

for America", and has been made by the Committee for Economic Development, a private group of leading American industrialists, bankers and economists.

The second is an official report to the President by the Public Advisory Board for Mutual Security, entitled "A Trade and Tariff Policy in the National Interest", and is often referred to by the name of the Board's Chairman as the Bell Report. Your members, Mr. Chairman, will be familiar with the pronouncements made by the Detroit Chamber of Commerce and many other bodies on the American trade policy.

On the top of page 4 of the brief we offer a short digest of certain matters contained in these reports. They concur and recommend the following:

1. A selective reduction in the American tariff by extending the reciprocal Trade Agreements Act (due to expire this June) without the obnoxious "peril point" clauses;

2. A simplification of American customs procedure to enable the foreign exporter to determine just what rate of tariff his product is going to have to pay;

3. Repeal of the "Buy American" Act.

When the trade and tariff policies of the United States are receiving such attention and scrutiny from American leaders, it is not perhaps out of place to point out certain changes which would be regarded as beneficial from the point of view of Canadian producers of metals. There is a strong mutuality of interest. It is acknowledged that metals and minerals of Canadian origin, many of them of top strategic importance, are urgently needed by the United States; and that this demand will increase rather than diminish is evident from the findings of the Paley Report.

In these circumstances it will suffice if we draw attention to certain instances where United States tariff policy does not seem adjusted to the mutual requirements and the changing circumstances of the two countries.

The United States imposes a tariff on nickel of $1\frac{1}{4}$ cents per pound, though it is almost wholly dependent on Canadian sources for its supply. There is no domestic industry to protect, and the tariff therefore serves no purpose but that of raising revenue. It would appear quite unwarranted.

The duty currently imposed on zinc concentrates is similarly regarded by Canadian producers as unjustified. It results in a substantial loss of revenue to Canadian mines, increases the cost to the U.S. consumer, and could deprive U.S. smelters of the concentrates needed to operate their plants at maximum efficiency.

Duties on zinc and lead were reimposed in 1952, when the domestic price of these metals in the United States dropped below an established level. The situation has become very seriously aggravated by bills now before Congress, which are being most actively promoted and which if passed into law would have most injurious effects on Canadian and foreign producers. The purpose of the legislation is to impose, in addition to the currently applicable duties, "sliding scale stabilization duties" on zinc and lead (concentrates and metal), which will apply whenever the U.S. domestic price falls below an established base price. The effect would be to keep prices artificially high and raise the U.S. tariff to a point which would be virtually an embargo on imports. The injurious effects of such legislation on Canadian producers cannot be too strongly emphasized.

Another instance of difficulty arising from U.S. tariff regulations is the one and one-quarter cents per pound duty imposed on copper rods. This is only one of the various primary shapes in which copper is sold, and there seems no reason why this particular form should be singled out for discriminatory treatment.