

CANADIAN AUTOMOBILE AGREEMENT

FIFTH ANNUAL REPORT
OF THE PRESIDENT TO THE CONGRESS
ON THE OPERATION OF
THE AUTOMOTIVE PRODUCTS TRADE ACT
OF 1965

COMMITTEE ON FINANCE
UNITED STATES SENATE
RUSSELL B. LONG, *Chairman*



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(II)

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LETTER OF TRANSMITTAL

To the Congress of the United States:

I hereby transmit the fifth annual report on the implementation of the Automotive Products Trade Act of 1965. The report contains information with respect to the United States-Canada Automotive Products Agreement, including automotive trade, production, prices, and employment in 1970. Also included is other information relating to the activities under the Act.

RICHARD NIXON.

THE WHITE HOUSE, *February 1, 1972.*

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OPERATION OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

I. INTRODUCTION AND SUMMARY

INTRODUCTION

On January 16, 1965 the United States and Canada entered into an Executive Agreement concerning trade in automotive products.^{1/} The North American automotive industry has reached a substantial degree of integration and rationalization as a result of the Agreement.

The Agreement sets forth three objectives: (1) the creation of a broader market for automotive products within which the full benefits of specialization and large-scale production can be achieved; (2) the liberalization of United States and Canadian automotive trade in respect to tariff barriers and other factors tending to impede it, with a view to enabling the industries of both countries to participate on a fair and equitable basis in the expanding total market of the two countries; and (3) the development of conditions in which market forces may operate effectively to attain the most economic pattern of investment, production, and trade. It was agreed that it shall be the policy of each government to avoid actions which would frustrate the achievement of these objectives. The Agreement is of unlimited duration, but each government has the right to terminate it by giving 12 months' notice.

^{1/} App. A, page 58

The Agreement, as implemented in the United States by the Automotive Products Trade Act of 1965, approved by Congress on October 21, 1965, resulted in the removal of U.S. duties on specified new and used Canadian motor vehicles and original equipment automotive parts. ^{1/} The President proclaimed the entry into force of the tariff modifications retroactive to January 18, 1965. ^{2/}

Canada accorded duty-free treatment to specified new motor vehicles and original equipment parts imported by Canadian manufacturers by an Order-in-Council effective January 18, 1965. In recognition of the need for a transitional period for the smaller, higher cost Canadian industry to adjust to the competitive pressures of the large United States-Canadian market, certain restrictive measures were set forth in Annex A to the Agreement: (1) Only bona fide Canadian vehicle manufacturers may import automotive products duty-free; and (2) bona fide manufacturers must meet certain minimum Canadian value added and Canadian production to Canadian sales-ratio requirements.

Individual Canadians or dealers who import motor vehicles from the United States must pay a duty while both individuals and firms in the United States may import vehicles covered by the Agreement duty-free. In both countries, only bona fide manufacturers may import original

1/ App. B, page 61

2/ App. C, page 70

equipment parts and accessories duty-free under the Agreement.

In addition to the limitations set forth in Annex A, the Canadian Government was given by the motor vehicle manufacturers certain Letters of Undertaking to increase Canadian value added. These letters expired on July 31, 1968.

SUMMARY

During 1970 United States and Canadian Government officials continued their discussions concerning the elimination of transitional restrictions on Canadian imports of motor vehicles and parts from the United States. Although some progress was made in principle no final resolution was reached during the year. The United States continued to pursue its objective of elimination of these restrictions in discussions with the Canadian Government.

Total United States-Canadian automotive trade in 1970 was \$6.1 billion, \$100 million less than 1969, and a little less than twice the United States automotive trade with the rest of the world. United States imports of automotive products from Canada in 1970 were \$3.1 billion, an increase of 2.3 percent over 1969. Corresponding exports to Canada were \$2.9 billion, a decline of 7 percent compared to 1969. The result was a United States deficit in automotive products trade with Canada of \$195 million, the first United States deficit since the Agreement began. In 1969 the United States net surplus was \$83 million and in 1965 it was \$658 million.

The net deficit in the United States automotive trade with Canada in 1970 resulted in part from less than anticipated growth of North American source car sales in Canada. Canadian production, particularly in the early years, was stimulated in part by the transitional arrangements in Annex A to the Agreement and related undertakings but indications are that at present production patterns are no longer significantly influenced by these arrangements.

During the year automotive prices rose less in Canada than in the United States. However, the price differential between higher Canadian prices and lower United States prices for comparable cars widened due to the effect of the appreciation of the Canadian dollar.

United States motor vehicle production declined to 8.3 million units in 1970, nearly 19 percent less than the 10.2 million units produced in 1969. In the same period Canadian production dropped nearly 12 percent, from a little less than 1.4 million units in 1969 to 1.2 million units in 1970. The decline resulted from lagging sales in a soft economy and a major automotive strike in both countries.

Foreign car competition continued to increase in 1970, with market penetration reaching 14.7 percent in the United States and 20.5 percent in Canada.

The United States' share of North American vehicle production was 87 percent in 1970, down from 88 percent in 1969 and 93 percent in 1965. Canadian vehicles continued to incorporate a significant quantity of parts and accessories manufactured in the United States. Certain car models are no longer produced in Canada and Canadian demand for such models is supplied entirely from the United States. Similarly, Canadian assembly plants now specialize in 18 models with longer and more efficient production runs.

Gross new investment by the four major automotive manufacturers in 1970 was about \$122 million in Canada and \$1,303 million in the United States. The investment in Canada resulting from the initial adjustment to the Agreement is now largely completed.

Employment in the U.S. automotive industry averaged 810 thousand in 1970 compared to 914 thousand in 1969. Canadian automotive industry employment averaged 83 thousand in 1970 compared to 92 thousand in 1969. The averages, which represent an 11 percent decline in the United States and a 9 percent decline in Canada, were substantially affected by the strike at General Motors plants in the last quarter of 1970. Average employment for January-September, the period before the strike, declined by 6 percent in both the United States and Canada.

II. PRODUCTION IN THE MOTOR VEHICLE INDUSTRY
UNITED STATES AND CANADA

The United States and Canada combined produced 9,477,200 motor vehicles in 1970, a decrease of 18.0 percent from the 11,557,900 units produced in 1969. The United States produced 8,283,900 of this total, compared with 10,205,900 in 1969,^{1/} a decrease of 18.8 percent. Canada produced 1,193,600 motor vehicles in 1970, a decrease of 11.8 percent from the 1,352,900 units produced in 1969.^{2/} Production in each country was lower during the first eight months of 1970 because of lagging sales, and sharply curtailed during the last four months by a major strike. The United States' share of total vehicle assembly was 92.9 percent in 1965, 90.2 percent in 1968, 88.3 percent in 1969, and 87.4 percent in 1970. About one-half of the parts used in Canadian motor vehicle assembly are from the United States.

The United States produced 6.6 million passenger cars and 1.7 million trucks and buses in 1970. The number of passenger cars was 20.4 percent below 1969 production, and was the lowest annual production since 1961 while truck and bus production was 12.5 percent below 1969 and was the lowest annual production since 1967.

1/ Table 2, page 34

2/ Table 3, page 35

The total estimated value of U.S. factory sales (unduplicated) of automotive products in 1970 was \$30.4 billion,^{3/} a 13.6 percent decrease from 1969, and 1.6 percent below 1965. Automobiles were the major component in factory sales with a 1970 value of \$17.4 billion. Factory sales of replacement parts for domestic use and parts and accessories for export were \$7.3 billion, up 5.8 percent from 1969.

Canada produced 940,400 passenger cars in 1970, of which 675,561 or 73.4 percent were compact and intermediate models that are very popular in both the United States and Canada. Overall passenger car production in 1970 was 9.2 percent below the 1,035,600 units produced in 1969, and the 253,200 trucks and buses produced in 1970 were 20.2 percent below the 317,300 units produced in 1969. Trucks with a gross vehicle weight of 10,000 pounds or less made up approximately 78.4 percent of total Canadian truck production in 1969.

^{3/} Table 1, page 33

Expenditures by Automobile Manufacturers for Plants
and Equipment in the United States and Canada

The four major automobile manufacturers reported expenditures in 1970 in excess of \$1,425 million for plants and equipment for motor vehicle assembly and parts production in the United States and Canada. Of this total \$1,303 million was invested in the United States and \$122 million in Canada. Other manufacturers of automotive products also made new investments, but data on these investments are not available. The investment in Canada resulting from the initial adjustment to the Agreement is now largely completed.

Retail Sales

Retail sales of new motor vehicles decreased in both the United States and Canada during 1970. Retail sales in the U.S. market as a percent of the combined North American market increased slightly from 92.6 percent in 1969 to 93.1 percent in 1970.

Total new motor vehicle retail sales in the United States in 1970 were 10.2 million units, of which 8.4 million were passenger cars and 1.8 million were trucks and buses. Total retail sales in Canada in 1970 were 757 thousand units, of which 624 thousand were passenger cars and 133 thousand were trucks and buses.^{1/}

^{1/} Source: U.S. Automobile Manufacturers Association and Dominion Bureau of Statistics

a. North American Produced Vehicles

In the United States 7.1 million North American produced passenger cars were sold during 1970 by retail dealers, down 16.5 percent from 1969. U.S. truck and bus retail sales totaled 1.7 million units, off 10.5 percent from 1969. Canadian retail sales of North American type passenger cars were 496,700 units in 1970, a decrease of 22.2 percent. Truck and bus retail sales in Canada were 124,500 units in 1970, a decrease of 17 percent from 1969.

b. Overseas Produced Vehicles

In 1970, sales of overseas manufactured cars continued to make inroads into both the U.S. and Canadian markets. Sales of cars imported from overseas into the United States were 1,280,000 units in 1970, an increase of 15 percent over 1969. Sales of overseas cars in Canada were 127,800 units in 1970, an increase of 4.3 percent over 1969.

Comparative Market Penetration

Passenger cars imported from overseas took 6.1 percent of the U.S. market during 1965, and the penetration increased to 14.7 percent in 1970. The penetration of the U.S. truck market in 1965 was 0.8 percent and 3.6 percent in 1970.

Prior to the Agreement, passenger cars and trucks and buses manufactured in Canada and sold in the United States represented a negligible percent of the U.S. market. During 1970 passenger cars imported from Canada represented 8.3 percent of the U.S. retail car market, and trucks and buses imported from Canada represented 8.7 percent of the corresponding U.S. retail market for such vehicles. The total market penetration for Canadian vehicles of all types was 8.3 percent in 1970.

The shift in automotive parts trade between the two countries follows closely the increased volume of vehicle trade. About one-half of the parts going into Canadian-produced cars are imported from the United States. Consequently, U.S. parts going into the Canadian market amounted to \$2 billion in 1970 compared with \$577 million in 1964. The U.S. market took about \$1.1 billion of Canadian-sourced parts in 1970 compared with approximately \$50 million in 1964.

Passenger cars imported from overseas represented 10.6 percent of the Canadian automobile market during 1965. By 1970 this penetration rose to 20.5 percent.

During 1970, passenger cars from the United States took 39.3 percent of the Canadian market for all types of passenger cars, and U.S.-manufactured trucks and buses took 40.4 percent of the Canadian

truck and bus market. Passenger cars, trucks and buses imported by Canada from the United States represented 6.5 percent, and 6.2 percent, respectively, of the Canadian market for such vehicles during 1965.

III. RELATIVE PRICES OF AUTOMOBILES IN THE UNITED STATES AND CANADA

Automobile prices in the United States and Canada can be compared in various ways. Each method results in separate and distinct statistical figures.

Canadian automobile prices in 1970 increased less than U.S. automobile prices when measured in each country's currency. At the beginning of the 1971 model year the difference between car prices in the United States and Canada had declined to the lowest level since the inception of the agreement. In both countries all the automotive price indexes continued their upward trend of the past few years.

Factory List Prices

Comparison of 1970 factory list prices in the United States and Canada with those of previous years, not taking into account the appreciation in the Canadian dollar since May, 1970, shows a continuation of the trend toward elimination of U.S. and Canadian price differences. In 1965 factory list price differences for typical car models ranged from 9.6 to 31.1 percent.^{1/} In September, 1970 at the beginning of the 1971 model year the price differences for these cars, based on the previous constant exchange rate, ranged from 1.6 to 5.9 percent. However, calculated at the average exchange rate for September, 1970 the 1970 price differences ranged from 8.1 to 12.6 percent.

^{1/} Tables 6, 7, 8, pages 38, 39, and 40

Manufacturers' Suggested Retail Prices

Comparison of 1970 manufacturers' suggested retail prices in the United States and Canada with those of previous years, on the same exchange rate basis as previous years, shows a continued reduction of the price differences. As also shown in tables 6, 7, and 8, in 1965 the manufacturers' suggested retail price differences for typical car models ranged from 9.8 percent to 29.8 percent. In 1970 at the beginning of the 1971 model year the price differences, based on a constant rate, ranged from 4.8 percent to 9.0 percent. Calculated at the floating exchange rate the price differences ranged from 12.4 to 16.0 percent for manufacturers' suggested retail prices in 1970.

Manufacturers' suggested retail prices include the factory list price, sales tax, or excise tax, and dealer delivery and handling but exclude destination charges, state and local taxes, and license and title fees. Canadian federal taxes are higher than U.S. federal taxes which causes a relatively greater difference in price at retail when comparing United States and Canadian prices.

Price Indices^{2/}

The changes in price levels, as they appear to the purchaser of an automobile in each country, are better illustrated by each country's respective price indices. In the United States the consumer price index

^{2/} Tables 4 and 5, pages 36 and 37

for automobiles was up from 105.3 in 1969 to 108.6 in 1970. In Canada the similar index rose from 104.2 in 1969 to 105.9 in 1970. The increase in Canada of 1.7 percentage points was about half the increase (3.3 percentage points) of the U.S. index. Measured in this way, it would appear that the rate of increase was nearly twice as great in the United States as in Canada, and that the price differential was correspondingly narrowed.

In the United States the increase in the wholesale price index for automobiles was the same as the change in the consumer price index while in Canada the wholesale price index for passenger cars rose somewhat less than the consumer price index.

The U.S. wholesale price index for trucks in 1970 rose 4.9 percentage points above 1969, while the Canadian index correspondingly rose 3.4 percentage points. The U.S. wholesale price index for parts rose 4.6 percentage points compared to a 2.3 percentage point increase in Canada during the same period.

IV. EMPLOYMENT IN THE AUTOMOTIVE INDUSTRY, UNITED STATES AND CANADA

Average employment in the automotive industry declined by 11 percent in the United States and by 9 percent in Canada in 1970 compared with 1969. The rates of decline were accentuated by the strike against General Motors during the fourth quarter. The declines in average employment were 6 percent in the United States and 6 percent in Canada for the January-September period of 1970 compared with the corresponding period of 1969.

Employment in the United States^{1/}

The average annual employment in the automotive industry was 809,800 in 1970 compared to 913,500 in 1969. This annual average is calculated from monthly figures and is somewhat depressed by the strike at the General Motors plants during the last quarter of 1970. The January to September average for 1970 which was not affected by the strike was about 852,400 compared to 905,500 in the same period 1969.

^{1/} Table 9, page 41

Employment in Canada^{2/}

The average annual employment in the Canadian automotive industry was 83,400 in 1970 compared to 92,100 in 1969. As in the United States, Canadian averages are affected by the strike at the General Motors plants. The 1970 January-September average for the industry was 85,400 compared to 91,200 for the same months in 1969.

^{2/} Table 10, page 42

V. UNITED STATES AND CANADIAN AUTOMOTIVE TRADE

1. Trade in Motor Vehicles and Parts between the United States and Canada

Total U.S.-Canadian automotive trade was \$6.1 billion in 1970, \$100 million less than 1969. This was the first year since the Agreement became effective that total trade did not increase. However, the pattern and composition of the trade continued to shift. A decline in both exports and imports of passenger cars in 1970 is related to the retail market decline in each country.

The value of U.S. automotive exports to Canada declined by 7 percent during 1970; exports of cars declined by 14 percent and parts by 5 percent, while truck exports increased 8 percent.^{1/} The decline of total automotive exports to Canada during 1970 followed a 19 percent increase in 1969 and annual increases of between 37 and 55 percent for the years 1965-67.

Automotive parts, which were 90 percent by value of the United States automotive exports to Canada in 1964, represented 69 percent of a much greater volume in 1970. During the same period exports of automobiles grew from 5 percent to 21 percent and exports of trucks grew from 4 percent to 9 percent of total automotive exports.

^{1/} Page 20

U.S. imports of automotive products from Canada increased by 2.3 percent in 1970 compared to an increase of 36 percent in 1969.^{1/} During 1970 car imports declined by 4.1 percent, while truck imports increased by 0.7 percent and automotive parts imports rose by 2.0 percent over 1969. Parts, which were 65 percent of United States automotive imports from Canada in 1964, were 34 percent of a larger volume in 1970.

The following table shows the U.S. net deficit in automotive trade with Canada at \$195 million in 1970, the first U.S. deficit since the beginning of the Agreement. The net surplus in 1969 was \$83.0 million. The 1970 balance included a deficit of \$842.8 million in cars and \$300.4 million in trucks, which more than offset the U.S. surplus of \$939 million in parts and \$9 million in tires. This table reflects efforts to establish a uniform method of measuring automotive trade between the two countries, which is described below.

^{1/} Page 20

United States - Canada Trade in Automotive Products, 1964-70
(U.S. Imports - Canadian Imports)

	(Millions of U.S. dollars)						
	1964	1965	1966	1967	1968	1969	1970
U.S. exports ^{1/}							
Cars.....	33.8	86.5	267.3	543.5	747.9	732.4	631.0
Trucks.....	22.9	55.4	88.4	121.8	175.3	243.7	263.4
Parts.....	576.6	738.0	1,010.9	1,215.7	1,684.2	2,134.2	2,018.6
Subtotal	633.3	879.9	1,366.6	1,881.0	2,607.4	3,110.3	2,913.0
Tires and tubes.....	5.5	8.9	9.1	7.4	26.5	34.0	23.1
Total exports.....	638.8	888.8	1,375.7	1,888.4	2,633.9	3,144.3	2,936.1
U.S. imports							
Cars.....	17.9	68.5	316.0	692.1	1,114.2	1,537.4	1,473.8
Trucks.....	3.8	19.3	135.0	228.3	369.2	559.6	563.8
Parts.....	49.3	139.2	360.2	474.1	783.0	958.9	1,079.6
Subtotal.....	71.0	227.0	811.2	1,394.5	2,266.4	3,055.9	3,117.2
Tires and tubes.....	5.0	3.9	8.2	11.8	7.8	5.4	14.0
Total imports.....	76.0	230.9	819.4	1,406.3	2,274.2	3,061.3	3,131.2
Net balance.....	+562.8	+657.9	+556.3	+482.1	+359.7	+83.0	-195.1
Memo entry							
Snowmobiles included in exports of trucks, above.....	-	-	-	-	-	5.5	11.7
Snowmobiles included in imports of trucks, above.....	-	-	14.5	36.4	60.6	110.9	140.8

^{1/} Canadian import data. Parts exports (Canadian imports) adjusted to exclude tooling charges in millions of U.S. dollars as follows: 1966-\$28.7; 1967-\$44.4; 1968-\$47.2; 1969-\$74.9; 1970-\$89.1.

Note: Data exclude U.S.-Canadian trade in materials for use in the manufacture of automotive parts. Data are adjusted to reflect transaction values for vehicles. \$1.00 Canadian = \$0.925 U.S., 1964-69; \$0.958 U.S., 1970.

Source: U.S. Department of Commerce

2. United States-Canadian Automotive Trade Statistics

The Fourth Annual Report noted that during discussions between the two countries, it was agreed in principle that each country would cooperate with the other in developing a more uniform approach to statistical measurement of trade in automotive products between the two countries. It was agreed that the most accurate measurement of trade could be obtained by using the import statistics of each country and actual transaction values. The table on U.S.-Canadian automotive trade, page 20 , employs this methodology.

The Fourth Annual Report contained a similar table on page 14 which used some differently-sourced figures and did not contain tires and tubes. The U.S. import figures in the two tables are identical. The U.S. export values in the Fourth Report (page 14) are a combination of Canadian import data for parts and U.S. export data for vehicles. The U.S. export values used in the Fifth Report (page 20) are entirely Canadian import figures.

3. United States Automotive Trade with Countries Other Than Canada

U.S. exports of automotive products to countries other than Canada were \$1,354 million in 1970, up 7.4 percent over 1969.^{1/} Since 1965 the annual percentage change of exports from the previous years has varied from a 4.3 percent decrease to a 7.4 percent increase (1970); the average change has been a 3.4 percent increase.

Among export markets, Mexico continued to be the largest single automotive market other than Canada, taking over \$200 million of exports. The Common Market countries (as a group) were second with \$142 million. In passenger cars alone, Japan took nearly a third more in 1970 than in 1969 for a total of \$20 million (slightly more than the \$19.4 million going to all the Common Market countries).

Imports of automotive products from countries other than Canada have increased at a faster rate than exports. In 1970 such imports were \$2,326 million, an increase of 27.7 percent over 1969. Since 1965 the annual percentage change from the previous year has varied from 4.3 percent in 1965 to 62.9 percent in 1968, and the average change has been an 18.9 percent increase.

The major part of the increase in imports of automotive products has been passenger cars, although trucks and automotive parts imports have also increased. The U.S. market penetration by foreign cars amounted to 14.7 percent in 1970, compared with 11 percent in 1969. In 1964 imported cars took 6 percent of the market. The trend in Canada is similar.

^{1/} Table 13, page 50

West Germany continues to be the largest supplier of automotive products to the United States. The value of these imports in 1970, mostly compact cars, was \$1.2 billion, an increase of 25 percent over 1969. Imports of automotive products from Japan continue to grow at a rapid rate and were valued at \$630 million in 1970, an increase of 45 percent over 1969. The United Kingdom was the third largest supplier with \$140 million in 1970, a decline of 12 percent from 1969. Sweden remained our fourth largest automotive supplier with imports valued at \$112 million in 1970.

4. Canadian Automotive Trade with Countries Other Than the United States

Canadian automotive trade with countries other than the United States continued to grow in 1970. Exports of automotive products in this trade were \$228 million, an increase of 20 percent over 1969, while corresponding imports were \$338 million - an increase of 13 percent. The 1970 Canadian net trade position in automotive trade with countries other than the U.S. was a deficit of \$109 million, unchanged from 1969.

The largest export market was Australia, which took \$33 million of Canadian automotive products in 1970, with South Africa second at \$21 million. Parts are the largest component of Canada's export trade, accounting for 37 percent in 1970. During the year, for the first time, the export of trucks became larger than the export of passenger cars.

In 1970 Japan became the largest automotive supplier to Canada (other than the United States), with Canadian automotive imports from that country of \$107 million (mostly vehicles). The growth of imports from Japan has been rapid, increasing four-fold since 1968. Imports from the United Kingdom dropped from \$88 million in 1969 to \$57 million in 1970. West Germany passed the United Kingdom in 1970 with \$107 million.

Snowmobiles

Production and trade in snowmobiles were in small volume at the time the Automotive Agreement was negotiated. They were covered by the Agreement as applied by the United States since they were classified as part of a basket category in the Tariff Schedules of the United States Annotated which was included in the implementing U.S. legislation because it covered automotive products. Canada did not originally permit snowmobiles to enter duty-free under the Agreement, but the Canadian Government subsequently issued an Order-in-Council allowing them to enter duty-free from the United States.

Snowmobile production and sales have increased rapidly and by 1970 the U.S. deficit with Canada in snowmobile trade was about \$129 million out of the total \$195.1 million automotive trade deficit for that year.^{1/}

^{1/} Page 20 memo entry

Snowmobiles accounted for \$25 million of the \$278 million worsening in the automotive trade deficit from 1969 to 1970.

Snowmobiles and automobiles are used in quite different ways and are produced by different industries. Snowmobiles sell for an average price of about \$1,000. There are about 39 known American and about 17 known Canadian producers of snowmobiles, plus 10 European and two Japanese.

Snowmobiles imported duty-free from Canada grew rapidly from an estimated few thousand units worth \$4.5 million in 1964 to over 235,000 units worth \$141 million in 1970. About 67 percent of the snowmobiles sold in the United States in 1970 came from Canada and one large producer shipped about 60 percent of these. U.S. exports of snowmobiles to Canada grew from an insignificant amount in 1964 to 20,600 units worth \$11.7 million in 1970.

VI. IMPLEMENTATION OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

1. United States Adjustment Assistance

The Automotive Products Trade Act of 1965 provided special adjustment assistance procedures for individual firms or groups of workers dislocated primarily because of the operation of the Agreement. These provisions expired June 30, 1968. Prior to the expiration of these provisions, petitions for adjustment assistance were filed by 21 groups of workers. Certifications were issued in 14 cases and weekly allowance payments totaling about \$4.1 million were made to approximately 1,950 workers. No petitions were submitted by firms.

2. Current Discussions

During 1970 United States and Canadian government officials continued their discussions on eliminating the transitional restrictions on Canadian imports of motor vehicles and parts from the United States. No resolution of these problems was reached during the year.

Because of the disparity in size of the automotive industries and relative costs of production in the two countries at the time the Agreement was negotiated, Canada requested special transitional arrangements until its smaller industry could adjust operations to

the much larger North American market. Under Annex A of the Agreement, Canada accords duty-free treatment to motor vehicles and original equipment parts only when imported by qualified manufacturers.^{1/} These manufacturers were required to maintain at least the same ratio of production of vehicles in Canada to sales in Canada as prevailed during the model year 1964, and also to maintain in automotive production a Canadian value-added at least equal to that attained in vehicles of the same class in model year 1964. Individuals or firms not qualifying as bona fide manufacturers wishing to import an automobile into Canada must pay the 15 percent duty.

In additional separate arrangements with the Government of Canada Canadian motor vehicle manufacturers undertook to increase by the end of 1968 vehicle model year (July 31, 1968) the dollar value of Canadian value-added in the production of vehicles and parts by \$241 million above that achieved in model year 1964. In the 1965 separate undertakings, the Canadian manufacturers also agreed to increase annually Canadian value-added by a percentage of growth in the Canadian market. These separate arrangements expired July 31, 1968. If the President finds that any manufacturer has entered into any other undertaking, by reason of Canadian governmental action, to

^{1/} App. E, page 82

increase Canadian value-added to vehicles or original equipment parts, the President will report such findings to Congress with recommendations in accordance with Section 205 of the Automotive Products Trade Act.

The production requirements cited above have been met, and in fact exceeded, by motor vehicle manufacturers in Canada. The trade pattern for the near future is established by the investments which have already been made, and thus removal of the transitional measures would not produce a rapid substantial change in the trade balance. However, continued existence of the transitional measures would be an obstacle to full realization of the Agreement objectives.

The means of progressing further toward full achievement of the objectives of the Agreement were first examined during the 1968 joint United States-Canadian review. The 1970 discussions with the Government of Canada also proceeded with a view toward working to achieve fully the objectives of the Automotive Agreement, particularly "the development of conditions in which market forces may operate effectively to attain the most economic pattern of investment, production and trade." The United States stressed that retention of these measures in the Agreement would be contrary to the premise on which the United States entered the Agreement and

that the three transitional restrictions in Annex A - Canadian value-added, production-sales ratio, and duty-free entry restricted to manufacturers - were no longer warranted and should be eliminated. Although some progress was made in principle no final resolution was reached during the year. The United States continued to pursue its objective of elimination of these restrictions in discussions with the Canadian Government.

3. General Agreement on Tariffs and Trade (GATT) Waiver

Article 1 of the General Agreement on Tariffs and Trade (GATT) provides for the extension of unconditional most-favored-nation treatment with respect to customs duties levied on products imported from the GATT contracting parties. Under the Automotive Agreement certain automotive products are allowed duty-free entry into the United States only when imported from Canada. It was, therefore, necessary for the United States to obtain a waiver of its GATT obligations to the extent required to put the Agreement into effect. The waiver was approved on December 20, 1965, and provided for an annual report and a review by the GATT contracting parties after two years, and, if necessary, biennially thereafter. The United States reports to GATT have been based on the first four annual reports by the President to Congress on the operation of the Automotive Products Trade Act.

The GATT secretariat distributed the Fourth Annual Report to the contracting parties on December 11, 1970. The GATT Council took note of the Fourth Annual Report February 2, 1971.

The waiver provides for consultations between the United States and any contracting party which believes that elimination of the United States customs duties on imports of an automotive product from Canada has created a significant diversion of United States imports of that automotive product from the requesting country. No request for such consultations has been received by the United States.

4. Determination of "Bona Fide Motor Vehicle Manufacturer"

Under the Automotive Products Trade Act of 1965 imports of duty-free Canadian original motor vehicle equipment are limited to imports made pursuant to an order, contract, or letter of intent from a bona fide motor vehicle manufacturer in the United States. The Act defines such a manufacturer as a person who, upon application to the Secretary of Commerce, is determined by the Secretary to have produced no fewer than 15 complete motor vehicles in the United States during the previous 12 months and to have installed capacity in the United States to produce 10 or more complete motor vehicles per 40-hour week.

The Secretary of Commerce has delegated this responsibility to the Director, Bureau of Domestic Commerce. Rules and regulations, published in Part 615, Chapter VI, Title 15 of the Code of Federal Regulations, outline procedures for filing applications and set out the qualifications of a bona fide motor vehicle manufacturer. They also provide for preparation, maintenance, and publication of a list of these manufacturers.

These rules and regulations state that a person shall be regarded as having had the capacity to produce a complete motor vehicle only if his operations included the assembly of two or more major components (e.g., the attachment of a body to a chassis) to create a new motor vehicle ready for use.

As of March 1, 1971, a total of 174 U.S. manufacturers had been certified as "bona fide motor vehicle manufacturers."^{1/} Certification of a manufacturer is valid for a 12-month period from the date the Director determines the manufacturer is qualified, and is renewable. The certified manufacturers are engaged in one or more of the following types of business: (1) manufacture of motor vehicles, including motor vehicle chassis; (2) manufacture and assembly of motor vehicle bodies, trailer hitches known as fifth wheels on truck tractors, and other motor vehicle equipment on new chassis; and (3) assembly and installation of motor vehicle equipment on new chassis, including fifth wheels.

The 174 manufacturers are located in 37 states with Ohio, Michigan, Wisconsin, Minnesota, Illinois, New York, Pennsylvania, California, Indiana, and New Jersey in that order, topping the list in number of establishments.

^{1/} App. D, page 71.

TABLE 1.--ESTIMATED TOTAL VALUE ^{1/} (UNDUPLICATED) OF U.S. FACTORY SALES OF AUTOMOTIVE PRODUCTS, SIC 371, 1965-1970

(Billions of U.S. Dollars)

Item	1965	1966	1967	1968	1969	1970
Passenger cars, domestic and export ^{2/}	21.2	20.5	18.2	22.3	21.7	17.4
Trucks, buses, truck-tractors, etc., domestic and export ^{3/}	4.6	4.7	4.2	5.3	5.9	5.1
Truck trailers, domestic and export	.5	.6	.5	.6	.7	.6
Replacement parts and accessories, domestic	3.4	3.6	3.8	4.2	4.5	4.9
Export of parts and accessories	1.2	1.5	1.6	2.1	2.4	2.4
Total domestic and export	30.9	30.9	28.3	34.5	35.2	30.4

^{1/} Value f.o.b. plants; excludes excise tax.

^{2/} Based on values with standard equipment, adjusted to include an estimate for optional equipment.

^{3/} Includes truck and bus chassis sold separately; also truck and bus bodies.

Source: BDC based on Automobile Manufacturers Association and Bureau of Census data.

TABLE 2.--U.S. MOTOR VEHICLE PRODUCTION, CALENDAR YEARS 1965-70

(Thousands of Units)

Year	Passenger cars	Trucks and buses	Total
1965	9,335.2	1,802.6	11,137.8
1966	8,604.7	1,791.6	10,396.3
1967	7,412.7	1,611.1	9,023.7
1968	8,848.6	1,971.8	10,820.4
1969	8,224.4	1,981.5	10,205.9
1970	6,550.1	1,733.8	8,283.9

Source: Automobile Manufacturers Association - Revised 1971

TABLE 3.--CANADIAN MOTOR VEHICLE PRODUCTION, CALENDAR YEARS 1965-70

(Thousands of Units)

	Passenger cars	Trucks and buses	Total
1965	706.8	139.8	846.6
1966	684.5	187.7	872.2
1967	708.3	211.2	919.5
1968	889.4	260.8	1,150.2
1969	1,035.6	317.3	1,352.9
1970 ^{1/}	940.4	253.2	1,193.6

^{1/} Preliminary

Source: Dominion Bureau of Statistics - Revised 1971

TABLE 4.--PRICE INDEXES FOR AUTOMOTIVE EQUIPMENT IN THE UNITED STATES,
ANNUAL AVERAGE, 1965-70 (1966=100)

Year	Wholesale price index			Consumer price index
	Passenger cars	Motor trucks	Motor vehicle parts <u>1/</u>	New passenger cars
1965.....	100.1	99.4	---	101.9
1966.....	100.0	100.0	100.0	100.0
1967.....	100.8	102.1	101.5	100.9
1968.....	102.7	105.3	106.0	103.7
1969.....	104.1	108.2	110.0	105.3
1970.....	107.4	113.1	114.6	108.6

1/ The index for "motor vehicle parts" was first computed in January 1967, on a December 1966 = 100 base. It replaces a previous "motor vehicle parts and accessories" index, which was computed from a limited price sample.

Source: U.S. Department of Labor

TABLE 5.--PRICE INDEXES FOR AUTOMOTIVE EQUIPMENT IN CANADA, ANNUAL AVERAGE,
1965-70 (1966 = 100)

Year	Industrial selling price indexes ^{1/}				Consumer price index
	Passenger cars		Motor trucks	Motor vehicle parts and accessories	New passenger cars
	hard top	4 door sedan			
1965	100.3	101.2	99.8	99.7	101.9
1966	100.0	100.0	100.0	100.0	100.0
1967	99.9	100.2	100.2	101.5	101.7
1968	101.1	102.4	102.5	102.9	103.5
1969	101.7	103.2	103.7	105.1	104.2
1970 ^{2/}	101.1	104.0	107.1	107.4	105.9

^{1/} The industrial selling price indexes were revised in 1969. The classifications shown here are the new series. 1965 is not entirely comparable with later data.

^{2/} Preliminary

Source: Dominion Bureau of Statistics.

TABLE 6.--PRICE OF TYPICAL POPULAR MODEL, 4-DOOR SEDAN, 6 CYLINDER WITH COMPARABLE STANDARD EQUIPMENT IN THE UNITED STATES AND CANADA, MODEL YEARS 1965, 1969-71

ITEM	Price in United States (U. S. dollars)	Price in Canada		Canadian Price Differential Over (under) U.S. Price				
		Canadian dollars	United States dollars		Amount (U.S. dollars)	Percent		
1965 Model Introduction			3/	4/	3/	4/		
Factory List Price	2,147	2,544	2,353	2,503	206	356	9.6	16.6
Sales/Excise Tax 1/	173	221	205	217	32	44	-	-
Dealers Delivery & Handling	25	25	23	25	(2)	-	-	-
Manufacturer's suggested retail price 2/	2,345	2,350	2,580	2,745	230	395	9.8	16.8
1969 Model Introduction								
Factory List Price	2,384	2,684	2,483	2,641	99	257	4.2	10.8
Sales/Excise Tax 1/	141	254	235	250	94	109	-	-
Dealers Delivery & Handling	25	25	23	25	(2)	-	-	-
Manufacturer's suggested retail price 2/	2,550	2,963	2,741	2,916	191	366	7.5	14.4
1970 Model Introduction								
Factory List Price	2,511	2,821	2,609	2,776	98	265	3.9	10.6
Sales/Excise Tax 1/	149	267	247	262	98	113	-	-
Dealers Delivery & Handling	25	25	23	25	(2)	-	-	-
Manufacturer's suggested retail price 2/	2,685	3,113	2,879	3,063	194	378	7.2	14.1
1971 Model Introduction								
Factory List Price	2,638	2,918	2,699	2,871	61	233	2.3	8.8
Sales/Excise Tax 1/	157	277	256	273	99	116	-	-
Dealers Delivery & Handling	25	25	23	25	2	-	-	-
Manufacturer's suggested retail price 2/	2,820	3,220	2,978	3,169	158	349	5.6	12.4

1/ Canadian sales tax 11 percent 1964-67, 12 percent 1968; U.S. excise tax 10 percent 1964-65, 7 percent 1966-71.

2/ Manufacturer's suggested retail price includes factory list price, sales tax or excise tax and dealer delivery and handling, but excludes destination charges, state and local taxes, license and title.

3/ Based on conversion rate of .925 U.S. \$ = C \$1.00, except as noted under footnote 4.

4/ Based on conversion rate of \$.984 = C \$1.00, the exchange rate in September 1970 when 1971 models were introduced.

TABLE 7.--PRICE OF TYPICAL POPULAR MODEL, 4-DOOR SEDAN, 8 CYLINDER WITH COMPARABLE STANDARD EQUIPMENT IN THE UNITED STATES AND CANADA, MODEL YEARS 1965, 1969-71.

ITEM	Price in United States (U. S. dollars)	Price in Canada		Canadian Price Differential Over (under) U.S. Price				
		Canadian dollars	United States dollars		Amount (U.S. dollars)		Percent	
1965 Model Introduction			3/	4/	3/	4/	3/	4/
Factory List Price	2,565	3,040	2,812	2,992	247	427	9.6	16.6
Sales/Excise Tax 1/	149	256	237	252	88	103	-	-
Dealers Delivery & Handling	40	40	37	39	(3)	(1)	-	-
Manufacturer's suggested retail price 2/	2,754	3,336	3,086	3,283	332	529	12.0	19.2
1969 Model Introduction								
Factory List Price	2,868	3,273	3,027	3,221	159	353	5.6	12.3
Sales/Excise Tax 1/	159	293	271	288	112	129	-	-
Dealers Delivery & Handling	40	40	37	39	(3)	(1)	-	-
Manufacturer's suggested retail price 2/	3,067	3,606	3,335	3,548	268	481	8.8	15.7
1970 Model Introduction								
Factory List Price	2,969	3,381	3,128	3,328	159	359	5.6	12.1
Sales/Excise Tax 1/	165	302	280	297	115	132	-	-
Dealers Delivery & Handling	40	40	37	39	(3)	(1)	-	-
Manufacturer's suggested retail price 2/	3,174	3,724	3,445	3,664	271	490	8.8	15.4
1971 Model Introduction								
Factory List Price	3,000	3,297	3,049	3,244	49	243	1.6	8.1
Sales/Excise Tax 1/	175	305	282	300	107	125	-	-
Dealers Delivery & Handling	40	40	37	39	(3)	(1)	-	-
Manufacturer's suggested retail price 2/	3,215	3,642	3,369	3,584	273	408	4.8	12.7

1/ Canadian sales tax 11 percent 1964-67, 12 percent 1968; U.S. excise tax 10 percent 1964-65, 7 percent 1966-71.

2/ Manufacturer's suggested retail price includes factory list price, sales tax or excise tax and dealer delivery and handling, but excludes destination charges, state and local taxes, license and title fees.

3/ Based on conversion rate of .925 U.S. \$ = C \$1.00, except as noted under footnote 4.

4/ Based on conversion rate of \$.984 = \$1.00, the exchange rate in September 1970 when 1971 models were introduced.

TABLE 8.--PRICE OF TYPICAL POPULAR MODEL, 2-DOOR HARDTOP, 8 CYLINDER WITH COMPARABLE STANDARD EQUIPMENT IN THE UNITED STATES AND CANADA, MODEL YEARS 1965, 1969-71

ITEM	Price in United States (U. S. dollars)	Price in Canada		Canadian Price Differential Over (under) U.S. Price				
		Canadian dollars	United States dollars		Amount (U.S. dollars)	Percent		
1965 Model Introduction			3/	4/	3/	4/		
Factory List Price	4,103	5,815	5,379	5,722	1,276	1,619	31.1	39.4
Sales/Excise Tax 1/	333	442	409	435	76	102	-	-
Dealers Delivery & Handling	50	40	37	39	(13)	(11)	-	-
Manufacturer's suggested retail price 2/	4,486	6,297	5,825	6,196	1,339	1,710	29.8	38.1
1969 Model Introduction								
Factory List Price	4,526	5,381	4,977	5,295	451	769	10.0	17.0
Sales/Excise Tax 1/	248	451	417	444	169	196	-	-
Dealers Delivery & Handling	50	40	37	39	(13)	(11)	-	-
Manufacturer's suggested retail price 2/	4,824	5,872	5,431	5,778	607	954	12.6	19.8
1970 Model Introduction								
Factory List Price	4,656	5,517	5,103	5,429	447	773	9.6	16.6
Sales/Excise Tax 1/	255	465	430	458	175	203	-	-
Dealers Delivery & Handling	50	40	37	39	(13)	(11)	-	-
Manufacturer's suggested retail price 2/	4,961	6,022	5,570	5,926	609	965	12.3	19.4
1971 Model Introduction								
Factory List Price	4,971	5,690	5,263	5,599	292	628	5.9	12.6
Sales/Excise Tax 1/	274	511	473	503	199	229	-	-
Dealers Delivery & Handling	50	40	37	39	(13)	(11)	-	-
Manufacturer's suggested retail price 2/	5,295	6,241	5,773	6,141	478	846	9.0	16.0

1/ Canadian sales tax 11 percent 1964-67, 12 percent 1968; U.S. excise tax 10 percent 1964-65, 7 percent 1966-71.

2/ Manufacturer's suggested retail price includes factory list price, sales tax or excise tax and dealer delivery and handling, but excludes destination charges, state and local taxes, license and title fees.

3/ Based on conversion rate of .925 U.S. \$ = C \$1.00, except as noted under footnote 4.

4/ Based on conversion rate of \$.984 = C \$1.00, the exchange rate in September 1970 when 1971 models were introduced.

TABLE 9.--TOTAL EMPLOYMENT IN THE U.S. AUTOMOTIVE PRODUCTS INDUSTRY
 BASED ON U.S. 1967 STANDARD INDUSTRIAL CLASSIFICATION (SIC),
 ANNUAL AVERAGES, 1965-1970 AND JANUARY-SEPTEMBER 1969 AND 1970

(Thousands of Employees)

Period	Total Motor Vehicles and Equipment (SIC 371)	Motor Vehicles (SIC 3711)	Passenger Car Bodies (SIC 3712)	Truck and Bus Bodies (SIC 3713)	Parts and Accessories (SIC 3714)
Annual average:					
1965	842.7	352.9	66.4	34.5	362.8
1966	861.6	361.5	65.3	36.8	370.2
1967	815.8	341.0	60.0	37.0	351.7
1968 ^{1/}	873.7	373.1	59.5	37.8	376.1
1969 ^{1/}	913.5	397.1	56.6	40.3	388.9
1970	809.8	350.4	47.4	38.6	348.4
January-September average:					
1969	905.5	390.3	57.0	40.4	387.1
1970	852.4	370.3	52.5	39.8	363.5

^{1/} Revised to reflect Bureau of Labor Statistics 1969 benchmark count.

Source: Bureau of Labor Statistics

TABLE 10.--TOTAL EMPLOYMENT IN CANADIAN AUTOMOTIVE PRODUCTS INDUSTRY BASED ON CANADIAN 1960 STANDARD INDUSTRIAL CLASSIFICATION (SIC), ANNUAL AVERAGES, 1965-70 AND JANUARY-SEPTEMBER 1969 AND 1970 ^{1/}

	Estimated employment ^{2/} (Thousands of Employees)		
	Motor vehicles (SIC 323-5)	Assembling (SIC 32)	Parts and accessories (SIC 325)
Annual average:			
1965.....	81.9	41.9	34.8
1966.....	85.7	42.8	37.0
1967.....	84.1	40.7	37.1
1968.....	84.8	41.6	36.7
1969.....	92.1	44.5	39.7
1970 ^{3/}	83.4	39.4	35.8
January-September average:			
1969.....	91.2	44.0	39.4
1970 ^{3/}	85.4	40.5	36.5

^{1/} Establishments with 20 or more workers.

^{2/} The employment figures in this table are estimates based on Dominion Bureau of Statistic's employment indexes. It is believed these are more accurate than the previous employment figures in Table 10 which were based on somewhat less comprehensive date.

^{3/} Preliminary.

Source: Dominion Bureau of Statistics

TABLE 11. -- VALUE OF CANADIAN MOTOR VEHICLES AND ORIGINAL MOTOR-VEHICLE EQUIPMENT (CANADIAN ARTICLES) IMPORTED DUTY-FREE FROM CANADA INTO THE UNITED STATES UNDER THE PROVISIONS OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965 (APTA), BY TSUSA NUMBER, 1968-70

(U.S. dollars)

TSUSA Number (APTA)	Commodity	1968	1969	1970
207.0100	Articles of wood, n.s.p.f.	1,785	2,330	2,448
220.4600	Articles of cork			3,400
355.2700	Felt, batting, wadding	348,642	59,234	18,722
357.9100	Hose for liquids or gases, vegetable fibers		475	901
357.9600	Hoses for liquids or gases, manmade fibers		288	1,085
358.0300	V-belts, textile fibers and rubber.	244,106	149,070	159,819
361.9000	Floor coverings and underlays, textile.	2,591,626	1,502,324	1,664,542
389.8000	Textile articles, n.s.p.f.	20,662	3,530	29,542
517.8200	Brushes, graphite, for electric generators and motors	221,997	252,555	200,718
535.1500	Ceramic insulators	480		418
540.7200	Glass fibers, bulk, pads, etc.	8,176		1,142
544.2000	Glass		8,313	
544.3200	Toughened glass	7,155,594	12,997,714	15,461,646
544.4200	Laminated glass	2,052,120	2,781,679	10,883,726
544.5200	Mirrors, not over 1 square foot in reflecting area	194,937	2,128,103	3,483,887
544.5500	Mirrors, over 1 square foot in reflecting area	2,777	2,882	
545.6200	Glass lenses and filters and parts for lighting and signals	17,695	704	13,580
545.6400	Glass reflecting lenses for signs or signals	17,596	3,497	
610.8100	Pipe and tube fittings of iron or steel (other than cast-iron fittings)	135,875	51,522	31,555
613.1600	Pipe and tube fittings other than of copper, nickle silver and cupronickel.	3,648	18,769	25,407
613.1900	Pipe and tube fittings of copper alloy, n.e.s.	1,169,598	1,130,998	395,830
618.4800	Pipe, tubes, blanks, and fittings of aluminum	17,692	12,512	13,639
642.2100	Ropes, cables, etc., with fittings.	2,076	39,275	139,629

TABLE 11--continued

TSUSA Number (APTA)	Commodity	1968	1969	1970
642.8600	Copper wire cloth, etc., cut to shape	536		
642.8800	Other wire cloth, etc., cut to shape	12,828	11,930	4,222
646.7900	Staples, rivets, bolts, and other fasteners	4,376,230	5,504,000	6,525,314
646.9300	Locks, parts, and keys, of base metal	470,967	220,703	201,536
647.0200	Hinges, fittings, and mountings of iron, steel, aluminum, or zinc designed for motor vehicles . . .	14,739,824	16,841,407	13,865,979
647.0600	Other hinges, fittings, and mountings	77,448	195,997	188,873
652.1000	Flexible metal hose or tubing. . .	25,853	202,735	336,821
652.3900	Chain and chains, and parts, of base metal	127,666	100,799	3,571
652.7600	Signplates, nameplates, numbers, etc., of base metal	67,631	105,810	109,097
652.8500	Springs and leaves for springs of base metal, suitable for motor vehicle suspension	34,947,331	33,160,315	36,824,629
652.8700	Hairsprings	7,145	452	1,411
652.8900	Other springs	1,292,218	1,575,179	1,516,439
658.1000	Articles of base metal, n.s.p.f. not coated with precious metal. .	851,668	1,209,901	1,238,182
660.4300	Piston-type compression-ignition engines	121,229	2,794,426	18,511
660.4500	Piston-type engines, n.e.s. (auto truck and bus)	184,764,040	202,623,932	267,075,879
660.4700	Nonpiston type engines			257
660.5100	Cast iron parts, not advanced, etc., for internal combustion engines	8,276,417	10,249,811	9,271,768
660.5300	Parts of piston-type engines other than compression ignition engines	26,976,542	39,142,887	30,585,858
660.5500	Parts internal combustion engines, n.e.s.	229,091	823,014	840,314
660.8600	Nonelectric engines, motors and parts, n.s.p.f.		3,592	300
660.9300	Fuel injection pumps for compression-ignition engines and parts.	10,739	10,200	18,843
660.9500	Pumps for liquid, n.e.s., and parts	4,506,857	5,744,460	5,652,480
661.1100	Fans and blowers and parts	2,206,396	3,153,376	5,589,017
661.1300	Compressors and parts	182,453	751,147	1,248,012
661.1600	Air pumps and vacuum pumps and parts	133,071	81,982	18,986

TABLE 11.--continued

TSUSA Number (APTA)	Commodity	1968	1969	1970
661.2100	Air-conditioning machines and parts	1,132,678	5,746,868	9,962,537
661.3600	Refrigerators, refrigerating equip- ment, and parts			83,392
661.9600	Other parts for filtering and purifying machines, n.e.s.	1,136	315	6,415
662.3600	Simple piston pump sprays and parts	1,132		
662.5100	Other mechanical appliances n.e.s., for dispersing liquids, etc.	368,630	435,037	317,152
664.1100	Material handling equipment, n.e.s..	138,606	294,755	805,991
678.5100	Machines, n.s.p.f. and parts	1,285,620	3,346,452	3,112,415
680.2100	Taps, cocks, valve, and parts, hand operated and check, copper	16,001	3,085	3,869
680.2300	Taps, cocks, valves, and parts hand operated and check, of other metals	234,908	205,326	1,230,805
680.2800	Taps, cocks, valves, other	1,500,988	2,477,278	3,099,635
680.3100	Artificial balls and rollers	386,777	425,196	433,055
680.3400	Ball bearings with integral shafts .	1,294,700	1,503,426	2,163,303
680.3600	Other ball and roller bearings and parts	1,478,115	3,419,678	3,288,392
680.5800	Lubrication fittings	10,494	27,887	6,843
680.9100	Machinery parts not containing electrical features, n.s.p.		1,103	30,811
682.6500	Generators, motors, electric and parts, under 200 horsepower	1,383,492	3,681,361	2,729,671
682.7100	Permanent magnets	1,704		
682.9100	Magnetic chucks, etc., electromagnetic clutches, couplings, brakes, etc., n.e.s.	8,135	2,745	117,369
683.1100	Lead-acid type storage batteries and parts	1,612,852	1,762,503	1,116,665
683.1600	Other storage batteries and parts...	36,871	6,481	11,555
683.6100	Electrical starting and ignition equipment for internal com- bustion engines	9,614,338	10,407,803	7,789,043
683.6600	Electric lighting equipment designed for motor vehicles and parts	5,808,275	6,907,718	6,999,028
684.4100	Electric furnaces, heaters, and ovens, and parts	205,289	443,020	1,141,524
684.7100	Microphones, loudspeakers, etc., and parts	33,665	87,626	160,861

TABLE 11.--continued

TSUSA Number (APTA)	Commodity	1968	1969	1970 .
685.5520	Radio receivers	17,780,624	17,368,790	17,579,468
685.5540	Other radiotelegraphic and radio- telephonic transmission and recep- tion apparatus, radio, TV, and recording devices, etc., and parts	4,657,877	5,917,694	4,975,053
685.7100	Electric sound and visual signaling apparatus and parts.	434,037	727,405	1,193,778
685.8100	Electrical capacitors, fixed or variable	238,360	436,344	751,900
685.9100	Electrical switches, relays, etc. and parts	1,087,664	2,072,423	2,453,076
686.1100	Resistors, fixed or variable and parts (including potentiometers but not including heating elements)	1,236,686	1,489,359	1,588,404
686.2300	Automatic voltage regulators, etc., and parts for 6,12 and 24-volt systems	1,025	3,556	
686.6100	Sealed-beam lamps	476,180	631,487	662,673
686.8100	Electric filament lamps for operating under 100 volts, n.e.s.,	208,306	312,150	454,924
687.5100	Television picture tubes	3,025	110,425	
687.6100	Other electronic tubes, etc., and parts	167,651	110,425	31,988
688.0500	Insulated electrical conductors, . without fittings	72,954	97,868	68,822
688.0700	Insulated electrical conductors, other	719	4,573	8,049
688.1300	Ignition wiring sets	11,795,322	12,283,050	12,530,210
688.1600	Insulated electrical conductors, with fittings, other	2,424,772	2,117,583	1,937,739
688.4100	Electrical articles, and electrical parts of articles, n.s.p.f.	79,083	25,506	10,887
692.0300	Automobile trucks valued at \$1,000 or more each, but not including electric trolley buses, 3-wheeled vehicles, or trailers accom- panying automobile truck tractors	253,383,167	347,548,187	312,188,912
692.0700	Motorbuses, but not including any electric trolley bus or 3-wheeled vehicle.	925,087	1,391,467	3,434,722
692.1120	On-the-highway, 4-wheeled passenger automobiles, new	1,348,308,133	1,824,889,446	1,802,144,777

TABLE 11.--continued

TSUSA Number (APTA)	Commodity	1968	1969	1970
692.1140	On-the-highway, 4 wheeled passenger automobiles, used	112,894	102,525	89,904
692.1160	Vehicles which operate in whole or in part on runners or skis	60,579,368	110,852,966	140,880,956
692.1180	Other motor vehicles	2,227,293	5,064,937	3,625,441
692.2100	Chassis for automobile trucks, and motorbuses, except for electric trolley buses or 3-wheeled vehicles	120,207,542	205,759,035	196,636,822
692.2300	Other chassis except chassis for special purpose vehicles or 3-wheeled vehicles	71,335	110,318	7,199
692.2500	Cast-iron parts of motor vehicles, not alloyed, not advanced	2,323,423	1,644,030	486,185
692.2810	Body stampings	9,369,859	5,184,942	2,873,601
692.2820	Bumpers	24,821,315	25,509,015	22,134,372
692.2830	Wheels designed to be mounted with pneumatic tires	16,461,698	19,356,812	23,507,931
692.2840	Hubcaps and wheel covers	9,890,856	11,136,203	12,794,323
692.2850	Radiators	17,689,256	26,833,086	26,521,816
692.2860	Mufflers and tailpipes	2,122,258	2,673,365	4,444,832
692.2870	Other including truck tractors	231,069,905	282,373,458	304,302,125
711.8500	Pressure gages, thermostat, etc.	327,434	751,909	750,894
711.9100	Taximeters and parts . . . . .	. . . . .	. . . . .	2,412
711.9900	Speedometer and parts and other revolution counters, etc. and parts	272,748	423,986	492,102
712.5100	Electrical measuring, etc. and parts n.s.p.f. and parts	5,164	33,897	64,094
721.2000	Clocks, clock movements, etc., and parts	83,575	186,602	230,484
727.0700	Furniture designed for motor vehicle use, and parts	44,633,302	71,546,077	84,305,644
728.3000	Nontextile floor coverings	3,180	43,065	378,862
728.8000	Buckles and buckle slides, slide fasteners, and other fastening devices, and parts	521,575	980,134	1,227,159
772.6600	Hose, pipe, and tubing, n.s.p.f., of rubber or plastics	1,610,646	1,078,966	1,734,232
772.8100	Handles and knobs, of rubber or plastics	96,357	124,248	132,833
772.8600	Closures, including caps, lids, etc., of rubber or plastics	1,063,710	120,473	244,964

TABLE 11.--continued

TSUSA Number (APTA)	Commodity	1968	1969	1970
773.2600	Gaskets, of rubber or plastics . .	3,299,113	4,346,598	3,996,752
773.3100	Electric insulators of rubber or plastics	12,947	43,473	25,729
774.7000	Any articles n.s.p.f. of rubber or plastics	1,041,664	740,362	795,005
791.8100	Any article n.s.p.f. of reptile leather . . . . .	. . . .	466	. . . .
791.9100	Articles n.s.p.f. of other leather	339	. . .	553
	Total, duty-free imports	2,518,358,694	3,381,297,429	3,452,920,873

TABLE 12.--U.S. AUTOMOTIVE PRODUCTS TRADE WITH CANADA ^{1/}
U.S. BUREAU OF CENSUS DATA

(Millions of U.S. Dollars)

United States	1967	1968	1969	1970
Automotive Imports:				
Duty-free:				
Passenger cars	817.8	1,348.5	1,825.0	1,802.2
Trucks, buses, and chassis	265.3	437.4	670.8	656.7
Parts and accessories	424.9	732.5	885.6	993.9
Total, duty-free	1,508.0	2,518.4	3,381.4	3,452.8
Dutiable:				
Passenger cars	.2	.4	1.6	3.9
Trucks, buses, and chassis	4.6	10.5	9.7	9.7
Parts and accessories	49.2	50.5	73.3	85.7
Total, dutiable	54.0	61.4	84.6	99.3
Total duty-free and dutiable:				
Passenger cars	818.0	1,348.9	1,826.6	1,806.1 ^{1/}
Trucks, buses, and chassis	269.9	447.9	680.5	666.4 ^{1/}
Parts and accessories	474.1	783.0	958.9	1,079.6 ^{2/}
Total automotive imports	1,562.0	2,579.8	3,466.0	3,552.1 ^{2/}
Automotive exports:				
Passenger cars	563.0	703.6	748.8	625.9
Trucks, buses, and chassis	138.3	166.6	249.7	253.0
Parts and accessories	1,099.9	1,550.3	1,781.7	1,638.2
Total automotive exports	1,801.2	2,420.5	2,780.2	2,517.1

^{1/} All duty-free imports from Canada under tariff items established by the Automotive Products Trade Act (APTA) are included in the duty-free import section above. Similarly, all "traditional" automotive products which do not qualify for free entry under APTA are shown in the dutiable section. However, not all corresponding exports to Canada are included. Excluded are products not traditionally identified as "automotive" in U.S. export statistics but which are allowed free entry into both the United States and Canada as original equipment parts and accessories. The coverage of the above import and export statistics is not fully comparable. See discussion of United States-Canadian automotive trade statistics in Section V for net exports.

^{2/} Snowmobiles included. See memo entry, page 20.

Source: Compiled by BDC from Bureau of Census data.

TABLE 13.--U.S. AUTOMOTIVE TRADE,^{1/} TOTAL WITH ALL COUNTRIES, WITH CANADA, AND WITH ALL COUNTRIES EXCEPT CANADA, 1968-70

(Millions of U.S. Dollars)

Item	Trade with all countries			Trade with Canada ^{2/}			Trade with all countries except Canada		
	1968	1969	1970	1968	1969	1970	1968	1969	1970
U.S. Exports:									
Passenger cars	982.1	1,023.2	836.6	703.6	748.8	625.9	278.5	274.4	210.7
Trucks, buses, and chassis	487.1	587.6	664.9	166.6	249.7	253.0	320.5	337.9	411.9
Parts and accessories	2,125.0	2,430.1	2,369.3	1,550.3	1,781.7	1,638.2	574.7	648.4	731.1
Total	3,594.2	4,040.9	3,870.8	2,420.5	2,780.2	2,517.1	1,173.7	1,260.7	1,353.7
U.S. Imports:									
Passenger cars	2,795.8	3,376.5	3,730.0	1,348.9	1,826.6	1,806.1	1,446.9	1,549.9	1,923.9
Trucks, buses, and chassis	479.3	722.0	739.1	447.9	680.5	666.4	31.4	41.5	72.7
Parts and accessories	883.0	1,083.6	1,297.7	713.9	856.0	975.0	169.1	227.6	322.7
Total	4,158.1	5,182.1	5,766.8	2,510.7	3,363.1	3,447.5	1,647.4	1,819.0	2,319.3
U.S. Net Exports (-) ^{3/}	(563.9)	(1,141.2)	(1,896.0)	(90.2)	(582.9)	(930.4)	(473.7)	(558.3)	(965.6)

^{1/} The figures are not all inclusive inasmuch as some automotive products as well as other items destined for automotive use are not separately delineated in U.S. trade classification systems and, therefore, are not separately available in U.S. foreign trade statistics. Exports and imports of tires and tubes are not included. Figures may not add to totals because of rounding.

^{2/} The purpose of this table is to compare U.S. automotive trade balances with Canada and with the rest of the world. Therefore, imports of automotive products newly identified by the Automotive Products Trade Act of 1965 (APTA) are not included because similar items are not identifiable in the statistics of imports from other countries. See Table 15 for totals of these new APTA items from Canada.

^{3/} The net balances shown for U.S. automotive trade with Canada in the above table are the most representative figures possible on the basis of U.S. trade statistics. However, see discussion of United States - Canada automotive trade statistics in Section V.

Source: Bureau of Domestic Commerce (Based on Bureau of the Census Data)

TABLE 14.--U.S. AUTOMOTIVE EXPORTS ^{1/}, CALENDAR YEARS 1968-70

(Millions of U.S. Dollars)

Country of destination	Passenger cars			Trucks and buses			Parts and accessories			Total Exports		
	1968	1969	1970	1968	1969	1970	1968	1969	1970	1968	1969	1970
Canada	703.6	748.8	625.9	166.6	249.7	253.0	1,550.3	1,781.7	1,638.2	2,420.5	2,780.2	2,517.1
European Economic Community, Total	25.3	22.0	19.4	11.1	19.0	22.8	70.1	89.1	100.2	106.6	130.1	142.4
Belgium and Luxembourg	9.5	5.6	4.6	1.3	2.5	3.3	21.4	24.3	31.2	32.2	32.4	39.1
France	1.8	1.3	1.4	4.7	8.1	5.8	12.0	19.6	18.4	18.6	29.0	25.6
West Germany	7.9	8.4	8.0	1.7	4.9	8.7	20.2	27.1	30.5	29.8	40.4	47.2
Italy	0.6	0.6	0.7	1.2	0.5	1.4	8.2	9.1	9.9	10.0	10.2	12.0
Netherlands	5.5	6.1	4.7	2.2	3.0	3.6	8.3	9.0	10.2	16.0	18.1	18.5
Sweden	3.3	2.4	3.3	1.7	1.7	3.6	13.3	13.2	15.2	18.3	17.3	22.1
United Kingdom	1.4	1.6	1.8	3.5	1.3	6.3	29.3	36.9	42.2	34.2	39.8	50.3
Japan	13.5	15.5	20.1	1.5	1.5	2.2	12.0	17.3	19.9	26.9	34.3	42.2
Mexico	79.1	71.4	38.1	38.7	33.0	31.2	97.3	110.3	135.3	215.1	214.7	204.6
Venezuela	22.1	22.6	24.9	21.1	20.9	22.1	40.1	41.3	44.3	83.2	84.8	91.3
Republic of South Africa	24.0	33.6	19.6	10.7	13.7	9.5	17.6	21.8	25.9	52.3	69.1	55.0
Phillipines	2.9	2.4	0.6	15.5	14.0	11.2	23.0	20.2	18.7	41.4	36.6	30.5
Australia	16.5	5.9	5.1	16.7	17.3	26.2	43.9	55.9	67.5	77.1	79.1	98.8
Other countries	90.4	97.0	77.8	200.0	215.5	276.8	228.1	242.4	261.9	518.7	554.9	616.5
Total, all countries	982.1	1,023.2	836.6	487.1	587.6	664.9	2,125.0	2,430.1	2,369.3	3,594.2	4,040.9	3,870.8

^{1/} The figures are not all inclusive inasmuch as some automotive products as well as other items destined for automotive use are not separately delineated in U.S. trade classification systems and, therefore, are not separately available in U.S. foreign trade statistics. Exports of tires and tubes are not included. Figures may not add to totals because of rounding.

Source: Bureau of Census

TABLE 15.--U.S. AUTOMOTIVE IMPORTS, CALENDAR YEARS 1968-70

(Millions of U.S. Dollars)

Country of origin	Passenger cars			Trucks and buses			Parts and accessories			Total imports		
	1968	1969	1970	1968	1969	1970	1968	1969	1970	1968	1969	1970
Canada												
Traditional automotive ^{1/}	1,348.9	1,826.6	1,806.1	447.9	680.5	666.4	713.9	856.0	975.0	2,510.7	3,363.1	3,447.5
New APTA ^{2/}	.....	.....	.....	....	....	....	69.1	102.9	104.6	69.1	102.9	104.6
Total	1,348.9	1,826.6	1,806.1	447.9	680.5	666.4	783.0	958.9	1,079.6	2,579.8	3,466.0	3,552.1
European Economic Community, total	1,035.7	1,028.5	1,253.5	16.1	19.4	23.6	82.7	86.6	130.5	1,134.5	1,134.5	1,407.6
Belgium and Luxembourg	28.3	60.9	82.6	10.7	10.8	13.1	1.8	1.9	2.2	40.8	73.6	97.9
France	39.9	26.5	41.1	.1	.5	. . .	3.2	5.4	5.3	43.2	32.4	46.4
West Germany	915.7	874.0	1,065.5	4.0	6.4	9.1	73.5	74.3	115.8	993.2	954.7	1,190.4
Italy	51.5	66.6	64.3	1.3	1.2	.4	3.5	4.1	5.9	56.3	71.9	70.6
Netherlands	.3	.5	.....	.....	.5	1.0	.7	.9	1.3	1.0	1.9	2.3
Sweden	92.0	76.5	107.8	.3	.3	.3	3.3	3.3	4.4	95.6	80.1	112.5
United Kingdom	125.0	138.9	105.2	.9	1.3	1.3	18.7	19.1	32.6	144.6	159.3	139.1
Japan	194.0	305.8	457.3	14.0	20.3	37.9	58.5	109.7	135.1	266.5	435.8	630.3
Other countries	.2	.1	.1	.1	.2	9.6	5.9	8.9	20.1	6.2	9.2	29.8
Total	2,795.8	3,376.4	3,730.0	479.3	722.0	739.1	952.1	1,186.5	1,402.3	4,227.2	5,284.9	5,871.4

^{1/} Traditional automotive imports from Canada include those imports identifiable as automotive products in import figures from all countries.
^{2/} New APTA imports include those imports from Canada which were newly identified by the Automotive Products Trade Act of 1965 as automotive products. These items cannot be identified as automotive in the import data for any other country or in U.S. export data.

Note: Figures may not add to total because of rounding.

Source: Bureau of the Census

TABLE 16.--TOTAL U.S. TRADE ^{1/} (ALL COMMODITIES) WITH THE WORLD AND WITH CANADA,
CALENDAR YEARS 1965 and 1967-1970

(Millions of U.S. Dollars)

	1965	1967	1968	1969	1970
Exports, including reexports:					
To all countries, total	27,530	31,622	34,660	37,988	43,226
To Canada	5,658	7,172	8,074	9,138	9,084
Canada's percent of total	19.9	22.7	23.3	24.1	21.0
Imports, general:					
From all countries, total	21,429	26,889	33,252	36,052	39,963
From Canada	4,858	7,140	9,007	10,390	11,091
Canada's percent of total	22.7	26.6	27.1	28.8	27.7

^{1/} Including special category

Source: Bureau of the Census

TABLE 17. U.S. TOTAL TRADE (ALL COMMODITIES) WITH CANADA AND BALANCE OF MERCHANDISE TRADE, CALENDAR YEARS 1965-70 *

(Millions of U.S. Dollars)

Calendar years:	U.S. Exports to Canada <u>1/</u>	U.S. Imports from Canada	Net Exports
1965	5,658	4,858	800
1966	6,679	6,152	527
1967	7,172	7,140	32
1968	8,074	9,007	(933)
1969	9,138	10,390	(1,252)
1970	9,084	11,091	(2,007)

1/ Including special category

Source: Bureau of the Census

* Tables 16 and 17 are included in this report as background on overall trade. However, the reader is cautioned that the special tabulation of trade in the automotive sector, page 20, should not be directly compared with the above tables as the methods of compilation are significantly different.

TABLE 18.--CANADIAN AUTOMOTIVE EXPORTS, CALENDAR YEARS 1968-70

(Millions of U.S. Dollars) 1/

Country of destination	Passenger cars			Trucks and buses			Parts and accessories			1968	Total 1969	1970
	1968	1969	1970	1968	1969	1970	1968	1969	1970			
United States	1,174.5	1,628.3	1,579.8	399.0	614.9	629.6	686.3	858.0	980.9	2,259.8	3,101.2	3,190.3
West Germany	.3	.1	••••	•••	.1	.2	1.0	1.0	2.1	1.3	1.2	2.3
United Kingdom	.3	1.5	••••	.1	•••	1.4	2.3	4.7	3.1	2.7	6.2	4.5
Sweden	.4	.3	.1	.4	.9	.9	3.0	6.3	5.7	3.8	7.5	6.7
South Africa	11.3	6.5	3.6	6.3	5.1	13.9	3.6	5.2	3.2	21.2	16.8	20.7
West Indies	.7	11.6	7.3	.3	3.3	3.4	.3	.7	1.7	1.3	15.6	12.4
Australia	4.1	.5	1.2	3.1	3.8	7.0	25.7	24.1	24.9	32.9	28.4	33.1
Other countries	63.9	52.4	57.4	31.4	26.2	48.2	22.6	36.4	42.9	117.9	115.0	148.5
Total	1,255.5	1,701.2	1,649.4	440.6	654.3	704.6	744.8	936.4	1,064.5	2,440.9	3,291.9	3,418.5

1/ Converted to U.S. dollars at the official exchange rate of U.S. \$0.925 = Can\$1 for 1968 and 1969. For 1970 an average exchange rate of U.S. \$0.958 = Can\$1 was used.

Source: Dominion Bureau of Statistics

TABLE 19.--CANADIAN AUTOMOTIVE IMPORTS, CALENDAR YEARS 1968-70

(Millions of U.S. Dollars) ^{1/}

Country of origin	<u>Passenger cars</u>			<u>Trucks and buses</u>			<u>Parts and accessories</u>			<u>Total</u>		
	1968	1969	1970	1968	1969	1970	1968	1969	1970	1968	1969	1970
United States	829.5	731.2	632.5	181.4	245.8	262.0	1,630.9	1,976.1	1,847.8	2,641.8	2,953.1	2,742.3
West Germany	50.2	52.4	57.6	2.9	7.3	7.6	15.8	22.7	33.3	68.9	82.4	98.5
France	13.1	16.8	16.5	. . .	.2	. . .	1.1	1.3	2.3	14.2	18.3	18.8
Italy	4.7	9.2	8.1	.2	.5	1.4	.2	.7	.9	5.1	10.4	10.4
United Kingdom	54.2	69.7	35.0	1.4	5.6	5.1	10.5	12.2	17.2	66.1	87.5	57.3
Sweden	12.3	12.1	15.0	.5	.1	.1	1.9	1.4	2.0	14.7	13.6	17.1
Japan	20.3	51.9	76.0	3.1	9.2	19.4	3.0	5.0	11.7	26.4	66.1	107.1
Other countries	.2	.2	.2	.5	.5	1.4	15.5	20.7	26.8	16.2	21.4	28.4
Total	984.5	943.5	840.9	190.0	269.2	297.0	1,678.9	2,040.1	1,942.0	2,853.4	3,252.8	3,079.9

^{1/} Converted to U.S. dollars at the official rate of U.S. \$0.925 = Can \$1 for 1968 and 1969. For 1970 an average exchange rate of U.S. \$0.958 = Can \$1 was used.

Source: Dominion Bureau of Statistics

TABLE 20.—CANADIAN AUTOMOTIVE TRADE, TOTAL WITH ALL COUNTRIES, WITH UNITED STATES, AND WITH ALL OTHER COUNTRIES
EXCEPT THE UNITED STATES, 1968-1970

(Millions of U.S. Dollars) ^{1/}

Item	Trade with all countries			Trade with United States			Trade with all countries except the United States		
	1968	1969	1970	1968	1969	1970	1968	1969	1970
Canadian exports:									
Passenger cars	1,255.5	1,701.2	1,649.4	1,174.5	1,628.3	1,579.8	81.0	72.9	69.6
Trucks and buses	440.6	654.3	704.6	399.0	614.9	629.6	41.6	39.4	75.0
Parts and accessories	744.8	936.4	1,064.5	686.3	858.0	980.9	58.5	78.4	83.6
Total	2,440.9	3,291.9	3,418.5	2,259.8	3,101.2	3,190.3	181.1	190.7	228.2
Canadian imports:									
Passenger cars	984.5	943.5	840.9	829.5	731.2	632.5	155.0	212.3	208.4
Trucks and buses	190.0	269.2	297.0	181.4	245.8	262.0	8.6	23.4	35.0
Parts and accessories	1,678.9	2,040.1	1,942.0	1,630.9	1,976.1	1,847.8	48.0	64.0	94.2
Total	2,853.4	3,252.8	3,079.9	2,641.8	2,953.1	2,742.3	211.6	299.7	337.6
Canadian net Exports (-)	(412.5)	39.1	338.6	(382.0)	148.1	448.0	(30.5)	(109.0)	(109.4)

^{1/} Converted to U.S. dollars at official exchange rate of U.S. \$0.925 = Can \$1 for 1968 and 1969. For 1970 an average exchange rate of U.S. \$0.958 = Can \$1 was used.

Source: Dominion Bureau of Statistics

APPENDIXES

APPENDIX A

AGREEMENT CONCERNING AUTOMOTIVE PRODUCTS BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA

The Government of the United States of America and the Government of Canada,

Determined to strengthen the economic relations between their two countries;

Recognizing that this can best be achieved through the stimulation of economic growth and through the expansion of markets available to producers in both countries within the framework of the established policy of both countries of promoting multilateral trade;

Recognising that an expansion of trade can best be achieved through the reduction or elimination of tariff and all other barriers to trade operating to impede or distort the full and efficient development of each country's trade and industrial potential;

Recognising the important place that the automotive industry occupies in the industrial economy of the two countries and the interests of industry, labor and consumers in sustaining high levels of efficient production and continued growth in the automotive industry;

Agreed as follows:

ARTICLE I

The Governments of the United States and Canada, pursuant to the above principles, shall seek the early achievement of the following objectives:

(a) The creation of a broader market for automotive products within which the full benefits of specialization and large-scale production can be achieved;

(b) The liberalization of United States and Canadian automotive trade in respect of tariff barriers and other factors tending to impede it, with a view to enabling the industries of both countries to participate on a fair and equitable basis in the expanding total market of the two countries;

(c) The development of conditions in which market forces may operate effectively to attain the most economic pattern of investment, production and trade.

It shall be the policy of each Government to avoid actions which would frustrate the achievement of these objectives.

ARTICLE II

(a) The Government of Canada, not later than the entry into force of the legislation contemplated in paragraph (b) of this Article, shall accord duty-free treatment to imports of the products of the United States described in Annex A.

(b) The Government of the United States, during the session of the United States Congress commencing on January 4, 1965, shall seek enactment of legislation authorizing duty-free treatment of imports of the products of Canada described in Annex B. In seeking such legislation, the Government of the United States shall also seek authority permitting the implementation of such duty-free treatment retroactively to the earliest date administratively possible following the date upon which the Government of Canada has accorded duty-free treatment. Promptly after the entry into force of such legislation, the Government of the United States shall accord duty-free treatment to the products of Canada described in Annex B.

ARTICLE III

The commitments made by the two Governments in this Agreement shall not preclude action by either Government consistent with obligations under Part II of the General Agreement on Tariffs and Trade.

ARTICLE IV

(a) At any time, at the request of either Government, the two Governments shall consult with respect to any matter relating to this Agreement.

(b) Without limiting the foregoing, the two Governments shall, at the request of either Government, consult with respect to any problems which may arise concerning automotive producers in the United States which do not at present have facilities in Canada for the manufacture of motor vehicles, and with respect to the implications for the operation of this Agreement of new automotive producers becoming established in Canada.

(c) No later than January 1, 1968, the two Governments shall jointly undertake a comprehensive review of the progress made towards achieving the objectives set forth in Article I. During this review the Governments shall consider such further steps as may be necessary or desirable for the full achievement of these objectives.

ARTICLE V

Access to the United States and Canadian markets provided for under this Agreement may by agreement be accorded on similar terms to other countries.

ARTICLE VI

This Agreement shall enter into force provisionally on the date of signature and definitively on the date upon which notes are exchanged between the two Governments giving notice that appropriate action in their respective legislatures has been completed.

ARTICLE VII

This Agreement shall be of unlimited duration. Each Government shall however have the right to terminate this Agreement twelve months from the date on which that Government gives written notice to the other Government of its intention to terminate the Agreement.

IN WITNESS WHEREOF the representatives of the two Governments have signed this Agreement.

DONE in duplicate at Johnson City, Texas, this 16th day of January 1965, in English and French, the two texts being equally authentic.

For the Government of the United States of America:

For the Government of Canada:

ANNEX A

1. (1) Automobiles; when imported by a manufacturer of automobiles.

(2) All parts, and accessories and parts thereof, except tires and tubes, when imported for use as original equipment in automobiles to be produced in Canada by a manufacturer of automobiles.

(3) Buses, when imported by a manufacturer of buses.

(4) All parts, and accessories and parts thereof, except tires and tubes, when imported for use as original equipment in buses to be produced in Canada by a manufacturer of buses.

(5) Specified commercial vehicles, when imported by a manufacturer of specified commercial vehicles.

(6) All parts, and accessories and part thereof, except tires, tubes and any machines or other articles required under Canadian tariff item 438a to be valued separately under the tariff items regularly applicable thereto, when imported for use as original equipment in specified commercial vehicles to be produced in Canada by a manufacturer of specified commercial vehicles.

2. (1) "Automobile" means a four-wheeled passenger automobile having a seating capacity for not more than ten persons;

(2) "Base year" means the period of twelve months commencing on the 1st day of August, 1963 and ending on the 31st day of July, 1964;

(3) "Bus" means a passenger motor vehicle having a seating capacity for more than 10 persons, or a chassis therefor, but does not include any following vehicle or chassis therefor, namely an electric trackless trolley bus, amphibious vehicle, tracked or half-tracked vehicle or motor vehicle designed primarily for off-highway use;

(4) "Canadian value added" has the meaning assigned by regulations made under section 273 of the Canadian Customs Act;

(5) "Manufacturer" of vehicles of any following class, namely automobiles, buses or specified commercial vehicles, means, in relation to any importation of goods in respect of which the description is relevant, a manufacturer that

(i) produced vehicles of that class in Canada in each of the four consecutive three months' periods in the base year, and

(ii) produced vehicles of that class in Canada in the period of twelve months ending on the 31st day of July in which the importation is made,

(A) the ratio of the net sales value of which to the net sales value of all vehicles of that class sold for consumption in Canada by the manufacturer in that period is equal to or higher than the ratio of the net sales value of all vehicles of that class produced in Canada by the manufacturer in the base year to the net sales value of all vehicles of that class sold for consumption in Canada by the manufacturer in the base year, and is not in any case lower than seventy-five to one hundred; and

(B) the Canadian value added of which is equal to or greater than than Canadian value added of all vehicles of that class produced in Canada by the manufacturer in the base year;

(6) "Net sales value" has the meaning assigned by regulations made under section 273 of the Canadian Customs Act; and

(7) "Specified commercial vehicle" means a motor truck, motor truck chassis, ambulance or chassis therefor, or hearse or chassis therefor, but does not include:

(a) any following vehicle or a chassis designed primarily therefor, namely a bus, electric trackless trolley bus, amphibious vehicle, tracked or half-tracked vehicle, golf or invalid cart, straddle carrier, motor vehicle designed primarily for off-highway use, or motor vehicle specially constructed and equipped to perform special services or functions, such as, but not limited to, a fire engine, mobile crane, wrecker, concrete mixer or mobile clinic, or

(b) any machine or other article required under Canadian tariff item 438a to be valued separately under the tariff item regularly applicable thereto.

3. The Government of Canada may designate a manufacturer not falling within the categories set out above as being entitled to the benefit of duty-free treatment in respect of the goods described in this annex.

ANNEX B

(1) Motor vehicles for the transport of persons or articles as provided for in items 692.05 and 692.10 of the Tariff Schedules of the United States and chassis therefor, but not including electric trolley buses, three-wheeled vehicles, or trailers accompanying truck tractors, or chassis therefor.

(2) Fabricated components, not including trailers, tires, or tubes for tires, for use as original equipment in the manufacture of motor vehicles of the kinds described in paragraph (1) above.

(3) Articles of the kinds described in paragraphs (1) and (2) above include such articles whether finished or unfinished but do not include any article produced with the use of materials imported into Canada which are products of any foreign country (except materials produced within the customs territory of the United States), if the aggregate value of such imported materials when landed at the Canadian port of entry, exclusive of any landing cost and Canadian duty, was—

(a) with regard to articles of the kinds described in paragraph (1), not including chassis, more than 60 percent until January 1, 1968, and thereafter more than 50 percent of the appraised customs value of the article imported into the customs territory of the United States; and

(b) with regard to chassis of the kinds described in paragraph (1), and articles of the kinds described in paragraph (2), more than 50 percent of the appraised customs value of the article imported into the customs territory of the United States.

APPENDIX B

Public Law 89-283

89th Congress, H.R. 9042

October 21, 1965

AN ACT To provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE AND PURPOSES

SHORT TITLE

SECTION 101. This Act may be cited as the "Automotive Products Trade Act of 1965."

PURPOSES

SEC. 102. The purposes of this Act are—

(1) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada signed on January 16, 1965 (hereinafter referred to as the "Agreement"), in order to strengthen the economic relations and expand trade in automotive products between the United States and Canada; and

(2) to authorize the implementation of such other international agreements providing for the mutual reduction or elimination of duties applicable to automotive products as the Government of the United States may hereafter enter into.

TITLE II—BASIC AUTHORITIES

IMPLEMENTATION OF THE AGREEMENT

SEC. 201. (a) The President is authorized to proclaim the modifications of the Tariff Schedules of the United States provided for in title IV of his Act.

(b) At any time after the issuance of the proclamation authorized by subsection (a), the President is authorized to proclaim further modifications of the Tariff Schedules of the United States to provide for the duty-free treatment of any Canadian article which is original motor-vehicle equipment (as defined by such Schedules as modified pursuant to subsection (a)) if he determines that the importation of such article, is actually or potentially of commercial significance and that such duty-free treatment is required to carry out the Agreement.

IMPLEMENTATION OF OTHER AGREEMENTS

SEC. 202. (a) Whenever, after determining that such an agreement will afford mutual trade benefits, the President enters into an agreement with the government of a country providing for the mutual elimination of the duties applicable to products of their respective countries which are motor vehicles and fabricated components intended for use as original equipment in the manufacture of such vehicles, the President (in accordance with subsection (d)) is authorized to proclaim such modifications of the Tariff Schedules of the United States as he determines to be required to carry out such agreement.

(b) Whenever, after having entered into an agreement with the government of a country providing for the mutual elimination of the duties applicable to products described in subsection (a), the President, after determining that such further agreement will afford mutual trade benefits, enters into a further agreement with such government providing for the mutual reduction or elimination

of the duties applicable to automotive products other than motor vehicles and fabricated components intended for use as original equipment in the manufacture of such vehicles, the President (in accordance with subsection (d)) is authorized to proclaim such modifications of the Tariff Schedules of the United States as he determines to be required to carry out such further agreement.

(c) Before the President enters into the negotiation of an agreement referred to in subsection (a) or (b), he shall—

(1) seek the advice of the Tariff Commission as to the probable economic effect of the reduction or elimination of duties on industries producing articles like or directly competitive with those which may be covered by such agreement;

(2) give reasonable public notice of his intention to negotiate such agreement (which notice shall be published in the Federal Register) in order that any interested person may have an opportunity to present his views to such agency as the President shall designate, under such rules and regulations as the President may prescribe; and

(3) seek information and advice with respect to such agreement from the Department of Commerce, Labor, State, and the Treasury, and from such other sources as he may deem appropriate.

(d)(1) The President shall transmit to each House of the Congress a copy of each agreement referred to in subsection (a) or (b). The delivery to both Houses shall be on the same day and shall be made to each House while it is in session.

(2) The President is authorized to issue any proclamation to carry out any such agreement—

(A) only after the expiration of the 60-day period following the date of delivery,

(B) only if, between the date of delivery and the expiration of such 60-day period, the Congress has not adopted a concurrent resolution stating in substance that the Senate and House of Representatives disapprove of the agreement, and

(C) in the case of any agreement referred to in subsection (b) with any country, only if there is in effect a proclamation implementing an agreement with such country applicable to products described in subsection (a).

(3) For purposes of paragraph (2) in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die.

(e) This section shall cease to be in effect on the day after the date of the enactment of this Act.

EFFECTIVE DATE OF PROCLAMATIONS

SEC. 203. (a) Subject to subsection (b), the President is authorized, notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C., sec. 1514) or any other provision of law, to give retroactive effect to any proclamation issued pursuant to section 201 of this Act as of the earliest date after January 17, 1965, which he determines to be practicable.

(b) In the case of liquidated customs entries, the retroactive effect pursuant to subsection (a) of any proclamation shall apply only upon request therefor filed with the customs officer concerned on or before the 90th day after the date of such proclamation and subject to such other conditions as the President may specify.

TERMINATION OF PROCLAMATIONS

SEC. 204. The President is authorized at any time to terminate, in whole or in part, any proclamation issued pursuant to section 201 or 202 of this Act.

SPECIAL REPORTS TO CONGRESS

SEC. 205. (a) No later than August 31, 1968, the President shall submit to the Senate and the House of Representatives a special report on the comprehensive review called for by Article IV(c) of the Agreement. In such report he shall advise the Congress of the progress made toward the achievement of the objectives of Article I of the Agreement.

(b) Whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968, he shall

report such finding to the Senate and the House of Representatives. The President shall also report whether such undertaking is additional to undertakings agreed to in letters of undertaking submitted by such manufacturer before the date of enactment of this Act.

(c) The reports provided for in subsections (a) and (b) of this section shall include recommendations for such further steps, including legislative action, if any, as may be necessary for the achievement of the purposes of the Agreement and this Act.

TITLE III—TARIFF ADJUSTMENT AND OTHER ADJUSTMENT ASSISTANCE

GENERAL AUTHORITY

SEC. 301. Subject to section 302 of this Act, a petition may be filed for tariff adjustment or for a determination of eligibility to apply for adjustment assistance under title III of the Trade Expansion Act of 1962 (19 U.S.C., sec. 1901-1991) as though the reduction or elimination of a duty proclaimed by the President pursuant to section 201 or 202 of this Act were a concession granted under a trade agreement referred to in section 301 of the Trade Expansion Act of 1962.

SPECIAL AUTHORITY DURING TRANSITIONAL PERIOD UNDER THE AGREEMENT

SEC. 302. (a) After the 90th day after the date of the enactment of this Act and before July 1, 1968, a petition under section 301 of this Act for a determination of eligibility to apply for adjustment assistance may be filed with the President by—

(1) a firm which produces an automotive product, or its representative;

or

(2) a group of workers in a firm which produces an automotive product, or their certified or recognized union or other duly authorized representative.

(b) After a petition is filed by a firm or group of workers under subsection (a), the President shall determine whether—

(1) dislocation of the firm or group of workers has occurred or threatens to occur;

(2) production in the United States of the automotive product concerned produced by the firm, or an appropriate subdivision thereof, and of the automotive product like or directly competitive therewith, has decreased appreciably; and

(3)(A) imports into the United States from Canada of the Canadian automotive product like or directly competitive with that produced by the firm, or an appropriate subdivision thereof, have increased appreciably; or

(B) exports from the United States to Canada of the United States automotive product concerned produced by the firm, or an appropriate subdivision thereof, and of the United States automotive product like or directly competitive therewith, have decreased appreciably, and the decrease in such exports is greater than the decrease, if any, in production in Canada of the Canadian automotive product like or directly competitive with the United States automotive product being exported.

(c) If the President makes an affirmative determination under paragraphs (1), (2), and (3) of subsection (b), with respect to a firm or group of workers, he shall promptly certify that as a result of its dislocation the firm or group of workers is eligible to apply for adjustment assistance, unless the President determines that the operation of the Agreement has not been the primary factor in causing or threatening to cause dislocation of the firm or group of workers.

(d) If the President makes an affirmative determination under paragraph (1) but a negative determination under paragraph (2) or (3) of subsection (b), with respect to a firm or group of workers, the President shall determine whether the operation of the Agreement has nevertheless been the primary factor in causing or threatening to cause dislocation of the firm or group of workers. If the President makes such an affirmative determination, he shall promptly certify that as a result of its dislocation the firm or group of workers is eligible to apply for adjustment assistance.

(e)(1) In order to provide the President with a factual record on the basis of which he may make the determinations referred to in subsections (b), (c), and (d)

with respect to a firm or a group of workers, the President shall promptly transmit to the Tariff Commission a copy of each petition filed under subsection (a) and, not later than 5 days after the date on which the petition is filed, shall request the Tariff Commission to conduct an investigation related to questions of fact relevant to such determinations and to make a report of the facts disclosed by such investigation. In his request, the President may specify the particular kinds of data which he deems appropriate. Upon receipt of the President's request, the Tariff Commission shall promptly institute the investigation and promptly publish notice thereof in the Federal Register.

(2) In the course of each investigation conducted under paragraph (1), the Tariff Commission shall, after reasonable notice, hold a public hearing, if such hearing is requested (not later than 10 days after the date of the publication of its notice under paragraph (1)) by the petitioner or any other person showing a proper interest in the subject matter of the investigation, and shall afford interested persons an opportunity to be present, to produce evidence, and to be heard at such hearing.

(3) Not later than 50 days after the date on which it receives the request of the President under paragraph (1), the Tariff Commission shall transmit to the President a report of the facts disclosed by its investigation, together with the transcript of the hearing and any briefs which may have been submitted in connection with such investigation.

(f)(1) The President shall make each final determination under subsection (b) (c), or (d) with respect to a firm or group of workers only after he has sought advice from the Departments of Commerce, Labor, and the Treasury, the Small Business Administration, and such other agencies as he may deem appropriate.

(2) The President shall make each such final determination not later than 15 days after the date on which he receives the Tariff Commission's report, unless, within such period, the President requests additional factual information from the Tariff Commission. In this event, the Tariff Commission shall, not later than 25 days after the date on which it receives the President's request, furnish such additional factual information in a supplemental report, and the President shall make his final determination not later than 10 days after the date on which he receives such supplemental report.

(3) The President shall promptly publish in the Federal Register a summary of each final determination under this section.

(g) Any certification with respect to a group of workers made by the President under this section shall—

(1) specify the date on which the dislocation began or threatens to begin; and

(2) be terminated by the President whenever he determines that the operation of the Agreement is no longer the primary factor in causing separations from the firm or subdivision thereof, in which case such termination shall apply only with respect to separations occurring after the termination date specified by the President.

(h) Any certification with respect to a firm or a group of workers or any termination of such certification, including the specification of a date in such certification or termination, made by the President under this section shall constitute a certification or termination, including the specification of a date therein, under section 302 of the Trade Expansion Act of 1962 (19 U.S.C., sec. 1902) for purposes of chapter 2 or 3 of title III of that Act.

(i) If a firm which has been certified under this section applies for tax assistance as provided by section 317 of the Trade Expansion Act of 1962, the reference in subsection (a)(2) of such section 317 to a trade or business which was seriously injured by increased imports which the Tariff Commission has determined to result from concessions granted under trade agreements shall be treated as referring to a trade or business which was seriously injured by the operation of the Agreement.

(j) Notwithstanding any provision of chapter 3 of title III of the Trade Expansion Act of 1962 or of this title, applications based on any certification made by the President under this section for—

(1) trade readjustment allowances for weeks of unemployment beginning after January 17, 1965, and before the 90th day after the date of the enactment of this Act, and

(2) relocation allowances for relocations occurring after January 17, 1965, and before such 90th day,

shall be determined in accordance with regulations prescribed by the Secretary of Labor.

(k) The President is authorized to exercise any of his functions under this section through such agency or other instrumentality of the United States Government as he may direct and in conformity with such rules or regulations as he may prescribe.

(l) For purposes of this section—

(1) The term "automotive product" means a motor vehicle or a fabricated component to be used as original equipment in the manufacture of motor vehicles.

(2) The term "dislocation" means—

(A) in the case of a firm, injury to the firm, which may be evidenced by such conditions as idling of productive facilities, inability to operate at a level of reasonable profit, or unemployment or underemployment, and which is of a serious nature; and

(B) in the case of a group of workers, unemployment or underemployment of a significant number or proportion of the workers of a firm or an appropriate subdivision thereof.

(3) The term "firm" includes an individual proprietorship, partnership, joint venture, association, corporation (including a development corporation), business trust, cooperative, trustees in bankruptcy, and receivers under decree of any court. A firm, together with any predecessor, successor, or affiliated firm controlled or substantially beneficially owned by substantially the same persons, may be considered a single firm where necessary to prevent unjustifiable benefits.

(4) The term "operation of the Agreement" includes governmental or private actions in the United States or Canada directly related to the conclusion or implementation of the Agreement.

ADJUSTMENT ASSISTANCE RELATED TO OTHER AGREEMENTS

SEC. 303. At the time the President transmits to the Congress a copy of any agreement pursuant to section 202(d)(1), he shall recommend to the Congress such legislative provisions concerning adjustment assistance to firms and workers as he determines to be appropriate in light of the anticipated economic impact of the reduction or elimination of duties provided for by such agreement.

AUTHORIZATION OF APPROPRIATIONS

SEC. 304. There are hereby authorized to be appropriated such sums as may be necessary from time to time to carry out the provisions of this title, which sums are authorized to be appropriated to remain available until expended.

TITLE IV—MODIFICATIONS OF TARIFF SCHEDULES OF THE UNITED STATES

ENTRY INTO FORCE AND STATUS OF MODIFICATIONS

SEC. 401. (a) The modifications of the Tariff Schedules of the United States provided for in this title shall not enter into force except as proclaimed by the President pursuant to section 201(a) of this Act.

(b) The rates of duty in column numbered 1 of the Tariff Schedules of the United States which are modified pursuant to section 201(a) of this Act shall be treated—

(1) as not having the status of statutory provisions enacted by the Congress, but

(2) as having been proclaimed by the President as being required to carry out a foreign trade agreement to which the United States is a party.

REFERENCES TO TARIFF SCHEDULES

SEC. 402. Whenever in this title a modification is expressed in terms of a modification of an item or other provision, the reference shall be considered to be made to an item or other provision of the Tariff Schedules of the United States (19 U.S.C., sec. 1202). Each page reference "(p.)" in this title refers to the page on which the item or provision referred to appears both in part II of the Federal Register for August 57, 1963, and in volume 77A of the United States Statutes at Large.

DEFINITION OF CANADIAN ARTICLE

SEC. 403. In general headnote 3 (pp. 11 and 12) redesignate paragraphs (d), (e), and (f) as paragraphs (e), (f), and (g), respectively, and insert a new paragraph (d) as follows:

"(d) Products of Canada.

"(i) Products of Canada imported into the customs territory of the United States, whether imported directly or indirectly, are subject to the rates of duty set forth in column numbered 1 of the schedules. The rates of duty for a Canadian article, as defined in subdivision (d)(ii) of this headnote, apply only as shown in the said column numbered 1.

"(ii) The term 'Canadian article', as used in the schedules, means an article which is the product of Canada, but does not include any article produced with the use of materials imported into Canada which are products of any foreign country (except materials produced within the customs territory of the United States), if the aggregate value of such imported materials when landed at the Canadian port of entry (that is, the actual purchase price, or, if not purchased, the export value, of such materials, plus, if not included therein, the cost of transporting such materials to Canada but exclusive of any landing cost and Canadian duty) was—

"(A) with regard to any motor vehicle or automobile truck tractor entered on or before December 31, 1967, more than 60 percent of the appraised value of the article imported into the customs territory of the United States; and

"(B) with regard to any other article (including any motor vehicle or automobile truck tractor entered after December 31, 1967), more than 50 percent of the appraised value of the article imported into the customs territory of the United States."

DEFINITION OF ORIGINAL MOTOR-VEHICLE EQUIPMENT

SEC. 404. In the headnotes for subpart B, part 6, schedule 6 add after headnote 1 (p. 325) the following new headnote:

"2. Motor Vehicles and Original Equipment Therefor of Canadian Origin.—(a) The term 'original motor-vehicle equipment', as used in the schedules with reference to a Canadian article (as defined by general headnote 3(d)), means such a Canadian article which has been obtained from a supplier in Canada under or pursuant to a written order, contract, or letter of intent of a bona fide motor-vehicle manufacturer in the United States, and which is a fabricated component intended for use as original equipment in the manufacture in the United States of a motor vehicle, but the term does not include trailers or articles to be used in their manufacture.

"(b) The term 'motor vehicle', as used in this headnote, means a motor vehicle of a kind described in item 692.05 or 692.10 of this subpart (excluding an electric trolley bus and a three-wheeled vehicle) or an automobile truck tractor.

"(c) The term 'bona fide motor-vehicle manufacturer', as used in this headnote, means a person who, upon application to the Secretary of Commerce, is determined by the Secretary to have produced no fewer than 15 complete motor vehicles in the United States during the previous 12 months, and to have installed capacity in the United States to produce 10 or more complete motor vehicles per 40-hour week. The Secretary of Commerce shall maintain, and publish from time to time in the Federal Register, a list of the names and addresses of bona fide motor-vehicle manufacturers.

"(d) If any Canadian article accorded the status of original motor-vehicle equipment is not so used in the manufacture in the United States of motor vehicles, such Canadian article or its value (to be recovered from the importer or other person who diverted the article from its intended use as original motor-vehicle equipment) shall be subject to forfeiture, unless at the time of the diversion of the Canadian article the United States Customs Service is notified in writing, and, pursuant to arrangements made with the Service—

"(i) the Canadian article is, under customs supervision, destroyed or exported, or

"(ii) duty is paid to the United States Government in an amount equal to the duty which would have been payable at the time of entry if the Canadian article had not been entered as original motor-vehicle equipment."

(d) Redesignate item 613.16 as 613.18, item 652.85 as 652.84, item 652.87 as 652.88, item 680.34 as 680.33, item 680.58 as 680.60, item 680.59 as 680.70, item 680.60 as 680.90, and item 711.91 as 711.93; and insert in proper numerical sequence new items as follows:

207.01	652.89	683.11
220.46	660.43	683.16
357.91	660.45	683.61
357.96	660.47	683.66
358.03	660.51	684.41
517.82	660.53	684.63
535.15	660.55	684.71
540.72	660.86	685.71
544.18	660.93	685.81
544.32	660.95	685.91
544.42	661.11	686.11
544.52	661.13	686.23
544.55	661.16	686.61
545.62	661.21	686.81
545.64	661.36	687.51
547.16	661.93	687.61
610.81	661.96	688.13
613.16	662.36	688.41
631.19	662.51	711.85
618.48	664.51	711.91
620.47	678.51	711.99
642.21	680.21	712.51
642.86	680.23	727.07
642.88	680.28	772.66
646.93	680.31	772.81
647.02	680.34	772.86
647.06	680.36	773.26
652.10	680.58	773.31
652.76	680.91	791.81
652.85	682.71	791.91
652.87	692.91	

each such item having the article description "If Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6) * * *" subordinate to the immediately preceding article description, and having "Free" in rate of duty column numbered 1.

TITLE V—GENERAL PROVISIONS

AUTHORITIES

SEC. 501. The head of any agency performing functions authorized by this Act may—

- (1) authorize the head of any other agency to perform any of such functions; and
- (2) prescribe such rules and regulations as may be necessary to perform such functions.

ANNUAL REPORT

SEC. 502. The President shall submit to the Congress an annual report on the implementation of this Act. Such report shall include information regarding new negotiations, reductions or eliminations of duties, reciprocal concessions obtained, and other information relating to activities under this Act. Such report shall also include information providing an evaluation of the Agreement and this Act in relation to the total national interest, and specifically shall include, to the extent practicable, information with respect to—

- (1) the production of motor vehicles and motor vehicle parts in the United States and Canada.
- (2) the retail prices of motor vehicles and motor vehicles parts in the United States and Canada,
- (3) employment in the motor vehicle industry and motor vehicle parts industry in the United States and Canada, and
- (4) United States and Canadian trade in motor vehicles and motor vehicle parts, particularly trade between the United States and Canada.

IDENTIFICATION OF AUTOMOTIVE PRODUCTS

Sec. 405. (a) Redesignate item 692.25 (p. 326) as 692.27; in headnote 1(b) of subpart B, part 6, schedule 6 (p. 325) substitute "item 692.27" in lieu of "item 692.25"; and insert in proper numerical sequence new items as follows.

" 692.06	If Canadian article, but not including any electric trolley bus, three-wheeled vehicle, or trailer accompanying an automobile truck tractor (see general headnote 3(d)).....	Free	"
" 692.11	If Canadian article, but not including any three-wheeled vehicle (see general headnote 3(d)).....	Free	"
" 692.21	Chassis, if Canadian article, except chassis for an electric trolley bus, or a three-wheeled vehicle; bodies (including cabs), if Canadian article and original motor-vehicle equipment (see headnote 2 of this subpart).....	Free	"
" 692.23	Chassis, if Canadian article, except chassis designed primarily for a vehicle described in item 692.15 or a three-wheeled vehicle; bodies (including cabs), if Canadian article and original motor-vehicle equipment (see headnote 2 of this subpart).....	Free	"
" 692.25	If Canadian article and original motor-vehicle equipment (see headnote 2 of this subpart).....	Free	"
" 692.28	Automobile truck tractors, if Canadian article; other articles, if Canadian article and original motor-vehicle equipment (see headnote 2 of this subpart).....	Free	"

" (a) Insert in proper numerical sequence new items as follows:

" 361.90	Any article described in the foregoing items 360.20 to 360.70, inclusive, 360.80, 361.80, or 361.85, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 516.98	Any article described in the foregoing items 516.71 to 516.76, inclusive, or 516.94, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 646.79	Any article described in the foregoing item 646.20 and items 646.40 to 646.78, inclusive (except 646.45 and 646.47), if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 652.39	Any article described in the foregoing items 652.12 to 652.38, inclusive, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 658.10	Any article described in the foregoing items 657.09 to 658.00, inclusive, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 682.65	Any article described in the foregoing items 682.10 to 682.60, inclusive (except 682.50), if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 685.55	Any article described in the foregoing items 685.20 to 685.50, inclusive, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
" 721.20	Any article in the foregoing items covering clocks, clock movements, clock cases and dials and parts thereof, plates (720.67), assemblies and subassemblies for clock movements, and other parts for clock movements, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"

(c) Insert in proper numerical sequence new items 355.27, 389.80, 728.30 745.80, and 774.70, each having an article description and rate as follows:

Any article described in the foregoing provisions of this subpart, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	Free	"
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APPLICABILITY OF ANTIDUMPING AND ANTITRUST LAWS

SEC. 503. Nothing contained in this Act shall be construed to affect or modify the provisions of the Anti-Dumping Act, 1921 (19 U.S.C. 160-173), or of any of the antitrust laws as designated in section 1 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12).

TITLE VI—MISCELLANEOUS PROVISIONS

JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

SEC. 601. Section 601(e) of the Revenue Act of 1941 (55 Stat. 726) (relating to the Joint Committee on Reduction of Nonessential Federal Expenditures) is amended to read as follows:

"(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."

Approved October 21, 1965.

LEGISLATIVE HISTORY

House Reports: No. 537 (Committee on Ways and Means) and No. 1115 (committee of conference).

Senate Report No. 782 (Committee on Finance).

Congressional Record, vol. 111 (1965):

Aug. 31: Considered and passed House.

Sept. 23, 29: Considered in Senate.

Sept. 30: Considered and passed Senate, amended.

Oct. 5: Senate agreed to conference report.

Oct. 8: House agreed to conference report.

APPENDIX C
PRESIDENTIAL DOCUMENTS

[From the Federal Register, vol. 30, No. 209, Oct. 26, 1965]

TITLE 3—THE PRESIDENT

PROCLAMATION 3682

IMPLEMENTING AGREEMENT CONCERNING AUTOMOTIVE PRODUCTS BETWEEN THE
UNITED STATES AND CANADA

By the President of the United States of America

A PROCLAMATION

WHEREAS the United States and Canada on January 16, 1965, entered into an Agreement Concerning Automotive Products, which provides that Canada shall accord duty-free treatment to imports of certain automotive products of the United States and that, after enactment of implementing legislation, the United States shall accord duty-free treatment to certain automotive products of Canada retroactively to the earliest date administratively possible following the date on which the agreement has been implemented by Canada (art. II, 89th Cong. 1st sess., H. Rep. 537, 38);

WHEREAS the agreement of January 16, 1965, was implemented by Canada through the granting of the requisite duty-free treatment to United States products on January 18, 1965;

WHEREAS titles II and IV of the Automotive Products Trade Act of 1965 have been enacted to provide for modifications of the Tariff Schedules of the United States (19 U.S.C. 1202) to implement the agreement of January 16, 1965, such modifications to enter into force in the manner proclaimed by the President (79 Stat. 1016);

WHEREAS sections 201(a) and 203 of the Automotive Products Trade Act of 1965 authorize the President to proclaim the modifications of the Tariff Schedules of the United States provided for in sections 403, 404, and 405 of that Act with retroactive effect as of the earliest date after January 17, 1965, which he determines to be practicable, and section 401(b) of that Act provides that the rates of duty in column numbered 1 of the tariff schedules that are modified pursuant to such proclamation shall be treated as having been proclaimed by the President as being required to carry out a foreign trade agreement to which the United States is a party (79 Stat. 1016); and

WHEREAS I determine that the earliest date, after January 17, 1965, as of which it is practicable to give retroactive effect to this proclamation is January 18, 1965:

NOW, THEREFORE, I, LYNDON B. JOHNSON, under the authority vested in me by the Constitution and the statutes, particularly sections 201(a) and 203 of the Automotive Products Trade Act of 1965, do proclaim (1) that the modifications of the Tariff Schedules of the United States provided for in sections 403 and 404 of that Act shall enter into force on the day following the date of this proclamation, and (2) that the modifications of the tariff schedules provided for in section 405 of that Act shall enter into force on December 20, 1965, effective with respect to articles which are or have been entered for consumption, or for warehouse, on or after January 18, 1965.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-first day of October in the year of our Lord nineteen hundred and sixty-five, and of the Independence of [SEAL] the United States of America the one hundred and ninetieth.

LYNDON B. JOHNSON

By the President:
DEAN RUSK,
Secretary of State.

Appendix D

Bona Fide Motor Vehicle Manufacturers List
March 1, 1971

Action-Age, Inc.
18780 Cranwood Parkway
Cleveland, Ohio 44128
September 11, 1970

Haywood Adams Brake Service
116 Carroll Street
Thomasville, Georgia 31792
January 18, 1971

Advanced Equipment Corporation
260-09 Hillside Avenue
Floral Park, New York 11004
May 31, 1970

Allis-Chalmers Manufacturing Co.
Outdoor Products Division
P.O. Box 128
Lexington, South Carolina 29072
October 1, 1970

AMF Incorporated
Whiteford Road
York, Pennsylvania 17402
May 2, 1971

American Motors Corporation
14250 Plymouth Road
Detroit, Michigan 48232
January 18, 1971

American Trailer Service, Inc.
2814 N. Cleveland Avenue
St. Paul, Minnesota 55113
January 18, 1971

American Trailers, Inc.
1500 Exchange Avenue
Oklahoma City, Oklahoma 73101
January 18, 1971

Author's Welding Service, Inc.
Route 52, East
Walden, New York 12586
July 26, 1970

Antietam Equipment Corporation
P. O. Box 91
Hagerstown, Maryland 21740
January 1, 1971

Arctic Enterprises, Inc.
Zeh and So. LaBree
Thief River Falls, Minnesota 56701
August 1, 1970

Ariens Company
655 West Ryan Street
Brillion, Wisconsin 54110
August 10, 1970

Atlas Eastern, Inc.
858 Providence Highway
Dedham, Massachusetts 02026
June 25, 1970

ATV Manufacturing Co.
1215 William Flynn Highway
Route 8
Glenshaw, Pennsylvania 15110
September 30, 1970

Aurora Engineering
9717 West M-21
Ovid, Michigan 48866
January 6, 1971

Automotive Safety, Inc.
725 Dowd Avenue
Elizabeth, New Jersey 07201
January 18, 1971

Automotive Service Company
111-113 N. Waterloo
Jackson, Michigan 49204
January 18, 1971

Avanti Motor Corporation
765 South Lafayette Blvd.
South Bend, Indiana 46623
January 10, 1971

Barrett Equipment, Inc.
Rt. 3
Hooksett, New Hampshire 03106
April 1, 1971

Bethlehem Fabrication, Inc.
1700 Riverside Drive
Riverside Industrial Park
Bethlehem, Pennsylvania 18016
April 15, 1970

Donald Billings, Inc.
555 Longfellow Avenue
Bronx, New York 10474
May 12, 1970

Adams Black & Sons, Inc.
276-300 Tonnele Avenue
Jersey City, New Jersey 07306
January 18, 1971

Blue Bird Body Co.
P.O. Box 937
Fort Valley, Georgia 31030
January 18, 1971

Boatel Company, Inc.
24 Walnut
Mora, Minnesota 55051
October 10, 1970

Boyertown Auto Body Works, Inc.
3rd & Walnut Street
Boyertown, Pennsylvania 19512
September 1, 1970

Brake & Equipment Co. Inc.
1801 N. Mayfair Road (Highway 100)
Milwaukee, Wisconsin 53226
January 1, 1971

Brake Service and Parts, Inc.
170 Washington Street (P.O. Box 774)
Bangor, Maine 04401
January 18, 1971

Bristol-Donald Co. Inc.
50 Roanoke Avenue
Newark, New Jersey 07105
January 1, 1971

The Carnegie Body Co.
9500 Brookpart Road
Cleveland, Ohio 44129
January 18, 1971

Capitol Trailer & Body Co.
3420 E. Broadway
N. Little Rock, Arkansas 72117
April 22, 1970

Checker Motor Corporation
2016 N. Pitcher Street
Kalamazoo, Michigan 49007
January 1, 1971

Chrysler Corporation
341 Massachusetts Avenue
Highland Park, Michigan 48203
January 18, 1971

B. M. Clark Co. Inc.
Union, Maine 04862
January 14, 1971

Coder Service, Inc.
420 Hopkins Street
Buffalo, New York 14220
February 17, 1971

Comet Corporation
Spokane Industrial Park
Spokane, Washington 99216
January 18, 1971

Commercial Truck & Trailer, Inc.
313 N. State Street
Girard, Ohio 44420
January 1, 1971

Connell Motor Truck Co. of Fresno
2832 Church Avenue
Fresno, California 93766
January 15, 1971

Coot Industries, Inc.
Ferry Building - Suite 291
San Francisco, California 94111
September 22, 1970

Cortez Corporation
777 Stow Street
Kent, Ohio 44240
February 1, 1971

O. R. Cote Company
556 St. James Avenue
Springfield, Massachusetts 01109
June 16, 1970

Crenshaw Corporation
1700 Commerce Road
P.O.Box 4217
Richmond, Virginia 23224
April 1, 1970

Critzer Equipment Co.
E. 3804 Front Avenue
P.O.Box 152
Spokane, Washington 99210
January 10, 1971

Daybrook-Ottawa Division
Gulf & Western Metals Forming Company
P.O.Box 49
Ottawa, Kansas 66067
January 17, 1971

Daleiden Auto Body & Mfg. Corp.
425 E. Vine Street
Kalamazoo, Michigan 49001
January 12, 1971

Fred Clemett & Co. Inc.
2020 Lemoyne Street
Syracuse, New York 13211
July 1, 1970

Dealers Truck Equipment Co. Inc.
2460 Midway Street
P.O. Box 1435
Shreveport, Louisiana 71102
January 17, 1971

Dealers Truckstell Sales, Inc.
653 Beale Street
(P.O. Box 10200)
Memphis, Tennessee 38101
January 1, 1971

Chat Decker Auto Sales
300 Lincoln Avenue
Hawthorne, New Jersey 07506
November 3, 1970

Roy F. Drake Body & Equipment Company
1501 N. Minnesota Avenue (Box 475)
Sioux Falls, South Dakota 57101
January 18, 1971

Eastern Tank Corporation
290 Pennsylvania Avenue
Paterson, New Jersey 07503
January 1, 1971

Eight Point Trailer Corporation
6100 E. Washington Blvd.
Los Angeles, California 90022
January 18, 1971

John Evans Manufacturing Co. Inc.
2 Mi. South, Highway 15-A
Sumter, South Carolina 29150
January 1, 1971

Flagmaster, Inc.
P.O. Box 130-B
Galva, Illinois 61434
May 1, 1970

Farmington Engineering, Inc.
493 Ash Street
P.O. Box 128
Farmington, Minnesota 55024
August 25, 1970

The Fixible Co.
326-332 N. Water Street
Loudonville, Ohio 44842
January 1, 1971

FMC Corporation
Bolens Division
215 S. Park Street
Port Washington, Wisconsin 53074
April 1, 1971

FMC Corporation Riverside Division
3075 - 14th Street
Riverside, California 92502
January 1, 1971

Ford Motor Company
The American Road
Dearborn, Michigan 48121
January 18, 1971

Fox Corporation
1111 W. Racine Street
Janesville, Wisconsin 53545
January 18, 1971

Freightliner Corporation
5400 North Basin Avenue
Portland, Oregon 97208
December 14, 1970

F.T.S. Corporation
5995 N. Washington Street
Denver, Colorado 80216
July 8, 1970

FWD Corporation
105 E. 12th Street
Clintonville, Wisconsin 54929
January 1, 1971

Gallagher Tank & Equipment, Inc.
317 West Service Road
Hartford, Connecticut 06120
June 1, 1970

General Motors Corporation
3044 West Grand Blvd.
Detroit, Michigan 48202
January 18, 1971

General Trailer Co. Inc.
546 W. Wilkins Street
Indianapolis, Indiana 46225
January 27, 1971

The Gerstenslager Co.
1425 East Bowman Street
Wooster, Ohio 44691
July 1, 1970

Gibbes Machinery Co.
Wheat & Assembly Streets
Columbia, South Carolina 29201
January 5, 1971

Gidley-Eschenheimer Corporation
858 Providence Highway
Dedham, Massachusetts 02026
July 14, 1970

Gilson Bros. Co.
P.O. Box 152 Laack Street
Plymouth, Wisconsin 53073
September 26, 1970

Gooch Brake and Equipment Co. Inc.
512 Grand
Kansas City, Missouri 64106
January 11, 1971

Grand Rapids Brake Service, Inc.
1935 Century Avenue, S.W.
Grand Rapids, Michigan 49509
January 18, 1971

Harris Rim and Wheel, Inc.
525 Peters Street, S.W.
P.O. Box 10995
Atlanta, Georgia 30310
January 1, 1971

Hendrickson Manufacturing Co.
8001 West 47th Street
Lyons, Illinois 60534
January 1, 1971

Herter's, Inc.
Route 1
Wesaca, Minnesota 59093
May 15, 1971

The Hess & Eisenhardt Co.
8959 Blue Ash Road
Cincinnati, Ohio 45242
January 9, 1971

Hews Body Co.
190 Rumery Street
South Portland, Maine 04106
January 18, 1971

Highway Products, Inc.
789 Stow Street
Kent, Ohio 44240
March 12, 1971

Hobbs Trailers
609 North Main Street
P.O. Box 1568
Fort Worth, Texas 76101
April 23, 1970

O. G. Hughes & Sons, Inc.
312 S. Central Avenue
Knoxville, Tennessee 37902
April 16, 1970

IMP Boats, a Division of
American Photocopy Equipment Co.
500 W. Lincoln Road
Iola, Kansas 66749
October 1, 1970

Indiana Trailer Supply Inc.
Transport Equipment Division
2600 S. Nappaner Street
Elkhart, Indiana 46514
August 1, 1970

International Harvester Co.
401 North Michigan Avenue
Chicago, Illinois 60611
January 18, 1971

Iroquois Manufacturing Co. Inc.
Richmond Road
Hinesburg, Vermont 05461
July 1, 1970

Jeep Corporation
14250 Plymouth Road
Detroit, Michigan 48232
January 1, 1971

Kar-Kraft Brighton, Inc.
800 Whitney
Brighton, Michigan 48116
October 1, 1970

Kay Wheel Sales Co.
 Van Kirk Street at State Road
 Philadelphia, Pennsylvania 19135
 January 1, 1971

Kenworth Motor Truck Co.
 8801 East Marginal Way South
 Seattle, Washington 98124
 January 5, 1971

Kinetics International Division
 LTV Aerospace Corporation
 P.O. Box 493
 Tyler, Texas 75701
 February 4, 1971

Ledwell & Son, Inc.
 P. O. Box 1106
 Texarkana, Texas 75501
 January 18, 1971

Leisure Vehicles, Inc.
 11370 Hunt Street
 Romulus, Michigan 48174
 January 25, 1971

Liberty Oil Equipment Co. Inc.
 82 Cherry Street
 East Hartford, Connecticut 06108
 May 1, 1970

Machine Products & Tool, Inc.
 6600 S. City Road 18
 Eden Prairie, Minnesota 55343
 October 7, 1970

Mack Trucks, Inc.
 Box M
 Allentown, Pennsylvania 18105
 January 18, 1971

Jay Madsen Division
 Air Springs, Inc.
 120 Wilson Avenue
 Bath, New York 14810
 January 1, 1971

Mallard Coach Corporation
 603 H Mount Road
 West Bend, Wisconsin 53095
 January 11, 1971

Manning Equipment, Inc.
 3709 Bishop Lane
 P.O. Box 18093
 Louisville, Kentucky 40218
 April 16, 1971

Massey-Ferguson, Inc.
 Subsidiary Badger-Northland Inc.
 215 West 2nd Street
 Kaukauna, Wisconsin 54130
 July 1, 1970

Merit Tank & Body, Inc.
 707 Gilman Street
 Berkeley, California 94710
 January 18, 1971

Middlekauff, Inc.
 1615 Ketcham Avenue
 Toledo, Ohio 43608
 January 18, 1971

Mickey Truck Bodies, Inc.
 P.O.Box 1125
 High Point, North Carolina 27261
 June 30, 1970

Mid West Truck & Equipaent Co.
 640 East Pershing Road
 Decatur, Illinois 62526
 January 18, 1971

Mille Lacs Industries, Inc.
P. O. Box 8
Ogilvie, Minnesota 56358
November 12, 1970

Moline Body Co.
222 - 52nd Street
Moline, Illinois 61265
January 6, 1971

Monon Trailer Inc.
P. O. Box 446
Monon, Indiana 47959
April 8, 1971

Moore and Sons, Inc.
2900 Airways Blvd.
P. O. Box 30091
Memphis, Tennessee 38130
January 1, 1971

Motor Coach Industries, Inc.
Pembina, North Dakota 58271
January 18, 1971

Motor Truck Equipment Corporation
2950 Irving Blvd.
P. O. Box 47385
Dallas, Texas 75247
January 18, 1971

Mutual Truck Parts, Inc.
2000 S. Wabash Avenue
Chicago, Illinois 60616
April 16, 1971

Neil's Automotive Service, Inc.
167 E. Kalamazoo Avenue
Kalamazoo, Michigan 49006
January 1, 1971

Nelson Mfg. Co.
Route #1
Ottawa, Ohio 45875
January 18, 1971

New England Oil Burner Company
Vermont Chemicals
Recreational Vehicles Mfg. Inc.
Colchester, Vermont 05446
January 8, 1971

New Frontier Corporation
4030 South Division Avenue
Grand Rapids, Michigan 49508
January 31, 1971

NYE, INC.
250 E. 4th Street
Fostoria, Ohio 44830
January 18, 1971

Ohio Body Mfg. Co.
New London, Ohio 44851
January 1, 1971

Ohio Truck Equipment, Inc.
4100 Rev Drive
Cincinnati, Ohio 45232
May 1, 1971

Olson Bodies, Inc.
600 Old Country Road
Garden City, New Jersey 11530
November 1, 1970

Olson Trailer & Body Builders Co. Inc.
2740 South Ashland Avenue
Green Bay, Wisconsin 54306
January 18, 1971

Chas. Olson & Sons, Inc.
2945 Pillsbury Avenue
Minneapolis, Minnesota 55048
April 14, 1971

Oshkosh Truck Corporation
2307 Oregon Street
Oshkosh, Wisconsin 54901
January 18, 1971

Outboard Marine Corporation
100 Pershing Road
Waukegan, Illinois 60085
January 18, 1971

Pacific Car & Foundry Co.
777 - 106th Avenue, N.E.
P. O. Box 1518
Bellevue, Washington 98009
January 18, 1971

Palmer Spring Company
355 Forest Avenue
Portland, Maine 04101
January 18, 1971

Palmer Trailer Sales Co. Inc.
162 Park Street
Palmer, Massachusetts 01069
January 18, 1971

Peabody-Galion Corporation
500 Sherman Street
P. O. Box 607
Galion, Ohio 44833
August 24, 1970

Peerless Trailer & Truck Service, Inc.
18205 S.W. Boones Ferry Road
P. O. Box 447
Tualatin, Oregon 97062
January 8, 1971

Perfection Equipment Company
7 South Pennsylvania
Oklahoma City, Oklahoma 73107
January 12, 1971

Perfection Truck Equipment Co.
1010 Kansas Avenue
Kansas City, Kansas 66105
January 18, 1971

Peterbilt Motors Co., Division
of Pacific Car & Foundry Company
38801 Cherry Street
P. O. Box 404
Newark, California 94560
January 16, 1971

Pezzani & Reid Equipment Co. Inc.
3960 W. Fort Street
Detroit, Michigan 48216
January 18, 1971

Polaris Industries
Division of Textron, Inc.
Roseau, Minnesota 56751
August 2, 1970

Poloron Products of Indiana, Inc.
110 Menke Road
Michigan City, Indiana 46360
May 6, 1970

Power Brake Company, Inc.
1506 W. Morehead Street
Charlotte, North Carolina 28201
January 17, 1971

Power Brake Service & Equipment Co. Inc
1022 Carnegie Avenue
Cleveland, Ohio 44115
January 18, 1971

Providence Body Co.
Elmwood Station, P.O. Box 2783
Providence, Rhode Island 02907
June 2, 1970

Recreatives, Inc.
30 French Road
Buffalo, New York 14227
April 15, 1971

Reliable Spring Company, Inc.
10557 S. Michigan Avenue
Chicago, Illinois 60628
January 20, 1971

Rupp Manufacturing Inc.
1776 Airport Road
Mansfield, Ohio 44903
October 3, 1970

S. S. Automobiles, Inc.
161 W. Wisconsin Avenue, Suite 6164
Milwaukee, Wisconsin 53203
May 22, 1971

Schien Body & Equipment Co. Inc.
North on University
Carlinville, Illinois 62626
January 18, 1971

Schweigers, Inc.
South Highway 81
Watertown, South Dakota 57201
January 18, 1971

Scientific Brake & Equipment Co.
314 W. Genesee Avenue
Saginaw, Michigan 48602
January 11, 1971

Scorpion, Inc.
Box 300
Crosby, Minnesota 56441
April 29, 1971

Sharpsville Steel Equipment Company
6th & Main Street
Sharpsville, Pennsylvania 16150
November 23, 1970

Smith-Moore Body Company, Inc.
Brook Road at Lombardy Street
Richmond, Virginia 23261
January 18, 1971

Sports Power, Inc.
1460 Sibley Memorial Drive
Highway 13
St. Paul, Minnesota 55118
March 26, 1971

Paul Stutler, Inc.
3397 E. Waterloo Road
Akron, Ohio 44312
January 2, 1971

South Florida Engineers, Inc.
5911 E. Buffalo Avenue
P. O. Box 11927
Tampa, Florida 33610
July 2, 1970

Sport King, Inc.
28650 Grand River Avenue
Farmington, Michigan 48024
August 19, 1970

Superior Coach Corporation
Sheller-Globe Corporation
1200 East Kibby Street
Lima, Ohio 45802
March 20, 1971

Swab Wagon Company, Inc.
21 S. Callowhill Street
Elizabethville, Pennsylvania 17023
May 7, 1971

Syracuse Auto Parts, Inc.
120 N. Geddes Street
Syracuse, New York 13201
January 18, 1971

P. A. Thomas Car Works, Inc.
1408 Courtesy Road
High Point, North Carolina 27261
August 1, 1970

Thiokol Chemical Corporation
Logan Division
2503 N. Main Street
Logan, Utah 84321
January 15, 1971

Transport Equipment Co.
3400 - 6th Avenue, South
Seattle, Washington 98134
January 18, 1971

Perly A. Thomas Car Works, Inc.
1405 Courtesy Road
High Point, North-Carolina 27261
August 1, 1970

Travco Corporation
6894 Maple Valley Road
Brown City, Michigan 48416
May 1, 1971

The Treco Corp., d/b/a
Weaver Trailer & Body Co.
1355 W. Mound Street
Columbus, Ohio 43223
January 15, 1971

Truck & Transportation Equipment Company, Inc.
P. O. Box 10455
New Orleans, Louisiana 70121
January 1, 1971

Truck Equipment Company
1911 S. W. Washington Street
Peoria, Illinois 61602
January 1, 1971

Truck Equipment, Inc.
P. O. Box 3280
680 Potts Avenue
Green Bay, Wisconsin 54303
January 18, 1971

Tuff Boy, Inc., d/b/a
Tuff Boy, Inc. & G and H Welding
5151 E. Almondwood Drive
Manteca, California 95336
January 1, 1971

Union City Body Co. Inc.
1015 West Pearl Street
Union City, Indiana 47390
August 15, 1970

Unit Rig & Equipment Co.
P. O. Box 3107
Tulsa, Oklahoma 74101
January 1, 1971

Utility Trailer & Equipment Co. Inc.
4771 S. E. 17th Avenue
Portland, Oregon 97202
January 1, 1971

Vesely Company
2101 N. Lapeer Road
Lapeer, Michigan 48446
April 24, 1971

Viking Snowmobiles, Inc.
P. O. Box 37
Twin Valley, Minnesota 56584
August 1, 1970

Ward La France Truck Corporation
Grand Central Avenue
Elmira Heights, New York 14903
May 1, 1970

Ward School Bus Mfg. Inc.
P. O. Box 311
Highway 65 South
Conway, Arkansas 72032
June 1, 1970

The Warner & Swasey Company
Duplex Division
830 East Hazel Street
Lansing, Michigan 48909
April 1, 1971

Wayne Corporation
c/o Indian Head, Inc.
111 West 40th Street
New York, New York 10018
October 31, 1970

Walter Motor Truck Company
School Road
Voorheesville, New York 12186
April 29, 1971

Weigand GMC Truck Sales, Inc.
1008 N. Tuscarawas
Dover, Ohio 44622
January 18, 1971

Weston Equipment Company, Inc.
130 Railroad Hill Street
Waterbury, Connecticut 06708
May 1, 1970

Wheel Horse, Inc.
2001 East Maple Street
Des Moines, Iowa 50317
July 1, 1970

White Motor Corporation
P. O. Box 6979
Cleveland, Ohio 44114
January 18, 1971

Worcester Tank & Equipment Co., Inc.
Rear 462 Grafton Street
Worcester, Massachusetts 01604
May 1, 1970

Appendix E

Companies listed by the Canadian Government as vehicle Manufacturers,
under the vehicle tariff order, 1965, as of Dec. 31, 1969

Name and Location

Almac Metalcraft Inc., Ville D'Anjou, Quebec.	Specified Commercial Vehicles
Amalgamated Metal Industries Ltd. Toronto, Ontario.	Specified Commercial Vehicles
American Motors (Canada) Limited, Brampton, Quebec	Automobiles
Atlas Hoist & Body Incorporated, Montreal, Quebec.	Specified Commercial Vehicles
B.K. & B. Truck Bodies Limited, London, Ontario.	Specified Commercial Vehicles
Babcock, J.H. & Sons Limited, Odessa, Ontario.	Specified Commercial Vehicles
Canadian Blue Bird Coach Ltd., Brantford, Ontario.	Buses
*Canadian Trailmobile Limited, Brantford, Ontario.	Specified Commercial Vehicles
Chrysler Canada Ltd., Windsor, Ontario.	Automobiles, Buses and Specified Commercial Vehicles
Diesel Equipment Limited, Toronto, Ontario.	Specified Commercial Vehicles
Eastern Steel Products Company Preston, Ontario.	Specified Commercial Vehicles
Elco-Wood Industries Limited, Windsor, Ontario.	Specified Commercial Vehicles
The Electric & Gas Welding Co. Limited, Chambly, Quebec.	Specified Commercial Vehicles
Fawcett Van & Stake Ltd., Hamilton, Ontario.	Specified Commercial Vehicles
Fort Garry Automotive Industries, Winnipeg, Manitoba.	Specified Commercial Vehicles

Companies listed by the Canadian Government as vehicle Manufacturers,
under the vehicle tariff order, 1965, as of Dec. 31, 1969

Name and Location	Considered as Manufacturers of:
Ford Motor Company of Canada, Limited Oakville, Ontario.	Automobiles, Buses and Specified Commercial Vehicles
Freightliner of Canada Limited, Burnaby, B.C.	Specified Commercial Vehicles
General Motors of Canada Limited, Oshawa, Ontario.	Automobiles, Buses and Specified Commercial Vehicles
Hayes Manufacturing Company Limited, Vancouver, B.C.	Specified Commercial Vehicles
Ideal Body Ltd., Quebec, P.Q.	Specified Commercial Vehicles
International Harvester Company of Canada, Limited, Hamilton, Ontario.	Buses and Specified Commercial Vehicles
Jauvin Truck Bodies Limited Ottawa, Ontario.	Specified Commercial Vehicles
Lacasse, V. Ltee., Montreal, Quebec.	Specified Commercial Vehicles
Larochelle, Phil Equipment Inc. Quebec, P.Q.	Specified Commercial Vehicles
Mond Industries Limited, Toronto, Ontario.	Specified Commercial Vehicles
Multi-Vans Limited, Woodbridge, Ontario.	Specified Commercial Vehicles
Olsen, W.H. Manufacturing Company Ltd. Tilbury, Ontario.	Specified Commercial Vehicles

Companies listed by the Canadian Government as vehicle Manufacturers,
under the vehicle tariff order, 1965, as of Dec. 31, 1969

Name and Location	Considered as Manufacturers of:
Prevost Car Inc., Ste. Claire, (Dorchester Co.) Quebec.	Buses
Reliance Truck & Body Ltd., Vancouver, B.C.	Specified Commercial Vehicles
Sicard Inc. Montreal, Quebec.	Specified Commercial Vehicles
Thomas Built Buses of Canada Ltd., Woodstock, Ontario.	Buses
Volvo (Canada) Ltd., Toronto, Ontario.	Automobiles
Walinga Body and Coach Ltd., Guelph, Ontario.	Specified Commercial Vehicles
Welles Corporation Ltd., Windsor, Ontario.	Buses
Western Flyer Coach (1964) Ltd., Winnipeg, Manitoba.	Buses
Wilson Motor Bodies Limited, Burlington, Ontario.	Specified Commercial Vehicles
Wilson's Truck Body Shop Ltd., Truro, N.S.	Specified Commercial Vehicles

Name and Location of Persons Designated under
Paragraph 2(3) of the Motor Vehicles Tariff Order 1965

Canadian Blue Bird Sales Co.,
Brantford, Ontario.

Canadian Blue Bird Coach Ltd.,
Brantford, Ont.

Canadian Kenworth Limited,
Burnaby, B.C.

Sicard Inc.,
Montreal, Quebec.

Chrysler Truck Centre Ltd.,
Rexdale, Ontario.

Chrysler Canada Ltd.,
Windsor, Ontario.

Chrysler Truck Centre Ltd.,
Dorval, Quebec.

Chrysler Canada Ltd.,
Windsor, Ontario.

Chrysler Truck Centre Ltd.,
Winnipeg, Manitoba.

Chrysler Canada Ltd.,
Windsor, Ontario

Peabody Engineering Corporation
of Canada Limited,
Cooksville, Ontario.

Fawcett Van & Stake Ltd.,
Hamilton, Ontario.

Sicard Equipment Ltd.
Toronto, Ontario.

Sicard Inc.,
Montreal, Quebec.

White Motor Corporation of Canada Ltd.,
Toronto, Ontario.

Freightliner of Canada Limited,
Burnaby, B.C.

White Truck Manufacturing Ltd.,
Kelowna, B.C.

Freightliner of Canada Limited,
Burnaby, B.C.

Companies qualifying under Orders in Council
similar to the Motor Vehicles Tariff Order 1965.

P.C. 1970-1536	American Motors (Canada) Limited, Brampton, Ontario.
P.C. 1968-2109	Atlantic Truck and Trailer Ltd., Saint John, N.B.
P.C. 1967-1995	Canadian Motor Industries Ltd., Scarborough, Ontario.
P.C. 1969-1362	Crane Carrier Canada Ltd., Rexdale, Ontario.
P.C. 1967-2207	International Harvester Company of Canada Limited, Hamilton, Ontario.
P.C. 1965-1144	Mack Trucks Manufacturing Co., Toronto, Ontario.
P.C. 1967-489	Motor Coach Industries Limited, Winnipeg, Manitoba.
P.C. 1966-15/ 1706	Societe De Montage Automobile Inc., St. Bruno de Montariville, Quebec.
P.C. 1967-2172	Universal Carrier Mfg. Ltd., Edmonton, Alberta.
P.C. 1965-1143	Walter Motor Trucks of Canada Ltd., Ottawa, Ontario.