

MR. HOWE TO LEAD GATT DELEGATION

STRENGTHEN AGREEMENT: The Minister of Trade and Commerce, Mr. C. D. Howe, will lead Canada's delegation to Geneva, October 28, where delegates from more than 30 countries will review the operation of the General Agreement on Tariffs and Trade.

Mr. Howe announced his intention in a speech to the Montreal Board of Trade on October 5, and said that Canada will endeavour to get agreement from the United States and other trading powers on a firm limitation of import quotas which restrict world trade.

The Minister said, in part:

"In about three weeks time, delegates from more than 30 countries will begin meeting in Geneva to review the operation of the General Agreement on Tariffs and Trade. We hope there will be an opportunity at that Session to formulate generally acceptable rules of trade which will assist overseas countries in the rapid progress which they are making towards the convertibility of currencies and the liberalization of trade. I am planning myself to lead the Canadian Delegation and to supervise the negotiations."

TARIFFS REDUCED

"During the seven years of the existence of the GATT, tariffs have been reduced, world trade has been facilitated by it in many ways and governments have been influenced to pursue more liberal commercial policies than would otherwise have been the case. Our representatives will participate again in the work of the General Agreement on Tariffs and Trade. As a forthright expression of governmental trade policy, they will attempt to strengthen the Agreement and to limit deviation from its basic principles, thereby supporting the promotion of trade throughout the world."

"A great deal of our trade is carried on as you know with the United States. In recent years, occasional difficulties have arisen in our trade with that country, where some restrictions have been imposed and some tariffs have been raised"

"It is important that we continue to urge the cause of freer trade in what we say to the United States. The leadership of the United States is of crucial importance in the present day world. Over a long period I have regarded their trade policies as constructive on the whole and forward-moving. There have been some lapses and we have never failed to make strong protests when we were affected, not only because of the value of the trade involved but because of the important principles at stake."

"The record of our trade relations and trade negotiations with the United States since the war is a remarkably successful one. Under the auspices of the General Agreement on Tariffs and Trade, United States rates of duty on dutiable imports have been reduced by

one-third. Some indication is given of the importance of United States trade concessions to Canada by the fact that 97 percent of Canadian exports to the United States are entered under tariff items which are contractually bound under the General Agreement on Tariffs and Trade.

"In the recent past, there has been a large increase in the number of appeals by industry in the United States to their Tariff Commission for relief in the form of higher tariffs. Some of the cases referred to the Tariff Commission have involved important Canadian trade interests. If you examine the record, however, you will find that the total impact on Canadian trade of increased protection in the United States has been kept to very small proportions."

"Appeals were made to the United States Tariff Commission involving such important Canadian exports as fluorspar, lead and zinc, groundfish fillets, mustard seeds, and a few others, and the recommendations for higher protection were rejected. On another list of agricultural products, we have not been able to fare quite so successfully, but on the other hand we have not done too badly. On cheese, oats and rye, import quotas were recommended by the Tariff Commission and accepted and tariffs or their equivalent have been increased on alsike clover seed, flax seed and linseed oil."

TRADE WITH U. S.

"Our trade with the United States in agricultural products is important to us, and questions of agricultural trade are always very sensitive questions on both sides of the border. It is urgent and important that we reach firm understandings with the United States in this area of trade."

"This is one of the most important questions which we shall attempt to deal with at the coming session of GATT. I would like you to bear in mind, however, that this field of trade in agricultural products is only a part, important as it is, of our trade with that country. We may be encouraged by the fact that the problems which are at present unsolved are really localized in that field."

"Trade between Canada and the United States is important to the Americans as it is to us. It is founded on a solid basis of mutual understanding and goodwill. I have no doubts whatsoever that we shall continue to resolve in a satisfactory manner the difficulties which arise, and that our trade with the United States will continue to grow and flourish over the years. . . ."

"Since the war, many countries overseas have been continuously in financial difficulties which have led them to impose quantitative restrictions on imports. These have been