

Hon. A. L. BEAUBIEN: I suppose the provisions of the charter can be amended?

Mr. DEUTSCH: The amending of provisions of the charter is on the agenda of the Havana conference. If the conference amends any provisions, that would not automatically change the Geneva agreement, senator, for the countries which signed at Geneva would decide whether or not to accept any or all of the amendments. If any amendments were accepted by them, the Geneva agreement would be altered accordingly.

Hon. Mr. KINLEY: Only eight of the countries represented at Geneva signed this trade agreement?

Mr. DEUTSCH: They signed it for the purpose of bringing it into effect on January 1, but any other of the twenty-three nations may adhere to it at any time that they wish.

Hon. Mr. KINLEY: What is their position in the meantime, they having signed the charter but not the trade agreement?

Mr. DEUTSCH: Nobody has signed the charter, sir. All twenty-three signed this agreement technically, but the mere signing of the agreement does not obligate them to bring it into effect immediately; they can take some time to decide whether or not they will bring it into effect.

Hon. Mr. KINLEY: But they want to trade in the meantime.

Mr. DEUTSCH: They will carry on under their old arrangements. Eight of the countries agreed to sign another document, called a protocol of provisional application of the General Agreement on Tariffs and Trade, which means that they are prepared to bring this into effect on January 1.

The CHAIRMAN: Could that be done legally without legislative action?

Mr. DEUTSCH: Yes, by those eight countries, because they have power to bring the tariffs into effect. And they agreed to bring into effect the text of parts of the charter in so far as they had legislative power to do so, that is all.

The CHAIRMAN: What authority has the government of Canada to bring this into effect without authority of parliament?

Mr. McKINNON: Under section 11 of the Customs Tariff the Governor in Council may make concessions to other countries in return for concessions that they are making to Canada.

The CHAIRMAN: But he may not increase the tariff?

Mr. McKINNON: No, he cannot raise the rate of duty, but he can make reductions in the rate for other countries and bring them into effect by order-in-council, to be ratified later by parliament.

Hon. J. A. McDONALD (*King's*): Mr. Chairman, I have some questions to ask Mr. McKinnon about the British preferences. It seems that some answers have been given from what has been said today. I was wondering whether one of the gentlemen would like to give some information with respect to the elimination of British preferences, particularly as they apply to apples.

The CHAIRMAN: Might we postpone that subject until tomorrow?

Mr. McKINNON: Before we proceed to Senator McDonald's question, whether it be today or tomorrow, may I follow up Senator Kinley's comments? It should be made clear that although 23 nations were represented at Geneva and signed the agreement, only eight, as Mr. Deutsch has said, are bringing the program into effect on the 1st of January. It should be pointed out that with respect to some of the countries, the difficulty was not that they did not choose to bring the program into effect, but that their constitutional practice did not permit them to do so. In the cases of United States and Great Britain, they could do it, whereas certain other countries had to wait until parliament convened because they had no executive authority.