

referred to. We worked as tariff officials, purely on the basis of tariff and all we did in respect to the Canadian tariff was to bind the existing situation. Therefore, if there should be a new program we can start from scratch, so to speak.

Hon. Mr. HAIG: The Geneva agreement does not stop that?

Mr. MCKINNON: No. Under the Geneva agreement to date we have conserved our resources, if you would like to put it that way. They may be reduced under the agreement but as it stands now under the agreement they have not been reduced.

Hon. Mr. HAIG: Your agreements have not affected that position?

Mr. MCKINNON: No.

Hon. Mr. HAIG: That is still possible?

Mr. MCKINNON: Yes.

Hon. Mr. HAIG: That is the answer I wanted.

Mr. KEMP: May I correct a statement I made just now? I said so far as I remembered there was no reduction on the United States duty on automobile parts. It is true there was no reduction in the United States rate of duty on automobiles but there has been a reduction on parts. The item is number 369 (c) in the United States tariff which reads as follows:

Parts (except tires and except parts wholly or in chief value of glass) for any of the articles enumerated in subparagraph (a) or (b) of paragraph 369 of the Tariff Act, 1939, finished or unfinished, not separately provided for. For motorcycles, 15 per cent ad valorem, no change; other

—that would be for motor vehicles other than motorcycles—

the rate has been reduced from 25 per cent to 12½ per cent ad valorem.

Now the trade statistics which I have also looked up during the past few moments show that in 1939 we exported \$39,000 worth of automobile parts to the United States. I do not suppose it was a regular business but it sometimes happens that a factory on the other side may be temporarily short of some parts and may import a few from this side for emergency reasons. I would imagine that would be the principal reason why we were exporting parts to the United States over a duty of twenty-five per cent in 1939. However, in 1946 when conditions were also probably abnormal in many ways, our export of automobile parts to the United States was considerably more extensive and actually reached \$2,700,000 worth.

The CHAIRMAN: That is a surprising figure.

Hon. Mr. HAIG: That is what I thought. Thank you very much.

Hon. Mr. CAMPBELL: An attempt is being made to build up a toy industry in Canada today, and I was wondering if Mr. Kemp could tell us what the position is as to the duty on toys?

Mr. KEMP: My recollection is that the rate of duty on toys entering the United States is very high; I think it is 70 per cent. It was one of the items on which we naturally did our best to get a reduction, but, like another one mentioned today, it is not in the grey book. We understand that the reason it was left out of that book was that certain other countries which are regarded as the world's great toy suppliers were not represented at Geneva. Therefore we were not able to get any concession on that big toy item.

Hon. Mr. CAMPBELL: And we did not grant any reduction at all?

Mr. MCKINNON: Since we as potential suppliers of toys were not able to get any reduction in the United States duty of 70 per cent, we declined to do anything more than bind our present duty of 30 per cent. Although they pressed us to reduce our duty, we did not do so.