

RELAXATIONS OF EMERGENCY IMPORT CONTROLS

AFFECTS U.S. MERCHANDISE: The Minister of Trade and Commerce, Mr. Howe, and the Minister of Finance, Mr. Abbott, made a joint statement on August 31 announcing a further substantial series of relaxations in the Emergency Import Controls to take effect October 1, 1950. These relaxations are in several groups and affect all three schedules.

The first group of relaxations consists of those goods which have hitherto been in Schedule I (the prohibited list). The items in this group which will become unrestricted on October 1 include many pulp and paper products, office machinery and appliances, passenger automobile tires, and a long list of small items such as domestic water heaters, cigarette lighters, ash trays, vases, pencil sharpeners, dry cell batteries, and watch straps and bracelets. Pork and pork products will become unrestricted on December 31.

The second group comprises items hitherto in Schedule II (the quota list) which will become unrestricted. The most important items are textile fabrics, soaps, polishes, glassware, kitchen and household hollow-ware and cooking and heating equipment.

TRANSFERS TO QUOTA LIST

The third group consists of items transferred from Schedule I (the prohibited list) to Schedule II (the quota list). The principal items here are cut flowers, perfumery and toilet preparations, electric light fixtures, flashlights, electric irons and dry shaving machines, jewellery, fountain pens and pencils and electric mixers, heating pads and fans.

In Schedule III, administered by the Department of Trade and Commerce, forty-five of the current ninety-five items will be entirely removed from control. Deleted from the Schedule will be such items as certain chemicals, building stone, road paving machinery and railway equipment. Also included on this list of relaxations are fire engines, hearses and ambulances, aircraft and aircraft parts; book-keeping, calculating and invoicing machines and all office machinery parts, production parts for cooking and heating apparatus, vacuum cleaners, clothes wringers, washing machines, irons and electric shavers.

In calculating the 1951 allotment permits, covering the fifty items remaining under Schedule III, the following administrative relaxations will be adopted

1. Unexpended balances of 1950 allotments

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DR. COLEMAN AMBASSADOR TO CUBA: The Department of External Affairs announced on September 1 that, following the elevation of the Canadian Legation at Havana and the Cuban Legation at Ottawa to the status of Embassy, Dr. E.H. Coleman, K.C., C.M.G., Canadian Minister

may be carried forward on request, when the application to the Department of Trade and Commerce is supported by a valid reason;

2. Dealer allotment permits for 1951 will be increased by twenty per cent;
3. Allotment permits for production materials and component parts for manufacturers in 1951 will be issued at the same rate as for 1950. It is anticipated that these allotments will be satisfactory to the great majority of manufacturers but the Department will consider any upward revision that manufacturers may request.

With respect to Schedule I and II Mr. Abbott said that when the changes become effective there would no longer be any complete prohibitions under Schedule I and that the scope of present quota restrictions under Schedule II would be reduced by about one-half. The principal items remaining in Schedule I will be comics and "pulp" magazines, printed or manufactured soft synthetic sheeting, pleasure boats with inboard power, ornaments, punch boards and pinball games, and coin-operated vending and amusement devices. Even these, however, will not be completely prohibited but will be importable freely from non-scheduled countries, and may also be imported from scheduled countries by those who have regular quotas under the prescribed sections of Schedule II.

THE TEXTILE SECTION

The suspension of practically all fabrics from Category 2 of Schedule II (the textile section) leaves under quota the tariff items covering wearing apparel, blankets, knit goods, hats and caps, floor covering, furs and fur garments, and a few miscellaneous items in this group.

The total base period imports of all goods now under quota in Schedule II amounts to about \$200 million. After October 1 quotas will apply to goods of which base period imports were about \$100 million in value.

Commenting on the relaxations Mr. Abbott pointed out that the Canadian gold and U.S. dollar reserves had improved steadily during the past six months, and added that if this improvement continued, and barring other unforeseen circumstances, he could look forward to further relaxations, or indeed to the complete suspension of all the remaining emergency import controls.

to Cuba, has been appointed Ambassador and will continue in charge of the Mission at Havana.

The Cuban Government has announced its intention of nominating an Ambassador to Canada in the near future.