CONCESSIONS GRANTED TO UNITED STATES ON BASIS OF CANADIAN IMPORTS

Concluded

Certain Types of Textile Machinery.—Reduction from 10 per cent to 5 per cent. Imports: 1930, $4,900,000.

Electric Dynamos, Generators, Motors and Parts.—Reduction from 37½ per cent to 30 per cent ad valorem. Imports: 1930, $6,500,000.

Radios and Parts.—Reduction from 30 per cent to 25 per cent ad valorem. Imports: 1930, $10,400,000.

Telephone and Telegraph Apparatus.—Reduction from 30 per cent to 25 per cent ad valorem. Imports: 1930, $3,200,000.

Electric Refrigerators.—Reduction from 40 per cent to 30 per cent ad valorem. Imports: 1930, nearly $2,000,000.

Washing Machines.—Reduction from 35 per cent to 25 per cent ad valorem. Imports: 1930, $1,600,000.

Miscellaneous Manufactures of Iron and Steel.—Reduction from 35 per cent to 25 per cent ad valorem. Imports: 1930, $20,500,000.

Electro Plated Ware.—Reduction from 45 per cent to 30 per cent ad valorem. Imports: 1930, $2,600,000.

Dressed Lumber, including Flooring.—Reduction from 25 per cent to 20 per cent. Rough lumber and lumber dressed on one side—bound on free list. Combined imports: 1930, $11,100,000.

Manufactures of Wood (n.o.p.).—Reduction from 25 per cent to 20 per cent ad valorem. Imports: 1930, $3,600,000.

Miscellaneous Manufactures of Paper.—Reduction from 35 per cent to 30 per cent ad valorem. Imports: 1930, $3,100,000.

Paper (n.o.p.).—Reduction from 35 per cent to 30 per cent. Imports: 1930, $2,000,000.

Fertilizers, Certain Types of Glass, Building Brick and Stone, Motorcycles, Certain Classes of Toys and Musical Instruments.—Various reductions.

Magazines.—Former duty up to 15 cents per copy. Placed on free list. Magazines would be on the free list under most-favoured-nation treatment. Are protected under general tariff only. Come in free of duty under intermediate tariff.

Enamel Hollow Ware, Cooking and Heating Apparatus, Kitchen Ware.—Various reductions.

Under the intermediate tariff the United States obtains reductions on some seven hundred items; she also obtains the minimum she could expect from a trade agreement with Canada. The Canadian note of November 14, 1934, bears that out. Canada will benefit from such reductions of duty as the United States may grant to other countries, through the most-favoured-nation clause. She enjoys the benefit of a reduced duty on 86 items below the intermediate rate, and has received reductions in respect to 63 items of the United States tariff in addition to the stabilization of 21 items on the free list.

Unfortunately, because of low prices and depressed conditions in the United States, we were unable to obtain concessions on codfish and table potatoes.

We were not able to obtain concessions on grain, because the United States is still an exporter and fears the effect of a reduction on prices in its own markets. Even a fifty per cent reduction in existing duties would have conferred no benefit upon our grain growers. We shall have to await the time when the United States becomes an importer. A gentleman who has had considerable to do with matters governing the whole movement of wheat in Canada expressed to me, some three years ago, the opinion that the Northwest should not limit the production of wheat, but on the contrary should increase it, because within five years the United States would be an importing nation. At the time I was not as optimistic as he was, and I am awaiting the completion of the five years to see whether he was right or wrong.

In this convention we have stablilized the moderate rates of duty charged on our low-grade wheat and by-products of grain, considerable quantities of which have been sold in the United States.

The agreement by the United States to maintain on the free list 21 items of importance to Canadian trade is most valuable. It assures Canadian importers that their trade will not be interfered with.

The items on which reductions appear below the intermediate tariff were carefully selected so as to benefit the Canadian consumer without injuring Canadian industry. The agreement, I believe, will make for an expansion of trade. Canadian industries are on a better competitive basis by reason of reduced rates on machinery and implements of production. Canada retains her freedom to adjust the rates of the intermediate tariff on all items not included in schedule 1 of the agreement. This schedule comprises 180 items—less than 13 per cent of the total number of items in the Canadian tariff. In the case of 86 items the reductions are below our intermediate rates of duty, and in the case of 94 items the existing intermediate rate is maintained, and cannot be altered, during the term of the agreement. Our anti-dumping provisions are still in effect as far as values for duty are concerned. The com-