

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

S362-1

## CONTENTS

	<u>Page</u>
I. SUMMARY.....	1
II. BACKGROUND.....	3
III. DEVELOPMENTS IN 1980.....	6
Production in the North American Automotive Industry.....	6
Retail Sales.....	6
Expenditures by Automobile Manufacturers for Plant and Equipment.....	8
Relative Prices of Automobiles.....	8
Employment in the Automotive Industry.....	9
Trade in Motor Vehicles and Parts between the United States and Canada.....	11
Automotive Trade Statistics.....	18
United States Automotive Trade with Countries Other than Canada.....	19
Canadian Automotive Trade with Countries Other than the United States.....	21
Changes in the Agreement.....	22
Adjustment Assistance.....	23
General Agreement on Tariffs and Trade (GATT) Waiver.....	23
"Bona Fide" Motor Vehicle Manufacturers.....	24
IV. STATISTICAL TABLES	26
V. APPENDIXES	
Appendix A - Text of Agreement.....	57
Appendix B - Automotive Products Trade Act of 1965.....	60
Appendix C - Presidential Proclamation Implementing the Agreement.....	69
Appendix D - List of United States Bona Fide Motor Vehicle Manufacturers.....	70
Appendix E - List of Canadian Bona Fide Motor Vehicle Manufacturers.....	82

## I. SUMMARY

During 1980, the United States automotive industry employed an average of only 860,000 persons, 22 percent below the average employment in 1979. Production of motor vehicles fell 30 percent to 8.0 million vehicles, while retail sales of motor vehicles fell 19 percent to 11.5 million units. Retail sales of imports (excluding Canadian-built) rose 3 percent to 2.9 million vehicles, or 25 percent of the U.S. market.

Employment during 1980 in the Canadian automotive industry averaged 97,000, 16 percent below 1979. Canadian production of motor vehicles declined 16 percent (as the result of reduced U.S. imports) to 1.4 million units, while Canadian retail sales dropped 10 percent to 1.3 million motor vehicles. (Some reasons for the decrease in retail sales in Canada and the United States are found in the body of the report.) Retail sales of imports from overseas increased 40 percent to 212,000 units, or 17 percent of the Canadian market.

Expenditures for new plant and equipment by the "big four" dropped 1.5 percent in the United States but increased by 139 percent in Canada, for a total 1980 investment of \$6.0 billion in new plant and equipment.

Automotive prices continued to increase in both countries with the increases in the Canadian industrial price indexes for passenger cars and trucks larger than those in the United States; the increase in the consumer price index for passenger cars rose 8.0 percent in the United States and 11.8 percent in Canada.

In 1980, United States automotive shipments to Canada decreased by 14 percent and Canadian shipments to the United States by 9 percent, resulting in a U.S. automotive trade surplus of \$1.75 billion compared to \$2.56 billion in 1979.

## II. Background

Canada had a high-cost automotive industry before 1965 because it had been structured to serve a comparatively small domestic market behind a high tariff wall. The measures Canada had taken to encourage production, including duty remissions to Canadian manufacturers, were creating a serious irritant in our economic relationship. Under those circumstances, it seemed desirable for the two countries to agree on a mechanism that would allow Canada to develop a more rational and efficient automotive industry but would not adversely affect the U.S. industry. The resulting Automotive Products Agreement,<sup>1/</sup> which was signed on January 16, 1965, created the basis for an integrated automotive market by, in effect, removing duties on trade between the two countries in specified motor vehicles and original equipment automotive parts.

Article I of the Agreement sets forth three 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 industry of both countries to participate on a fair and equitable basis in the expanding total market of the two countries; and (c) 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

<sup>1/</sup> Appendix A, page 57

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 on 12-months notice.

The Agreement, as implemented in the United States by the Automotive Products Trade Act of 1965,<sup>2/</sup> resulted in the removal of U.S. duties on specified new and used Canadian motor vehicles and original equipment automotive parts. The President proclaimed the entry into force of the tariff modifications retroactive to January 18, 1965.<sup>3/</sup>

The United States removed its duty on automotive products only for Canada. Therefore, it became necessary to obtain a waiver of its General Agreement on Tariffs and Trade (GATT) obligations concerning most-favored nation (MFN) tariff treatment in order to put the Agreement into effect. The waiver was approved by the GATT in December 1965.

Canada implemented its side of the Agreement somewhat differently, by according duty-free treatment to specified new motor vehicles and original equipment parts on a MFN basis to all automotive manufacturers who had production facilities in Canada at the time the Agreement was negotiated. Therefore, Canada did not consider it necessary to obtain a GATT waiver for its Order-in-Council implementing duty-free treatment effective January 18, 1965.

<sup>2/</sup> Appendix B, page 60

<sup>3/</sup> Appendix C, page 69

In recognition of the need for a transitional period for the smaller, higher-cost Canadian industry to adjust to the competitive pressures, several restrictive measures were set forth in Annex A to the Agreement: (1) Only certain Canadian vehicle manufacturers may import automotive products duty-free; and (2) The duty-free importation privilege is limited to manufacturers who meet certain minimum Canadian value-added and Canadian production-to-sales ratio requirements.

The duty-free import privilege in Canada is limited to vehicle manufacturers. Therefore, individuals who import motor vehicles from the United States must pay the Canadian duty of 15 percent ad valorem. In contrast, anyone in the United States may import a finished vehicle covered by the Agreement duty-free. In both countries, only bona fide manufacturers may import original equipment parts and accessories duty-free under the Agreement.

In addition to the limitations set forth in Annex A, the motor vehicle manufacturers gave the Canadian Government certain Letters of Undertaking to increase Canadian value-added. The letters committed the companies to specific increases in Canadian value-added to be accomplished by July 31, 1968, and to increase further the Canadian value-added annually by a proportion of any increase in sales in the Canadian market. Although the letters were between the companies and the Canadian Government, they were signed with the tacit approval of the United States Government. The tacit approval was withdrawn in 1970.

### III. Developments in 1980

Since the spring of 1979, sharply reduced sales and increased market penetration by imports have had a devastating impact on the North American automobile industry. The combination of a major shift in consumer demand to smaller, more fuel-efficient cars together with a sharp recession in the United States and costly credit, has plunged the industry into the worst crisis in its history.

#### PRODUCTION IN THE NORTH AMERICAN AUTOMOTIVE INDUSTRY

Total United States and Canadian motor vehicle production in 1980 was 9.4 million vehicles, down 28 percent from 1979. The United States share of the combined 1980 total was 85 percent, down from 88 percent for the year before.

UNITED STATES: Motor vehicle production in the United States declined 30 percent to 8.0 million units in 1980. Passenger car production declined 24 percent to 6.4 million cars while truck production dropped 46 percent to 1.6 million units.<sup>4/</sup>

CANADA: Motor vehicle production in Canada in 1980 fell to 1.4 million units, 16 percent below the 1979 level. Passenger car production dropped 14 percent to 847,000 cars while truck production fell 18 percent to 528,000 trucks.<sup>5/</sup>

#### RETAIL SALES

Total retail motor vehicle sales in the United States and Canada in 1980 were 12.7 million units, a decline of 18 percent from the 1979 total. The United States share of total sales was 90 percent, 1 percent less than the previous year.<sup>6/</sup>

<sup>4/</sup> Table 2, page 29  
<sup>5/</sup> Table 3, page 30  
<sup>6/</sup> Table 1, page 28



The decline in total sales was due primarily to the United States market which suffered a retail sales loss of 2.7 million units compared to a Canadian loss of slightly more than 0.1 million units.

The pattern of sales of imported and North American-built vehicles was similar in the two countries. In both countries, sales of North American-built vehicles declined sharply while sales of imports from overseas increased to record levels.

United States: Retail sales of passenger automobiles declined to 8,971,000 cars in 1980, 16 percent below 1979. Sales of imports from overseas rose to 2,390,000 cars, 3 percent over 1979 and a record level for imports. Sales of 6,581,000 North American-built cars represented a decline of 21 percent from the the previous year. Retail sales of domestic-make trucks declined even more severely. North American-built truck sales fell 33 percent to 2,002,000 vehicles while sales of imports increased 4 percent to 486,000 trucks.

Canada: Retail sales of passenger cars dropped 7 percent to 932,000 cars in 1980. Sales of imports from overseas increased 37 percent to 191,000 cars while sales of North American-built cars fell 14 percent to 741,000 units. Retail sales of North American-built trucks dropped 19 percent to 310,000 vehicles while sales of imported trucks rose 75 percent to 21,000 vehicles.

## EXPENDITURES BY AUTOMOBILE MANUFACTURERS FOR PLANT AND EQUIPMENT

Expenditures for new plant and equipment in 1980 by the "big four" motor vehicle manufacturers totaled \$5.951 billion, an increase of 7 percent over the 1979 record level. The Canadian share was a record \$827 million accounting for a record 14 percent of the total, up 139 percent over the previous year. Investment in the United States was \$5.124 billion, down slightly from the 1979 peak level of \$5.203 billion.

## RELATIVE PRICES OF AUTOMOBILES

Automotive price comparisons in this section are based on factory list prices rather than manufacturers' suggested retail prices, because of different tax structures in each country (see Tables 6, 7 and 8).<sup>7/</sup> The U.S. prices, and Canadian prices expressed in U.S. dollars in each table are of identical cars with comparable standard equipment.

Expressed in U.S. dollars, factory list prices at introduction of the 1981 models selected ranged from 10 percent lower to 13 percent higher in Canada than in the United States. In 1980, the same models ranged from 9 percent lower to 2 percent higher in price in Canada. Expressed in Canadian dollars car prices are higher in Canada than in the United States because of the present exchange rate.

The producer and consumer price indexes for automotive products continued to rise in both countries. During 1980, the producer price index for cars increased 8.4 percent in the

<sup>7/</sup> Table 6, page 33  
Table 7, page 34  
Table 8, page 35

United States, the index for trucks climbed 10.0 percent and the index for parts rose 11.9 percent. The increase in all three indexes was greater than during 1979. The consumer price index for passenger cars continued its upward trend, rising 8.0 percent in 1980 compared to 7.9 percent in 1979.<sup>8/</sup>

In Canada, the increases in the industrial selling price indexes were generally larger than in the United States. The industrial selling price index for passenger cars rose 12.4 percent for 1980 compared to 12.1 percent in 1979. The industrial index for trucks rose 11.1 percent in 1980 compared to 12.8 percent in 1979, and the parts index rose 10.5 percent compared to 7.8 percent the previous year. The Canadian consumer price index for passenger cars rose 11.8 percent in 1980 compared with 12.1 percent in 1979.<sup>9/</sup>

#### EMPLOYMENT IN THE AUTOMOTIVE INDUSTRY<sup>10/</sup>

Employment in the North American Automotive Industry in 1980 averaged 958,000, 22 percent below the 1979 level. The United States share of total employment in 1980 remained 90 percent, the same as in 1979.

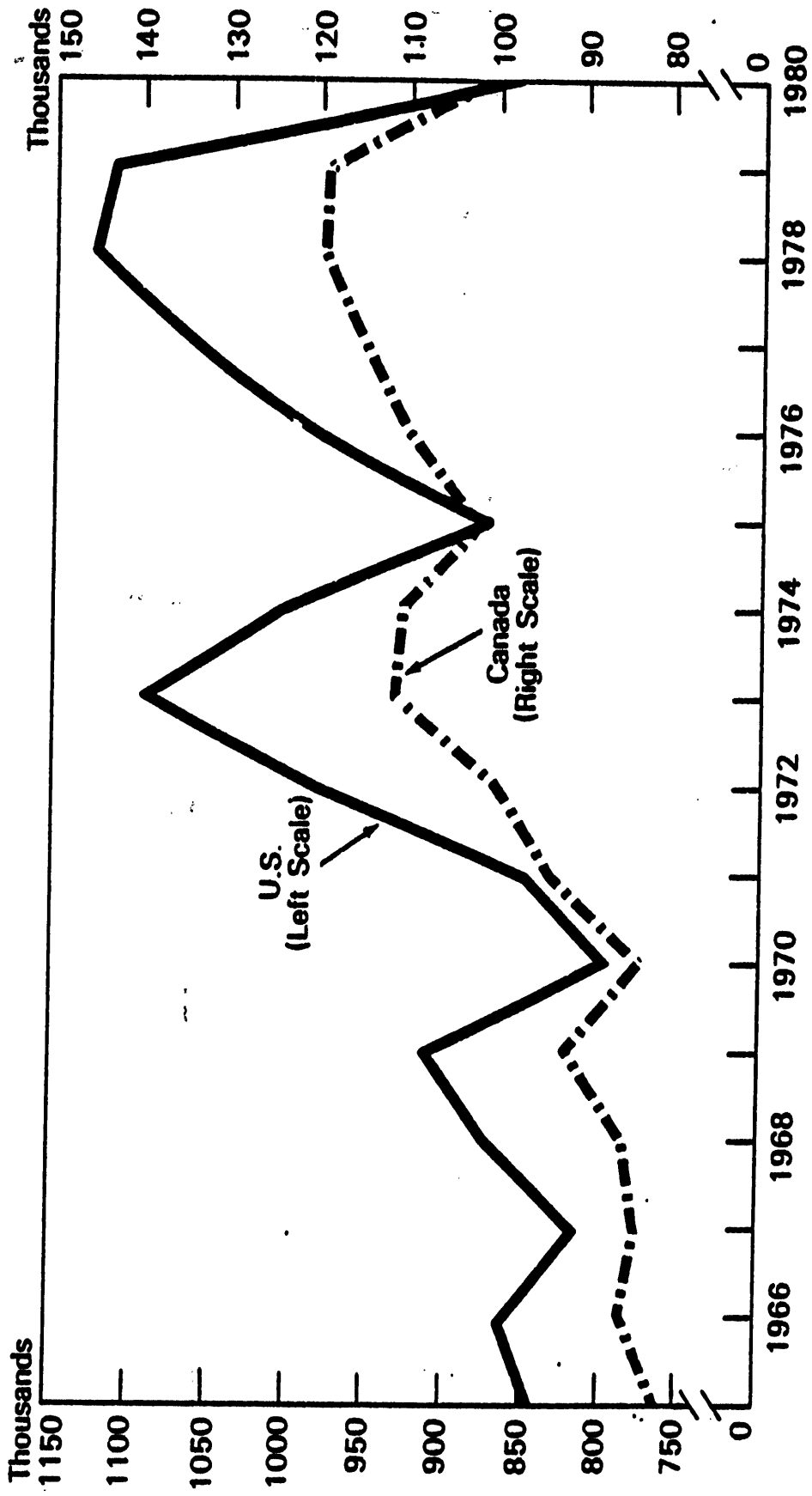
Average annual automotive industry employment (including automotive stampings) in the United States, which had been rising from 1975 through 1978 fell sharply in 1980 to 861,000.

<sup>8/</sup> Table 4, page 31

<sup>9/</sup> Table 5, page 32

<sup>10/</sup> Table 1, page 28

**Chart 1**  
**Employment in the United States-Canada,**  
**Automotive Industries, 1965-1980**



SOURCES: U.S. Department of Labor; Statistics Canada.

The decline affected all three sectors - assembly, parts and stamping.<sup>11/</sup>

Canadian automotive industry employment also dropped sharply to a little less than 97,000 persons. As in the United States, the decline in Canada affected all major employment sectors.

#### TRADE IN MOTOR VEHICLES AND PARTS BETWEEN THE UNITED STATES AND CANADA

Total automotive products trade between the United States and Canada was \$19.4 billion in 1980, a drop of 12 percent from 1979.<sup>12/</sup> From 1964, the year before the Agreement, to 1980, total two-way trade in automotive products has increased 2,600 percent in nominal dollars and 1,250 percent in constant 1972 dollars.

During 1980, automotive products exports to Canada fell 14 percent while corresponding imports from Canada declined 9 percent. This resulted in a United States automotive products surplus of \$1.75 billion, substantially below the \$2.56 billion surplus of the previous year.<sup>12/</sup> The United States surplus in duty-free automotive products declined to \$1.818 billion in 1980 compared to \$2.432 billion in 1979. The surplus in dutiable automotive products dropped from \$127 million in 1979 to \$45 million in 1980.

The changing trade balance reflected primarily the extremely depressed United States automotive market in 1980 coupled with declining Canadian automotive sales. With production and sales of North American produced vehicles down sharply in both countries, trade in both vehicles and parts declined in 1980. However, the Canadian surplus in assembled vehicles increased by \$0.9 billion over 1979, as a result of an 18 percent drop in U. S. vehicle

<sup>11/</sup> Table 9, page 36

<sup>12/</sup> Table A, page 12

## U.S. Canadian Trade in Automotive Products, 1964-1975-80

## U.S. Imports - Canadian Imports

(Millions of U.S. Dollars)

	1964	1975	1976	1977	1978	1979	1980
<b>U.S. exports 2/</b>							
Cars	34	2,142	2,354	2,655	2,613	3,147	2,906
Trucks	23	922	985	1,057	1,158	1,654	1,044
Parts	577	4,409	5,550	6,434	7,080	7,344	6,478
Subtotal	634	7,472	8,889	10,146	10,851	12,145	10,428
Tires and Tubes	6	170	116	144	113	128	124
<b>TOTAL EXPORTS</b>	640	7,643	9,005	10,290	10,964	12,273	10,552
<b>U.S. imports</b>							
Cars	18	2,809	3,477	3,795	4,129	3,707	3,802
Trucks	4	917	1,363	1,841	2,036	1,978	1,993
Parts	49	2,007	2,983	3,496	4,160	3,831	2,999
Subtotal	71	5,734	7,823	9,132	10,325	9,516	8,604
Tires and Tubes	5	67	166	135	167	199	196
<b>TOTAL IMPORTS</b>	76	5,801	7,989	9,267	10,492	9,715	8,800
<b>Net Balance</b>	+563	+1,842	+1,016	+1,023	+472	+2,558	+1,752

## / Preliminary

/ Canadian import data. Parts exports (Canadian imports) adjusted to exclude tooling charges in millions of U.S. dollars as follows: 1973 - \$68; 1974 - \$188; 1975 - \$110; 1976 - \$105; 1977 - \$72; 1978 - \$235.

Note: Data exclude U.S.-Canadian trade in materials for use in the manufacture of automotive parts.

Canadian dollars converted to U.S. dollars at following exchange rates:  
 \$1000 Canadian = \$0.925 U.S., 1964; \$1.02246, U.S., 1974; \$0.984001, U.S., 1975;  
 \$1.0141, U.S., 1976; \$0.94095, U.S., 1977; \$0.8871, 1978; \$0.85471, 1979; \$0.83560, 1980.

exports to Canada while the value of U.S. vehicle imports remained at the 1979 level. Although total parts trade between the two countries declined 16 percent in 1980, the U.S. surplus in parts trade remained at virtually the same level as in 1979 (\$3,569 million in 1980 vs. \$3,513 million in 1979).<sup>13/</sup>

U.S. shipments of automotive products to Canada declined 14 percent in 1980 to \$10.6 billion. Assembled vehicles accounted for 37 percent of shipments, down from 39 percent in 1979. Dutiable exports in 1980 were \$609 million or 6 percent of total automotive product exports to Canada, the same share as in 1979.<sup>14/</sup>

Canadian shipments of automotive products to the United States declined 9 percent to \$8.8 billion in 1980. Assembled vehicles accounted for 65 percent of shipments, up sharply from 59 percent in 1979. The higher share for vehicles reflected a sharper reduction in production of motor vehicles than retail sales in the United States during 1980 (production declined 30 percent compared to 24 percent for retail sales of domestic-make vehicles) and the mix of production in Canada. Dutiable imports in 1980 were \$564 million or 6 percent of automotive product shipments from Canada, the same share as in 1979.<sup>15/</sup>

Table 11<sup>16/</sup> shows duty-free imports from Canada by tariff number. The 43 percent drop since 1978 in the largest category of imported cars - over 6 cylinders - reflects the decline in the U.S. market for large cars. The largest single category

<sup>13/</sup> Table A, page 12

<sup>14/</sup> Table B, page 14

<sup>15/</sup> Table C, page 15

<sup>16/</sup> Table 11, page 38

TABLE B

United States Automotive Exports to Canada<sup>1/</sup>  
(In millions of U.S. dollars)

	December		Cum. Jan. thru Dec.	
	1980	1979	1980	1979
<b>Automotive exports:</b>				
<b>Duty Free:</b>				
Passenger cars	222.5	293.1	2,889.6	3,140.0
Trucks, buses, and chassis	69.2	123.1	974.9	1,546.7
Parts and accessories	550.3	468.3	6,189.2	6,874.1
<b>Total, duty-free</b>	<b>842.0</b>	<b>884.5</b>	<b>10,053.7</b>	<b>11,560.8</b>
<b>Dutiable:</b>				
Passenger cars	2.3	0.7	16.0	6.7
Trucks, buses, and chassis	4.3	5.6	69.1	107.7
Parts and accessories	31.6	33.8	399.1	470.3
Tires and tubes	9.1	9.0	124.5	128.4
<b>Total, dutiable</b>	<b>47.9</b>	<b>49.1</b>	<b>608.7</b>	<b>713.1</b>
<b>Total duty-free and dutiable:</b>				
Passenger cars	225.4	293.8	2,905.6	3,146.7
Trucks, buses, and chassis	73.5	128.7	1,044.0	1,654.4
Parts and accessories	581.9	502.1	6,478.3	7,344.3
Tires and tubes	9.1	9.0	124.5	128.4
<b>Total, automotive exports</b>	<b>889.9</b>	<b>933.6</b>	<b>10,552.4</b>	<b>12,273.8</b>

<sup>1/</sup> Canadian import data converted to U.S. dollars:  
C \$1.00=U.S. \$0.83560, December 1980:  
C \$1.00=U.S. \$0.85471, December 1979

**SOURCE:** Statistics Canada

**NOTE:** Monthly figures are preliminary and cumulative year end totals may contain annual corrections not distributed by months.



TABLE C

United States Automotive Imports from Canada  
(In millions of U.S. dollars)

	December		Cum. Jan. thru Dec.	
	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>
Automotive imports: <sup>1/</sup>				
Duty-free <sup>2/</sup>				
Passenger cars	364.5	282.0	3,775.8	3,693.9
Trucks, buses, and chassis	203.6	136.7	1,870.8	1,959.0
Parts and accessories	234.3	192.3	2,589.3	3,476.1
Total, duty-free	802.4	611.0	8,235.9	9,129.0
Dutiable:				
Passenger cars	2.5	1.1	25.9	13.0
Trucks, buses, and chassis	2.8	2.4	22.2	18.6
Parts and accessories	29.8	27.2	319.4	355.2
Tires and tubes	62.1	17.8	196.3	199.5
Total, dutiable	97.2	48.5	563.8	586.3
Total duty-free and dutiable:				
Passenger cars	367.0	283.1	3,801.7	3,706.9
Trucks, buses, and chassis	206.4	139.1	1,893.0	1,977.6
Parts and accessories	264.1	219.5	2,908.7	3,831.3
Tires and tubes	62.1	17.8	196.3	199.5
Total, automotive imports	899.6	659.5	8,799.7	9,715.3

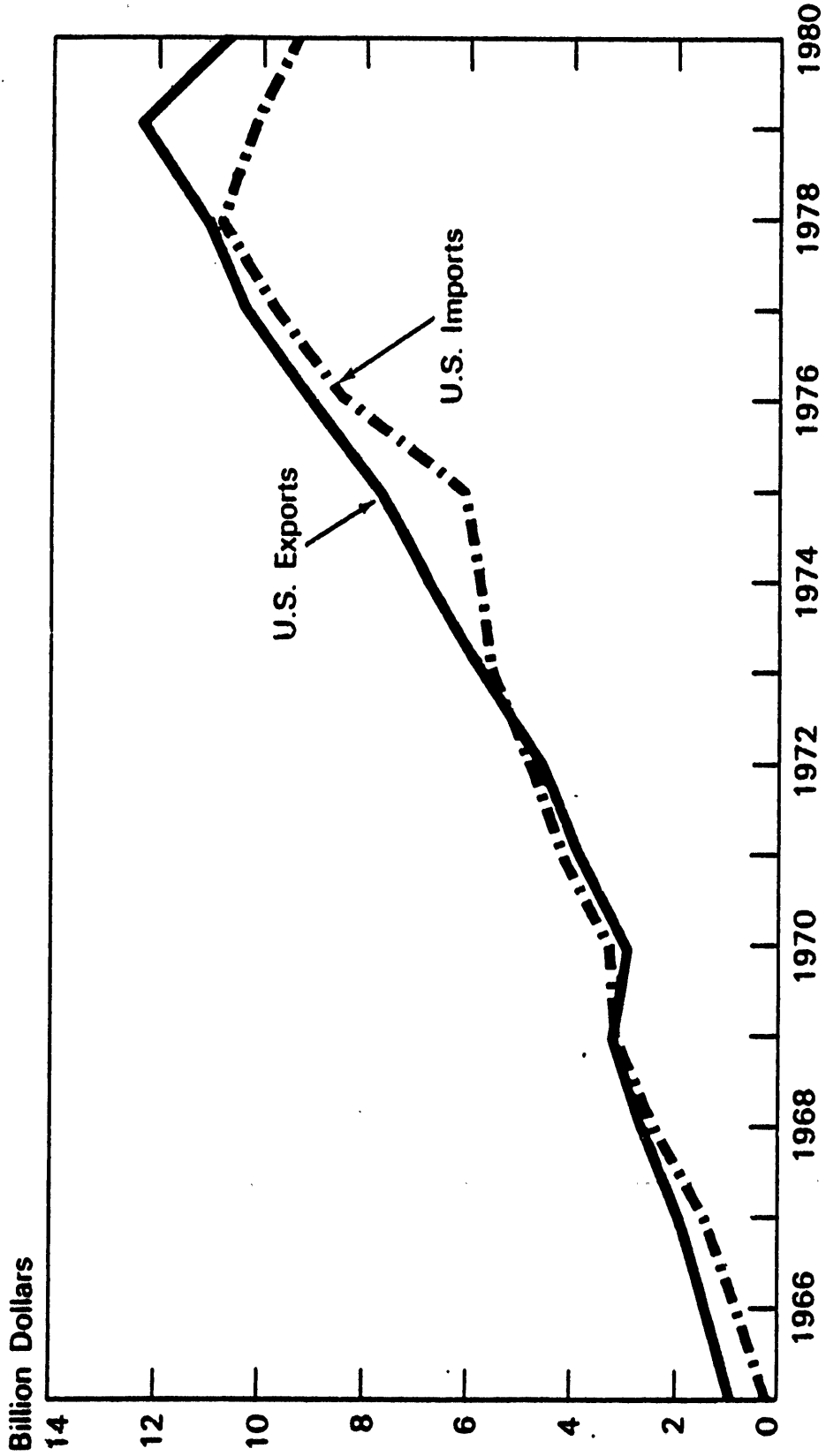
<sup>1/</sup> Preliminary and subject to revision.  
U.S. Imports are FAS or transaction values as published by Bureau of the Census. Canadian automotive imports are valued on similar basis.

<sup>2/</sup> US Automotive product imports from Canada duty-free under the United States Canada Automotive Agreement.

SOURCE: U.S. Bureau of the Census.

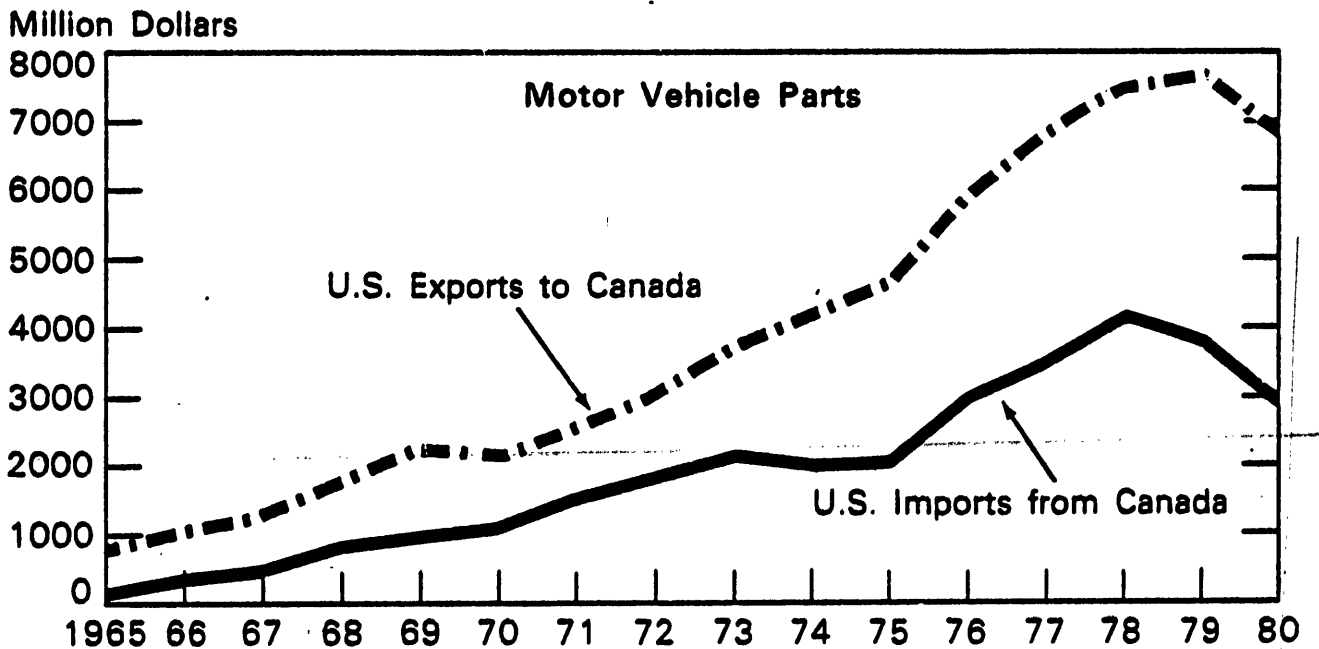
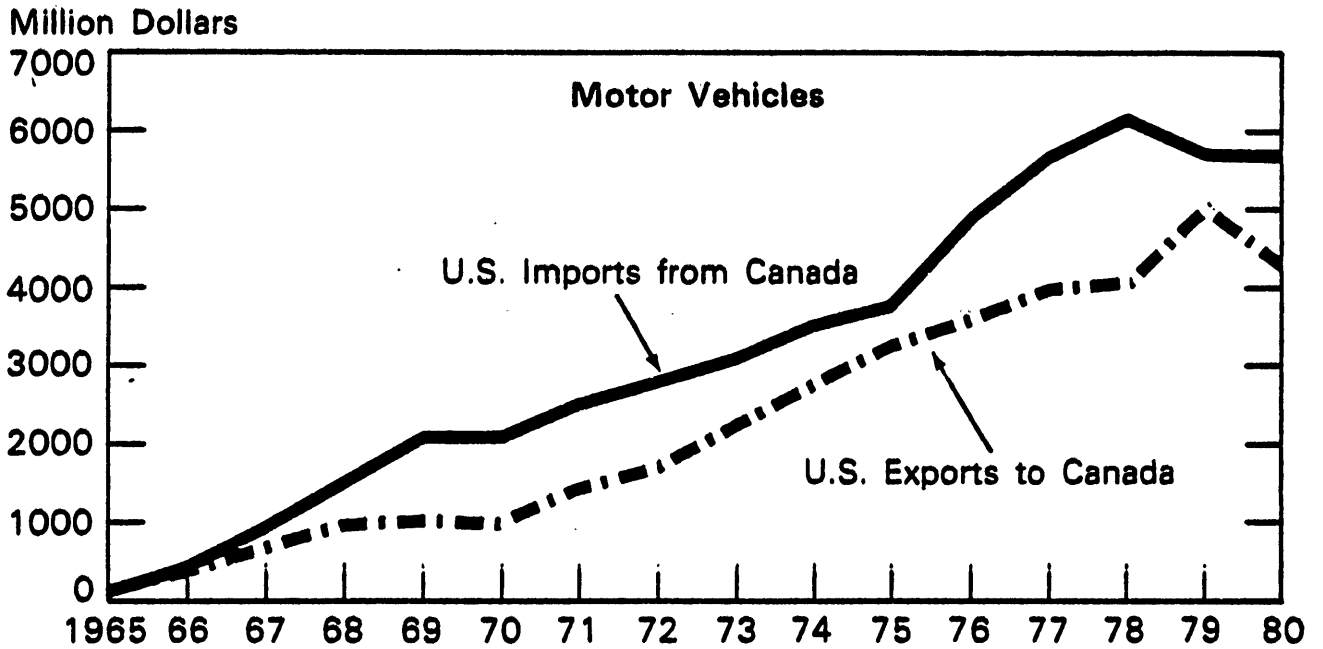
NOTE: Monthly figures are preliminary and cumulative year end totals may contain annual corrections not distributed by months.

**Chart 2**  
**United States-Canada Trade in Automotive**  
**Products, 1965-1980**



SOURCES: U.S. Department of Commerce; Statistics Canada.

**Chart 3**  
**Trade in Automotive Products, United States**  
**and Canada, 1965-1980**



SOURCES: U.S. Department of Commerce; Statistics Canada.

of parts remains the "basket" category of "not otherwise provided for," which in 1980 totaled \$1,055 billion or 41 percent of the duty-free imports of motor vehicle parts. Other large volume categories are: engines and their parts; truck bodies; brakes; springs; transmissions and auto furniture. Of the \$0.9 billion decline in duty-free parts imports during 1980, engines and engine parts accounted for \$271 million, the "basket" category \$269 million, brakes \$79 million, truck bodies \$71 million, car transmissions \$48 million and suspension springs \$47 million.

During 1980, the number of cars shipped from Canada to the United States declined 11 percent to 595,000, while shipments of cars to Canada declined 15 percent to 507,000.

#### AUTOMOTIVE TRADE STATISTICS

A series of consultations in 1970 between government statistical experts from both the United States and Canada led to an agreement that a cooperative effort was necessary to prepare a complete accounting of automotive products trade. Neither U.S. nor Canadian export statistics are sufficiently detailed to reflect accurately all trade covered by the Agreement, particularly in components that are not exclusively automotive (e.g., pipe fittings, engine parts, fabric for seat covers, etc.). In addition, a joint U.S.-Canadian committee studying overall bilateral trade statistics found that a substantial amount of automotive products exports are never reported in the first place, due to slippages in submission and collection of documentation.<sup>17/</sup>

Therefore, the two nations agreed that each would use its own statistics (in which all products eligible for duty-free treatment

<sup>17/</sup> The study titled The Reconciliation of U.S.-Canada Trade Statistics 1970, a Report by the U.S.-Canada Trade Statistics Committee, was published jointly by the U.S. Department of Commerce, Bureau of the Census, and Statistics Canada.

are broken out separately) to report imports and the other country's import statistics to report exports.

Tables A, B, and C (pages 12, 14 and 15) were prepared using the method described in the previous paragraph and represent the most accurate way of measuring trade under the Automotive Products Agreement.

The U.S. imports for 1974 through 1977 in Table A were compiled using free alongside ship (f.a.s.) import values as now published by the Bureau of the Census. The f.a.s. values are not comparable to the frequently used "customs value basis" import statistics, in which imports are valued at prices constructed by the Bureau of Customs for duty purposes.

#### U.S. AUTOMOTIVE PRODUCTS TRADE WITH COUNTRIES OTHER THAN CANADA

The statistics used in the tables covering automotive products trade with countries other than Canada are based entirely on Bureau of the Census statistics. Consequently, the figures from Tables 12, 13 and 14<sup>18/</sup> used in this section are not comparable with data given on U.S.-Canadian trade in automotive products in Table A on page 12.

U.S. imports in 1980 of automotive products from countries other than Canada comprised 69 percent of all automotive products imports, up from 63 percent in 1979. The value of the imports

<sup>18/</sup> Table 12, page 50  
Table 13, page 51  
Table 14, page 52

(excluding Canada) reached \$18.4 Billion, 15 percent over 1979. The increase, following an 18 percent rise in 1979 and 38 percent in 1978, contrasts sharply with the declines in imports from Canada and in U.S. production.

Japan is the largest supplier to the United States, originating 42 percent of total 1980 imports. Germany, the largest supplier after Japan and Canada, originated 16 percent.

The identification of parts imports, excluding Canada, for assembly (original equipment) or for maintenance and repair (aftermarket) is not possible in the statistical data. The proportion of parts for assembly is still estimated to be relatively small. However, developments in recent years - including opening of the Volkswagen plant in Pennsylvania and recent foreign sourcing of engines and transaxles - are contributing to a growing volume of parts for assembly. For example, imported parts were estimated to have a 5 to 6 percent share of the U.S. automotive original equipment parts market in 1980; the imports' share is expected to grow to 12 to 15 percent in 1990.<sup>19/</sup> Due to this trend toward increased sourcing of original equipment parts to foreign suppliers and a growing demand for aftermarket parts to service the increasing number of overseas - produced motor vehicles in this country, the proportion of parts to total automotive product imports is rising. Excluding Canada, the proportion has almost doubled since 1965, from 9 percent to 17 percent.

19/ Worldwide Competitiveness of the U.S. Automobile Industry and Its Parts Suppliers During the 1980's, Arthur Anderson & Company, February 1981.

Exports of automotive products to all countries except Canada rose 9 percent to \$6.6 billion in 1980. Car exports dropped 33 percent; however, truck exports rose 11 percent and parts 26 percent. Mexico remained the largest export market, taking \$1.5 billion or 22 percent of U.S. exports to all countries except Canada.<sup>20/</sup> Saudi Arabia continued as the second largest export market in 1980, taking imports valued at \$673 million, with Venezuela in third place at \$436 million.

Automotive products in 1980 were 7 percent of total exports of all commodities, down from 9 percent in 1979. Imports of automotive products in 1980 were 11 percent of total commodity imports, down from 12 percent in 1979.<sup>21/</sup>

#### CANADIAN AUTOMOTIVE TRADE WITH COUNTRIES OTHER THAN THE UNITED STATES

Canadian exports of automotive products to countries other than the United States were valued at \$891 million in 1980, a 5 percent increase from 1979, and amounted to 1.0 percent of total Canadian automotive exports.<sup>22/</sup> Excluding the U.S., exports of vehicles in 1980 amounted to \$540 million, a 13 percent increase over the previous year. Australia remained the largest single overseas market, taking \$44 million or 5 percent of the total in 1980.<sup>23/</sup>

Canada's 1980 imports of \$1.365 billion of automotive products from countries other than the United States were 39 percent above 1979. A 63 percent increase in the imports of passenger cars to \$878 million accounted for almost 90 percent of the total increase in automotive product imports during 1980.

Japan and West Germany are the largest overseas suppliers of automotive products to Canada and in 1980 together they furnished 75 percent of imports.

<sup>20/</sup> Table 13, page	51
<sup>21/</sup> Table 15, page	53
<sup>22/</sup> Table 18, page	56
<sup>23/</sup> Table 16, page	54

## CHANGES IN THE AGREEMENT

In April 1980, the Government of Canada requested formal consultations with the United States under the provisions of Article IV of the Automotive Products Agreement. The consultations began in June and continued through 1980, but did not result in any changes in the Agreement.

The Canadian Government made known its concerns for the Canadian automotive industry, including the continuing deficit in automotive products trade with the United States, and its desires to increase automotive investment, parts production and research and development in Canada. Canadian officials also described possible modification of the rules and regulations established by Canada to implement the agreement.

U.S. officials emphasized that the future of the North American Automotive Industry is a matter of great concern to both the United States and Canadian Governments and that any new measures affecting the exchange of automotive products between our two countries under the bilateral Agreement should be the subject of Government to Government agreement. However, U.S. officials also made clear that the United States is not presently engaged in a renegotiation of the terms of the Automotive Products Agreement nor has it agreed to any modifications of the Agreement.



The United States would consider any modifications (unilaterally implemented by Canada) a change in the terms of the bilateral Agreement, subject to Section 205(b) of the U.S. Automotive Products Trade Act of 1965 and require the express approval of both the Executive Branch and the Congress of the 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.

#### GENERAL AGREEMENT ON TARIFFS AND TRADE WAIVER

Article I of the General Agreement on Tariffs and Trade 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 Products 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, approved on December 20, 1965, provided for an annual report, a review by the GATT contracting parties after two years, and, if necessary, biennially thereafter. The U.S. reports to GATT have been based on the Annual Reports by the

President to the Congress on the Operation of the Automotive Products Trade Act of 1965.

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

"BONA FIDE" MOTOR VEHICLE MANUFACTURERS

Under the Automotive Products Trade Act of 1965, imports of Canadian original motor vehicle equipment will be duty-free when 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 Industrial Economics. Rules and Regulations published in Part 615, Chapter VI, Title 15 of the Code of Federal Regulations outline procedures for filing by motor vehicle manufacturers. 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 the capacity to produce a complete motor vehicle only if the operations include 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 May 1, 1981, a total of 214 U.S. manufacturers were certified as "bona fide motor vehicle manufacturers."<sup>24/</sup> Certification of a manufacturer is valid for a 12-month period from the date the Secretary 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 installation of motor vehicle bodies, and other motor vehicle equipment on new chassis; and (3) installation of motor vehicle bodies, trailer hitches known as fifth wheels, and other motor vehicle equipment on new chassis.

The manufacturers are located in 38 states with Ohio, Michigan, New Jersey, Illinois, Indiana, New York, Texas, Wisconsin and Pennsylvania leading the list in number of establishments.

The Government of Canada lists 83 Canadian firms that as of June 1980 are considered to be motor vehicle manufacturers.<sup>25/</sup>

<sup>24/</sup> Appendix D, page 70  
<sup>25/</sup> Appendix E, page 82

## IV. STATISTICAL TABLES

TABLE 1.--Retail Sales of Motor Vehicles, 1965 and 1970-1980 United States and Canada.....	28
TABLE 2.--U.S. Motor Vehicle Production, Calendar Years 1965 and 1970-1980.....	29
TABLE 3.--Canadian Motor Vehicle Production, Calendar Years 1965 and 1970-1980.....	30
TABLE 4.--Price Indexes for Automotive Equipment in Canada, Annual Average 1965 and 1970-1980.....	31
TABLE 5.--Price Indexes for Automotive Equipment in Canada, Annual Average 1965 and 1970-1980.....	32
TABLE 6.--Price of Typical Model, Subcompact 2-Door Sedan with Comparable Standard Equipment in the United States and Canada, Model Years, 1979-1981.....	33
TABLE 7.--Price of Typical Popular Model, 4-Door Sedan with Comparable Standard Equipment in the United States and Canada, Model Years, 1979-1981.....	34
TABLE 8.--Price of Typical Popular Model, 2-Door Sedan, 8 Cylinder with Comparable Standard Equipment in the United States and Canada, Model Years, 79-81.	35
TABLE 9.--Total Employment in the U.S. Automotive Products Industry Based on U.S. 1967 Standard Industrial Classification (SIC) Annual Average 1972-1980....	36
TABLE 10.--Total Employment in Canadian Automotive Products Industry Based on Canadian Standard Industrial Classification (SIC) Annual Average, 1972-1980...	37
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 1978-1980.....	38
TABLE 12.--U.S. Automotive Trade, Total with all Countries, with Canada, and with all Countries except Canada, 1978-1980.....	50

TABLE 13.-U.S. Automotive Exports, Calendar Years, 1978-1980.....	51
TABLE 14.-U.S. Automotive Imports, Calendar Years, 1978-1980.....	52
TABLE 15.-Total U.S. Trade (All Commodities) with the World and with Canada, Calendar Years 1965 and 1978- 1980.....	53
TABLE 16.-Canadian Automotive Exports, Calendar Years 1978-1980.....	54
TABLE 17.-Canadian Automotive Imports, Calendar Years 1978-1980.....	55
TABLE 18.-Canadian Automotive Trade, Total with all countries, with United States, and with all Other Countries Except the United States 1978-1980.....	56

TABLE 1.--RETAIL SALES OF MOTOR VEHICLES, 1965 and 1970-80

SALES IN UNITED STATES  
(Thousands of Units)

Year	Automobiles			Trucks			Total Vehicles
	North American Type	Overseas Import Type	Total	North American Type	Overseas Import Type	Total	
1965	8,763	569	9,332	1,539	44	1,583	10,915
1970	7,120	1,285	8,405	1,746	65	1,811	10,216
1971	8,681	1,570	10,251	2,011	85	2,096	12,347
1972	9,327	1,623	10,950	2,486	143	2,632	13,575
1973	9,676	1,763	11,439	2,916	228	3,144	14,583
1974	7,454	1,413	8,867	2,512	171	2,683	11,550
1975	7,053	1,587	8,640	2,249	231	2,480	11,120
1976	8,611	1,498	10,109	2,944	237	3,181	13,290
1977	9,109	2,075	11,184	3,353	323	3,676	14,860
1978	9,312	2,000	11,312	3,773	336	4,109	15,421
1979	8,328	2,330	10,658	3,010	469	3,479	14,137
1980	6,581	2,390	8,971	2,002	486	2,488	11,459

Source: Motor Vehicle Manufacturers Association and Ward's Reports

SALES IN CANADA  
(Thousands of Units)

Year	Automobiles			Trucks			Total Vehicles
	North American Type	Overseas Import Type	Total	North American Type	Overseas Import Type	Total	
1965	634	75	709	120	2	122	831
1970	497	143	640	125	9	134	774
1971	592	188	780	147	13	160	940
1972	654	205	859	190	17	207	1,066
1973	783	188	971	235	20	256	1,227
1974	797	146	943	288	19	307	1,249
1975	836	154	989	310	17	327	1,317
1976	793	153	946	331	14	345	1,291
1977	798	194	991	338	16	354	1,345
1978	816	173	989	364	13	377	1,366
1979	864	139	1,003	381	12	393	1,396
1980	741	191	932	310	21	331	1,263

Source: Statistics Canada

TABLE 2.--U.S. MOTOR VEHICLE PRODUCTION, CALENDAR YEARS 1965 and 1970-80  
(Thousands of Units)

Year	Passenger cars	Trucks and buses	Total
1965	9,335.2	1,802.6	11,137.8
1970	6,550.1	1,733.8	8,283.9
1971	8,583.7	2,088.0	10,671.7
1972	8,828.2	2,482.5	11,310.7
1973	9,667.1	3,014.4	12,681.5
1974	7,324.5	2,746.5	10,071.0
1975	6,716.9	2,269.6	8,986.5
1976	8,497.9	2,999.7	11,497.6
1977	9,213.6	3,489.1	12,702.8
1978	9,176.6	3,722.6	12,891.7
1979	8,433.7	3,046.3	11,480.0
1980	6,375.5	1,632.8	8,008.3

Source: Motor Vehicle Manufacturers Association

TABLE 3.--CANADIAN MOTOR VEHICLE PRODUCTION, CALENDAR YEARS 1965 and 1970-80  
(Thousands of Units)

Year	Passenger cars	Trucks and buses	Total
1965	706.8	139.8	846.2
1970	923.4	236.1	1,159.5
1971	1,083.2	263.6	1,346.8
1972	1,154.5	319.9	1,474.4
1973	1,227.5	347.4	1,574.9
1974	1,165.6	361.7	1,527.3
1975	1,044.8	379.2	1,424.5
1976	1,137.3	502.8	1,640.1
1977	1,162.5	612.9	1,775.4
1978	1,139.6	677.9	1,817.5
1979	987.7	644.0	1,631.7
1980	846.8	527.5	1,374.3

Source: Statistics Canada



TABLE 4.--PRICE INDEXES FOR AUTOMOTIVE EQUIPMENT  
IN THE UNITED STATES  
Annual average 1965 and 1970-1980 (1967=100)

Year	Producer Price Index		Consumer Price Index	
	Passenger Cars	Motor Trucks	Motor Vehicle Parts <u>1/</u>	New Passenger Cars
1965	100.1	97.5	--	100.0
1970	106.6	110.9	112.9	107.6
1971	112.2	118.5	120.2	112.0
1972	114.9	121.1	126.0	111.0
1973	115.4	123.0	127.5	111.1
1974	123.1	136.9	143.8	117.5
1975	134.2	152.4	172.8	127.6
1976	142.2	164.6	182.7	135.7
1977	150.6	177.5	195.6	142.9
1978	161.6	193.4	208.6	153.8
1979	174.4	210.8	225.8	166.0
1980	189.1	232.0	252.6	179.3

1/ The index for "motor vehicle parts" was first computed in 1967.

Comparable data for earlier years are not available.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 5.--PRICE INDEXES FOR AUTOMOTIVE EQUIPMENT  
IN CANADA  
Annual average 1965 and 1970-80 (1967=100)

Year	Industrial selling price index <u>1/</u>			Consumer Price Index		
	Passenger cars <u>2/</u>			Motor trucks	Motor vehicle parts and accessories	New Passenger Cars
	Total <u>3/</u>	Hardtop	4-door sedan			
1965		100.4	101.0	99.6	98.1	100.3
1970		101.6	104.2	107.9	105.8	104.2
1971	100.0	103.6	105.8	113.6	107.3	107.9
1972	101.7	105.5	107.8	116.3	109.9	110.1
1973	100.7			117.9	113.4	110.5
1974	106.8			129.9	123.3	118.4
1975	114.2			143.0	140.7	126.0
1976	117.4			153.5	153.6	133.1
1977	126.4			167.8	169.1	142.1
1978	136.6			185.6	187.7	154.7
1979	<u>4/</u> 153.1			<u>4/</u> 209.3	<u>4/</u> 202.3	173.4
1980	<u>4/</u> 172.1			<u>4/</u> 232.6	<u>4/</u> 223.6	193.8

1/ The industrial selling price indexes were revised in 1969 and in 1976. The classifications shown here are the new series. 1965 is not entirely comparable with later data.

2/ The average index for passenger cars was introduced in January 1971; the indexes for individual passenger car models were discontinued in October 1973.

3/ 1971=100.

4/ Preliminary.

Source: Statistics Canada.

Prepared by: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 6.--PRICE OF TYPICAL MODEL, SUBCOMPACT 2-DOOR SEDAN WITH COMPARABLE STANDARD EQUIPMENT IN THE UNITED STATES AND CANADA, MODEL YEARS, 1979-1981

	Price In United States Dollars	Price In Canada		Canadian Price Differential	
		Canadian Dollars	United States Dollars <sup>3/</sup>	Over (under) U.S. Price Amount	Percent
<b>1979 Model Introduction</b>					
Factory List Price	3,787	3,947	3,337	(450)	(11.9)
Sales/Excise Tax <sup>1/</sup>		413	349	342	
Manufacturer's suggested retail price <sup>2/</sup>	3,794	4,360	3,686	(108)	(2.8)
<b>1980 Model Introduction</b>					
Factory List Price	4,282	4,568	3,887	(395)	(9.2)
Sales/Excise Tax <sup>1/</sup>		361	307	300	
Manufacturer's suggested retail price <sup>2/</sup>	4,289	4,929	4,194	(95)	(2.2)
<b>1981 Model Introduction</b>					
Factory List Price	5,226	5,529	4,729	(497)	(9.5)
Sales/Excise Tax <sup>1/</sup>		437	374	367	
Manufacturer's suggested retail price <sup>2/</sup>	5,233	5,966	5,103	(130)	(2.5)

<sup>1/</sup> Canadian sales tax; U.S. excise tax on passenger cars and light trucks repealed as of August 15, 1971.

<sup>2/</sup> Manufacturer's suggested retail price includes factory list price, sales tax or excise tax including that on tires and tube and dealer delivery and handling, but excludes destination charges, state and local taxes, license and title fees.

<sup>3/</sup> Based on conversion rates: \$ C.100 = \$ U.S. Model years 1978, 0.91010; 1979, 0.84546; 1980, 0.85084; 1981, .85538.

TABLE 7.--PRICE OF TYPICAL POPULAR MODEL; 4-DOOR SEDAN, WITH COMPARABLE STANDARD EQUIPMENT  
IN THE UNITED STATES AND CANADA, MODEL YEARS 1979-1981

	Prices In United States Dollars	Prices in Canada		Canadian Price Differential	
		Canadian Dollars	United States Dollars 3/	Over (under) U.S. Price Amount	U.S. Dollars
<b>1979 Model Introduction</b>					
Factory List Price	4,049	4,467	3,777	(272)	(6.7)
Sales/Excise Tax 1/ Manufacturer's suggested retail price 2/	4,057	4,428	362	354	
		4,895	4,139	82	2.0
<b>1980 Model Introduction</b>					
Factory List Price	4,839	5,495	4,675	(164)	(3.4)
Sales/Excise Tax 1/ Manufacturer's suggested retail price 2/	4,847	370	315	307	
		5,865	4,990	143	2.9
<b>1981 Model Introduction</b>					
Factory List Price	6,439	6,936	5,933	(506)	(7.9)
Sales/Excise Tax 1/ Manufacturer's suggested retail price 2/	6,448	590	505	496	
		7,526	6,438	(10)	(.2)

1/ Canadian sales tax; U.S. excise tax on passenger cars and light trucks, repealed as of August 15, 1971.  
2/ Manufacturer's suggested retail price includes factory list price, sales tax or excise tax including that on tires and tubes and dealer delivery and handling, but excludes destination charges, state and local taxes, license and title fees.  
3/ Based on conversion rates: \$ C 1.00 = \$ U.S. Model years; 1978, 0.91010; 1979, 0.81546; 1980, 0.85084; 1981, .85538.

TABLE 8.--PRICE OF TYPICAL POPULAR MODEL, 2-DOOR SEDAN, 8 CYLINDER WITH COMPARABLE STANDARD EQUIPMENT IN THE UNITED STATES AND CANADA, MODEL YEARS, 1979-1981

	Price In United States Dollars	Price In Canada		Canadian Price Differentialia.	
		Canadian Dollars	United States Dollars	Over (under)	U.S. Price Amount U.S. Dollars Percent
1979 Model Introduction					
Factory List Price	13,087	14,961	12,649	(438)	(3.3)
Sales/Excise Tax 1/ Manufacturer's suggested retail price 2/		1,449	1,225	1,210	
	13,102	16,410	13,874	722	5.9
1980 Model Introduction					
Factory List Price	16,005	19,196	16,333	328	2.0
Sales/Excise Tax 1/ Manufacturer's suggested retail price 2/		1,264	1,075	1,059	
	16,021	20,460	17,408	1,387	8.7
1981 Model Introduction					
Factory List Price	17,028	22,408	19,167	2,139	12.6
Sales/Excise Tax 1/ Manufacturer's suggested retail price 2/		1,475	1,262	1,245	
	17,045	23,883	20,429	3,384	19.9

1/ Canadian sales tax; U.S. excise tax on passenger cars and light trucks repealed as of August 15, 1971.

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

3/ Based on conversion rates; \$ C.1.00 = \$ U.S. Model years 1978, 0.91010; 1979, 0.84546; 1980, 0.85084; 1981, .85538.

TABLE 9.--TOTAL EMPLOYMENT IN THE U.S. AUTOMOTIVE PRODUCTS INDUSTRY,  
 BASED ON U.S. 1972 STANDARD INDUSTRIAL CLASSIFICATION (SIC),  
 ANNUAL AVERAGE 1972-80

(Thousands of Employees)

Year	Total Motor Vehicles and Equipment (SIC 371)	Motor Vehicles (SIC 3711)	Trucks and Bus Bodies (SIC 3713)	Parts and Accessories (SIC 3714)	Automotive Stampings (SIC 3465)
1972	874.8	415.2	46.1	383.0	104.5
1973	976.5	461.6	51.3	429.9	110.9
1974	907.7	416.2	54.8	402.7	95.5
1975	792.4	375.3	45.5	352.5	82.1
1976	881.0	415.9	43.7	399.0	99.5
1977	947.3	443.0	45.8	426.5	110.7
1978	1,004.9	469.8	45.3	451.9	118.3
1979	994.6	464.2	45.8	444.4	115.0
1980	774.2	352.8	37.6	351.4	86.9

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 10.--TOTAL ESTIMATED EMPLOYMENT<sup>2/</sup> IN CANADIAN AUTOMOTIVE PRODUCTS  
INDUSTRY BASED ON CANADIAN STANDARD INDUSTRIAL  
CLASSIFICATION (SIC) ANNUAL AVERAGE 1972-80 <sup>1/</sup>  
(Thousands of Employees)

Year	Motor Vehicles (SIC 323-5)	Assembling (SIC 323)	Parts & Accessories (SIC 325)
1972	97.5	41.9	41.4
1973	108.8	45.2	48.8
1974	108.2	47.1	45.9
1975	99.0	43.4	41.2
1976	106.8	46.6	46.2
1977	111.8	50.8	48.5
1978	116.4	52.6	51.2
1979	115.7	52.9	49.0
1980 <sup>3/</sup>	96.7	44.5	39.6

<sup>1/</sup> Establishments with 20 or more workers.

<sup>2/</sup> The employment figures in this table are estimates based on  
Statistics Canada's employment indexes.

<sup>3/</sup> Preliminary.

Source: Statistics Canada

Prepared by: U.S. Department of Labor, Bureau of Labor Statistics.

Table 11.--FAS VALUE OF CANADIAN MOTOR VEHICLES AND ORIGINAL MOTOR VEHICLE EQUIPMENT  
(CANADIAN ARTICLES) IMPORTED DUTY-FREE FROM CANADA INTO THE UNITED STATES  
UNDER THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965 (APTA), BY TSUSA NUMBER  
1978-1980

(Thousands of U.S. Dollars)

TSUSA Number	Commodity	1978	1979	1980
<u>MOTOR VEHICLES</u>				
692.0310	Automobile trucks, exc. truck tractors, gasoline.....	1,555,107	1,076,810	1,223,761
692.0320	Automobile trucks, exc. truck tractors, diesel.....	191,579	230,074	79,505
692.0330	Automobile truck tractors gasoline.....	3,750	44,511	832
692.0350	Automobile truck tractors exc. gasoline (diesel).....	12,392	11,561	8,978
692.0720	Motor buses, gasoline.....	35,241	60,554	96,656
692.0740	Motor buses, exc. gasoline.....	10,346	41,486	81,930
692.1110	Four-wheel Passenger cars, new not over 4 cylinder.....	123,686	278,582	420,924
692.1115	Four-wheel passenger cars, new not over 6 cyl.....	974,097	966,813	1,656,971
692.1130	Four-wheel Passenger cars, new over 6 cylinders.....	3,003,941	2,446,051	1,697,431
692.1135	Four-wheel Passenger cars, new NSPF.....	162	1,291	52



TABLE 11. ---CONTINUED

TSUSA Number (APTA)	Commodity	1978	1979	1980
692.1140	On-the-highway, four-wheeled automobiles, used.....	6,903	1,193	456
692.1160	Vehicles which operate in whole or in part on runners or skis.....	37,354	53,750	34,695
692.1180	Motor vehicles, n.e.s., exc. motor-cycles.....	49,207	117,959	7,335
692.2170	Chassis for motor buses.....	523	707	104
692.2180	Chassis, other.....	105,566	248,830	307,493
692.2360	Chassis for pass auto APTA.....	--	1	--
692.2380	Chassis for pass motor vehicles n.s.p.f.	1,796	3,276	1,699
692.2885	Chassis for truck tractors, gas.....	902	290	--
692.2888	Chassis for truck tractors, other.....	49,718	69,121	--
692.3120	Auto truck tractors gas fueled shipped separately.....	--	--	237
692.3140	Auto truck tractors NSPF shipped separately.....	--	--	50,379
	Total duty-free passenger cars.....	3,775,834	4,108,789	3,693,929
	Total duty-free truck, bus, sp. veh.....	1,893,604	2,053,881	1,958,969
	Total duty-free motor vehicles.....	5,669,438	6,162,670	5,652,898

TSUSA Number (APTA)	Commodity	1978	1979	1980
207.0100	Articles of wood, n.s.p.f.....	3	9	--
220.4600	Articles of cork.....	--	--	--
220.4900	Cork disks, wafers etc., exc. tapered...	2	46	14
355.2700	Felt, batting, wadding.....	525	515	129
357.9100	Hoses of veg. fiber.....	--	--	--
357.9600	Hoses for liquids or gases, manmade.....	1,304	271	1
358.0300	V-belts, textile fibers & rubber.....	50	122	36
361.9000	Floor coverings and underlays, textile.....	3,286	5,276	6,650
389.8000	Textile articles n.s.p.f.....	437	224	1,039
517.8200	Brushes for elec. generators, etc.....	353	182	174
535.1500	Ceramic magnet & elec. wares n.e.c. Ceramic insulators.....	--	--	12
540.7299	Glass fibers, bulk, pads, etc.....	41	19	21
544.2000	Glass processed, n.e.s.....	--	400	211

TSUSA Number (APTA)	Commodity	1978	1979	1980
544.3200	Toughened glass, shaped or formed.....	31,860	26,103	21,740
544.4200	Laminated glass.....	21,008	20,825	18,502
544.5200	Mirrors not over 1 square ft. reflecting area.....	4,732	3,994	1,413
544.5500	Mirrors over 1 square foot reflecting area.....	1	40	8
545.6200	Glass lens & filters and parts.....	15	41	--
545.6400	Glass reflecting lenses, buttons n.e.s.....	3	15	5
547.1600	Clock glass, curved surface, n.e.s.....	11	9	--
610.8100	Pipe & tube fittings, n.e.s.....	320	308	467
613.1600	Pipe & tube fittings, copper.....	--	--	--
613.1900	Pipe & tube fittings, other.....	162	158	227
618.4800	Pipe, tubes, blanks, fittings of aluminum.....	28	10	1
620.4700	Nickel pipe & tube fittings.....	477	--	--
642.2100	Ropes, cables, etc. with fittings.....	6,368	4,837	3,390
642.8600	Wire cloth copper cut shape.....	--	--	2

TSUSA Number (APTA)	Commodity	1978	1979	1980
642.8800	Wire cloth other than copper etc. cut to shape.....	26	49	2
646.7910	Bolts, if Canadian article & original motor vehicle equipment.....	10,402	10	8,192
646.7920	Nuts, if Canadian article & original motor vehicle equipment.....	9,098	13,952	11,909
646.7930	Screws, if Canadian article & original motor vehicle equipment.....	21,259	19,259	12,934
646.7940	Bolts, nuts, screws, etc. n.s.p.f. Canadian art. for orig. MV equipment.....	4,566	4,099	2,362
646.9300	Locks and padlocks, n.e.s.....	391	533	73
647.0200	Hinges, fittings, mounting or iron, steel, aluminum or zinc for motor veh....	42,779	40,580	31,310
647.0600	Other hinges, fittings & mountings.....	494	693	231
652.1000	Flex metal hose or tubing.....	1,799	2,030	1,424
652.3900	Chains and parts of base metals.....	102	502	273
652.7600	Sign plates, name plates, numbers etc. of base metal.....	499	576	547
652.8500	Springs & leaves for motor vehicle suspension.....	161,629	121,031	73,625

TSUSA Number (APTA)	Commodity	1978	1979	1980
652.8700	Hairsprings.....	--	1	115
652.8900	Other springs.....	8,897	11,691	7,101
658.1000	Metal articles n.s.p.f.....	13,519	11,670	10,487
660.4300	Piston type compression-ignitions, engines.....	--	7,515	10
660.4900	Piston type engines ex-diesel.....	847,751	511,726	273,376
660.6300	Non piston type engines.....	--	2	71
660.5100	Cast iron parts not advanced for internal combustion engines.....	22,741	17,352	--
660.6800	Parts of piston type engines other than compression ignition engines.....	107,351	131,698	124,338
660.7200	Parts internal combustion engine n.e.s.....	5,374	1,647	2,694
660.8600	Non electric engines, motors & parts n.s.p.f..	71	127	190
660.9300	Fuel injection pumps for compression ignition engines and parts.....	34	447	909
660.9500	Pumps for liquids n.e.s. and parts.....	23,022	--	--
660.9800	Pumps for liquids n.e.s. and parts.....	--	29,325	27,050
661.0700	Fans, blowers and parts n.e.s.....	21,505	15,751	13,667
661.1300	Compressors and parts.....	506	269	117
661.1600	Air pumps, vacuum pumps and parts.....	20	--	--
661.2100	Air conditioning machines and parts.....	4,038	2,638	2,313

TSUSA Number	(APTA) Commodity	1978	1979	1980
661.3600	Refrig. and Refrig. equipment.....	--	5	--
661.9300	Other cast iron parts.....	55	93	8
661.9600	Other parts for filtering machines n.e.s.....	2	27	126
662.3600	Piston pump sprays and parts.....	203	216	39
662.5100	Other mechanical appliances n.e.s. for dispensing liquids.....	1,738	1,689	1,173
664.1100	Material handling equipment n.e.s.....	11,250	11,665	10,938
678.5100	Tape playing machines n.s.p.f. & parts	129	654	212
680.1600	Taps, cocks, valves and parts, copper.....	11	35	15
680.1800	Valves hand operated iron or steel.....	--	--	5,205
680.2300	Taps, cocks, valves and parts, other metal..	10,264	8,592	--
680.2400	Valves hand operated metal.....	--	--	810
680.2800	Taps, cocks, valves and parts, other.....	25,540	41,995	30,612
680.3100	Anti friction balls and rollers.....	2,179	2,251	1,139
680.3400	Ball bearings with integral shafts.....	4,005	4,310	2,588
680.3620	Ball bearings.....	4,403	6,372	3,015
680.3630	Parts of ball bearings.....	128	331	92
680.3640	Tapered roller bearings.....	162	123	14
680.3644	Tapered roller bearing cup assemblies.....	2,579	3,425	2,066

TSUSA Number	(APTA) Commodity	1978	1979	1980
680.3648	Tapered roller bearing cone assemblies.....	4,845	4,310	2,980
680.3652	Tapered roller bearing parts n.e.s.....	98	24	36
680.3670	Other bearings.....	3,832	3,474	1,474
680.3820	Ball bearings.....	--	--	3,296
680.3830	Parts of ball bearings.....	--	--	26
680.4140	Tapered roller bearings cup and cones, assemblies in sets.....	--	--	1
680.4144	Tapered roller bearings cup assemblies.....	--	--	964
680.4148	Tapered roller bearings cone assemblies.....	--	--	1,804
680.4152	Parts n.s.p.f. of tapered roller bearings..	--	--	46
681.3000	Lubrication fittings.....	13	157	1
681.4200	Machinery parts not containing electrical features n.s.p.f.....	43	160	118
682.6500	Generators, motors, and parts under 200 hp.....	6,340	6,241	3,081
682.7100	Permanent magnets.....	11	--	--
682.9100	Electro-magnetic couplings, etc.....	20	189	182
683.1100	Lead acid type storage batteries.....	4,952	8,664	9,549
683.1600	Other storage batteries and parts.....	5	116	469
683.6100	Electrical starting and ignition equip. for internal combustion engines.....	5,871	9,172	15,310

TABLE 11.--CONTINUED

46

TSUSA Number	(APTA) Commodity	1978	1979	1980
683.6600	Electrical lighting equip. designed for motor vehicles and parts.....	6,326	7,164	6,820
684.4100	Electric heaters and parts.....	3,215	4,500	4,464
684.6300	Telephonic apparatus instruments and parts..	--	--	7
684.7100	Microphones, loudspeakers etc.....	699	716	68
685.5520	Radio receivers.....	30,184	40,583	18,768
685.5540	Other radio receiving equipment.....	8,224	7,448	7,089
685.7100	Electric sound and visual signaling apparatus.....	3,517	4,630	4,278
685.8100	Electrical capacitors fixed or variable.....	2,022	2,644	4,685
685.9100	Electrical switches, relays, etc. & parts....	15,129	17,787	19,515
686.1100	Resistors fixed or variable.....	3,963	2,885	1,511
686.1900	Automatic voltage regulators for 6, 12, and 24 volt systems.....	13	30	14
686.6100	Sealed beam lamps.....	2,252	2,999	524
686.8100	Electric filament lamps under 100 volts n.e.s.....	2,621	1,914	1,216
687.6100	Television picture tubes n.e.s.....	61	--	--
688.0500	Insulated electrical conductors without fittings.....	3	--	2
688.0700	Electric conductor n.e.s. no fittings.....	--	--	3
688.1300	Ignition wiring sets.....	21,277	22,662	14,570



TSUSA Number	(APTA) Commodity	1978	1979	1980
688.1600	Insulated electrical conductors with fitting, other.....	8,591	10,063	10,024
688.4600	Electrical articles & parts n.s.p.f.....	19	2,553	1,082
692.2110	Bodies (incl. cabs) for auto trucks.....	183,767	118,014	47,091
692.2120	Bodies (incl. cabs) for truck tractors.....	422	1,257	1,098
692.2130	Bodies for motorbuses.....	18,712	33,973	34,622
692.2320	Bodies for passenger automobiles.....	3	---	25
692.2340	Bodies for motor vehicles n.s.p.f.....	487	830	951
692.2500	Cast iron parts for motor vehicles not alloyed, not advanced.....	46	51	---
692.3310	Body stampings.....	9,249	8,493	8,792
692.3320	Bumpers.....	46,915	33,768	22,281
692.3330	Wheels designed to be mounted with pneumatic tires.....	91,058	83,640	64,329
692.3340	Hubcaps and wheelcovers.....	5,678	12,220	1,306
692.3350	Radiators.....	50,618	38,441	45,961
692.3360	Mufflers & tailpipes.....	21,712	22,995	29,085
692.2870	Other, incl. truck tractors.....	---	---	---
692.3372	Brakes and parts.....	99,627	156,982	77,593
692.3374	Transmissions for trucks and buses.....	103	9	26

TSUSA Number	(APTA) Commodity	1978	1979	1980
692.3376	Transmissions for passenger auto.....	106,465	107,427	59,279
692.3378	Transmissions for motor vehicles n.s.p.f.....	463	58	33
692.3380	Shock absorbers for motor vehicles.....	7,061	6,829	10,604
692.3390	Parts n.s.p.f. of motor vehicles.....	1,345,376	1,323,723	1,054,648
711.7900	Pressure gauges, thermostats, etc.....	8,213	5,331	2,013
711.9100	Taximeters and Parts.....	--	4	29
711.9900	Speedometers and parts.....	332	328	182
712.5100	Test record measuring instruments.....	316	10,938	12,082
721.2000	Clocks, clock movements and parts.....	629	3,790	178
727.0700	Furniture for motor vehicles.....	203,076	201,414	182,822
728.3000	Non textile floor coverings.....	2	--	29
745.8000	Buckles, buckle slides, fasteners and parts....	2,806	119	1
772.6600	Hose, pipe, and tubing n.s.p.f. of rubber or plastic.....	9,013	11,351	7,645
772.8100	Handles and knobs of rubber or plastic.....	6,633	6,855	5,141
772.8600	Closures, including caps, lids, etc. of rubber or plastic.....	368	344	211

TSUSA Number	(APTA)	Commodity	1978	1979	1980
773.2600		Gaskets of rubber or plastic.....	12,766	14,696	10,847
773.3100		Electrical insulators of rubber or plastics..	3,074	1,867	318
774.7000		Articles n.s.p.f. of rubber or plastics.....	14,407	14,602	12,823
791.9100		Other leather articles n.s.p.f.....	--	31	12
		Total duty-free parts.....	3,825,029	3,476,061	2,543,448
		<u>2/Grand total of all duty-free motor vehicles and parts.....</u>	9,987,699	9,128,959	8,212,886

2/ Figures may not add due to rounding

TABLE 12.--U.S. AUTOMOTIVE TRADE 1/ TOTAL WITH ALL COUNTRIES, WITH CANADA, AND WITH ALL COUNTRIES EXCEPT CANADA 1978-1980

(Millions of U.S. Dollars)

ITEM	Trade with all countries			Trade with Canada 2/			Trade with all countries except Canada		
	1978	1979	1978	1979	1980	1978	1979	1980	
<b>U.S. Exports:</b>									
Passenger cars	3,573	4,611	2,617	3,289	3,035	965	1,323	884	
Trucks, buses and chassis	2,610	3,105	1,065	1,456	958	1,545	1,649	1,826	
Parts and accessories	8,288	8,394	5,586	5,318	4,821	2,702	3,076	3,881	
<b>TOTAL Exports</b>	<b>14,471</b>	<b>16,110</b>	<b>9,268</b>	<b>10,062</b>	<b>8,814</b>	<b>5,203</b>	<b>6,048</b>	<b>6,591</b>	
<b>U.S. Imports:</b>									
Passenger cars	13,674	14,842	4,129	3,707	3,802	9,545	11,135	13,396	
Trucks, buses and chassis	3,678	3,549	2,036	1,798	1,865	1,642	1,571	1,896	
Parts and accessories	6,086	6,754	3,729	3,544	2,577	2,357	3,210	3,067	
<b>TOTAL Imports</b>	<b>23,438</b>	<b>25,145</b>	<b>9,894</b>	<b>9,229</b>	<b>8,244</b>	<b>13,544</b>	<b>15,916</b>	<b>18,359</b>	
<b>U.S. Net Exports (-) 3/</b>	<b>(8,697)</b>	<b>(9,035)</b>	<b>(626)</b>	<b>833</b>	<b>570</b>	<b>(8,341)</b>	<b>(9,868)</b>	<b>(11,768)</b>	

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 import values are F.A.S. values.

2/ The purpose of this table is to compare U.S. automotive trade balance 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 14 for totals of these new APTA items from Canada.

3/ The net balance shown for U.S. automotive trade with Canada in the above table is the most representative figure possible on the basis of U.S. trade statistics. However, see discussion of U.S.-Canada automotive trade statistics in Section II. Source: Bureau of the Census.

TABLE 13.--U.S. AUTOMOTIVE EXPORTS 1/ CALENDAR YEARS 1978-1980  
(Millions of U.S. Dollars)

Country of Destination	Passenger Cars		Trucks and buses		Parts and accessories		Total Exports	
	1978	1979	1978	1979	1978	1979	1978	1979
Canada	2,617	3,288	1,065	1,456	5,586	5,318	9,268	10,062
Belgium and Luxembourg	45	91	14	10	99	107	137	158
West Germany	85	142	25	38	132	134	154	242
United Kingdom	10	15	22	30	141	154	178	221
Japan	91	117	18	21	88	70	173	199
Mexico	75	20	61	99	640	906	1,324	208
Kuwait	96	158	45	39	35	48	776	1,025
Saudi Arabia	176	245	240	238	112	119	176	243
Colombia	17	16	81	112	98	104	528	602
Venezuela	60	57	239	139	280	269	196	232
Australia	1	3	40	47	149	210	579	465
Other countries	300	459	760	876	928	957	1,989	2,292
<b>TOTAL</b>	<b>3,575</b>	<b>4,611</b>	<b>3,919</b>	<b>3,105</b>	<b>8,288</b>	<b>8,394</b>	<b>14,471</b>	<b>16,110</b>
								<b>15,404</b>

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.

TABLE 14.--U.S. AUTOMOTIVE IMPORTS 3/ CALENDAR YEARS 1978-1980  
(Millions of U.S. Dollars)

Country of Origin	Passenger cars		Trucks and buses		Parts and accessories		Total Imports	
	1978	1979	1978	1979	1978	1979	1978	1979
Canada								
Traditional automotive 1/	4,129	3,707	2,036	1,978	3,729	3,544	9,894	9,229
New APTA 2/	--	--	--	--	431	287	431	287
Total	4,129	3,707	2,036	1,978	4,160	3,831	10,325	9,516
France	96	119	--	1	174	236	270	356
West Germany	2,793	3,212	50	23	612	764	3,455	3,999
Italy	274	378	--	--	27	44	301	422
Sweden	317	429	10	14	15	24	342	467
United Kingdom	310	320	15	12	123	210	448	542
Japan	9,736	6,665	1,308	1,458	948	1,086	7,992	9,209
Other countries	19	12	55	63	211	846	285	921
Total	13,674	14,842	3,678	3,549	6,086	7,041	23,438	25,432

1/ Traditional automotive imports from Canada include those imports identifiable as automotive products in import figure 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 the U.S. export data.

3/ F.A.S. Values.

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

Source: Bureau of the Census.

TABLE 15.--TOTAL U.S. TRADE <sup>1/</sup> (ALL COMMODITIES)  
WITH THE WORLD AND WITH CANADA, CALENDAR  
YEAR 1965 and 1978-1980

	1965	1978	1979	1980
<b>Exports, including reexports:</b>				
To all countries, total	27,630	143,660	181,802	220,705
To Canada	5,658	28,372	33,096	35,395
Canada's percent of total	19.9	19.7	18.2	16.0
<b>Imports, general:</b>				
From all countries, total	21,429	171,978	206,327	240,834
From Canada, total	4,858	33,525	38,099	41,455
Canada's percent of total	22.7	19.5	18.5	17.2

<sup>1/</sup> Including special category. F.A.S values, 1978-1980.

Source: Bureau of the Census.

TABLE 16.--CANADIAN AUTOMOTIVE EXPORTS, CALENDAR YEARS 1978-1980 2/  
(Millions of U.S. Dollars) 1/

Country of Destination	Passenger cars		Trucks and Buses		Parts and accessories		Total					
	1978	1979	1980	1978	1979	1980	1978	1979	1980			
United States	4,051	3,330	3,595	2,383	2,439	2,144	3,657	3,452	2,613	10,092	9,221	8,352
West Germany	9	7	2	--	1	2	6	7	8	16	15	12
United Kingdom	1	1	--	1	2	4	5	6	7	8	9	11
Sweden	--	--	--	3	3	5	5	7	5	8	11	10
South Africa	--	--	--	15	5	1	12	12	23	27	17	24
West Indies	1	2	1	1	1	--	4	3	2	5	6	3
Australia	--	--	--	6	8	5	50	67	39	56	75	44
All other countries	393	297	342	193	151	178	191	270	266	776	717	786
<b>TOTAL</b>	<b>4,456</b>	<b>3,638</b>	<b>3,940</b>	<b>2,603</b>	<b>2,610</b>	<b>2,339</b>	<b>3,929</b>	<b>3,824</b>	<b>2,963</b>	<b>10,988</b>	<b>10,071</b>	<b>9,242</b>

1/ Converted to U.S. dollars at the following exchange rates: 1978 U.S. \$0.87729 = C.\$1.00 for 1979 U.S. \$0.85386 = C.\$1.00; for 1980 U.S. \$0.85530 = C.\$1.00.

2/ Totals may not add due to rounding.

Source: Statistics Canada.



TABLE 17.--CANADIAN AUTOMOTIVE IMPORTS, CALENDAR YEARS 1978-1980 2/  
(Millions of U.S. Dollars)1/

Country of Origin	Passenger Cars		Trucks and buses		Parts and accessories		1978	1979	1980	1978	1979	1980
	1978	1979	1978	1979	1978	1979						
United States	2,665	3,199	2,898	1,173	1,681	1,666	6,772	6,908	6,146	10,610	11,789	10,110
West Germany	220	223	246	3	6	5	23	37	38	246	265	289
France	23	29	48	1	--	--	23	30	16	49	59	63
Italy	12	13	11	1	1	1	2	3	3	15	16	15
United Kingdom	33	32	37	3	6	2	27	29	27	63	67	66
Sweden	13	13	16	3	3	2	40	40	56	56	56	74
Japan	403	218	504	155	151	195	36	35	38	599	403	737
All other countries	4	12	16	10	6	6	46	99	96	59	117	128
TOTAL	3,374	3,738	3,775	1,349	1,854	1,277	6,970	8,181	6,420	11,693	12,773	11,472

1/ Converted to U.S. dollars at the following exchange rates: 1978 U.S. \$.9772 = C.\$1.00; for 1979 U.S. \$.85386 = C.\$1.00; for 1980 U.S. \$.85530 = C.\$1.00.

2/ Totals may not add due to rounding

Source: Statistics Canada

TABLE 18.---CANADIAN AUTOMOTIVE TRADE, TOTAL WITH ALL COUNTRIES, WITH UNITED STATES, AND WITH ALL OTHER COUNTRIES EXCEPT THE UNITED STATES 1978-1980 2/ (Millions of U.S. Dollars) 1/

	Trade with all Countries			Trade with United States			Trade with all Countries except the United States		
	1978	1979	1980	1978	1979	1980	1978	1979	1980
<b>Canadian exports:</b>									
Passenger cars	4,456	3,638	3,941	4,051	3,330	3,595	404	308	346
Trucks & Buses	2,603	2,610	2,338	2,383	2,439	2,144	220	170	194
Parts and Accessories	3,929	3,824	2,964	3,657	3,452	2,613	272	372	351
<b>TOTAL</b>	<b>10,988</b>	<b>10,071</b>	<b>9,243</b>	<b>10,092</b>	<b>9,221</b>	<b>8,352</b>	<b>896</b>	<b>850</b>	<b>891</b>
<b>Canadian imports:</b>									
Passenger cars	3,374	3,738	3,776	2,665	3,199	2,898	709	539	878
Trucks & Buses	1,349	1,854	1,279	1,173	1,681	1,066	175	178	213
Parts and Accessories	6,970	7,181	6,420	6,772	908	6,146	199	272	274
<b>TOTAL</b>	<b>11,693</b>	<b>12,773</b>	<b>11,475</b>	<b>10,610</b>	<b>11,789</b>	<b>10,110</b>	<b>1,083</b>	<b>984</b>	<b>1,365</b>
Canadian net Exports (-)	(705)	(2,702)	(2,232)	(518)	(2,568)	(1,758)	(187)	(134)	(474)

1/ Converted to U.S. dollars, at the following exchange rates: 1978 the rate was U.S. \$.87729 = C.\$1.00; for 1979 U.S. \$.85386 = C. \$1.00; for 1980 U.S. \$.85530 = C. \$1.00.

2/ Totals may not add due to rounding.

SOURCE: Statistics Canada.

## V. 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;

Recognizing 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;

Recognizing 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 1963, 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(e) 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 37, 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 Thereof 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."

## 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 353.27, 359.50, 725.30 745.80, 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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(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.

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 13, 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. 28, 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. 28, 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 1963 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 1963 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 1963, 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.*

70  
APPENDIX D

United States Bona Fide Motor Vehicle Manufacturers List  
May 1, 1981 with Date of Certification

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Allentown Brake and Wheel Service, Inc. R.D. 3 P.O. Box 2088 Allentown, Pennsylvania 18001 October 15, 1980	Antietam Equipment Corporation P.O. Box 91 Hagerstown, Maryland 21740 January 1, 1981
Allied Truck Equipment 6280 S. Division Grand Rapids, Michigan 49508 January 1, 1981	Arkansas Trailer Mfg., Inc. P.O. Box 4080 32nd & Elm Street Little Rock, Arkansas 72214 January 1, 1981
American Equipment and Trailer, Inc. 3707 Quirt Lubbock, Texas 79408 December 1, 1980	Armored Vehicle Builder, Inc. Route 41 Central Berkshire Blvd. Pittsfield, Massachusetts 01201 April 30, 1981
American La France Div. of A-T-O, Inc. 100 East LaFrance Street Elmira, New York 14902 July 8, 1980	Arrow Trailer & Equipment Co. 140 North Dirksen Parkway Springfield, Illinois 62702 March 31, 1981
American Motors Corporation 27777 Franklin Road Southfield, Michigan 48034 January 1, 1981	Artic Enterprises, Inc. P.O. Box 635 Thief River Falls, Minnesota 56701 August 1, 1980
American Trailer Service, Inc. 2814 North Cleveland Avenue St. Paul, Minnesota 55113 January 18, 1981	Ateco Equipment, Inc. 1241 Roçi Road Turtle Creek, Pennsylvania 15145 April 1, 1981
American Transportation Corporation Highway 65 South Conway, Arkansas 72032 April 19, 1981	Attex International, Inc. 6168 Woodbine Avenue Ravenna, Ohio 44266 August 1, 1980
Amthor's Welding Service, Inc. 307 State Route 52 East Walden, New York 12586 July 9, 1980	Automated Waste Equipment Company, Incorporated 328 Fourth Street Trenton, New Jersey 08638 September 1, 1980
H. G. Anderson Equipment Corporation 213 Broadway Menands, New York 12204 October 4, 1980	Automotive Service Company 111-113 North Waterloo Jackson, Michigan 49204 January 18, 1981



Avanti Motor Corporation  
P.O. Box 1916  
South Bend, Indiana 46634  
January 1, 1981

Aztec Products  
P.O. Box 659  
Mansfield, Texas 74808  
December 1, 1980

Beam Truck and Body Inc.  
433 Cumberland Hill Road  
Woonsocket, Rhode Island 02895  
September 1, 1980

Bender's Sales and Service, Inc.  
4805 Holland  
Saginaw, Michigan 48601  
November 15, 1980

Bethlehem Fabricators, Inc.  
1700 Riverside Drive  
P.O. Box A  
Bethlehem, Pennsylvania 18015  
January 20, 1981

Allan U. Bevier, Inc.  
1201 Ridgely Street  
Baltimore, Maryland 21230  
March 31, 1981

Bibeau Enterprises  
Route 102  
Londonderry, N. H. 03053  
October 16, 1980

Blue Bird Body Company  
P.O. Box 937  
Fort Valley, Georgia 31030  
January 18, 1981

Boone Trailers, Inc.  
154 Park Street  
Palmer, Massachusetts 01069  
December 31, 1980

Boyertown Auto Body Works  
Third & Walnut Streets  
Boyertown, Pennsylvania 19512  
September 1, 1980

Brake and Electric Sales Corp.  
300 Mystic Avenue  
Medford, Massachusetts 02155  
December 1, 1980

Brake Service & Parts, Inc.  
170 Washington Street  
Bangor, Maine 04401  
January 1, 1981

Bristol-Donald Company, Inc.  
Bristol-Donald Manufacturing Corp  
50 Roanoke Avenue  
Newark, New Jersey 07105  
January 1, 1981

Brown Cargo Van, Inc.  
807 East 29th Street  
Lawrence, Kansas 66044  
April 30, 1981

Bud Industries, Inc.  
100 Pulaski Street  
West Warwick, Rhode Island 02893  
December 5, 1980

Bus Andrews Equipment Sales  
and Service, Inc.  
2828 E. Kearney Street  
Springfield, Missouri 65803  
January 1, 1981

Bush Hog Loadcraft  
P.O. Box 431  
Brady, Texas 76825  
November 1, 1980

Caelter Industries, Inc.  
Purdy Avenue  
Watertown, New York 13601  
April 1, 1981

Capacity of Texas, Inc.  
P.O. Box 7848  
Longview, Texas 75602  
December 1, 1980

Capitol Trailer & Body Company  
3420 E. Broadway  
North Little Rock, Arkansas 72117  
December 1, 1980

The Carnegie Body Company  
9500 Brookpark Road  
Cleveland, Ohio 44129  
January 1, 1981

Carpenter Body Works, Inc.  
1500 W. Main Street  
Mitchell, Indiana 47446  
January 1, 1981

C.E. Pollard Company  
13575 Auburn  
Detroit, Michigan 48223  
July 27, 1980

Champion Carriers, Inc.  
2321 E. Pioneer Drive  
Irving, Texas 75061  
October 20, 1980

Champion Home Builders, Co.  
5573 E. North Street  
Dryden, Michigan 48428  
August 1, 1980

Checker Motors Corporation  
2016 N. Pitcher Street  
Kalamazoo, Michigan 49007  
January 1, 1981

Cherry Valley Tank Div., Inc.  
75 Cantiague Road  
Westbury, New York 11590  
April 1, 1981

Chrysler Corporation  
CIMS 416-1606  
Chrysler Center  
12000 Lynn Townsend Drive  
Highland Park, Michigan 48288  
January 18, 1981

B.M. Clark Company, Inc.  
Route 17 - P.O. Box 185  
Union, Maine 04862  
January 14, 1981

D.W. Clark Road Equipment  
448 East Brighton Avenue  
Syracuse, New York 13205  
May 1, 1981

Clark Engineering of Brownwood, Inc.  
P.O. Drawer 1386  
Brownwood, Texas 76801  
January 1, 1981

Clark Truck Equipment Company  
6821 Academy Parkway West, N.E.  
Albuquerque, New Mexico 87190  
January 1, 1981

Clemett and Company, Inc.  
2020 Lemoyne Street  
Syracuse, New York 13211  
July 1, 1980

Collins Industries, Inc.  
Box 58 H.A.B.I.T.  
Hutchinson, Kansas 67501  
January 1, 1981

Commercial Truck & Trailer, Inc.  
313 N. State Street  
Girard, Ohio 44420  
January 1, 1981

Cook Body Company  
3701 Harlee Avenue  
Charlotte, North Carolina 28208  
October 22, 1980

Correct Manufacturing Corporation  
London Road Extension  
Delaware, Ohio 43015  
July 1, 1980

Crenshaw Corporation  
P.O. Box 24217  
1700 Commerce Road  
Richmond, Virginia 23224  
July 1, 1980

Crown Coach Corporation  
2428 East 12th Street  
Los Angeles, California 90021  
March 20, 1981

Dakota Manufacturing Co., Inc.  
1910 South Rowley  
Mitchell, South Dakota 57301  
November 1, 1981

Daleiden, Inc.  
425 E. Vine Street  
Kalamazoo, Michigan 49001  
January 31, 1981

Darby Equipment Company  
P.O. Box 5698  
3913 W. Marshall Avenue  
Longview, Texas 75608  
January 1, 1981

Dealers Truck Equipment Inc.  
2123 Fern Valley Road  
Louisville, Kentucky 40213  
March 1, 1981

Dealers Truck Equipment Co., Inc.  
2460 Midway Street  
P.O. Box 31435  
Shreveport, Louisiana 71130  
January 1, 1981

Decker Tank Company  
63 Royal Avenue  
Hawthorne, New Jersey 07506  
November 3, 1980

John Deere Horicon  
Works of Deere and Company  
220 East Lake Street  
Horicon, Wisconsin 53032  
June 1, 1980

D. P. Way Corporation  
3288 W. Elm Street  
Milwaukee, Wisconsin 53209  
December 31, 1980

Dunham Manufacturing Co., Inc.  
P.O. Box 430  
Minden, Louisiana 71055  
January 1, 1981

Duralite Truck Body and  
Container Corporation  
1300 Bush Street  
Baltimore, Maryland 21230  
January 1, 1981

Dutec, Incorporated  
60 Lumber Street  
Hopkington, Massachusetts 01748  
January 15, 1981

Eagle International, Inc.  
P.O. Box 4119  
2045 Les Mauldin Blvd.  
Brownsville, Texas 78520  
January 1, 1981

Eastern Tank Corporation  
290 Pennsylvania Avenue  
Paterson, New Jersey 07503  
January 1, 1981

Eggiman Motor and Equipment  
Sales, Inc.  
1813 West Beltline Highway  
P.O. Box 9432  
Madison, Wisconsin 53715  
December 31, 1980

Eight Point Trailer Corporation  
6100 E. Washington Boulevard  
Los Angeles, California 90040  
January 18, 1981

Elder International  
P.O. Box 2061  
Houston, Texas 77001  
August 1, 1980

Equipment Service, Inc.  
40 Airport Road  
Hartford, Connecticut 06114  
April 1, 1981

E.D. Etnyre and Company  
200 Jefferson Street  
Oregon, Illinois 61061  
October 1, 1980

E. & R. Trailer Sales, Inc.  
RFD #1  
Middle Point, Ohio 45863  
January 1, 1981

Euclid Incorporated  
22221 St. Clair Avenue  
Cleveland, Ohio 44117  
August 1, 1980

Ewell Equipment Company  
307 N. Timberland Drive  
Lufkin, Texas 75901  
February 2, 1981

Excalibur Automobile Corporation  
1735 South 106th Street  
Milwaukee, Wisconsin 53214  
May 22, 1980

Fifth Wheel, Incorporated  
Box 15855  
Tulsa, Oklahoma 74112  
January 1, 1981

Fontaine Truck Equipment Company  
653 Beale  
P.O. Box 502  
Memphis, Tennessee 38101  
January 1, 1981

Ford Motor Company  
The American Road  
Dearborn, Michigan 48121  
January 18, 1981

F&P Truck & Trailer Equip. Div.  
264 Central Avenue  
Newark, New Jersey 07103  
October 12, 1980

Freightliner Corporation  
4747 North Channel Avenue  
Portland, Oregon 97217  
December 14, 1980

Freuhauf Corporation  
10900 Harper Avenue  
Detroit, Michigan 48213  
December 1, 1980

FWD Corporation  
105 East 12th Street  
Clintonville, Wisconsin 54929  
January 1, 1981

Garnon Truck Equipment Company  
1617 Peninsula Drive  
P.O. Box 1358  
Erie, Pennsylvania 16505  
March 1, 1981

General Motors Corporation  
3044 West Grand Boulevard  
Detroit, Michigan 48202  
January 18, 1981

General Truck Equipment  
& Trailer Sales  
5310 Broadway Avenue  
Jacksonville, Florida 32205  
January 1, 1981

Gilson Brothers Company  
P.O. Box 152  
Plymouth, Wisconsin 53073  
September 26, 1980

Godfrey Brake Service & Supply, Inc.  
Box 799  
110 Poplar Street  
Rapid City, South Dakota 57709  
December 1, 1981

Gooch Brake & Equipment Company  
506 Grand Avenue  
Kansas City, Missouri 64106  
January 1, 1981

Granning Service Corporation  
3040 Wyoming Avenue  
Dearborn, Michigan 48120  
January 1, 1981

The Greyhound Corporation  
Greyhound Tower  
Phoenix, Arizona 85077  
(doing business through)  
Motor Coach Industries, Inc.  
Pembina, North Dakota 58271 and  
Transportation Mfg. Corp.  
Roswell, New Mexico 88201  
August 1, 1980

Grumman Flexible Corporation  
970 Pittsburgh Drive  
Delaware, Ohio 43015  
January 1, 1981

Grumman Olson Division  
Grumman Allied Industries  
445 Broad Hollow Road  
Melville, New York 11747  
November 1, 1980

Hackney and Sons  
400 Hackney Avenue  
Washington, North Carolina 27889  
January 1, 1981

Hackney & Sons (Midwest) Inc.  
West Laurel Street and  
Hackney Avenue  
Independence, Kansas 67301  
September 23, 1980

Hallenberger, Inc.  
5716 Booneville Highway  
P.O. Box 5085  
Evansville, Indiana 47715  
December 31, 1980

Harley-Davidson Motor Co., Inc.  
3700 West Juneau Avenue  
Milwaukee, Wisconsin 53201  
April 1, 1981

Harris Rim and Wheel, Inc.  
415 St. Paul Avenue  
Knoxville, Tennessee 37901  
September 23, 1980

Harris Rim and Wheel, Inc.  
525 Peters Street S. W.  
P.O. Box 10995  
Atlanta, Georgia 30310  
September 24, 1980

Harris Truck and Trailer  
Sales, Incorporated  
P.O. Box 619  
Cape Girardeau, Missouri 63701  
January 1, 1981

Heil Equipment Company of  
Philadelphia, Incorporated  
1223 Ridge Pike  
Conshohocken, Pennsylvania 19428  
January 1, 1981

Hendrickson Manufacturing Co.  
P.O. Box 249  
Burr Ridge, Illinois 60521  
January 1, 1981

Hews Body Company  
190 Rumery Street  
South Portland, Maine 04106  
January 18, 1981

Hillbuilt Mfg. Company  
Division of Hill Equip. Co.  
Route 7, Box 5089  
Benton, Arkansas 72015  
January 1, 1981

O.G. Hughes & Son, Inc.  
4816 Rutledge Pike  
P.O. Box 6277  
Knoxville, Tennessee 37914  
January 1, 1981

Ibex Manufacturing, Inc.  
2331 South 2300 West  
Salt Lake City, Utah 84125  
August 1, 1980

Illinois Auto Central, Inc.  
4750 S. Central Avenue  
Chicago, Illinois 60638  
October 1, 1980

International Harvester Co.  
401 North Michigan Avenue  
Chicago, Illinois 60611  
January 18, 1981

Iroquois Mfg. Co., Inc.  
Richmond Road  
Hinesburg, Vermont 05461  
March 1, 1981

Isometrics, Inc.  
P.O. Box 660  
Reidsville, North Carolina 27320  
March 31, 1981

IVECO Trucks of North America  
 P.O. Box 1102  
 1730 Walton Road  
 Blue Bell, Pennsylvania 19422  
 January 1, 1981

Janesville Truck Equipment Co.  
 P.O. Box 466  
 3032 Cooper Drive  
 Janesville, Wisconsin 53545  
 February 1, 1981

Jeep Corporation  
 27777 Franklin Road  
 Southfield, Michigan 48034  
 January 1, 1981

Kaffenbarger Welding Company  
 10100 Ballentine Pike  
 New Carisle, Ohio 45344  
 January 1, 1981

Kawasaki Motors Corporation  
 2009 E. Edinger Avenue  
 Santa Ana, California 92711  
 January 1, 1981

Kay Wheel Sales Co., Inc.  
 1771 Tomlinson Road  
 Philadelphia, Pennsylvania 19116  
 September 24, 1980

Kencar Equipment Company  
 1906 Lakeview Avenue  
 Dayton, Ohio 45408  
 January 1, 1981

Leland Equipment Company  
 5647 South 122 East Avenue  
 P.O. Box 45128  
 Tulsa, Oklahoma 74145  
 January 18, 1981

Loadcraft  
 P.O. Box 12959  
 Houston, Texas 77017  
 December 1, 1980

Loadcraft, Division of  
 Allied Products Corporation  
 P.O. Box 431  
 Brady, Texas 76825  
 December 31, 1980

Long Trailer Service, Inc.  
 P.O. Box 5105  
 Greenville, South Carolina 29606  
 January 1, 1981

Mack Trucks, Inc.  
 P.O. Box M  
 Allentown, Pennsylvania 18105  
 January 1, 1981

Maday Body & Equipment Corporation  
 575 Howard Street  
 Buffalo, New York 14206  
 January 1, 1981

Madison Truck Equipment, Inc.  
 2410 South Stoughton Road  
 Madison, Wisconsin 53716  
 October 22, 1980

Manning Equipment, Inc.  
 12000 Westport Road  
 P.O. Box 23229  
 Louisville, Kentucky 40223  
 April 16, 1981

Mark Body Division  
 Core Industries  
 50625 Richard W. Boulevard  
 Mt. Clemens, Michigan 48045  
 March 31, 1981

Maxon Industries, Inc.  
 5750 South Eastern Avenue  
 City of Commerce, California 90040  
 August 16, 1980

Meadows Hydraulics Sales  
 and Service, Inc.  
 U.S. 13 and S. Division St.  
 Fruitland, Maryland 21826  
 September 23, 1980

Mickey Truck Bodies, Inc.  
 P.O. Box 2044  
 1305 Trinity Avenue  
 High Point, No. Carolina 27261  
 July 1, 1980

Middlehauff, Incorporated  
 1615 Ketcham Avenue  
 Toledo, Ohio 43608  
 January 18, 1981

Mid West Truck Equipment  
 Sales Corporation  
 4041 No. Brush College Road  
 R.R. 7 Box 463F  
 Decatur, Illinois 62521  
 February 22, 1981

M & M Equipment, Inc.  
 P.O. Box 152  
 Lebanon, New Hampshire 03766  
 March 14, 1981

Moline Body Company  
 222 - 52nd Street  
 Moline, Illinois 61265  
 January 6, 1981

Monon Trailer, Division of  
 Evans Transportation Co.  
 P.O. Box 655  
 Monon, Indiana 47959  
 April 8, 1981

Moore and Sons, Inc.  
 P.O. Box 30991  
 2900 Airways Boulevard  
 Memphis, Tennessee 38130  
 December 31, 1980

Morgan Trailer  
 Box 258  
 Morgantown, Pennsylvania 19543  
 January 1, 1981

Motor Truck Equipment Corp.  
 P.O. Box 47385  
 Dallas, Texas 75247  
 December 31, 1980

Nabors Trailer, Inc.  
 P.O. Box 979  
 Mansfield, Louisiana 71052  
 January 1, 1981

Neil's Automotive Service, Inc.  
 167 E. Kalamazoo Avenue  
 Kalamazoo, Michigan 49007  
 January 1, 1981

Nelson Manufacturing Company  
 6448 U.S. Route 224  
 Ottawa, Ohio 45875  
 January 1, 1981

The Ness Company  
 P.O. Box 667  
 270 N. Zarfoss Drive  
 York, Pennsylvania 17405  
 January 1, 1981

Newark Truck Parts, Inc.  
 560 Market Street  
 Newark, New Jersey 07105  
 January 1, 1981

New Method Equipment Company  
 P.O. Box 4638  
 707 - 27th Avenue, S.W.  
 Cedar Rapids, Iowa 52404  
 December 31, 1980

Novi Manufacturing Company  
 25701 Seeley Road  
 Novi, Michigan 48050  
 November 1, 1980

Ohio Truck Equipment, Inc.  
 4100 Rev Drive  
 Cincinnati, Ohio 45232  
 December 10, 1980

Olson Trailer & Body Builders Co.  
 2740 South Ashland Avenue  
 P.O. Box 2445  
 Green Bay, Wisconsin 54306  
 January 1, 1981

Omaha Standard, Inc.  
2401 W. Broadway  
Council Bluffs, Iowa 51501  
January 1, 1981

Oshkosh Truck Corporation  
2307 Oregon Street  
Oshkosh, Wisconsin 54903  
January 18, 1981

Ottawa Truck Corporation  
Gulf & Western Manufacturing Co.  
415 East Dundee Street  
Ottawa, Kansas 66067  
December 10, 1980

Outboard Marine Corporation  
100 Sea Horse Drive  
Waukegan, Illinois 60085  
January 18, 1981

PACCAR, Incorporated  
d/b/a Kenworth Truck Company  
Peterbilt Motors Company  
P.O. Box 1518  
Bellevue, Washington 98009  
January 18, 1981

Palmer Spring Company  
355 Forest Avenue  
Portland, Maine 04101  
January 18, 1981

Peabody Galion  
P.O. Box 607  
500 Sherman Street  
Galion, Ohio 44833  
October 31, 1980

Peerless Division -  
Lear Siegler Incorporated  
18205 S. W. Boones Ferry Road  
Tualatin, Oregon 97062  
January 8, 1981

Perfection Equipment Company  
P.O. Box 75540  
5100 West Reno  
Oklahoma City, Oklahoma 73147  
January 12, 1981

Petroleum Equipment and  
Supply Company, Inc.  
321 Forbes Avenue  
New Haven, Connecticut 06512  
September 27, 1980

Pheonix Manufacturing, Inc.  
375 West Union Street  
Nanticoke, Pennsylvania 18634  
February 20, 1981

Polar Tank Trailer, Inc.  
R.R. 1  
Holdingford, Minnesota 56340  
September 31, 1980

Polaris E-Z-Go  
Division of Textron, Inc.  
P.O. Box 1284  
1225 North County Road 18  
Minneapolis, Minnesota 55440  
July 1, 1980

Power Brake Service & Equip. Co.  
1022 Carnegie Avenue  
Cleveland, Ohio 44115  
December 31, 1980

Progress Industries, Inc.  
400 East Progress Street  
Arthur, Illinois 61911  
October 1, 1980

PSI Mobile Products, Inc.  
25 Eldridge  
Mt. Clemens, Michigan 48043  
July 1, 1980

Quality Truck Equipment Co.  
P.O. Box 102  
I-55 Beltline & Mercer Avenue  
Bloomington, Illinois 61820  
November 15, 1980

Recreative Industries, Inc.  
60 Depot Street  
Buffalo, New York 14206  
July 13, 1980



Reynolds & Son, Inc.  
P.O. Box 380  
Bridge Street  
South Barre, Vermont 05670  
January 1, 1981

Rowland Truck Equipment, Inc.  
2900 N.W. 73rd Street  
Miami, Florida 33147  
November 19, 1980

R/S Truck Body Company, Inc.  
P.O. Box 420  
Allen, Kentucky 41601  
January 1, 1981

Ryder Truck Rental  
P.O. Box 100  
Pennsburg, Pennsylvania 18073  
January 1, 1981

Ryder Truck Rental Inc.  
4709 West 96th Street  
P.O. Box 68490  
Indianapolis, Indiana 46206  
January 1, 1981

Schien Body and Equip. Company  
North on University  
Carlinville, Illinois 62626  
August 1, 1980

Scientific Brake and Equipment Co.  
P.O. Box 840  
314 W. Genesee Avenue  
Saginaw, Michigan 48606  
January 19, 1981

Sharpsville Steel Equip. Company  
6th & Main Streets  
Sharpsville, Pennsylvania 16150  
January 2, 1981

Skillcraft Industries, Inc.  
1270 Ogden Road  
Venice, Florida 33595  
September 1, 1980

Smith-Moore Body Co., Inc.  
P.O. Box 27287  
Richmond, Virginia 23261  
January 18, 1981

Somerset Welding & Steel, Inc.  
P.O. Box 628  
733 S. Center Avenue  
Somerset, Pennsylvania 15501  
January 1, 1981

South Florida Engineers, Inc.  
5911 E. Buffalo Avenue  
P.O. Box 11927  
Tampa, Florida 33680  
July 2, 1980

Spring Valley Dodge, Inc.  
P.O. Box 419  
19 South Main Street  
Spring Valley, New York 10977  
March 31, 1981

Steelfab, Incorporated  
27 Marshall Street  
P.O. Box 2305  
Patterson, New Jersey 07509  
June 1, 1980

Steffen Incorporated.  
623 West 7th Street  
Sioux City, Iowa 51103  
November 4, 1980

Taylor-Dunn Mfg. Company  
2114 West Ball Road  
Anaheim, California 92804  
October 3, 1980

Terex Corporation  
State Route 91  
Hudson, Ohio 44236  
January 1, 1981

Toll Road Truck Equipment Co.  
841 N. Bedford Street  
East Bridgewater, Mass. 02333  
February 1, 1981

Transport Equipment Company  
3400 - 6th Avenue, South  
P.O. Box 3817  
Seattle, Washington 98124  
January 18, 1981

Triangle Fleet Service  
801 Coliseum Blvd. West  
Fort Wayne, Indiana 46808  
January 1, 1981

Truck Equipment Company, Inc.  
1911 SW Washington Street  
Peoria, Illinois 61602  
January 18, 1981

Truck Equipment, Inc.  
P.O. Box 1086  
85 East Longfield Avenue  
Mansfield, Ohio 44901  
March 15, 1981

Truck Equipment, Inc.  
680 Potts Avenue  
Green Bay, Wisconsin 54304  
January 1, 1981

Truck Equipment, Inc.  
P.O. Box 3265  
1560 N.E. 44th Avenue  
Des Moines, Iowa 50316  
January 1, 1981

Truck Equipment Service Company  
800 Oak Street  
Lincoln, Nebraska 68521  
January 1, 1981

The Truck Engineering Co.  
3200 East Pontiac Street  
Fort Wayne, Indiana 46803  
January 1, 1981

Truck Parts and Equipment  
4501 West Esthner  
Wichita, Kansas 67209  
December 11, 1980

Truckers Equipment, Inc.  
1501 N. Port Avenue  
Corpus Christi, Texas 78408  
December 1, 1980

Truckers Equipment, Inc.  
2022 N. 77 Sunshine Strip  
Harlingen, Texas 78550  
December 1, 1980

T&T Parts Warehouse  
5550 Clay Avenue SW  
Grand Rapids, Michigan 49508  
December 1, 1980

Twin Bay Industries, Inc.  
8908 Cairn Highway  
Elk Rapids, Michigan 49629  
April 30, 1981

Union City Body Company, Inc.  
1015 West Pearl Street  
Union City, Indiana 47390  
September 1, 1980

Unit Rig & Equipment Co.  
P.O. Box 3107  
5400 S. 49th W. Avenue  
Tulsa, Oklahoma 74101  
January 1, 1981

Universal Go Tract of  
Georgia Ltd.  
963 Industrial Park Drive  
Marietta, Georgia 30062  
June 1, 1980

U.S. Truck Body Co., Inc.  
37-21 24th Street  
Long Island City, New York 11101  
March 30, 1981

Valley Truck and Equipment  
Company, Inc.  
P.O. Box 156  
Trevett Road  
Boston, New York 14025  
October 15, 1980

Van Con, Incorporated  
123 Williams Street  
Middlesex, New Jersey 08846  
September 1, 1980

Volkswagen of America, Inc.  
27621 Parkview Boulevard  
Warren, Michigan 48092  
October 11, 1980

WABCO Construction & Mining  
Division of American Standard  
2300 N.E. Adams Street  
Peoria, Illinois 61639  
February 1, 1981

Wayne Corporation  
(An Indian Head Company)  
P.O. Box 1447  
Industries Road  
Richmond, Indiana 47374  
November 1, 1980

Wayne Engineering Corporation  
2412 West 27th Street  
Cedar Falls, Iowa 50613  
October 31, 1980

Western Equipment Co., Inc.  
P.O. Box 1502  
130 Railroad Hill Street  
Waterbury, Connecticut 06721  
January 3, 1981

W.F. Mickey Body Co., Inc.  
P.O. Box 2044  
1505 Bethel Drive  
High Point, North Carolina 27261  
September 24, 1980

White Motor Corporation  
34500 Grand River Avenue  
Farmington Hills, Michigan 48024  
January 18, 1981

Winnebago Industries, Inc.  
P.O. Box 152  
Forest City, Iowa 50436  
March 19, 1981

Wyman's Incorporated  
P.O. Box 542  
Northfield Road  
Montpelier, Vermont 05602  
July 1, 1980

Beatrice N. Vaccara  
Director  
Bureau of Industrial Economics

## APPENDIX E

## COMPANIES OPERATING UNDER THE MOTOR VEHICLE ORDER 1965

<u>Name and Location</u>	<u>Considered as Manufacturers of:</u>
Almac Industries Ltd. Pointe Aux Trembles, Quebec	Specified Commercial Vehicles
Amalgamated Metal Industries Ltd. Mississauga, Ontario	Specified Commercial Vehicles
Atlas Hoist & Body Incorporated Montreal, Quebec	Specified Commercial Vehicles
B.K. & B. Truck Bodies Limited London, Ontario	Specified Commercial Vehicles
Belgium Standard Industries (Ontario) Ltd. Waterloo, Ontario	Specified Commercial Vehicles
Babcock Motor Bodies Limited Toronto, Ontario	Specified Commercial Vehicles
Brown H.E. Supply Co. North Bay, Ontario	Specified Commercial Vehicles
Canadian Blue Bird Coach Ltd. Brantford, Ontario	Specified Commercial Vehicles
Canadian Kenworth Ltd. Div. Paccar Canada Ltd. Ste. Thérèse, Quebec	Specified Commercial Vehicles
Central Truck Body Co. Ltd. Weston, Ontario	Automobiles, Buses and Specified Commercial Vehicles
Chrysler Canada Ltd. Windsor, Ontario	Specified Commercial Vehicles
Collins Manufacturing Co. Ltd. Burnaby, BC	Specified Commercial Vehicles
Commercial Truck Bodies Ltd. Mississauga, Ontario	Specified Commercial Vehicles
Diesel Equipment Limited Toronto, Ontario	Specified Commercial Vehicles
Eastern Steel Products Company Cambridge (Preston), Ontario	Specified Commercial Vehicles
Edmonton Truck Body Ltd. Edmonton, Alberta	Specified Commercial Vehicles

<u>Name and Location</u>	<u>Considered as Manufacturers of:</u>
Fleet Truck Bodies Inc. Montreal, Quebec	Specified Commercial Vehicles
Flyer Industries Ltd. Winnipeg, Manitoba	Specified Commercial Vehicles
Ford Motor Company of Canada Ltd. Oakville, Ontario	Automobiles, Buses and Specified Commercial Vehicles
Forman Tank & Welding Ltd. St. Marys, Ontario	Specified Commercial Vehicles
Fort Garry Industries Ltd. Winnipeg, Manitoba	Specified Commercial Vehicles
Freightliner of Canada Ltd. Burnaby, British Columbia	Specified Commercial Vehicles
G. & G. Welding Ltd. St. Leonard, Quebec	Specified Commercial Vehicles
General Motors of Canada Ltd. Oshawa, Ontario	Automobiles, Buses and Specified Commercial Vehicle
Hutchinson Industries Downsview, Ontario	Specified Commercial Vehicles
Ideal Body Ltd. Quebec, Ontario	Specified Commercial Vehicles
International Harvester Co. of Canada Ltd. Hamilton, Ontario	Specified Commercial Vehicles
Lacasse, V. Ltée St. Leonard, Quebec	Specified Commercial Vehicles
Larochelle, Phil Equipment Inc. Quebec, Quebec	Specified Commercial Vehicles
Mond Industries Limited Toronto, Ontario	Specified Commercial Vehicles
Multi-Vans Limited Bolton, Ontario	Specified Commercial Vehicles

Name and LocationConsidered as Manufacturers of:

Prevost Car Inc.  
Ste. Claire  
Dorchester, Quebec

Buses

Pullman Trailmobile Canada Limited  
Brantford, Ontario

Specified Commercial Vehicles

Reliance Truck & Equipment Limited  
Surrey, British Columbia

Specified Commercial Vehicles

Swartz Motor Bodies Ltd.  
Toronto, Ontario

Specified Commercial Vehicles

Thomas Built Buses of Canada Ltd.  
Woodstock, Ontario

Buses

Universal Sales Limited  
St. John, NB

Specified Commercial Vehicles

Volvo (Canada) Ltd.  
Windsor, Ontario

Automobiles

Wilson's Truck Body Shop Ltd.  
Truro, Nova Scotia

Specified Commercial Vehicles

Welles Corporation Ltd.  
Windsor, Ontario

Buses

DESIGNATED COMPANIES UNDER THE MOTOR VEHICLE  
TAR ORDER 1965

Name and Location

Blue Bird Quebec  
St. Lin, Quebec

Canadian Blue Bird Sales Co.  
Hartford, Ontario

Chrysler Truck Centre Ltd.  
Rexdale, Ontario

Edinburgh Electric Ltd.  
Toronto, Ontario

Mobile Tank Industries Ltd.  
Agincourt, Ontario

Pacific Truck and Trailer Ltd.  
North Vancouver, British Columbia

J.J. Taylor and Sons Limited  
Concord, Ontario

Designated by:

Canadian Blue Bird Coach Ltd.  
Brantford, Ontario

Canadian Blue Bird Coach Ltd.  
Brantford, Ontario

Chrysler Canada Ltd.  
Windsor, Ontario

Diesel Equipment Ltd.  
Toronto, Ontario

Almac Metalcraft Inc.  
Pointe aux Trembles, P.Q.

International Harvester Company  
of Canada Ltd.  
Hamilton, Ontario

Diesel Equipment Ltd.  
Toronto, Ontario

COMPANIES OPERATING UNDER SPECIAL ORDERS-IN-COUNCIL

<u>Names and Location</u>	<u>Considered as Manufacturers of:</u>
American Motors (Canada) Ltd. Brampton, Ontario	Specified Commercial Vehicles
Canadian Disposal Equipment Co. Ltd. Toronto, Ontario	Specified Commercial Vehicles
Care Equipment Mfg. Co., Ltd. Breslan, Ontario	Specified Commercial Vehicles
D & G Roussy Industries, Ltd. London, Ontario	Specified Commercial Vehicles
Dominion Truck Bodies, Ltd. Mississauga, Ontario	Specified Commercial Vehicles
International Harvester Co. of Canada Ltd. Hamilton, Ontario	Automobiles (Travelalls) Specified Commercial Vehicles
McEwan Tougard Industries Bracebridge, Ontario	Specified Commercial Vehicles
Mack Trucks Can. Ltd. Toronto, Ontario	Specified Commercial Vehicles
Morrison & Co. Ltd. Dorval, Quebec	Specified Commercial Vehicles
Motor Coach Industries Ltd. Winnipeg, Manitoba	Buses
Teal Manufacturing Ltd. Windsor, Ontario	Specified Commercial Vehicles
Truck Equipment & Service Co. Agincourt, Ontario	Specified Commercial Vehicles
Universal Handling Equipment Co. Hamilton, Ontario	Specified Commercial Vehicles
Champion Truck Bodies Ltd. Montreal, Quebec	Specified Commercial Vehicles
Walter Motor Trucks of Canada Ltd. Almonte, Ontario	Specified Commercial Vehicles
Alforge Metal Corp. Ltd. Orangeville, Ontario	Specified Commercial Vehicles
Caelter Enterprises Ltd. Montreal, Quebec	Specified Commercial Vehicles
Funcraft Vehicles Ltd. Cambridge, Ontario	Specified Commercial Vehicles



COMPANIES OPERATING UNDER SPECIAL ORDERS-IN-COUNCIL

<u>Names and Location</u>	<u>Considered as Manufacturers of:</u>
Westank, Industries Ltd. Regina, Saskatchewan	Specified Commercial Vehicles
Hal-Vey Industries Ltd. Calgary, Alberta	Specified Commercial Vehicles
Sheller-Globe Manitoba Ltd. Morris, Manitoba	Specified Commercial Vehicles
Pettibone (Canada) Ltd. Mississauga, Ontario	Specified Commercial Vehicles
Robert's Truck Equipment Ltd. North Vancouver, BC	Specified Commercial Vehicles
S.M.I. Industries Montreal, Quebec	Specified Commercial Vehicles
Ontario Bus Industries Inc. Mississauga, Ontario	Buses
B.T.L. Body Inc. Ct�. Portneuf, Quebec	Truck Bodies
Sturdy Truck Body (1972) Limited Kitchener, Ontario	Truck Bodies
Wells Corp. Ltd. Windsor, Ontario	Truck Bodies
Thermo-King Western Ltd. 1 Mile West of 156th St. on 128th Ave.	Specified Commercial Vehicles
White Western Star Div. Kilowna, B.C.	Specified Commercial Vehicles
Ottawa Truck Bodies Lt�e/Ltd. Ottawa, Ontario	Specified Commercial Vehicles
Marathon Electric Inc. Montreal, Quebec	Specified Commercial Vehicles
Ottawa Truck Bodies Ottawa, Ontario	Specified Commercial Vehicles
Remtec Inc. Chambly, Quebec	Specified Commercial Vehicles
Transit Van Bodies Inc. Laval, Quebec	Specified Commercial Vehicles

## COMPANIES OPERATING UNDER THE OFFHIGHWAY REMISSION ORDER

General Motors of Canada Ltd.  
Diesel Division  
London, Ontario

Unit Rig & Equipment Co. (Canada) Ltd.  
Tulsa, Oklahoma 74101

Paccar Canada Ltd.  
Ste. Theresa, Quebec

Pacific Truck and Trailer Ltd.  
Vancouver, British Columbia

Wabco Equipment of Canada  
Division of Wabco-Standard Ltd.  
Paris, Ontario

Euclid Canada Limited  
Guelph, Ontario

Mack Canada Inc.  
Islington, Ontario