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CANADA

## COMMUNIQUÉ

DEPARTMENT OF EXTERNAL AFFAIRS

MINISTÈRE DES AFFAIRES EXTÉRIEURES

CAI EA 6 64JS7 FOR IMMEDIATE RELEASE THURSDAY, APRIL 30, 1964.

JOINT UNITED STATES-CANADIAN COMMITTEE ON TRADE AND ECONOMIC AFFAIRS, OTTAWA, April 29-30, 1964.

#### JOINT COMMUNIQUE

The ninth meeting of the Joint United States-Canadian Committee on Trade and Economic Affairs was held in Ottawa April 29-30, 1964. The Committee noted with satisfaction the progress which had been made in matters of interest to both countries and the general improvement in relations between them.

The Committee received from Mr. Arnold Heeney, on behalf of himself and Mr. Livingston T. Merchant, their interim report of progress on their joint study of United States-Canadian relations. They were appointed by President Johnson and Prime Minister Pearson to examine the desirability and practicability of developing acceptable principles which would facilitate cooperation in economic and other policies. Their report noted agreement on method of procedure and stated that preliminary investigations have been initiated.

The Committee noted that economic activity in Canada and the United States had continued to expand and that another favourable year was anticipated for 1964. They agreed that the two countries should continue to follow policies designed to stimulate economic growth and employment in the context of economic stability. They noted that trade between the United States and

Canada was running at record levels. The Committee discussed policies which each country was following to improve its balance of payments. The United States members expressed agreement with Canada's desire to improve its current account through an expansion of exports and stressed the importance of adhering to the principles of non-discrimination in achieving this objective. The Committee also noted the recent improvement in the United States balance of payments position and expressed the expectation that this improvement would continue.

The members of the Committee locked forward to the opening of the GATT tariff and trade negotiations in Geneva, in which both, countries would be participating actively; for the reduction of trade barriers and the expansion of trade in both industrial and agricultural products between the two countries and with the rest of the world. They took note also of the progress at the current United Nations Conference on Trade and Development and agreed on the importance of continuing international cooperative efforts to assist the less developed countries to expand their trading opportunities and facilitate their economic development.

The Committee discussed the trade in automobiles and automobile parts between Canada and the United States. United States members stressed their concern over the possible adverse effects of the Canadian automotive programme on certain United States parts producers. Canadian members emphasized that the programme is designed to promote increased specialization and lower production costs in the Canadian automotive industry.

The Committee examined problems affecting trade between the two countries. Canadian Ministers expressed concern about increases in levels of certain United States tariffs arising from the recent reclassification of the United States tariff, including rates on parts and components.

They urged that the United States Government take action to correct this situation. They requested that action should be taken to remove long standing United States restrictions on imports from Canada of lead and zinc, and cheese. The United States members expressed their concern over possible Canadian measures which might adversely affect certain United States publications. A number of other matters were discussed including Great Lakes water levels, tourist customs privileges, and the trade in softwood lumber and coal.

The Committee discussed the energy resources and energy problems of both countries and their relationship to economic efficiency. There was general agreement that United cooperation should be encouraged in areas where such States-Canadian/cooperation serves the long-term mutual advantage of both nations. They established a joint working group to prepare a programme of studies relating to trade in all kinds of energy between the United States and Canada.

The meeting concluded with a general review of the international situation by Mr. Rusk and Mr. Martin.

The Canadian Delegation included Mr. Paul Martin, Secretary of State for External Affairs; Mr. Walter Gordon, Minister of Finance; Mr. Mitchell Sharp, Minister of Trade and Commerce; Mr. Harry Hays, Minister of Agriculture;

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Mr. C.M. Drury, Minister of Industry; the Governor of the Bank of Canada, Mr. L. Rasminsky; Mr. Norman Robertson, the Chief Canadian Trade Negotiator; the Canadian Ambassador to the United States, Mr. C.S.A. Ritchie; and other advisers.

The United States Delegation included Mr. Dean Rusk, Secretary of State; Mr. Douglas Dillon, Secretary of the Treasury; Mr. Stuart Udall, Secretary of the Interior; Mr. Luther H. Hodges, Secretary of Commerce; Mr. Orville L. Freeman, Secretary of Agriculture; Mr. George W. Ball, Under Secretary of State; Mr. Walter W. Heller, Chairman of the President's Council of Economic Advisers; Mr. William M. Roth, Deputy Special Trade Representative; the United States Ambassador to Canada, Mr. W.W. Butterworth, and other advisers.