

## PRESS RELEASE

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The Department of External Affairs announced today details of the tariff agreements which were negotiated under the General Agreement on Tariffs and Trade at the recently concluded conference in Geneva. The Head of the Canadian Delegation, Mr. L.D. Wilgress, signed on behalf of Canada on May 23 the Protocol of Supplementary Concessions to the GATT in which are incorporated the complete schedules of all the tariff concessions negotiated at the conference. Details of the agreements were tabled in the House of Commons this morning.

The Tariff Conference, which opened in January, 1956, and was recently concluded at Geneva, constitutes the fourth general round of multilateral tariff negotiations under the General Agreement on Tariffs and Trade, following similar GATT conferences held at Geneva in 1947, at Annecy in 1949 and at Torquay in 1951. Twenty-two countries participated in these latest negotiations, and the new agreements concluded among them are an extension of the agreements drawn up among GATT countries in the previous years. As in the past, the negotiations were carried on between pairs or groups of countries, on a selective product-by-product basis.

Canada negotiated new agreements with the United States and with twelve other countries in Europe and Latin America. Under the most-favoured-nation principle, which is basic to the GATT, all tariff concessions agreed to at Geneva will become available to Canada whether or not these concessions were negotiated directly with Canada. Similarly, Canada will automatically extend its own tariff concessions to each of the other participating countries, and to non-GATT countries with which Canada has most-favoured nation agreements.

The complete schedules of all tariff concessions negotiated at this Conference are being made public today. They are incorporated in a Protocol of Supplementary Concessions to the GATT signed by representatives of participating countries at Geneva. Mr. L.D. Wilgress, Canadian Ambassador to NATO, signed this Protocol on behalf of Canada on May 23rd.

The new tariff concessions will come into effect in the various countries on dates to be announced by each government. It is not expected that any country will bring its concessions into effect until June 30th at the earliest. U.S. concessions will be implemented in three stages over the next two years, as required by U.S. legislation. Under the terms of the GATT, all the concessions agreed upon are bound against increase, subject to certain procedures permitting countries to renegotiate particular concessions from time to time.

The following review indicates the main concessions secured by Canada and the main concessions granted by Canada as a result of these negotiations. For further details, enquiries should be addressed to the International Trade Relations Branch of the Department of Trade and Commerce with respect to the tariffs of other countries, and to the International Economic Relations Division of the Department of Finance with respect to the Canadian tariff.

### Concessions Obtained by Canada

#### The United States

The United States concluded agreements at this Conference with Canada and all the other participating countries, and granted concessions over a wide range of goods. The agreement concluded between Canada and the United States was one of the major single agreements resulting from this Conference.

The United States conducted these negotiations under the authority of its Trade Agreements legislation, which permits maximum reductions in the United States tariff of about 15% of the rates of duty in force on January 1st, 1955. Under United States legislation, these reductions must be implemented in three approximately equal steps of about 5% of present rates, with an intervening period of 12 months between each stage. The first 5% stage of U.S. duty reductions will be made effective on June 30th 1956. Within these limitations, Canada secured the maximum possible reductions in U.S. duties over a large number of products. Concessions were obtained on almost all the items of interest to Canada on which the United States was prepared to negotiate. The delay in the complete implementation of United States concessions was taken fully into account by both countries in arriving at a satisfactory balance of concessions.

The United States schedule of concessions resulting from this Conference contains some 650 tariff items, of which approximately 150 are of interest to Canadian exporters, and represent imports into the United States from Canada totalling over \$200 million in 1954. These concessions include items of interest to Canadian producers and manufacturers in various regions of Canada.

The United States list of concessions includes a variety of chemical products, such as synthetic rubber, vinyl acetate, vanillin, barytes and a number of chemical compounds; a number of metals, including crude aluminum and its alloys, aluminum bars and sheets, steel ingots and billets, ferro silicon; a few agricultural products, such as lettuce, turnips, hay, blueberries; some paper products, such as book and printing paper, wrapping paper and hanging paper; a number of more highly processed products, such as manufactures of aluminum, of iron and steel, of wood, and of glass, various types of machinery and electrical goods.

Details of the main items of interest to Canada, showing the present United States rates of duty and the final U.S. negotiated rates of duty which will be in force at the end of two years, are given below. A table showing the three stages of reduction for all items of interest to Canada is being published by the Department of Trade and Commerce.

### Chemicals

Concessions were obtained on the following products: - Synthetic rubber, from 10% to 8½%; vinyl acetate, from 7½% and 1½¢ lb. to 6¼% and 1¼¢ lb.; acetic anhydride, from 1¾¢ lb. to 1½¢ lb.; acetone, from 10% to 8½%; vanillin, from 22½% and 3½¢ lb. to 19% and 3¢ lb.; methyl alcohol, from 18¢ gal. to 15.3¢ gal.; barytes ore, crude, from \$3 ton to \$2.55 ton; aluminum salts and compounds, not specially provided for (nspf), paints, chlorine and all chemical elements, salts and compounds, nspf, from 12½% to 10½%.

### Metals and Metal Manufactures

In this field, reductions were obtained on a number of important items: Aluminum and alloys, in crude form, from 1½¢ lb. to 1¼¢ lb.; in sheets, bars, and specified shapes, from 3¢ lb. to 2½¢ lb.; steel ingot and billet, valued not over 5¢ per pound, from 10% to 8½%; wire and cable of aluminum, copper, and other base metal, from 17½% to 15%; forgings of iron or steel, from 12½% to 10½%; storage batteries and parts, except alkaline type, from 20% to 17%; aluminum table and household ware, from 20% and 4¼¢ lb. to 17% and 3½¢ lb.; electrotype plates, from 12½% to 10½%; electric therapeutic apparatus, from 17½% to 15%; electric motors, and electrical goods and devices, n.e.s. from 12½% to 10½%; parts for automobiles, from 12½% to 10½%; air-planes and parts, from 15% to 12½%; pleasure boats, sail, steam or motor propelled, under \$15,000 ea., from 7½% to 6%; pulp and paper machinery, from 10% to 8½%; mining machinery, sawmill and wood-working machinery, and all machinery, not specially provided for, from 13¾% to 11½%; articles of aluminum, and articles of iron or steel, not specially provided for, from 22½% to 19%. The statutory rate on copper, which is presently suspended, is reduced from 2¢ lb. to 1.7¢ lb.

### Wood Manufactures

In this group are concessions on: Paint-brush handles, and broom and mop handles, from 10% to 8½%; canoes and paddles, from 10% to 8½%, furniture, from 12½% to 10½%; parts of furniture, from 20% to 17%; doors, from 16-2/3% to 15%.

### Agricultural and Fisheries Products

Concessions were secured on the following: Edible offal, from 1½¢ lb. to 1¼¢ lb., (6% minimum); pickled or salted salmon, from 10% to 8½%; caviar and other fish roe (except sturgeon), from 5¢ lb. to 4¢ lb.; canned herring, not in oil, from 6¼% to 5%; biscuits and baked articles, from 10% to 8½%; frozen blueberries, from 8¾% to 7½%; berry jams and jellies, from 10% to 8½%; soy beans, certified seed, from 2¢ lb. to 1.7¢ lb.; sweet clover seed and brome grass seed, from 1¢ lb. to 8/10¢ lb.; turnips from 6¼¢ 100 lbs. to 5¢ 100 lbs.; lettuce, from 1¢ lb. to 0.85¢ lb.; cauliflower, from 12½% to 11%; hay, from \$1.25 ton to \$1.06 ton.

### Papers

New concessions under this heading are: Uncoated book and printing paper, nspf, from 5% & 1/5¢ lb. to 4% & 0.17¢ lb.; surface coated paper, nspf, from 7½% & 2¼¢ lb. to 6½% & 1¼¢ lb.; greaseproof and imitation parchment paper, from 7½% & 1½¢ lb. to 6½% & 1¼¢ lb.; hanging paper, from 5% to 4%; wrapping paper, sulphate, from 10% to 8½%.

### Miscellaneous

Among the concessions under this heading are the following: Asbestos brake and clutch lining, from 10% to 8½%; abrasive coated paper and cloth, from 10% to 8½%; glove and garment leather, from 10% to 8½%; manufactures of leather, nspf, from 12½% to 10½%; Boots and shoes, made by welt process, from 40¢ pr. to 34¢ pr; laminated sheets of synthetic resin, from 12½% & 7½¢ lb. to 10½% & 6¼¢ lb.; piano parts, from 20% to 17%; and mud dispersant derived from coniferous bark, from 10% to 8½%.

### Europe

Canada concluded new agreements with the following European countries: Austria, Belgium-the Netherlands-Luxembourg, Denmark, Germany, Italy, Norway and Sweden. Extensive tariff concessions had already been obtained from these countries in previous negotiations under the GATT. However, as a result of the latest negotiations, many further concessions of interest to Canadian exporters have been granted by these countries.

While direct negotiations between Canada and European countries were not extensive, Canada will also benefit from concessions which these countries granted to the other European countries participating at this conference including the United Kingdom, and to the United States. Moreover, Canada did not negotiate with Finland, France and Turkey, but some of the concessions which these countries negotiated with others are also of interest to Canada.

In a few cases, the concessions made in European tariffs are reductions in statutory rates of duty which have been temporarily reduced by administrative action. Such concessions ensure that the lower rates resulting from the negotiations will be the maximum applicable rates. It should also be noted that many of the concessions of interest to Canada are on products or in countries where discriminatory restrictions have been removed.

A summary of the more significant European concessions is given below.

#### Austria

Austria was authorized by the Contracting Parties to the GATT to conduct its negotiations on the basis of a new draft tariff which is awaiting approval by the Austrian Government. While rates of duty previously bound under the GATT continue in force under this new tariff, increased duties are scheduled on many items which are not bound. The negotiations thus offered an opportunity for obtaining reductions from this higher level.

Canada obtained a reduction on whisky, from the draft tariff rate of 3,500 schillings per 100 kilos to a rate of 2,450 schillings per 100 kilos. This reduction brings the bound rate on Canadian whisky to the level of the rate on bourbon whisky which the United States had negotiated with Austria in the course of GATT tariff renegotiations in 1955.

Other Austrian concessions of interest to Canada include a reduction in the duty on sheer nylon dress and lingerie fabrics from 35 per cent with a minimum of 14,000 schillings per 100 kilos to 32 per cent with a minimum of

11,000 schillings per 100 kilos; and a reduction on bookkeeping and calculating machines from 1,400 to 1,000 schillings per 100 kilos. The duty-free entry of tallow for technical purposes was bound.

### Benelux

The common customs tariff of Belgium, the Netherlands and Luxembourg is not high and many leading Canadian exports to these countries are bound under the GATT either duty-free or at low levels of duty. Nevertheless the negotiations provided a useful opportunity for obtaining concessions which are of interest to Canada. The three Benelux countries offer a substantially open market for Canadian goods, free from exchange and import restrictions.

The following are among the more important concessions, from the Canadian point of view. While lumber is admitted into the Benelux countries duty-free on a temporary basis, the existing legal duty on larger sizes of coniferous lumber was reduced from 10 per cent to 3 per cent, which is also the rate of duty for standard sizes. The duty on a narrow range of odd sizes of coniferous lumber was reduced from 10 per cent to 5 per cent. The legal rate of duty on canned salmon was reduced from 20 per cent to 15 per cent; the existing duty on wood alcohol for the production of formaldehyde was reduced from 18 per cent to 12 per cent, on spark plugs from 12 per cent to 10 per cent and on parts of calculating and bookkeeping machines from 8 per cent to 6 per cent. Reductions were also granted in the duty on frozen tongues of bovine animals and pork, kraft paper, pressure cooking stoves of copper, loud speakers and microphones for telegraphy and telephony, and on organs. The existing duties were bound against an increase on crude rapeseed oil, on salted and pickled horse meat, and on some grades of paper and paperboard.

### Denmark

Concessions on most of Canadian principal exports to Denmark had been obtained at earlier GATT conferences. Duty-free entry is bound on many of these items, while the duties on some others are bound at low levels. At the present conference, the duty-free entry of flax seed was bound and the duty on spark plugs was reduced from 0.10 krone to 0.05 krone per kilo. Canadian exports of these products to Denmark increased considerably following removal of import restrictions last year.

Among other concessions of interest to Canada, the duty on canned peaches was reduced from 0.65 krone to 0.55 krone per kilo, and the existing duties were bound on planks and boards of Douglas fir and on radio navigation apparatus.

### Finland

Canada did not negotiate directly with Finland. However, in its agreements with other countries, Finland granted some concessions which are of interest to Canada, including the elimination of the existing duty of 9 marks per kilo on mineral and vegetable blacks, a reduction in the duty on thin aluminum foil from 150 marks to 75 marks per kilo, and the binding of duty-free entry on rubber substitutes and on certain machines for the pulp and paper industry.

France

At the previous GATT conferences concessions had been negotiated by France on about two-thirds of the items in the French Customs Tariff. Among the products on which new concessions have been granted are the following: aluminum hydroxide bound against increase at 15 per cent ad valorem; lecithin, reduced from 20 per cent to 18 per cent; patent leather, reduced from 17 per cent to 15 per cent; and certain types of sewing machines, reduced from 12 per cent to 11 per cent ad valorem.

Germany

Germany granted concessions on a wide range of products. The concessions of primary interest to Canada include reductions in the duty on whisky, from 375 marks to 325 marks and from 575 marks to 525 marks per 100 kilos respectively depending on the size of the containers; a binding on canned salmon at 20 per cent and a reduction on canned lobster from 30 per cent to 20 per cent; an elimination of the 8 per cent duty on unbleached sulphate pulp and a reduction on bleached sulphate pulp from 10 per cent to 5 per cent; a reduction on ferro-silicon of high silicon content from 12 per cent to 11 per cent; a reduction on radio control and radio navigational aid equipment from 15 per cent to 12 per cent; and a reduction on polyvinyl chloride resins from 25 per cent to 21 per cent in three annual stages.

Duty reductions were also granted in the duties on fresh and frozen eels, kraft paper and paperboard and domestic electric washing machines. Statutory duties were reduced to the level of temporary reduced rates on small outboard motors, tires and tubes for motor vehicles, unwrought magnesium, calculating machines, typewriters and cash registers, and on metal-working machine tools. The existing duty on polystyrene was bound.

Italy

The negotiations resulted in concessions by Italy covering approximately 20 per cent of Canadian exports to that country in 1955. A number of the products on which concessions were obtained have been freed from restrictions.

Italy eliminated the statutory duty of 8 per cent on salted cod, which has been admitted duty-free on a temporary basis. Similarly, the duty-free entry of chemical wood pulp was bound, from a previous statutory rate of 6 per cent. The 10 per cent duty on flax seed and the 3 per cent duty on crude cobalt were eliminated. Reductions were granted on planks and boards of Douglas fir from 10 per cent to 6 per cent, on outboard motors from 35 per cent to 27 per cent and 25 per cent respectively depending on their cylinder volume, and on fork-lift trucks from 35 per cent to 32 per cent.

Reductions to the level of the temporary duties were obtained on prepared moulding and drawing powders of polystyrene and of similar plastics; on spades, shovels, hoes and similar tools; on calculating machines, automatic electric toasters and on burners operated by gas. The statutory duty on canned salmon was reduced from 25 per cent to 14 per cent. In addition, reductions were granted on certain iron and steel items imported from countries not belonging to the European Coal and Steel Community, including Canada, within an annual quota.

### Norway

The duty-free entry granted by Norway on many important Canadian products was bound at earlier GATT negotiations. At this conference, Canada obtained new concessions on a number of products. Reductions in duty were obtained on nylon fishing nets, from 25 per cent ad valorem with a minimum of 10 kroner per kilo, to one-fifth of this level, 5 per cent with a minimum of 2 kroner per kilo; and on synthetic rubber, from 30 per cent to a maximum statutory rate of 10 per cent.

Reductions were also obtained in the duty on canned salmon, from 0.30 krone to 0.25 krone per kilogram, on cotton duck, unworked cellophane, canned peaches, and on certain machines for the paper-making industry. The duty-free entry of pneumatic spade hammers and rammers was bound, and the existing duties were bound against increase on red clover seed, patent leather, certain grades of upper leather and on fork-lift trucks.

### Sweden

Sweden granted concessions on various items of interest to Canada, many of which have been freed from import restrictions. Duty-free entry was bound on natural aluminum oxide, which alone accounted for 15 per cent of all Canadian exports to Sweden in 1955. The duty on raw beaver skins was reduced from 15 per cent ad valorem plus 350 kronor per 100 kilos to 5 per cent ad valorem. The duty of 150 kronor per 100 kilos on raw muskrat, racoon and skunk skins was eliminated. Reductions were also made in the duties on phthalic acid and anhydride; developed motion picture film; dressed fur skins of beaver, chinchilla, mink and fox; motor vehicle tires; machine felt containing up to 20 per cent of continuous synthetic fibres; screw taps and dies; darning, sewing, and knitting machine needles; certain gasoline engines; radio receiving sets and factory trucks. Duty-free entry was bound also on planks and boards of Douglas fir and on nickel anodes. The existing 10 per cent duty was bound on certain machines for the paper-making industry and for mining. On whisky, the former bound rate of 200 kronor per 100 litres was reduced to the existing level of duty at 135 kronor per 100 litres.

### Turkey

Commodities of interest to Canada on which the rates of duty will be reduced by Turkey include calculating machines and cash registers, from 15 per cent to 5 per cent; typewriters, from 10 per cent to 5 per cent; refrigerators and refrigerating equipment; and office furniture of metal.

### LATIN AMERICA

Canada concluded new agreements at this Conference with Cuba, the Dominican Republic and Haiti. Successful negotiations had taken place with these countries at previous GATT conferences, and the new agreements are necessarily somewhat limited. It should be noted that these three Caribbean countries provide open dollar markets, without import or exchange restrictions affecting Canadian goods. Canada will also benefit from concessions granted by Chile and Peru in their negotiations with other countries.

### Cuba

A number of useful concessions were obtained by Canada as a result of these negotiations. Duties on five commodities of interest to Canada will be reduced to the same level as the duties applicable to the U.S. under the preferential tariff treatment which Cuba grants to the U.S.A. exclusively. These reductions are on copper tubing or pipe, from 5.11 to 3.90 pesos per 100 kilogs; aluminum sheets, not corrugated, undulated or grooved, from 4.00 to 3.25 pesos per 100 kilogs; phosphorus, from 5 to 3.5 centavos per kilog; linseed oil, from 50 to 40 centavos per 100 kilogs; and sewing machines, from 5 to 4 per cent ad valorem. Some of these reduced rates were previously in effect but were not bound under GATT. In addition to the above concessions, the most-favoured-nation rates on refrigerators and electric ventilators will be lowered correspondingly with reductions made in the preferential rates to the U.S. on these products.

### Dominican Republic

A wide variety of commodities have been included among the concessions granted by the Dominican Republic. Among these the following are of interest to Canadian exporters: Aluminum ingots reduced from 10 to 8 pesos per 100 kilogs; typewriters, calculating machines and cash registers, from 20 to 18 per cent ad val.; mimeographs, dictating machines, and addressographs, from 20 to 18 per cent ad val.; electricity and water meters, bound duty-free; passenger car and bicycle tires, reduced from 25 to 22 per cent ad val; synthetic resin and other plastics in original solid state, from 15 to 13.5 centavos per kilog; plastic toys, bound against increase at 1.20 pesos per kilog.

### Haiti

Canada will benefit from several new concessions supplementing those previously negotiated with Haiti at Annecy and Torquay. The duty on dried fish and shellfish other than codfish has been bound against increase at 0.33 gourde per kilog or, if higher, 20 percent ad val. Other concessions of interest to Canada include: electric refrigerators and air conditioners reduced from 10 to 5 per cent ad val; typewriters, dictaphones and mimeographs, from 20 to 15 per cent ad val; cash registers and calculating machines from 20 to 15 per cent ad val; oat cereals reduced from 0.25 to 0.15 gourde per kilog or, if higher, from 20 to 15 percent ad val; canned soups from 0.35 to 0.25 gourde per kilog or, if higher, from 20 to 15 per cent ad val.

### Peru

A few concessions granted by Peru are of interest to Canada among which are the following: rubber water hose over 8 cms. in diameter bound against increase at 0.10 sol per kilog; water wheels and turbines, bound at 0.03 sol per kilog. There is also a customs surtax in the Peruvian tariff applicable to all items which, in the case of the above products, is also bound against increase at 12½ percent ad valorem.

### Chile

Negotiations concluded by Chile with other countries resulted in a number of concessions of which the following are of interest to Canada: leaf tobacco reduced from 6 to 4



gold pesos per kilog; cash registers and automatic vending apparatus reduced from 2.80 to 2.40 gold pesos per kilog; sodium phosphate bound against increase at 0.35 gold peso per kilog; ferro-nickel and ferro-chrome alloys in bars, bound against increase at 0.15 gold pesos per kilog.

### JAPAN

Canada did not negotiate with Japan at this Conference, since negotiations between the two countries had taken place in 1955 at the time of Japanese accession to the G.A.T.T. However, Japan concluded new agreements with other countries and granted concessions on a number of items of interest to Canadian exporters.

Reductions in Japanese rates of duty of interest to Canada will apply to the following commodities: vegetable soups and juices, from 20% to 17%; synthetic resins of vinyl chloride and vinyl acetate series, from 30% and 22½% to 20%; antibiotics and preparations thereof, from 17½% to 17%; containers of paper and cardboard excluding bags, from 15% to 13%; peaches and pears canned or bottled, from 30% to 27%; varnishes, from 22½% to 20%; insulated cable and wire for electricity, from 20% to 18%.

Items on which the rate of duty will be bound against increase include: whisky; polyethylene; polystyrene; pressure gauges; internal combustion engines; paper and pulp mill machinery; cream separators; electric refrigerators.

### UNITED KINGDOM: Modifications in Preferences

Canada did not negotiate with the United Kingdom. However, a number of tariff preferences accorded by each country to the other will be modified to some extent as a result of agreements which Canada and the United Kingdom concluded with other countries. The changes are not significant in total and, in general, the cuts are not very deep. Some margins of preference will be narrowed and there are also instances of reductions in the preferential rates of duty. Changes in preferences in the Canadian tariff are indicated in a separate section.

Modifications in the United Kingdom tariff of interest to Canada include the following: Printing paper, a reduction in the MFN rate of duty from 20% to 16-2/3%, with imports from the Commonwealth remaining duty-free. Kraft paper and most machine-glazed papers, a reduction in the MFN rate from 16-2/3% to 14%, with imports from the Commonwealth remaining duty-free. On a range of miscellaneous machinery and parts, a reduction in the MFN rate from 20% to 17½%, with imports from the Commonwealth remaining duty-free. Motor vehicles and various classes of accessories and component parts, a reduction in the MFN rate from 33-1/3% to 30%, and a reduction in the preferential rate accorded Commonwealth products from 22-2/9% to 20%. Artificial silk yarn, a reduction in the MFN rate from 9d. plus 22½% ad valorem to 9d. plus 20%, with imports from the Commonwealth accorded, as formerly, a preferential rate of five-sixths of the MFN rate. Papermakers' felts containing artificial silk, a reduction in the MFN rate from 25% to 15%, and a reduction in the preferential rate accorded Commonwealth products from 20-5/6% to 12½%. Artificial silk dresses, a reduction in the duty applicable to all countries from 30% to 27½%, the alternative specific rate of 6s.9d. lb. (chargeable when higher than the ad valorem rate) to be replaced by a rate of 9s. lb.

TARIFF CONCESSIONS GRANTED BY CANADA

The tariff concessions made by Canada at the 1956 Geneva Tariff Conference cover 180 items or sub-items in the Canadian Customs Tariff. Of these, 115 are reductions in the present M.F.N. tariff and 55 are bindings of the existing rates of duty, of which many had been lowered unilaterally by Canada since the last tariff conference. For 5 items Canada undertook not to raise duties above certain specified rates higher than those actually in effect, but which in all 5 cases are lower than the rates previously agreed to under the GATT. The remaining five items are reductions in the British Preferential Tariff, concurrent with reductions in the M.F.N. tariff. Canada's concessions are shown in Schedule V to the Protocol of Supplementary Concessions. This schedule consists of Part I covering the M.F.N. tariff, and Part II covering the Preferential tariff. These concessions will not come into effect immediately, but will be implemented at appropriate times having regard to the implementation by other countries of their concessions to Canada. The Canadian concessions to each country will be brought into effect in one step.

Canada's total imports during the calendar year 1955 from all countries under the 115 items or sub-items on which the M.F.N. tariff was reduced at Geneva amounted to \$91,000,000. Canada's total imports during 1955 from all countries under the 60 items which were bound but not reduced amounted to \$88,000,000.

Part II of Schedule V contains five items, which provide for reductions in Preferential rates of duty on certain goods on which the most-favoured-nation rate is also being reduced. During 1955 Canadian imports from British Commonwealth countries of goods covered by these Preferential reductions in Part II were valued at \$450,000.

The reductions in the Most-Favoured-Nation tariff cover a wide range of products such as: - textile machinery, orange juice, lettuce, newsprint, shelled oysters, shrimps, beer, spectacle frames, cigars, sawmill machinery, adding machines, cash registers, road building machines, electrical precision apparatus (such as is used in oil refineries and chemical works), cameras, and tobacco pipes. Details regarding these and other important Most-Favoured-Nation tariff reductions are given below.

The Most-Favoured-Nation rates on certain types of machinery were reduced, but all were of a class or kind not made in Canada, namely, textile machinery, Item 413, from 5 p.c. to Free; leather working machinery, Item 420, from 7½ p.c. to 5 p.c.; certain road building machinery and earth moving machinery, Item 422a, from 10 p.c. to 7½ p.c.; specialized types of electrical precision apparatus, meters, gauges, etc., Items Ex. 445k and 445n, from 22½ p.c. and 15 p.c. respectively, to 7½ p.c.

The Most-Favoured-Nation rate on newsprint, Item Ex.197, was reduced from 22½ p.c. to Free; ponderosa pine lumber and California sugarpine lumber, Item Ex. 505, from 10 p.c. to 5 p.c.; white oak lumber, Item Ex. 505, and Douglas Fir Lumber, Item Ex. 505, from 10 p.c. to 7½ p.c.

The Most-Favoured-Nation rate on orange juice, Item 152(b) was reduced from 10 p.c. to  $7\frac{1}{2}$  p.c.; edible offal of beef and veal, Item 7(b), from  $1\frac{1}{2}$  cts. per lb. but not less than  $7\frac{1}{2}$  p.c. to  $1\frac{1}{4}$  cts. per lb. but not less than 6 p.c.; hay, Item 69b, from \$1.25 per ton to \$1.06 per ton; white clover seed (both ladino and white Dutch), Item Ex. 71b, from 2 cts. per lb. to 1 ct. per lb.; bent grass seed, Item 72e, from 15 p.c. to  $7\frac{1}{2}$  p.c.; the seasonal duty on lettuce was reduced from 1 ct. per lb. to .85 ct. per lb.; tomato paste, Item 89 Ex.(c), from 2 cts. per lb. to  $1\frac{1}{2}$  cts. per lb.; eviscerated turkeys Item Ex. 9, from  $12\frac{1}{2}\%$  to  $12\frac{1}{2}\%$  but not less than 5 cts per lb. and not more than 10 cts per lb.; cigar tobacco unstemmed, Item 142(b) Ex.(i), from 15 cts. per lb. to  $12\frac{1}{2}$  cts. per lb., and cigar tobacco stemmed, Item 142(b) Ex.(ii), from  $22\frac{1}{2}$  cts. per lb. to 20 cts. per lb.

The Most-Favoured-Nation rate on cobalt metal, Item Ex. 208t and Ex. 711, was reduced from 20 p.c. to 10 p.c.; on copper beryllium alloys, dutiable under various items, were reduced to  $7\frac{1}{2}$  p.c.; manufactures of lead, Item 339, from  $27\frac{1}{2}$  p.c. to 25 p.c.; coin locks of bronze, Item 352c, from 35 p.c. to 30 p.c.; retarder for plaster, classified under Item Ex. 220a and Item Ex. 711, from 20 p.c. to 10 p.c.; rough building stone, Item 305, from  $12\frac{1}{2}$  p.c. to 10 p.c.

The Most-Favoured-Nation rate on fire engines, Item 424, was reduced from  $22\frac{1}{2}$  p.c. to 20 p.c.; fish hooks for non-commercial fishing, Item Ex. 440j, from 15 p.c. to 10 p.c.; open pleasure boats, Item Ex. 440a, from 25 p.c. to 20 p.c.; guns and rifles of a class or kind not made in Canada, Item 441e, from 10 p.c. to  $7\frac{1}{2}$  p.c.; cameras of a class or kind not made in Canada, Item 462(ii)(a), from  $17\frac{1}{2}$  p.c. to 15 p.c.; slide projectors, Item 463, from 20 p.c. to 15 p.c.; spectacle frames, Item 328, from  $17\frac{1}{2}$  p.c. to 15 p.c.; cigars valued at more than \$6.00 per lb., Item Ex. 143, from \$1.75 per lb. plus 15 p.c. to \$1.50 per lb. plus 10 p.c.; beer in casks, Item 146, from 35 cts. per gal. to 15 cts. per gal. and beer in bottles, Item 147, from 50 cts. per gal. to 15 cts. per gal.

The Most-Favoured-Nation rate on oysters, prepared or preserved, Item 123 Ex.(c) was reduced from  $22\frac{1}{2}$  p.c. to 15 p.c.; oysters shelled and frozen, Item Ex. 133, from  $17\frac{1}{2}$  p.c. to Free; shelled oysters in bulk and in cans, Items 124, 125, 126 and 127, from various rates to Free. Shrimps, presently dutiable at various rates, reduced to 10 p.c.

The Most-Favoured-Nation rate on cash registers, Item Ex.519(a) (2) was reduced from 25 p.c. to  $22\frac{1}{2}$  p.c.; cash register parts, Item 519b, from 15 p.c. to  $12\frac{1}{2}$  p.c.; adding machines, Item 414d, from  $17\frac{1}{2}$  p.c. to 15 p.c.; adding machine parts, Item 414e, from 15 p.c. to  $12\frac{1}{2}$  p.c.

Since GATT negotiations relate only to the Most-Favoured-Nation tariff, there was no occasion to negotiate rates of duty under the British preferential tariff. Of course some margins of preference in the Canadian tariff as well as in the tariffs of other Commonwealth countries were reduced in the course of negotiations with non-Commonwealth countries. Of the items in which Canada reduced margins of preference those which covered the largest volume of trade were orange juice, electrical precision apparatus and textile machinery. The great bulk of Canadian imports of these products in 1955 were from non-Commonwealth sources.