

exchange difficulties. In terms of 1939 trade, it is found that 90 per cent of exports to the United States will be affected by concessions granted. Two-thirds of the trade will be affected by an undertaking on the part of the United States not to raise tariff rates while nearly one-quarter will be subject to tariff reductions. However, two-thirds of Canada's exports to the United States in 1939 entered duty free. If the dutiable trade only is considered, the concessions that the United States Government is prepared to grant to Canada are far more impressive. Only 5 per cent of the 1939 dutiable exports would not have been subject to concessions; 25 per cent of the exports would enjoy bound tariff rates; and 70 per cent would be subject to tariff reductions. What is more important, about 60 per cent of the dutiable exports would be entitled to reductions from present levels of from 36 to 50 per cent. In return, Canada has made concession by way of tariff reductions or bindings on 70 per cent of imports from the United States. Forty-five per cent of the dutiable imports from the United States would be subject to rate reductions.

Canada's Support of International Trade

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