



# PRESS RELEASE

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 41

FOR IMMEDIATE RELEASE

August 31, 1951.

The Secretary of State for External Affairs today made public the text of a Canadian Note that was handed to the Department of State in Washington earlier this week. The text is as follows.

"The recent announcement of the United States Department of Agriculture with regard to the control of imports into the United States of fats, oils, and other dairy products has created a situation which is of urgent concern to the Canadian Government. The restriction of the imports of dried milk products, and cheese in particular, will cause immediate damage to Canadian trade with the United States.

"In the case of cheese, the new import quota will reduce United States imports substantially below the levels which have prevailed in the immediate past. This reduction cannot fail to have a serious prejudicial effect upon the position of the Canadian dairy industry.

"While the impact of the new restrictions upon particular producers is of immediate concern, the Canadian Government wishes also to call the particular attention of the Government of the United States to the more far-reaching implications of this action. The new restrictions announced by the United States Department of Agriculture are contrary to the obligations which the two governments have assumed toward one another in the General Agreement on Tariffs and Trade. The latter provides clearly that quantitative import restrictions of this kind shall not be imposed except in certain stated circumstances which cannot be held to exist at present in respect of these commodities. These new import controls, furthermore, will nullify the value of certain of the tariff concessions which were negotiated at Geneva in 1947 and at Torquay, these concessions having been bound by the United States until January 1, 1954.

"The Government of Canada has sought at all times to observe the terms of the General Agreement on Tariffs and Trade which govern the commercial relations between our two countries. The Canadian Government earnestly hopes the Government of the United States will review the action it has recently taken to restrict the imports of dairy products, in the light of the provisions of the General Agreement on Tariffs and Trade, in order that the mutually advantageous trade which is of such great importance to the general well-being of both our countries may not be impaired."