

where there is a monetary or an exchange crisis. That has not been the case in the United States. They have applied embargoes where there was no exchange problem.

Hon. Mr. MACLENNAN: In other words, if the Americans do not want to receive manufactured goods from Canada they have ample machinery to keep them out.

Mr. SHEILS: You have put it in a nutshell, sir.

Hon. Mr. EULER: My reason for saying that the correction of that would not necessarily require legislation was this: those restrictions, and obstacles—if you like—to the importation of Canadian goods into the United States are matters of regulation pretty largely, and regulations get altered very often in a certain way by officials rather than under any definite act of law.

Hon. Mr. CRERAR: I think, Mr. Chairman, that the United States tariff is a monstrosity; and their law makes provision for all these regulations. That is, if my understanding of it is correct, their tariff laws define that in certain circumstances certain things must be done, and there is a conflict between not only the present Executive in the United States, but also the previous Executive, with Congress over the application of these laws; and I have no doubt that the representatives of the United States at GATT said, "We will try and get these things changed in the American law", but so far it has not been done; and their tariff law makes provision for these roundabout ways of protection—because that is all it is, reduced to its essentials.

Mr. SHEILS: I think that is right, sir.

Hon. Mr. CRERAR: It gives more authority to a Customs officer than our laws do, so that the Customs officer can place them in different categories, hold them up indefinitely, and so forth.

Hon. Mr. EULER: Under regulations. But who makes the regulations? The law is made by Congress but regulations under the law are not made by the Congress, but by the officials or what we in Canada call the minister. You pass a certain law in Canada, and the minister is given power to make regulations. He may perhaps table them, but he does not have to go to parliament to ratify the regulations.

Hon. Mr. CRERAR: I may be wrong, Mr. Chairman—

Hon. Mr. EULER: We have both been in that position, senator.

Hon. Mr. CRERAR: —but I think it will be found that even the President, with all his power, cannot vary these regulations. That is embedded in their tariff law, beyond his ability to touch; and there have been frequent discussions in the last few years over the need of revising those regulations.

Hon. Mr. EULER: But who makes those regulations?

Hon. Mr. CRERAR: The regulations on that point are really made by Congress.

Hon. Mr. EULER: I don't think so.

Hon. Mr. CRERAR: I think you will find that is so.

Hon. Mr. TURGEON: Coming back to this agreement under which the United States representatives agreed to change the regulations, and so forth: what is the date of the meeting when that agreement was made?

Mr. SHEILS: I believe the first agreement was in 1946.

Hon. Mr. TURGEON: You refer to the last one, in which they definitely agreed to a change?

Mr. SHEILS: That was this meeting with the British representative, Mr. Butler, when the question of freeing trade was discussed, and sterling convertibility, and so forth.