



PRESS RELEASE

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Not to be published, carried on news agency wires, broadcast or used in any way before 12.01 a.m. EDT, May 9, 1951.

May 9, 1951.

TORQUAY TARIFF NEGOTIATIONS

The Secretary of State for External Affairs announced today that Canada has successfully concluded trade agreements with sixteen countries in the course of the tariff negotiations which took place in Torquay, England, since last fall.

The Torquay agreements incorporate the results of no less than 147 separate two-sided tariff negotiations which were successfully concluded among the 34 countries taking part in the Torquay Conference. The new agreements constitute the third successful international effort since the end of the war to reduce tariffs and other barriers to trade under the auspices of the General Agreement on Tariffs and Trade. The Torquay Conference followed the same pattern as the Geneva Conference of 1947 and the Annecy Conference of 1949, and the most recent agreements are really an extension of the agreements drawn up in the previous years. Under the most-favoured-nation principle, all tariff concessions agreed to at Torquay will become available to Canada whether or not these concessions were negotiated directly with Canada. Similarly, Canada will automatically extend its own tariff concessions to each of the other participating countries.

The agreements concluded at Torquay are expected to increase the overall value of the General Agreement in a number of important ways. Firstly, arrangements were made to extend the Geneva and Annecy concessions for a further firm period of three years. Secondly, the General Agreement was expanded to include the following six new members: Austria, the German Federal Republic, Korea, Peru, the Philippines and Turkey. Finally, new tariff negotiations took place between present members to cover a broader range of commodities and in many cases to provide for further reductions on products previously negotiated. The new tariff concessions, together with the Geneva and Annecy concessions, are to remain in force at least until January 1, 1954.

As part of the undertaking to extend the previous agreements for a further firm period of three years, countries had a right under the General Agreement to make modifications or withdrawals of previous tariff concessions and in a few cases concessions were withdrawn from Canada. In such instances, compensation was made by way of tariff concessions on other products so that the overall value to Canada of the previous agreements was not impaired. In this connection, it is important to note that the original tariff concessions exchanged among the United States, the United Kingdom, Canada and a number of other important countries were maintained in their entirety.

Canada was successful at Torquay in concluding a further important trade agreement with the United States, the fourth since 1935. The United States was on this occasion still governed by the Reciprocal Trade Agreements Act which empowers the President to reduce tariffs by not more than 50 per cent of the 1945 rates, so that the scope of the new agreement was limited to concessions on new products or on products for which the full powers had not been previously exhausted.