



Miss Hamilton

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Tuesday, June 7, 1955.

United States Tariffs: Ottawa, June 6 (CP) -- Mr. Drew today suggested that Canada seek a general review of escape clauses under the General Agreement on Tariffs and Trade.

He spoke in the House of Commons as the Government disclosed the text of its latest diplomatic note of protest against United States congressional attempts to boost tariffs on imports.

The note, delivered in Washington last Wednesday, said Canada feels "serious concern" over the move of a U.S. Senate committee to increase the import tariff on hardboard. It said an increase is not justified and would contradict the spirit and intentions of GATT -- the international pact binding tariff levels and banning certain trade restrictions.

The note, read to the House of Commons by Mr. Howe, asked the U.S. administration to make strong efforts to defeat the congressional proposal and said an increase would have "damaging repercussions upon the attitudes of other countries in their trade relations with the United States."

Mr. Howe said he doubts Canada will retaliate, however, if the proposal is adopted.

Mr. Drew commented that this is not the first time Canada has filed protests against congressional tariff proposals.

"If the Government has as great concern as is indicated today about the tendency in the U.S. to extend the scope of the (GATT) escape clauses, then I would think we have come very close to the time when it may be necessary for the Government to propose a general review of the effect of the escape clauses."

Mr. H.W. Herridge (CCF-Kootenay West) asked whether Canada could not retaliate "very effectively" by putting an export tax on newsprint and nickel sold to the U.S.

Mr. Howe replied: "What we could do is one thing and what we think it is policy to do is another. I doubt if we will retaliate."

Defence Statements: Ottawa, June 6 (Montreal Gazette) -- The federal Government acted quickly today to check the incidence of controversial public statements by high ranking armed forces officers.

Air Vice-Marshal John L. Plant was publicly rebuked by the Government today for his "indiscreet" Toronto speech, abruptly removed from his key post as air member for technical services and shunted to a lesser position far removed from the policy level.

The rebuke was administered in the House of Commons this afternoon by Prime Minister St. Laurent and Defence Minister Campney. The latter announced the shift in posts. . . .

In addition, Mr. Campney announced that he is also preparing, for issuance to the three services, "instructions governing future public statements by members of the armed forces." . . .

Mr. Drew protested that Mr. Campney's statement did not adequately deal with the situation.

"There was nothing either entertaining or humorous in the statement that war is inevitable and that the Western powers are anxious and willing that this should come," he snapped.

Such statements would be taken "very seriously" outside Canada -- perhaps inside as well.

He asked Prime Minister St. Laurent to deal with this aspect of the matter.