

every agricultural export of any substantial importance to Canada. That is to say, all the grains, including wheat—Mr. Kemp will go into detail about the duty and the removal of the quota—all the coarse grains, all the bran, shorts, middlings and mill feeds, practically all the seeds, the enlargement of the quota on cattle, enlargement of the quota on calves, further reduction of the duty on milk and cream, maximum reduction on all live poultry, which is now becoming a big trade with the United States; maximum reduction on practically all dressed poultry, the only item excluded being turkeys; maximum reduction, for the third time, a 50 per cent reduction if I remember correctly—certainly the third reduction—on table turnips.

The CHAIRMAN: May I ask you something right there? The President of the United States is limited to a reduction of 50 per cent. Can he make that repeatedly?

Mr. MCKINNON: Yes.

The CHAIRMAN: He can reduce it practically to nothing by that process?

Mr. MCKINNON: I could illustrate that by referring to those beautiful table turnips, senator, which come from the Maritimes, and also from Wellington and Grey counties, Ontario, which go over dipped in wax, and which represented last year some three million dollars worth of exports from this country. In 1935 we negotiated with the United States and got the duty reduced from 25 to 12½ per cent. It was later reduced to eight, if I remember correctly, and we have now cut it down to six and one-quarter cents. Reference was made to a further negotiation. If there ever should be such, it would be competent unless the United States law was changed to make a further reduction of fifty per cent. In other words, sir, the fifty per cent is limited to the one occasion. It is not that the pitcher will go to the well only once, but on each going it will fill only fifty per cent.

Hon. Mr. MCKEEN: Does there have to be a session of congress in between?

Mr. MCKINNON: No.

Hon. Mr. TURGEON: Would the first concession made have to be adopted by congress before the second was made?

Mr. MCKINNON: No, sir.

Hon. J. A. McDONALD (*King's*): Ordinarily there would not be more than one reduction a year?

Mr. MCKINNON: I think not. Two negotiations may be held within a twelve-months period, but I doubt if their law has ever envisaged such a situation, and there is no suggestion that any particular length of time must elapse between one reduction and another.

Hon. Mr. DUFFUS: Why was there not a reduction on turkeys?

Mr. MCKINNON: In reference to this matter possibly the press might not use the name of the country because it might embarrass the United States. Turkeys were excluded from our negotiations on the ground that we are not the principal supplier. The principal supplier is another country and in the expectation and hope that that country will ultimately join the negotiating countries, the United States naturally withheld the reduction on turkeys because it would be of major importance to the other country and if and when it gets the reduction we will share in the benefit. That, by and large, Senator Crerar, was the picture on agriculture. As regards forest products, we get a maximum reduction practically all the way through the list in the United States, and in most cases this was the second, if not the third, reduction on most of the lumber in which we are interested as exporters. In base metals we get the maximum reduction on most of them including nickel, copper, tantalum, cadmium, tungsten and practically all the aluminum. It included all the base materials excepting lead. Again lead is reserved because another country, whom perhaps I should