

5^e PARTIE/PART 5IMPORTATIONS À FAIBLE COÛT DU JAPON ET DE HONG KONG
LOW COST IMPORTS FROM JAPAN AND HONG KONG

805.

PCO

*Note du ministre des Finances
pour le Cabinet**Memorandum from Minister of Finance
to Cabinet*CABINET DOCUMENT NO. 1-61
CONFIDENTIAL

[Ottawa], January 4, 1961

REPORT OF THE CABINET COMMITTEE ON LOW COST IMPORTS

1. The Committee established to review the proposals submitted by the Interdepartmental Committee on External Trade Policy on low cost imports has met, reviewed the paper previously submitted to Cabinet (Cab. Doc. 368/60, dated November 8th, 1960),⁷⁴ and endorses the recommendations which it contains.

2. These recommendations, it will be recalled, are as follows:

(a) From now on, Japanese exporters should be required to furnish information to Canadian customs authorities in accordance with Canadian law so that a proper determination of the fair market value of their products can be made. If they do not, Section 40 of the Customs Act should be applied. Initially this step should be taken on a trial basis to see what the Japanese reaction is likely to be. Similar measures should be taken in respect of Hong Kong.

(b) The Japanese should be pressed to continue the existing system of voluntary restraints, and make it more effective, in cases where their exports are clearly having a disruptive effect in Canada.

(c) If the results of these measures are inadequate and imports of one product or another continue to flood in from Japan and cause material injury, fixed values should be applied in individual cases as necessary in accordance with the provisions of Section 40A (7) (c) of the Customs Act. If the Japanese adjust their volume of exports of a particular product, fixed values should be withdrawn.

(d) If Hong Kong cannot apply export restraints and imports from Hong Kong threaten disruption of the Canadian market for certain products, fixed values should be adopted as necessary. These values need not be applied on the same products from Japan if Japan is controlling exports of these products at an acceptable level. The matter should now be raised formally with the United Kingdom authorities.

(e) Consideration should be given to the possibility of establishing an interdepartmental group to receive and consider representations concerning low-cost import competition and to report thereon to the Minister of Finance and, when the question of fixed values arises, to the Minister of National Revenue, who would report to Cabinet.

⁷⁴ Voir/See Volume 27, document 572.