

Valuable Trade Benefits Fall To Canada At Geneva

By ALAN DONNELLY
OTTAWA (CP) — Some valuable trade benefits have fallen in the lap of Canadian exporters from the lengthy Geneva tariff bargaining sessions in Geneva.

Indications are that Canada will gain considerably more from bilateral trade deals made between other countries than from the direct agreements it signs on its own.

The value of these "secondary" benefits to Canada from trade pacts made by others is not yet fully known or assessed. But, so far, trade experts here reckon they will provide tariff reductions by the United States on some \$55,000,000 worth of Canadian exports to the U.S. and in the European Common Market there will be tariff concessions—though not necessarily reductions—on some \$20,000,000 in Canadian sales to the station market.

These figures are based on 1950 export sales of goods affected, and the amounts probably are higher now.

EXTENT KNOWN
The extent of some of these secondary benefits has become known through the early announcement by the U.S. of the bilateral deals it made with other countries in the draw-out Geneva negotiations under the General Agreement on Tariffs and Trade.

The GATT negotiations, begun in September, 1960, are nearing completion and the full results are expected to be made known in mid-summer.

Under GATT procedure, tariff negotiations are carried out chiefly on a bilateral basis because the principal suppliers of the goods involved. But when the two sides—for example, the U.S. and the Common Market—strike a bargain, the tariff concessions they grant each other must be made available to all GATT countries.

The secondary benefits to Canada resulting from U.S. agreements involve mostly machinery and manufactured goods. Of the \$55,000,000 in Canadian exports to the U.S. which are affected, some \$7,000,000 are metal manufactured goods. Aircraft and parts bulk large in the total—

Canada shipped \$33,837,000 worth to the U.S. in 1960.

TWO-STAGE AFFAIR
The U.S. tariff reductions will be a two-stage affair amounting

in most cases to a 20-per-cent cut, with half the reduction coming this year, probably in late summer, and the balance 12 months later. For example, the

U.S. tariff on aircraft parts, now 12½ per cent, will drop to 11 per cent and next year to 10 per cent.

The concessions granted by the European Common Market, though affecting a larger volume of Canadian exports, don't provide as many actual tariff reductions. So far as Canada is concerned, most of them are agreements to "bind" the Common Market tariff on various goods at rates already proposed. These bound rates can't be in-

creased in future unless a compensating advantage is granted. This binding applies to a number of raw materials including synthetic rubber, copper, pulpwood and raw hides.

Direct GATT negotiations between Canada and the Common Market are still going on, and the results won't be known until summer.

The only direct agreement by Canada made public so far is the one with the U.S. Announced March 7, it affects only a frac-

tion of Canada-U.S. trade, providing Canadian tariff cuts on imports from the U.S. which averaged about \$63,000,000 during the three years 1958-60, and U.S. tariff concessions on Canadian exports averaging \$65,000,000 in the same period.

HARDY PLANT

The seaweed syrophilla, which grows on ice, is the only plant flourishing in the earth's northern polar region.

Toronto Rents Said Highest

OTTAWA (CP) — Average monthly rents in Toronto for both apartments and houses were the highest in Canada in April, 1961, according to the annual report of Central Mortgage and Housing Corporation on Canadian housing statistics.

The 1961 report states that average monthly rents in Toronto in April of last year were \$104.05, compared with \$103.50 in October, 1960, and \$100.55 in October, 1959.

Ottawa was in second place with an average monthly rental of \$92.16 in April, 1961. This compared with \$91.68 in October, 1960, and \$88.56 in October, 1959.

Hamilton was in third place in April, 1961, with an average of \$77.97. Figures for other cities are London, Ont., \$76.00; Montreal \$74.52; Regina \$72.50; Calgary \$73.97; Vancouver \$71.17; Edmonton \$69.67; Montreal \$67.47; Winnipeg \$66.17; Saskatoon \$63.37; Windsor, Ont., \$56.78; Quebec City \$50.15; Saint John, N.B., \$45.78.

COLLEGE GRADS

Three out of five U.S. college freshmen complete their courses and graduate.



Twenty-five years ago today, geography and an act of Parliament put the Canadian people in the airline business. TCA was established on April 10, 1937, with \$5 million of public funds, to meet the nation's urgent need for air transportation.

April 10, 1962

It also owns an asset beyond price in the experience and know-how—accumulated over 25 years—of 11,500 highly skilled employees.

This combination of material and human assets adds up to one of the largest, most modern and most respected air transport systems in the world.

But its over-all value to Canada does not stop there.

HELPING CANADA'S ECONOMY. In 1961, TCA paid out over \$64½ million in wages to employees in Canada (94% of its total payroll). It paid Canadian suppliers some \$54½ million for goods and services required to operate the airline.



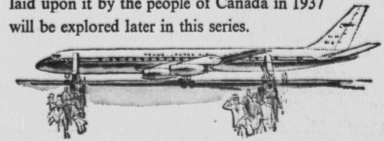
A stable employer and a good customer, TCA helps support hundreds of industries and businesses in scores of communities from B.C. to Newfoundland.

TCA PAYS ITS WAY. As a publicly-owned company, TCA is dedicated to providing Canadians with the best possible air transportation at the lowest feasible cost. But TCA must—and does—pay its way like any other corporation.

It is subject to federal and provincial corporation taxes, and pays millions of dollars each year in other charges levied by government agencies: airport landing fees, building rentals, and air route fees, for example. In 1961 alone, this figure was \$4.8 million.

It is a matter of pride that TCA's record of financial contribution and increasing value to Canadians has been achieved under normal conditions of business operation.

How TCA has measured up to the other responsibilities laid upon it by the people of Canada in 1937 will be explored later in this series.



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Have the people profited by owning an airline? Have Canada's air transport requirements been well provided for? What have 25 years of TCA operations meant to the Canadian taxpayer and the country as a whole?



These and other questions about your airline deserve answers in this Silver Anniversary year. This is the first in a series of messages presenting facts on which answers may be based.

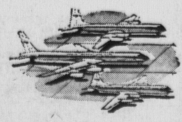
THE PEOPLE'S INVESTMENT. The Canadian people have invested in TCA in two ways.

The government has loaned the company (through Canadian National Railways) \$228 million at current rates of interest. \$36 million has been returned to the public purse in interest on these loans.

The government has also paid about \$25 million for setting up the company and for losses sustained in 10 of the 25 years since 1937. (In the other 15 years, TCA made profits.)

Thus, it might be said that the people have a total investment of \$253 million in the airline.

WHAT THIS REPRESENTS. As a result of its investment, the Canadian public owns TCA plant and equipment costing \$316 million. This is made up of one of the finest aircraft fleets in service anywhere (11 DC-8's, 20 Vanguards, 49 Viscounts), five maintenance bases, and a vast array of ground facilities, equipment and spares.



TENDER
Sealed tenders addressed to the undersigned and marked on the outside "Tender for Crushed Rock Ballast PA-1960" will be received up to 12:00 noon, April 23, 1962, for 400,000 net tons of Crushed Rock Ballast to be delivered to the Railway at a point on the Railway between Montwell, P.Q. and Newcastle, N.B.
It shall be a condition of all tenders that there be deposited with each tender an accepted cheque, drawn on a chartered bank in Canada in favour of the Canadian National Railway Company for an amount equal to five per cent of the total amount of the tender. Bid bonds will not be accepted in lieu of the above mentioned cheque.
Instructions to bidders, specifications, form of tender and blank form of contract may be obtained on application to
H. F. McKAY
Purchasing Agent
Canadian National Railway
Montreal, N. B.
The lowest or any tender will not necessarily be accepted.
H. F. McKAY
Purchasing Agent

TRANS-CANADA AIR LINES  **AIR CANADA**