Division, Department of Finance. Canadian businessmen are invited to submit representations indicating which reductions in the Canadian tariff may be desirable and which ones may be undesirable. These representations should be submitted not later than September 15th.

A number of briefs dealing with the Canadian tariff have been received by the Department of Finance in recent months. These briefs are now being studied, and any supplementary information that may be submitted at this time will be taken fully into consideration.

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