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CANADIAN AUTOMOBILE AGREEMENT

FIRST ANNUAL REPORT OF THE PRESIDENT TO THE CONGRESS ON THE IMPLEMENTATION OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

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

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LETTER OF TRANSMITTAL

To the Congress of the United States:

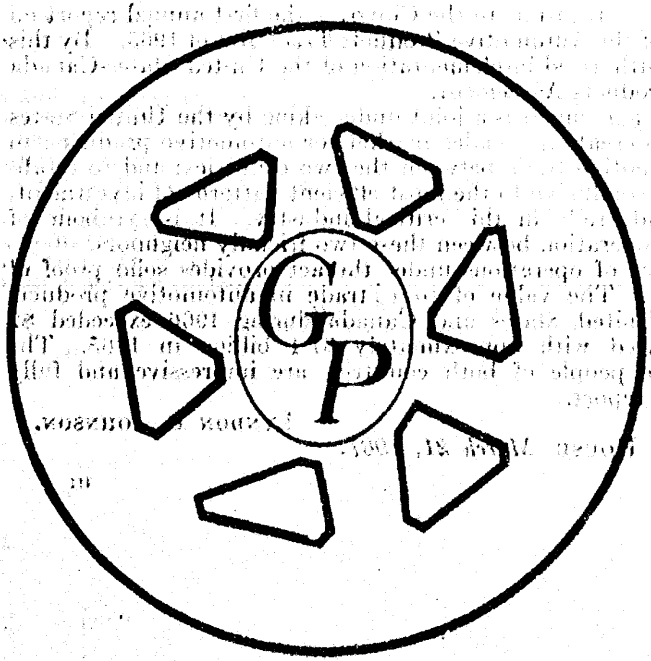
I am pleased to transmit to the Congress the first annual report on the operation of the Automotive Products Trade Act of 1965. By this act Congress authorized implementation of the United States-Canada Automotive Products Agreement.

This historic agreement is a joint undertaking by the United States and Canada to create a broader market for automotive products, to liberalize automotive trade between the two countries; and to establish conditions conducive to the most efficient patterns of investment, production, and trade in this critical industry. It is symbolic of the spirit of cooperation between these two friendly neighbors.

The first year of operations under the act provides solid proof of its importance. The value of tota l trade in automotive products between the United States and Canada during 1966 exceeded $2 billion—compared with approximately $1.1 billion in 1965. The benefits to the people of both countries are impressive and fully detailed in the report.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *March 21, 1967.*



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CANADIAN AUTOMOBILE AGREEMENT

I. INTRODUCTION AND SUMMARY

INTRODUCTION

The agreement concerning automotive products between the Government of the United States of America and the Government of Canada represents an effort by both countries to achieve mutual benefits through an arrangement designed to increase efficiency and lower costs in a basic industry joined by economic and financial ties but separated by tariffs and other barriers. When President Johnson and Prime Minister Pearson signed the agreement on January 16, 1965, they chose the path of cooperation and opened the way to the rationalization of a major industry on a North American basis.

The agreement sets forth three objectives: The creation of a broad market for automotive products within which the full benefits of specialization and large-scale production can be achieved; the liberalization of United States and Canadian automotive trade in respect to tariff barriers and other impediments with a view to enabling the industries of both countries to participate on a fair and equitable basis in the expanding total market of the two countries; and the development of conditions in which market forces may operate effectively to attain the most economic pattern of investment, production, and trade. The two Governments also stated their policy to avoid actions which would frustrate the achievement of these objectives.

Canada agreed to accord duty-free treatment to specified motor vehicles and original equipment parts imported by Canadian manufacturers no later than the entry into force of the U.S. legislation according duty-free treatment to imports of specified Canadian automotive products. The Canadian Government revoked its controversial duty remission plan and, by order in council effective January 18, 1965, accorded duty-free treatment to such goods from any country entitled to the benefits of the British preferential or most-favored-nation tariffs.

The President pledged himself in the agreement to ask the Congress during the session beginning on January 4, 1965, to enact legislation authorizing duty-free import into the United States of certain specified Canadian motor vehicles and original equipment parts, retroactive to the earliest feasible date following Canada's elimination of duties.

On March 31, 1965, proposed legislation was sent to the Congress which would give the President authority to remove all duties on certain Canadian motor vehicles and parts for original equipment. This legislation, the Automotive Products Trade Act of 1965, was enacted on October 21, 1965. The President immediately took steps

to implement it. He proclaimed the entry into force and the effective dates of tariff modifications provided for in the act and, by Executive order, established the Automotive Agreement Adjustment Assistance Board.

This report covers the period between January 18, 1965, when duties on certain specified automotive products were retroactively removed, to December 31, 1966, or to the most recent date for which data is available. The report represents the record [1] of administrative actions taken to implement the act; provides information on automotive production, prices, and employment in the United States and Canada; reviews the record of trade in automotive products between the two countries and with the rest of the world during 1965 and 1966; and summarizes adjustment assistance authorized under provisions of the act.

SUMMARY

The agreement has been in operation for about 24 months. This initial period is too short a time on which to base firm conclusions regarding the extent to which the agreement is fulfilling its stated objectives of promoting the national interest by strengthening economic relations and expanding trade between the United States and Canada. The initial results are encouraging.

Stimulated by buoyant economic conditions, motor vehicle production in both the United States and Canada has been at or near record levels. Together with the removal of duties between the two countries, this has led to a very significant expansion of trade. Total automotive trade between the United States and Canada in 1964 was $730 million; in 1965, $1,084 million; and $2,086 million in 1966.

Both exports and imports have shared this growth. In 1965, the U.S. export surplus in automotive trade with Canada expanded to the extraordinarily high level of $692 million. During 1966 the surplus was $486 million. The cumulative U.S. export surplus in automotive trade with Canada during the first 2 years the agreement has been in effect was approximately $1.2 billion, a larger surplus than achieved in the previous 2-year period. Apart from the growing trade in automotive products, the agreement has also stimulated U.S. exports of related products such as production machinery. The increase in trade reflects shifts of production between the two countries as manufacturers take advantage of the opportunity to rationalize production and distribution. Production plans in the 1967 model year show an intensification of the rationalization process. Thus, some model lines formerly produced in Canada are now being imported from the United States, while Canada, benefiting from specialization, is producing fewer models with longer production runs.

U.S. automotive industry sales in 1964 were about $25.5 billion and increased to about $31.1 billion in 1965, or 22 percent over 1964. Production continued at a high rate during 1966, although the number of cars produced was lower. In units, U.S. automobile production was 7.7 million in 1964, 9.3 million in 1965, up 20.8 percent, and 8.6 million in 1966, down 7.8 percent. The comparable figures for Canada were 561,000 in 1964, 711,000 in 1965, and 718,000 in 1966.

[1] App. A.

An examination of price indexes in the two countries shows that, although Canadians still pay more for comparable cars than Americans pay, the price differential is narrowing.

Employment in the industry has increased on both sides of the border, accompanying the general expansion of motor vehicle production. In the United States, employment in the industry at mid-year 1966 was 894,000, an increase of 128,000 over mid-year 1964. There have been only a few applications for adjustment assistance to meet dislocations resulting from the economic adjustments to the new environment.

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II. IMPLEMENTATION OF THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

The implementation of the Automotive Products Trade Act of 1965 required several major steps, primarily the modification of the tariff schedules of the United States and the establishment of the Automotive Agreement Adjustment Assistance Board.

1. Modification of the tariff schedules of the United States

The President proclaimed the modification of the tariff schedules of the United States on October 21, 1965, immediately following the passage of the act.[1] Canadian automotive products identified in section 405 of the act were given duty-free treatment effective December 20, 1965. This treatment was retroactively applied to these articles entered from Canada on or after January 18, 1965.

The United States is obligated under article I of the General Agreement on Tariffs and Trade (GATT) to accord unconditional most-favored-nation treatment to products of the contracting parties to the GATT. Since under the automotive agreement, the United States confined free entry only to products of Canada, the agreement was technically inconsistent with our GATT obligation. The agreement, however, was not expected to have any substantial adverse impact on U.S. imports from third countries, nor, in fact, has any such impact been identified up to this time. The similarity of market conditions in the two countries and the close relationship which existed and could be further developed in production facilities were special factors which offered unusual opportunities to rationalize the production of automotive products. Accordingly, and because of these exceptional circumstances, the United States sought and obtained a waiver of its GATT obligation to the extent required to put the agreement into effect.

On December 20, 1965, the GATT Secretariat announced that the waiver had been approved, receiving favorable votes from 41 contracting parties with none opposing. The GATT contracting parties will review the operation of the waiver in December 1967, and, if necessary, biennially thereafter.

Original motor-vehicle equipment from Canada covered by the act, as shown in table 12, comprises motor vehicles, engines, parts, and accessories. It includes many motor vehicle parts previously imported under classifications not identified as automotive products in the tariff schedules and which are classified, except under the Automotive Products Trade Act (APTA), either by material content or by type. Starting with TSUSA No. 207.0100: Articles of Wood, the list contains such items as glass, glass fibers, mirrors, staples, nuts, bolts and other fasteners, air conditioners, bearings, radios, electrical switches, through the tariff schedule to TSUSA No. 791.9100: Articles of Other Leather.

[1] App. H.

The modified schedules provide for the first time the statistical identification of imports from Canada used as original equipment in motor vehicle products.[2] Only those automotive products tariff items previously identified specifically as such are shown in tables 13, 14, and 16 which contain U.S. automotive import data comparable with export data. Table 12 provides all available statistical detail on automotive imports covered by the agreement.

2. Automotive Agreement Adjustment Assistance Board

In addition to making applicable the standards for adjustment assistance set forth in the Trade Expansion Act of 1962, the act provides special procedures so that until June 30, 1968, firms or groups of workers may petition the President for a certification of eligibility to apply for adjustment assistance. This certification is considered according to special eligibility criteria provided in the act. The Automotive Agreement Adjustment Assistance Board, established by Executive Order 11254 [3] of October 21, 1965, was delegated the functions conferred upon the President by section 302 of the act. These functions relate to determining the eligibility of firms or groups of workers for adjustment assistance. The relief made available to firms and workers under the act is the same as that provided in the Trade Expansion Act of 1962. Workers who are certified eligible for assistance may receive up to $70 weekly for 52 weeks plus other benefits including relocation allowances and subsistence payments. Firms certified as eligible for adjustment assistance may obtain loans for land, plant and equipment, and in some cases working capital; technical assistance; and certain forms of tax relief.

The Executive order named as members of the Board, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Labor. The Board selected the Secretary of Labor as Chairman, issued regulations to provide for the carrying out of its responsibilities, and established the Automotive Assistance Committee.[4] This Committee, composed of Assistant Secretaries for the three Departments, is responsible for carrying out the functions of the Board, except making final determinations, certifications, and terminations of certifications.[5] These are reserved to the Board.

In the period between the date the act was passed—October 21, 1965—and December 31, 1966, five petitions to the Board for determinations of eligibility to apply for adjustment assistance were submitted by groups of workers. No petitions were submitted by firms. The first petition was filed in February 1966 by the United Automobile Workers' International Union on behalf of local 918 for some 200 workers at Ford's Pennsauken, N.J., parts depot. The second was filed by the United Automobile Workers' International Union in April 1966 on behalf of local No. 1231 for some 1,100 workers from General Motors' soft-trim plant (Fisher Body plant No. 2) at Grand Rapids, Mich. In June 1966 shopmen's local No. 539 of the International Association of Bridge, Structural & Ornamental Iron Workers, filed a petition for approximately 125 employees of the Fram

[2] Bureau of the Census export statistics are not classified in the same manner as import statistics so it is not possible to obtain comparable statistics for the export of motor vehicle parts for original equipment. For the purpose of valid historical comparison of imports, and comparison between exports and imports, it is necessary to exclude in tables 13, 14, and 16 the items identified for the first time by the APTA as automotive products.

[3] App. I.

[4] App. J.

[5] App. L.

Corp. in Birmingham, Ala. The fourth petition was filed by three individual workers from the Maremont Corp.'s Gabriel Division, Cleveland, Ohio, plant. This was the only petition filed by individuals acting as a group of workers. The last petition submitted in 1966 was filed in December by the United Automobile Workers' International Union on behalf of local No. 237, for 130 employees of the Borg-Warner Corp., Mechanics Universal Joint Division, Memphis, Tenn. In accordance with the procedures established in the act, the Board requested the U.S. Tariff Commission to conduct an investigation of the facts related to each petition and to prepare a report for the Board to use in making its determination.

Based upon the information provided in the Tariff Commission's reports, and upon advice received from the Departments of Commerce, Treasury, Labor, and the Small Business Administration, the Board, in each of the four petitions fully acted upon in 1966, determined that the operation of the agreement had been the primary factor in causing the actual or threatened unemployment or underemployment of the petitioning workers. The Board, therefore, certified certain groups of workers from Ford, General Motors, Fram Corp., and Maremont Corp. as eligible to apply for adjustment assistance. The determination on the Borg-Warner petition will not be issued until April 1967. The groups covered by the certification are estimated to include approximately 200 workers at the Ford depot, 400 workers at the General Motors plant, 125 workers at the Fram plant, and 450 workers from the Maremont Corp. In each of these cases the summary of final determination and notice of certification was published in the Federal Register (31 F.R. 5982, 10378, 11497, and 16733).

The number of workers who actually receive adjustment assistance depends not only on how many qualify as members of the group, described in the certification, but also upon the number who actually file claims and whose individual qualifications are established under the requirements of the Trade Expansion Act,[6] and the Automotive Products Trade Act. Specifically, it must be established that each individual worker is a member of the group of workers defined in the certification; that he was not discharged for a reason which would disqualify him for benefits under the State unemployment insurance law; that he meets the standards in his State law with respect to eligibility for unemployment insurance; and finally, that he satisfies the requirements of previous work experience established in the Trade Expansion Act. These requirements are that the worker must have been employed at a minimum salary of $15 per week for 26 of the last 52 weeks of his employment by a firm making an adversely affected product and he must have been gainfully employed (again at a minimum salary of $15 per week) for 78 of the 156 weeks immediately preceding his separation.

The Secretary of Labor has entered into contracts with the respective State employment security agencies whereby these agencies determine eligibility of individual workers and make appropriate payments from Federal funds provided for that purpose.

As of December 31, 1966, less than $900,000 had been paid to claimants under the act or had been repaid to the States to cover the unemployment insurance drawn by workers who were later determined

[6] App. K.

to be eligible for adjustment assistance. Slightly over 1,100 workers have actually filed claims for adjustment assistance and 819 of these have been determined to be eligible for benefits. No training or relocation allowances have been paid although 20 workers were referred for training. The record of the four cases fully acted upon to date is:

Groups of workers	Claims record, Dec. 31, 1966			Unemployed as of Dec. 31, 1966
	Workers filing	Found eligible	Allowances paid [1]	
Ford—Pennsauken	148	138	$234,300	39
GM—Grand Rapids	578	304	329,000	4
Fram—Birmingham	86	82	97,000	37
Marcmont—Cleveland	330	300	[2] 224,000	62
Total	1,142	819	884,300	142

[1] Includes reimbursement to State agency for unemployment insurance paid out.
[2] Estimated. Payments to these workers will be retroactive.

State employment offices affiliated with the U.S. Employment Service have provided services to over 1,000 of the displaced workers. As of January 1967, 867 of the workers had found jobs largely because of favorable economic conditions, general recalls in Pennsauken and Grand Rapids, and Employment Service efforts. State employment service agencies reported no serious barriers to the reemployment of the 142 workers who were unemployed in January 1967.

The recall of former Ford workers at Pennsauken did not occur until August 1966—approximately 8 months after the layoff. By this time many of the workers were already reemployed after 10 weeks of unemployment on the average. The Fisher Body workers in Grand Rapids were recalled before the Michigan agency could launch a full-scale reemployment program for them. In Birmingham and Cleveland, the plants where the workers had been employed closed down completely so that no recalls could occur. By January 1967, fewer than 40 of the Birmingham workers and 60 of the Cleveland workers had not been placed in new jobs.

3. Determination of "bona fide motor-vehicle manufacturer"

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

The Secretary of Commerce delegated this responsibility to the Administrator, Business and Defense Services Administration. Rules and regulations[3] were published in the Federal Register, volume 30, No. 238, on December 10, 1965. These outline procedures for filing applications, and set out the qualifications of a bona fide motor-vehicle manufacturer. They also provide for preparing, maintaining, and publishing a list of these manufacturers.

[3] App. M.

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

As of December 31, 1966, a total of 177 manufacturers had been certified as "bona fide motor-vehicle manufacturers." [9] Certification of manufacturers are valid for a 12-month period from the date the Administrator determines they are qualified, and are renewable. The certified manufacturers can be grouped in three classes according to their type of business: (1) manufacturers of motor vehicles, including motor-vehicle chassis; (2) manufacturers of motor-vehicle bodies, assembly and installation of bodies, trailer hitches on truck tractors known as fifth wheels, and other motor-vehicle equipment on new chassis; and (3) manufacturers in the assembly and installation of motor-vehicle equipment on new chassis, including fifth wheels.

The 177 manufacturers are located from coast to coast, operating in 34 States with Ohio, Michigan, Illinois, California, New York, Wisconsin, Texas, and Indiana, in that order, topping the list in number of establishments.

4. Customs procedures instituted for processing entries

The Bureau of Customs is responsible for determining whether or not an automotive item being imported from Canada qualifies for duty-free entry under the Automotive Products Trade Act. Prior to the passage of the act, these items were regularly clearing customs at the ports of entry, assessed with the then applicable duty rates, and reported to the Bureau of the Census for inclusion in foreign trade statistics. The Bureau of Customs issued temporary instructions on January 27, 1965, for processing entries expected to be covered by the act. Upon receipt of certification from the importer, provision was made to suspend liquidation of entries for these products. The importer in each case was required to pay the duty. With the passage of the act and the proclamation of the tariff modifications retroactive to January 18, 1965, Customs reviewed these cases and appropriate refunds were made.

Because of the need for statistical information on imports of these products during 1965, Customs provided the Bureau of the Census with amended copies of entry documents to show the new tariff classifications so that imports could be correctly tabulated for the retroactive period.

Customs officials now require special documentation in order to determine the status of automotive imports under the act, and conduct followup inquiries when circumstances warrant.

[9] App. N.

III. PRODUCTION IN THE MOTOR VEHICLE INDUSTRY, UNITED STATES AND CANADA

Among the objectives of the agreement is "the creation of a broader market for automotive products within which the full benefits of specialization and large-scale production can be achieved." U.S. production, being much greater, is affected by the agreement to a lesser degree than production in Canada.

Motor vehicle production in the United States increased from 9.3 million units in 1964 to 11.1 million units in 1965 and declined slightly to 10.4 million units in 1966. Canadian motor vehicle production correspondingly increased from 671,000 in 1964 to 855,000 in 1965 and to 907,000 in 1966. Although U.S. production increased several times as much as Canadian production, Canada's share of the vehicle assemblies of the two countries rose. In 1966 Canada assembled 8.0 percent of the combined motor vehicle production while the United States assembled 92.0 percent. The corresponding figures for 1965 were 7.1 and 92.9 percent, while in 1964 the percentages were 6.7 and 93.3. Since Canadian-assembled vehicles incorporate a substantial percentage, of parts imported from the United States, Canada's share of total automotive production is less than these percentages indicate. The increase in the Canadian share of vehicle assemblies reflects many factors, including the more rapid growth usually shown by the Canadian market in recent years. The agreement influenced United States and Canadian production, but it is difficult to isolate the precise impact and timing.

U.S. production

The 1963–66 period was marked by a phenomenal expansion of the production of automotive products. Production in 1966, although somewhat lower, was second only to the record year 1965. The principal factor responsible for this expansion was an upsurge in the domestic demand for automotive products caused in turn by accelerated growth in disposable personal income, the continued favorable economic outlook, the revival of consumers' preference for higher cost cars (higher priced models and/or cars equipped with more optional equipment), the continued movement of city dwellers to the suburbs, the rising number of two- and three-car families, the increasing scrappage rate of old cars, the growing network of roads with an increasing proportion of superhighways, and the rapidly growing capital expenditures of business enterprises.

The total value of final demand sales of the U.S. motor vehicle industry (meaning the sales to the consumers, governments, and exports) in 1963 is estimated at $24.0 billion. This total increased in 1964 to about $25.5 billion and in 1965 to $31.1 billion, or 22 percent over 1964. A preliminary estimate for 1966 is $30.7 billion. The estimates for 1964, 1965, and 1966 slightly understate the expansion of

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the industry sales because of partial exclusion of military tactical vehicles in 1964 and complete exclusion since then.

New passenger cars constitute the bulk of industry sales, both for domestic market and exports. In terms of units, 7.6 million U.S. factory-made passenger cars were sold in 1963, 7.7 million in 1964, and 9.3 million in 1965, 20.8 percent over 1964.[1] In 1966 sales were 8.6 million, down 7.8 percent from 1965. In terms of value, factory sales expanded from $16.2 billion in 1963 to $16.8 billion in 1964, and to $21.1 billion in 1965, up 26.2 percent over 1964. In 1966 sales were $20.5 billion, down 3 percent from 1965. The greater expansion in value of sales than in units results from a trend toward greater value of the average car sold. This average unit value (f.o.b. plant) is estimated at $2,169 in 1964, $2,271 in 1965, and $2,384 in 1966, up 5 percent over 1965.[2]

Trucks, buses, and truck-tractors, including custom-built truck and bus bodies, are second in importance in the industry's total sales. In terms of complete units, factory sales of these products were 1.5 million in 1964 and 1.75 million in 1965, up 13.8 percent over 1964. In 1966 sales were 1.8 million units.[3] As in the case of passenger cars, average unit value of these products is rising. In 1964 the value of units sold was estimated at $3.7 billion, and in 1965 at $4.6 billion, up 24.3 percent over 1964. The comparable figure for 1966 was $4.7 billion, an increase of 2.2 percent over 1965.

The third major market category of automotive products is the domestic market for replacement parts and the export market for both original equipment and replacement parts and accessories. In terms of overall volume of sales, this market category is about as important as that of all trucks and buses. While this market is also expanding, the expansion is at a slower rate.

The value of domestic sales of replacement parts and accessories[4] is estimated to have been about $3.2 billion in 1964, and $3.4 billion in 1965, up 6.3 percent over 1964. In 1966 sales were $3.6 billion, up 5.9 percent over 1965. Exports of these products are discussed in detail in the foreign trade section of this report.

Canadian production

Canadian production of automotive products during the period under review expanded substantially. All the forces that induced the expansion in the United States also operated in Canada. However, the Canadian motor vehicle industry is much smaller than the U.S. industry and percentage changes are understandably greater as is apparent in tables 4 and 5.

Canadian passenger car production increased from 560,700 units in 1964 to 710,700 in 1965, or by 26.7 percent. In 1966, automobile production in Canada was 718,000 units, up 1 percent. Automobile production trends in Canada closely follow those in the United States with a lag of a few months. Thus recent production cutbacks in the United States are only now being closely paralleled in Canada.

With the introduction of 1967 models, automobile manufacturers were able to intensify the process of rationalizing production and distribution on a single United States-Canadian market basis. Thus,

[1] Table 2.
[2] See sec. 5 of this report for discussion on prices.
[3] Table 3.
[4] Table 1.

production of approximately nine makes formerly assembled in Canada was transferred to the United States. Concurrently, production of certain models in Canada was increased to supply nearby U.S. markets. Automobile shipments between the United States and Canada thus expanded sharply in both directions after August 1966.

Canadian truck and bus production expanded sharply from 110,300 units in 1964 to 144,800 in 1965, up 31.3 percent. Truck and bus production in Canada in 1966 reached 189,000, an increase of 30.5 percent over 1965.

The total value of factory sales of all motor vehicles made in Canada increased from Can$1.45 billion in 1964 to Can$1.84 billion in 1965, or about 27 percent. Figures for the full year 1966 are not yet available. In the first 6 months of 1966 the value of factory sales rose by 12.4 percent above the comparable period a year ago.[5]

The wholesale value of automotive parts and accessories increased from Can$797.2 million in 1964 to Can$964.1 million in 1965, or 21 percent. These shipments during the first 6 months of 1966 exceeded those of the first 6 months of 1965 by 15.7 percent. Again Canadian data for all of 1966 are not yet available.

Another factor influencing the growth in Canadian production is the interim arrangements for the Canadian auto industry contained in the agreement and in separate undertakings of the Canadian manufacturers with the Canadian Government. Because of the disparity in size of the automotive industries and relative costs of production in the two countries, Canada made clear its need for special transitional arrangements until its industry could adjust operations to the much larger North American market. Under the agreement, Canada accords duty-free treatment only to motor vehicles and original equipment parts when imported by qualified manufacturers.[6] These manufacturers are required to maintain at least the same ratio of production of vehicles in Canada to sales in Canada as prevailed during the model year 1964, and also maintain in automotive production a Canadian value added at least equal to that attained in model year 1964.

In separate arrangements with the Government of Canada, Canadian motor vehicle manufacturers undertook, in addition, to increase the dollar value of Canadian value added in the production of vehicles and parts by a stated amount above that achieved in model year 1964, plus a percentage of the normal growth in the Canadian market. The stated additional Canadian value added in the undertakings by all the Canadian companies totaled Can$260 million (United States $241 million). These arrangements are to be completed with the 1968 vehicle model year.

[5] Source: Canadian Motor Vehicle Association and Dominion Bureau Statistics. 1966 estimated by BDSA.
[6] App. O.

IV. EXPENDITURES FOR PLANT AND EQUIPMENT BY AUTOMOBILE MANUFACTURERS IN THE UNITED STATES AND CANADA

Expenditures for plant and equipment by the four major automobile producers in both the United States and Canada totaled $3,716.8 million in 1965–66. Net new investments in the United States amount to $3,382 million, in Canada $334.8 million.[1] Thus expenditures for plant and facilities in Canada amount to 9 percent of the total new investments for both countries. Much of the expansion of facilities, based on increasing product demand in both countries, was planned before the agreement was signed. These new investments are for all automotive facilities including parts and accessories made by the four major manufacturers.

The major manufacturers in 1965 produced 99.9 percent of the automobiles and 80.8 percent of the trucks. In Canada, the subsidiaries of these firms produced 99 percent of the automobiles and 91 percent of the trucks. While independent suppliers to the motor vehicle manufacturers also made new investments, information on these investments is not available.

[1] Source: Data compiled by BDSA.

V. PRICES

Canadians paid in the 1966 model year approximately 7 percent more (after adjusting for the differences in taxes and monetary values) for a comparable car than American car buyers. This was less than the differential existing in previous years. While manufacturers made further progress toward price harmonization with the 1967 models, the increase in Canadian sales tax to 12 percent more than offset the reduction in the differential between manufacturers' list prices in the United States and Canada.[1]

Trends of automotive products price indexes in both the United States and Canada for recent years are comparable through the 1966 model year. Passenger car price indexes, taking account of quality improvements, were down in both countries,[2] but more so in Canada; truck price indexes were up slightly, but less so in Canada; parts and accessories were up more substantially, but less so in Canada.[3] Wholesale price indexes are more precisely comparable, from year to year, and as between the two countries than are retail price indexes. Competitive forces and tax differences influence the levels of actual retail prices.

Table 8 gives as close Canadian counterpart data to the U.S. data of table 7 as the Canadian statistics permit. Table 9 gives some data bearing on the current relative levels of prices in the two countries. While the data are subject to some limitations, valid judgments can be made.

Comparative trends in passenger car prices

The trends in retail and wholesale passenger car price indexes have been downward in both countries. The decline, however, appears to have been more pronounced in Canada than in the United States.

As shown in table 7, between 1963 and 1966, the U.S. index of retail prices of new passenger cars declined from 101.5 to 97.2 or 4.2 percent. In Canada the comparable figure was a decline of 5 percent. Between June 1963 and June 1966, the U.S. index declined 4.3 percent. In Canada, it declined 5 percent.[4]

Retail prices of automobiles are affected by the wholesale prices, excise taxes, competition in the marketplace, and other factors. Both in the United States and Canada, less than half of the decline was due to the decline in wholesale prices. As shown in table 7, the U.S. wholesale price index for passenger cars declined from an average of 99.0 in 1963 to 97.2 in 1966. Between June 1963 and June 1966, the index declined from 98.4 to 96.7

[1] Table 9.
[2] Table 6. The retail passenger car index for the 1967 models is up slightly in the United States but in Canada it continued declining.
[3] Changes in quality of product and other factors affect the actual price paid by the consumer, as well as the composition of indexes. Price indexes are based upon a standard of equipment; that is, an additional cost to dealer and consumer for a new item or quality improvement is not considered a price increase for index purposes. Nevertheless, a news model car may, and often does, cost more in total outlay, reflecting such additions in value.
[4] Table 8.

Because of the lack of a weighted average index for wholesale prices of passenger cars in Canada, we do not know what the exact percentage decline in Canadian automobile prices may have been.

Comparative trends in prices of other automotive products

The other automotive products include: motor trucks, motor coaches, and automotive parts and accessories. Retail price index data are not available for these products in either the United States or Canada. Presumably, however, they closely follow the trend of wholesale prices.

Unlike the wholesale prices of passenger cars over the period under review, wholesale prices of trucks and buses in the United States increased slightly and those of automotive parts and accessories substantially. In Canada these prices also rose but less markedly.

The relative levels of automotive products in the United States and Canada

The comparison of price levels of automotive products made and marketed in Canada with those of the United States is difficult because of the different practices and customs of the two countries; for example, some items optional in Canada are treated as standard in the United States and vice versa. The inclusion and exclusion of various accessories also differs among manufacturers and among dealers (for dealer-installed accessories). Table 9 provides a comparison of list prices and manufacturers' suggested delivery prices of nearly identical 1966 and 1967 models which are being sold in large quantities in both the United States and Canada.

The data suggest that a Canadian list price for a popular, high-volume model (converted to U.S. dollars) was 6.7 percent above the U.S. price in 1966, and about 6.4 percent above in 1967, net of excise taxes in both countries. The price differential on many higher priced and specialty model cars narrowed much more substantially. The discrepancy between the suggested retail prices is greater because of substantially higher Canadian taxes, which increased from 11 percent in 1966 to 12 percent during 1967.

There has been a strong tendency for Canadian prices either to decline faster than in the United States (passenger cars) or to increase at a smaller rate than in the United States (trucks, parts, and accessories).

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

The data on trends in employment in the United States and Canadian automotive industries are presented in tables 10 and 11. The comparisons given in this report are based upon the period between 1963 and June 1966.

Employment in the United States

The phenomenal expansion in U.S. automotive production up until the 1967 model year resulted in substantial increases in employment.[1] All segments of the industry shared in the increase, although in varying proportions. Between June 1963 and June 1966 employment in the motor vehicle and equipment industry rose from 751.2 thousand to 894.0 thousand, or 19.0 percent. In the four segments of the industry, defined by the standard industrial classification system (SIC), the increases in employment over the period were: 78,500 or 25.9 percent in motor vehicles, SIC 3,711; 9,000 or 14.5 percent in passenger car bodies, SIC 3,712; 3,300 or 9.7 percent in truck and bus bodies, SIC 3713; and 46,500 or 14.1 percent in parts and accessories, SIC 3,714. The comparison of annual averages shows a parallel trend.

Apart from the limitation as to the period covered by the comparisons, the data on the number of employees in the automotive industry are only rough indications of the relative changes in the labor used in the industry, inasmuch as there is variation in the number of hours worked.

Employment trends in Canada

The expansion of production in Canada also resulted in a substantial increase in employment. Employment in the Canadian motor vehicle industry as a whole increased from 62,300 in June 1963 to 87,700 in June 1966, or by 25,400.[2] In absolute terms, this increase was only about 17.8 percent of the United States increase at the time. In relative terms, however, the Canadian increase starting from a much smaller base, amounted to 40.8 percent, compared with 19.0 percent in the United States.

Despite a substantially greater relative increase in Canadian employment in the industry, the total as of June 1966 constituted only 9.8 percent of that in the United States, as compared to 8.3 percent in June 1963.

Of the two major segments of the Canadian industry, employment in the manufacture of parts and accessories was expanding, relatively faster than in the assembling of cars. Employment in Canadian automobile assembly plants increased from about 31,300 in June 1963 to 43,800 in June 1966, or 39.9 percent. In the parts and accessories category, employment rose from about 26,400 to 38,100, or 44.3 percent.

[1] Table 10.
[2] Table 11.

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VII. UNITED STATES AND CANADIAN AUTOMOTIVE TRADE

Canada is the single most important customer for U.S. merchandise exports and the leading supplier of U.S. imports. Overall U.S. exports to Canada amounted to $6.6 billion in 1966, while our imports from Canada totaled $6.1 billion.[1] Canada now accounts for about 23 percent of both U.S. imports and exports. While Canada's share of our imports has held steady, the share of our exports going to Canada has increased from 19.4 percent since 1964.

Trade in motor vehicles and motor vehicle parts between the United States and Canada

The period of time which has elapsed since the agreement came into force is too limited to provide the statistical basis for a fully adequate appraisal of trends or results. All indications to date are that the agreement is benefiting both countries. The trade figures show a marked increase in the flow of automotive products in both directions, partly as a result of the agreement and partly because of increased prosperity and continued business expansion in both countries. Trade in automotive products between the two countries is also influenced by the continuing changes in manufacturing programs, marketing plans, and sourcing of parts, as well as changes resulting from the agreement itself.

The automotive industries in the two countries are similar in structure. In each country the same four companies account for more than 90 percent of total output. Furthermore, Canadian factories produce essentially the same models of cars as U.S. factories.

The resulting trade pattern between the two countries is unique. The bulk of the automotive trade in both directions has been in automobile parts and accessories, most of which are for use in the production of vehicles. This is in sharp contrast to the U.S. automotive trade patterns with other major automotive producing countries and the general world automotive trade pattern.

The Canadian and United States markets are natural extensions of each other; the two parts forming what is in most respects a single North American market. Both United States and Canadian consumption show similar patterns. Both markets overwhelmingly choose automobiles of North American design and make—more than 90 percent of all cars purchased are of this type.

Canada has become the major source of our imports of automotive products. Imports from Canada accounted for 45.2 percent of total automotive products imports from all countries in 1966, compared with 22.7 percent in 1965 and 10.6 percent in 1964. Germany was second supplier (1966) with 36.6 percent, while the United Kingdom supplied 7.4 percent, and Japan shipped 4 percent.

Canada is also the major foreign buyer of our automotive products. Its share of U.S. exports increased from 37 percent in 1964 to 42.4 percent in 1965 and to 55.4 percent in 1966. No other single country

[1] Table 17.

accounted for more than 8 percent in 1966. U.S. automotive exports totaled $2.1 billion in 1965, while Canada took $888 million; in 1966 these figurs were $2.3 billion with $1.3 billion going to Canada. These export figures include only items identified in U.S. export statistics as automotive products. Substantial exports destined for automotive use (including a large volume shipped to Canada) are not shown in U.S. export figures as automotive exports.

Automotive products trade between the United States and Canada (exports plus imports) reached $730 million in 1964. Exports from the United States were $654 million and imports were $76 million.[2] During 1965, the first year of the agreement, total automotive products trade with Canada expanded by 48 percent from 1964, increasing to $1.1 billion; exports to Canada were $888 million and imports were $196 million. Total automotive trade reached $2.1 billion in 1966 with exports to Canada of $1.3 billion and imports of $800 million.

The U.S. net export surplus in automotive products to Canada amounted to $578 million in 1964, and increased to the extraordinarily high level of $693 million in 1965. The exceptional size of the 1965 U.S. automotive surplus with Canada was influenced by the uncertainties surrounding legislative action in the United States. This tended to limit imports while exports immediately benefited from the removal of duties in Canada. The net export surplus with Canada in 1966 was $486 million. Due to statistical limitations explained in the footnotes to table 13, these figures can only be considered approximations.

Over the first 2 years of the agreement, the U.S. net automotive surplus with Canada was $1,179 million compared with $1,098 million for the previous 2-year period.[3]

Passenger cars

Our exports of passenger cars to Canada were $45 million in 1964, increased to $114 million in 1965, and reached $276 million during 1966.[4] Imports of passenger cars from Canada were $22 million in 1964 and $84 million in 1965. In 1966 imports reached $386 million, thus reversing the net flow of trade in assembled automobiles.

Import statistics on passenger cars include skimobiles and certain other vehicles, such as amphibious vehicles. From May 1966, when statistical reporting was established within this general import category, through December 1966, the passenger car classification totalled $281 million, including $266 million of new passenger cars, $14.5 million of vehicles on skis or runners, and $0.7 million of other vehicles.

Trucks, buses, and chassis

Truck exports from the United States to Canada averaged $18 million in 1963 and 1964, increasing to $45 million in 1965, and to $85 million in 1966. On the import side, truck trade increased significantly from approximately $5 million in 1964 to $17.5 million in 1965, and to $143 million in 1966.

Truck exports to Canada exceeded imports from Canada before 1966, but during 1966 the direction of net flow was reversed.

[2] Table 13.
[3] BDSA based on Bureau of Census figures.
[4] Table 13.

Parts and accessories

Shipments of parts and accessories to Canada from the United States were $591 million in 1964, $729 million in 1965, and $926 million in 1966. The increase in these exports reflects, in large degree, the growth in the production of cars and trucks in Canada during the same period. Canadian-built cars and trucks have always contained a high percentage of parts produced in the United States.

While imports of parts and accessories from Canada have steadily risen since 1963, imports in this category have increased at a slower rate since the agreement became effective and less rapidly than imports of assembled vehicles. Our imports of parts and accessories rose from $49 million in 1964 to $94 million in 1965, and to $271 million in 1966. Some of these imports were not subject to the agreement as the figures include replacement parts and accessories not used as original equipment.

Original motor vehicle equipment

The agreement covers original equipment parts and motor vehicles but not parts for replacement. Prior to January 1965, import trade classifications made no distinction between original equipment and replacement parts. Beginning with 1965, duty-free imports from Canada under the agreement are separately classified and detailed figures are provided in table 12. This provides, for the first time, statistical identification of the many diverse imported items used in the assembly of vehicles.

The detailed listing by TSUSA numbers of original motor vehicle equipment imported duty free from Canada includes many specific classifications which, prior to 1965, were not listed as automotive products imports; for example, 646.79, staples, rivets, bolts, etc. Even though some imports under this item may have been automotive products, these imports were classified as fasteners. A like situation obtains with regard to the majority of classifications in the table. This fact makes it impossible to provide comparable import statistics prior to 1965.

Original motor vehicle equipment imported duty free from Canada during 1966 amounted to $838 million; included in this total is $87 million under classifications not identified as automotive products prior to January 18, 1965.

Allied industries

In addition to the increase in trade in automotive products, there are also increases in trade in the products of closely allied industries. U.S. exports of tires and tubes to Canada in 1964 were $7.3 million; in 1965 were $12.5 million, and in 1966 were $12.7 million.[4] The United States maintained a net export surplus in these products.

Increases in trade in nonautomotive items have occurred as a consequence of plant expansion and increased automotive production resulting from the agreement, but statistical data are not available. Items such as machine tools, automotive maintenance equipment, paints, and chemicals, automotive lubrication equipment, and metals are not under the agreement but are inseparable companions to increased automotive production. Unfortunately, statistics are not available which can specifically measure trade changes for these

[4] Bureau of Census figures.

products resulting from the agreement. However, as a direct result of the agreement, Canada recently permitted duty-free entry for certain production machinery items imported for use in automotive factories.

U.S. trade in motor vehicles and motor vehicle parts with countries other than Canada

The oversea development of motor vehicle assembly plants in less-developed countries is generally limited to markets of relatively low volume yet large enough to support an assembly operation. The host country in each instance provides protection in the form of tariff differentials and/or other devices to encourage domestic production and local employment, and to save foreign exchange. High priorities are assigned to these programs and arrangements have been made with major foreign motor vehicle manufacturers under which scheduled progress toward manufacture of complete vehicles is being made.

Various countries, principally Argentina, Brazil, India, Mexico, the Republic of South Africa, and Spain, have gone further in recent years and have arranged the establishment of motor vehicle manufacturing industries including parts production. In the early stages of this development, most of the parts and components came from foreign suppliers, principally the United States. The progressive local manufacture of these items ultimately, however, reduces the volume of imports. The industrialized countries, including Australia, have had substantial motor vehicle manufacturing industries for many years.

With this trend throughout the world, it is significant that the United States and Canadian motor vehicle industries recently have been able to develop in a somewhat different pattern, gaining the advantage under the agreement of a larger single market.

Automotive trade with countries other than Canada between 1964 and 1965 was relatively stable on the import side, $643 and $665 million, respectively; exports to these countries increased from $1.1 billion in 1964 to $1.2 billion in 1965.[6] Comparable exports in 1966 were $1 billion, while imports rose to $970 million. Primary characteristics of trade with these countries were the excess of cars imported over cars exported, predominance of trucks exported over trucks imported, and exports of parts and accessories at many times the import figures. Parts and accessories account for about one-half of our automotive exports to countries other than Canada.

The U.S. automotive products trade with countries other than Canada showed a net export surplus of $468 million during 1964 (compared with a corresponding surplus with Canada of $578 million); in 1965 our surplus with other countries was $541 million ($693 million with Canada).[7] The surplus increased considerably from 1964 to 1965 in both areas, up $73 million with other countries and up $114 million with Canada. In 1966, however, the surplus with other countries declined $476 million, compared to a decline of $207 million in our surplus with Canada.

The decline in our surplus with countries other than Canada was largely due to a rise in imports of passenger cars from these countries. These imports increased by $285 million between 1965 and 1966. The principal source of these cars was the Federal Republic of Germany.

[6] Derived from tables 15 and 16.
[7] Derived from tables 15 and 16.

Automotive trade with principal motor vehicle producing countries

Besides the United States and Canada, the other major motor vehicle producing countries are the Federal Republic of Germany, the United Kingdom, France, Italy, Sweden, and Japan.

United States total imports from the Federal Republic of Germany were $417 million in 1964, $432 million in 1965, and $647 million in 1966, the greater part of which is passenger cars; exports were $28 million, $36 million, and $32 million, respectively.

Total imports from the United Kingdom, preponderantly passenger cars, were $113 million in 1964, $104 million in 1965, and $131 million in 1966; exports consisted almost entirely of parts and accessories and amounted to $22 million, $34 million, and $32 million, respectively.

U.S. automotive imports from France, Italy, Sweden, and Japan were $103 million in 1964, $116 million in 1965, and $180 million in 1966, predominantly passenger cars. Exports to these countries for the same periods were $80 million, $78 million, and $71 million, respectively.[8]

Unlike our trade with Canada, the United States had a net import deficit in automotive products trade with each of these countries.

Automotive trade with remaining countries

The remaining countries[9] accounted for 14 percent of the total U.S. exports of automotive products in 1966, but less than 1 percent of U.S. imports.[10] It is noteworthy that these countries include some motor vehicle producers. In most instances, these countries (Argentina, Brazil, Mexico, Republic of South Africa, India, and Australia) produce makes of motor vehicles under license from manufacturers in the United States and other major vehicle producing countries.

The three leading markets, other than Canada, for U.S. automotive exports in 1966 were Mexico, Venezuela, and Australia, valued at $171, $77, and $63 million, respectively.

Mexico is a declining market for U.S. automotive products, although parts and accessories exports had increased through 1965. The trend reflects the progress of the Mexican motor vehicle manufacturing program. This program is based on mandatory increases in Mexican-produced vehicle content and results in high consumer prices for automotive products.

Canadian trade in motor vehicles and motor vehicle parts with countries other than the United States

Canada was a net exporter of motor vehicles, although the total volume was relatively small, for many years before 1949. However, since then Canada has been a net importer of motor vehicles.

Canadian imports from countries other than the United States during 1965 were $129 million (in U.S. dollars) and exports were $116 million, resulting in a Canadian automotive trade deficit of $13 million, compared to a deficit of $33.7 million in 1964. Statistics for 1966 were not available when this report was prepared.

Total automotive imports from countries other than the United States increased $20 million from 1964 to 1965, mostly in passenger cars.[11] Total exports to these countries during 1965 rose $41 million,

[8] Tables 15 and 16.
[9] The term "remaining countries" excludes Canada, Sweden, United Kingdom, Japan, and the European Economic Community, the principal motor vehicle producing countries.
[10] Derived from tables 15 and 16.
[11] Table 20.

representing increases of $33 million in passenger cars, $7 million in parts and accessories, and $1 million in trucks and buses.[12]

Canadian imports from non-U.S. sources came primarily from the United Kingdom and West Germany. Imports in 1965 from these two countreis of $54 million and $48 million, respectively, accounted for approximately 80 percent of the total Canadian automotive imports of $129 million from countries other than the United States. France with $10 million; Japan, $9 million; and Sweden, $5 million, accounted for the greater part of the remainder. Exports to the United Kingdom rose from $2.4 million in 1964 to $3.4 million in 1965, while shipments to West Germany were $324,000 in 1964 and $1.5 million in 1965, almost entirely parts.

Canadian automotive imports from other countries (i.e., not including the European Economic Community, Sweden, United Kingdom, and Japan) were insignificant. Canadian exports to these countries were $45.6 million in 1964 and $68 million in 1965, mostly passenger cars, and recently increased to the Republic of South Africa, Australia, Venezuela, and Peru.

Net balances in automotive trade

Our net surplus in automotive trade with the world in 1966 was $551 million, against $1.2 billion in 1965, and $1 billion in 1964.[13] These surpluses were equivalent to 14 percent of our total merchandise surplus in 1966, 22 percent in 1965, and 17 percent in 1964.

In trade with Canada, our automotive surplus was equivalent to 95.1 percent of our total merchandise surplus with Canada in 1966, and 91.7 percent in 1965. In absolute figures, our automotive surplus with Canada in 1966 was $486 million, compared with a merchandise surplus of $511 million, as shown in the following table:

U.S. net export surplus—all merchandise and automotive products, with all countries and with Canada, 1965 and 1966

[Dollars in millions]

	1965			1966		
	With all countries (value)	With Canada		With all countries (value)	With Canada	
		Value	Percent		Value	Percent
Total merchandise net export surplus	$5,833.9	$754.8	14.2	$3,845.2	$511.2	13.3
Automotive products net export surplus	1,233.7	692.5	56.1	551.4	486.0	88.1

Source: BDSA based on Bureau of the Census data, U.S. Trade with Canada in Relation to World Trade.

While merchandise trade with Canada accounted for 13 percent of our worldwide merchandise surplus in 1966 (14 percent in 1965), automotive trade with Canada produced 88 percent of our worldwide automotive surplus in 1966 (56 percent in 1965). Canada's increasing share of our automotive surplus is caused by many changes in trade patterns, both in total merchandise and in automotive products.

One influence upon the latter was the increase in our automotive imports, principally from Germany, in 1966. This affects the rela-

[12] Table 19.
[13] Tables 15 and 16.

tionship between our automotive export surpluses with Canada and with all other countries.

Canada is the major trading partner of the United States, accounting for more than one-fifth of our total merchandise trade in 1966. Imports from the United States in 1965 were 70 percent of total Canadian imports while shipments to the United States constituted about 57 percent of Canadian exports to all countries.[14]

Total U.S. exports to Canada in 1966 were $6.6 billion[15] or 22.5 percent of all our total merchandise exports. These figures are up from 1965 when the United States shipped $5.6 billion to Canada or 21 percent of our worldwide merchandise exports. Automotive exports are significantly more important in total trade with Canada than in our total trade with all countries. Our exports of these products to Canada, stated as a percentage of our merchandise exports to Canada, are significantly up from 14 percent in 1964 to 16 percent in 1965 and 19 percent in 1966. The corresponding ratio for our worldwide exports was only 7 percent.

[14] Table 22.
[15] Table 17.

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VIII.—STATISTICAL TABLES

TABLE 1.—*Estimated total value* [1] *(unduplicated) of U.S. factory sales of automotive products, SIC 371, 1963–66*

[Billions of U.S. dollars]

Item	1963	1964	1965	1966
Passenger cars, domestic and export [2]	16.2	16.8	21.2	20.5
Trucks, buses, truck-tractors, etc., domestic and export [3]	3.6	3.7	4.6	4.7
Truck trailers, domestic and export	.4	.5	.5	.6
Replacement parts and accessories, domestic [4]	3.0	3.2	3.4	3.6
Export of parts and accessories	.8	1.3	1.4	1.3
Total, domestic and export	24.0	[5] 25.5	[5] 31.1	[5] 30.7

[1] Value f.o.b. plants; excludes excise tax.
[2] Based on values with standard equipment, adjusted to include an estimate for optional equipment.
[3] Includes truck and bus chassis sold separately; also truck and bus bodies.
[4] Derived from Automobile Manufacturers Association estimate (based on Federal excise tax receipts), adjusted to include an estimated value of tax exempt sales.
[5] The totals for 1964, 1965, and 1966 are understated inasmuch as all tactical vehicles sold after July 1, 1964, are excluded.

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

TABLE 2.—*U.S. motor vehicle production, calendar years 1963–66*

[Thousands of units]

Calendar years	Passenger cars	Trucks and buses	Total
1963	7,644.4	1,464.4	9,108.8
1964	7,745.5	1,562.4	9,307.9
1965	9,335.2	1,802.6	11,137.8
1966 [1]	8,604.6	1,789.7	10,394.3

[1] Subject to revision.

Source: Automobile Manufacturers Association.

TABLE 3.—*U.S. factory sales of motor vehicles, calendar years 1963–66*

[Thousands of units]

Calendar years	Passenger cars	Trucks and buses	Total
1963	7,637.7	1,462.7	9,100.4
1964	7,751.8	1,540.5	9,292.3
1965	9,305.6	1,751.8	11,057.4
1966 [1]	8,598.5	1,735.2	10,333.7

[1] Subject to revision.

Source: Automobile Manufacturers Association.

TABLE 4.—*Canadian motor vehicle production,*[1] *calendar years 1963–66*

[Thousands of units]

Calendar years	Passenger cars	Trucks and buses	Total
1963	534.1	99.2	633.3
1964	560.7	110.3	671.0
1965	710.7	144.8	855.5
1966 [2]	718.0	189.0	907.0

[1] Includes military vehicles.
[2] Subject to revision.

Source: Dominion Bureau of Statistics.

TABLE 5.—*Factory shipments of made-in-Canada motor vehicles,*[1] *calendar years 1963–66*

[Thousands of units]

Calendar years	Passenger cars	Trucks and buses	Total
1963	530.2	98.4	628.6
1964	558.9	110.6	669.5
1965	709.5	143.3	852.8
1966 [2]	710.2	187.0	897.2

[1] Includes military.
[2] Subject to revision.

Source: Dominion Bureau of Statistics.

TABLE 6.—*Retail price indexes for new model year passenger cars, United States and Canada, November 1963–66 (1957–59 equals 100)*

Model year	Date	U.S.[1] price index	Canadian price index
1964	November 1963	103.2	99.6
1965	November 1964	102.5	95.7
1966	November 1965	98.7	95.3
1967	November 1966	99.3	[2] 93.2

[1] During the actual new model introduction period for approximately 3 months, prices used in the calculation of the Bureau's index are a mixture of those for both old and new models. The November indexes reflect an approximately even mix of the outgoing and new model prices.
[2] Preliminary.

Sources: U.S. index is from the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index. Canadian Consumer Price Index for new passenger cars is from "Prices and Price Indexes" for various months, published by the Dominion Bureau of Statistics of the Canadian Government. The Canadian index was converted to 1957–59 equals 100 base by U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 7.—*Price indexes for automotive equipment in the United States, annual averages 1963–66 and June 1963–66*

[1957–59=100]

Period	Wholesale price index				Consumer price index new passenger cars
	Passenger cars	Motor trucks	Motor coaches	Parts and accessories [1]	
Annual average:					
1963	99.0	99.8	103.7	103.7	101.5
1964	98.8	98.6	103.8	107.0	101.2
1965	98.1	99.6	103.8	109.3	99.0
1966	97.2	100.1	104.7	112.1	97.2
Monthly:					
June 1963	98.4	99.0	103.6	102.4	101.2
June 1964	98.7	98.8	103.8	109.0	100.8
June 1965	98.1	99.8	103.8	109.3	97.4
June 1966	96.7	99.9	104.0	113.3	96.8

[1] In the U.S. Wholesale Price Index the sample for automotive parts products is limited.

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

TABLE 8.—*Price indexes for automotive equipment in Canada, annual averages 1963–66, and June 1963–66*

(1957–59=100 except as noted)[1]

Period	Industry selling price indexes					Consumer price index new passenger cars
	Motor vehicles industry				Motor vehicle parts industry	
	Passenger cars (1959=100)[2]		Motor trucks, gross vehicle weight			
	2-door sedans	4-door sedans	5,000 pounds or less	5,001 to 10,000 pounds		
Annual average:						
1963	104.7	103.7	105.3	106.8	106.8	99.7
1964	104.3	104.4	104.9	107.2	106.6	96.8
1965	103.0	103.4	104.0	106.8	107.1	96.1
1966	101.8	102.9	105.1	107.6	107.9	94.7
Monthly:						
June 1963	104.6	103.2	105.1	106.6	106.5	99.6
June 1964	104.3	104.4	105.2	107.2	107.1	96.7
June 1965	103.5	103.6	103.7	106.7	106.7	96.1
June 1966	101.4	102.2	104.3	107.0	108.0	94.6

[1] Industry selling prices are published on a 1956 base; consumer price indexes are published on the 1959 base. For purpose of comparisons with the United States indexes, all the Canadian indexes have been converted to a 1957–59 base except the industry selling price index for passenger cars which were converted to a 1959 base.

[2] 1957 and 1958 indexes not available.

Source: Dominion Bureau of Statistics, "Prices and Price Indexes," and "Industry Selling Price Indexes, 1956–59," a reference paper published in January 1961.

TABLE 9.—*Prices of same popular model 4-door hardtop (1966 and 1967 models with 8-cylinder engines) in the United States and Canada*

Item	United States (U.S. dollars)	Canada		Canadian price differential over (under) U.S. price	
		Canadian dollars	United States dollars	Amount (U.S. dollars)	Percent
1966:					
List price [1]	2,663	3,072	2,842	179	6.7
Sales/excise tax [2]	149	260	240	91	
Dealers handling	40	40	37	(3)	
Manufacturers suggested retail price [3]	2,852	3,372	3,119	267	9.4
1967:					
List price [1]	2,706	3,113	2,880	174	6.4
Sales/excise tax [2]	153	288	266	113	
Dealers handling	40	40	37	(3)	
Manufacturers suggested retail price [3]	2,899	3,441	3,183	284	9.8

[1] Comparable standard equipment.
[2] 1966 sales tax, Canada, 11 percent; 1967 sales tax, Canada, 12 percent. U.S. excise tax, 7 percent.
[3] Comparable standard equipment. Taxes and dealers handling charges included.

Source: BDSA—based upon data from manufacturers.

TABLE 10.—*Employment in the U.S. automotive products industry based on U.S. 1957 standard industrial classification (SIC), annual averages 1963–65, average of 1st 6 months 1966 and June 1963–66.*

[Thousands]

Period	Total motor vehicles and equipment (SIC 371)	Motor vehicles (SIC 3711)	Passenger car bodies (SIC 3712)	Truck and bus bodies (SIC 3713)	Parts and accessories (SIC 3714)
Annual average:					
1963	741.3	299.9	60.6	32.4	326.9
1964	755.4	307.8	56.4	31.8	337.1
1965	853.6	359.2	68.7	33.7	367.1
1966 average of 1st 6 months	889.6	376.3	71.1	35.8	380.2
Monthly:					
June 1963	751.2	303.7	62.2	34.0	330.1
June 1964	765.9	308.3	58.2	33.5	341.9
June 1965	865.3	363.5	69.0	35.3	372.0
June 1966	894.0	382.2	71.2	37.3	376.6

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

TABLE 11.—*Employment in Canadian automotive products industry based on Canadian 1960 standard industrial classification (SIC) annual averages 1963–65, average of 1st 6 months 1966, and June 1963–66*

[Thousands]

Date	Motor vehicles (SIC 323-5)	Assembling (SIC 323)	Parts and accessories (SIC 325)
Annual average:			
1963	60.3	29.9	26.1
1964	69.3	34.3	30.5
1965	80.0	40.3	34.6
1966 average of 1st 6 months	88.2	44.0	38.7
Monthly:			
June 1963	62.3	31.3	26.4
June 1964	71.7	36.2	30.4
June 1965	83.3	43.0	34.9
June 1966	87.7	43.8	38.1

Source: Dominion Bureau of Statistics.

TABLE 12.—*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 Jan. 18–Dec. 31, 1965, total, and 1966*

[U.S. dollars]

TSUSA No. (APTA)	Commodity	1965 [1] Jan. 18–Dec. 31	1966 [2]
207.0100	Articles of wood, nspf		1,816
220.4600	Articles of cork		
355.2700	Felt, batts, wadding	8,065	147,972
357.9100	Hose for liquids or gases, vegetable fibers		
357.9600	Hose for liquids or gases, man-made fibers		314,096
358.0300	V-belts, textile or rubber fibers		2,216,560
361.9000	Floor coverings and underlays, textiles	705,002	64,865
389.8000	Textile articles, nspf	25,494	
516.9800	Mica products		
517.8200	Brushes, graphite, for electric generators and motors	9,225	90,850
535.1500	Ceramic insulators		
540.7200	Glass fibers, bulk, pads, etc		7,010
544.1800	Glass		4,515
544.3200	Toughened glass	35,539	1,656,975
544.4200	Laminated glass	4,724	272,396
544.6200	Mirrors, not over 1 square foot in reflecting area	11,689	81,658
544.6500	Mirrors, over 1 square foot in reflecting area	1,581	808
545.6200	Glass lenses and filters and parts for lighting and signals		4,625
545.6400	Glass reflecting lenses for signs or signals		
547.1600	Clock glasses and other protective glasses, with one or both surfaces curved		
610.8100	Pipe and tube fittings of iron or steel (other than cast-iron fittings)		44,999
613.1600	Pipe and tube fittings of copper, nickel silver and cupro-nickel		1,010
613.1900	Pipe and tube fittings of copper alloy, n.e.s	2,535	44,412
618.4800	Pipe, tubes, blanks, and fittings of aluminum		750
620.4700	Pipes, tubes, blanks, and fittings of nickel		
642.2100	Ropes, cables, etc., with fittings	606	2,073
642.8600	Copper wire cloth, etc., cut to shape		
642.8800	Other wire cloth, etc., cut to shape		
646.7900	Staples, rivets, bolts, and other fasteners	227,758	510,792
646.9300	Locks, parts, and keys, of base metal		193,069
647.0200	Hinges, fittings, and mountings designed for motor vehicles	1,488,579	3,623,175
647.0600	Other hinges, fittings, and mountings	2,323	10,579
652.1000	Flexible metal hose or tubing	281	1,139
652.3900	Chain and chains, and parts of base metal	261	1,886
652.7600	Sign-plates, name-plates, numbers, etc., of base metal		29,318
652.8500	Springs and leaves for springs of base metal, suitable for motor vehicle suspension	11,298,442	14,078,510
652.8700	Hairsprings	1,063	8,874
652.8900	Other springs		202,290
658.1000	Articles of base metal, nspf, not coated with precious metal	651,701	1,606,212
660.4300	Piston-type compression-ignition engines		
660.4500	Piston-type engines, nes (automobile, truck, and bus)	15,767,772	94,853,479
660.4700	Non-piston type engines other than aircraft engines		250,400
660.5100	Cast-iron parts, not advanced, etc., for internal combustion engines	6,675,633	7,126,618
660.5300	Parts of piston-type engines other than compression ignition engines	18,933,101	22,519,884
660.5500	Parts of internal combustion engines, nes	23,810	119,668
660.8600	Non-electric engines, motors and parts, nspf		
660.9300	Fuel injection pumps for compression-ignition engines and parts	552	43,507
660.9500	Pumps for liquids, n.e.s., and parts	1,895,670	2,053,688
661.1100	Fans and blowers and parts	82,733	403,691
661.1300	Compressors and parts	64,587	13,276
661.1600	Air pumps and vacuum pumps and parts		630
661.2100	Air-conditioning machines and parts	207,074	879,863
661.3600	Refrigerators, refrigerating equipment, and parts		
661.9300	Cast-iron parts of filtering, etc., machines not alloyed, not advanced	14,944	16,791
661.9900	Filtering and purifying machines, n.e.s	1,878,341	
662.3300	Simple piston pump sprays and parts		4,632
662.5100	Mechanical appliances n.e.s., for dispersing liquids, etc	20,486	30,285
664.1100	Material handling equipment, n.e.s	413	
678.5100	Machines, nspf, and parts		3,460
680.2100	Taps, cocks, valves, and parts, hand operated and check, copper		1,375
680.2300	Taps, cocks, valves, and parts, hand operated and check, of other metals	2,025	12,307

See footnotes at end of table, p. 35.

TABLE 12.—*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 Jan. 18–Dec. 31, 1965, total, and 1966*—Continued

[U.S. dollars]

TSUSA No. (APTA)	Commodity	1965 [1] Jan. 18–Dec. 31	1966 [1]
680.2800	Taps, cocks, valves, other	76,658	202,558
680.3100	Antifriction balls and rollers		58,423
680.3400	Ball bearings with integral shafts	177,748	838,884
680.3600	Other ball and roller bearings and parts	262,430	507,829
680.5800	Lubrication fittings	995	348
680.9100	Machinery parts not containing electrical features, nspf		430
682.6500	Generators, motors, electric and parts	31,256	524,871
682.7100	Permanent magnets		
682.9100	Magnetic chucks, etc., electro-magnetic clutches, couplings, brakes, etc., nes		1,151
683.1100	Lead-acid type storage batteries and parts	52,036	301,912
683.1600	Other storage batteries and parts	47,898	5,816
683.6100	Electrical starting and ignition equipment for internal combustion engines	696,468	2,140,636
683.6600	Electric lighting equipment designed for motor vehicles, and parts	518,319	1,134,905
684.4100	Electric furnaces, heaters, and ovens and parts	19,964	39,942
684.6300	Telephonic apparatus, instruments and parts		
684.7100	Microphones, loud speakers, etc., and parts		25,287
685.5500	Radiotelegraphic and radiotelephonic transmission and reception apparatus, radio, TV, and recording devices, etc., and parts	2,235,981	4,598,749
685.7100	Electric sound and visual signaling apparatus and parts	24,883	393,561
685.8100	Electrical capacitors, fixed or variable	6,000	125,004
685.9100	Electrical switches, relays, etc., and parts	63,012	205,821
686.1100	Resistors, fixed or variable (including potentiometers but not including heating elements and parts)		496,537
686.2300	Automatic voltage regulators, etc., and parts for 6, 12, and 24 volt systems		6,384
686.6100	Sealed-beam lamps	179,217	940,030
686.8100	Electric filament lamps for operating under 100 volts, n.e.s.	86,116	154,059
687.5100	Television picture tubes		
687.6100	Other electronic tubes, etc., and parts		1,279
688.0500 [2]	Insulated electrical conductors, without fittings	NA	17,339
688.0700 [2]	Insulated electrical conductors, other	NA	
688.1300	Ignition wiring sets	2,248,014	6,723,204
688.1600 [2]	Insulated electrical conductors, with fittings, other	NA	686,326
688.4100	Electrical articles, and electrical parts of articles, nspf	72,487	24,152
692.0600	Automobile trucks valued at $1,000 or more each, and motor buses but not including electric trolley buses, three-wheeled vehicles, or trailers accompanying automobile truck tractors	9,929,962	81,938,888
692.11	Other motor vehicles, total, but not including any three-wheeled vehicles	[4] 79,376,534	[4] 385,352,714
692.1120	On-the-highway, 4-wheeled passenger automobiles, new	NA	(263,340,756)
692.1140	On-the-highway, 4-wheeled passenger automobiles, used	NA	(31,556)
692.1160	Vehicles which operate in whole or in part or runners or skis	NA	(14,468,690)
692.1180	Other motor vehicles	NA	(664,070)
692.2100	Bodies, including cabs, and chassis for automobile trucks and motor buses, except chassis for electric trolley buses or 3-wheeled vehicles	5,687,383	56,368,551
692.2300	Other bodies, including cabs, and chassis except chassis for special purpose vehicles or 3-wheeled vehicles		518,180
692.2500	Cast-iron parts of motor vehicles, not alloyed, not advanced	480,455	2,004,279
692.2[illegible]	Automobile truck tractors and parts, nes, of motor vehicles	[4] 38,763,704	[4] 112,810,024
692.2[illegible]0	Body stampings	NA	(4,840,877)
692.2[illegible]0	Bumpers	NA	(4,169,738)
692.2830	Wheels designed to be mounted with pneumatic tires	NA	(6,572,982)
692.2340	Hubcaps and wheel covers	NA	(4,466,720)
692.2350	Radiators	NA	(4,546,204)
692.2360	Mufflers and tailpipes	NA	(616,876)
692.2370	Other	NA	(58,361,685)
711.8500	Pressure gauges, thermostat, etc	937	8,599
711.9100	Taximeters and parts		
711.9900	Speedometers and parts and other revolution counters, etc., and parts		125,974
712.5100	Electrical measuring, etc., devices, nspf, and parts		12,604
721.2000	Clocks, clock movements, etc., and parts		72,623
727.0700	Furniture designed for motor vehicle use, and parts	6,215,876	18,862,264
728.3000	Nontextile floor coverings	259	15,390
745.8000	Buckles and buckle slides, slide fasteners, and other fastening devices, and parts	1,394	105,132

See footnotes at end of table, p. 35.

TABLE 12.—*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 Jan. 18-Dec. 31, 1965, total, and 1966*—Continued

[U.S. dollars]

TSUSA No. (APTA)	Commodity	1965 [1] Jan. 18-Dec. 31	1966 [2]
772.6600	Hose, pipe, and tubing, nspf, of rubber or plastics	184,634	241,463
772.8100	Handles and knobs, of rubber or plastics	332	25,728
772.8600	Closures, including caps, lids, etc., of rubber or plastics		36,656
773.2600	Gaskets, of rubber or plastics	151,747	1,860,461
773.3100	Electric insulators, of rubber or plastics		72,959
774.7000	Any article nspf of rubber or plastics		4,202,822
791.8100	Any article nspf of reptile leather		
791.9100	Articles nspf of other leather		
	Total duty-free imports	207,615,707	838,349,202

N.A.—Not available.

[1] Includes tariff modifications provided for in the Automotive Products Trade Act of 1965 (APTA) and established by Presidential Proclamation No. 3682, Oct. 21, 1965. The values shown for 1965 include entries from Dec. 20, 1965 (effective date of the modifications) through the end of the year, plus entries from Jan. 18 to Dec. 20 liquidated under the retroactive provision of the Act and the Proclamation.

[2] The figures are subject to revision.

[3] Import figures available since Sept. 1966. New codes established by Presidential Proclamation 3743 of Sept. 8, 1966.

[4] Total of all entries under the tariff item. Annotations (subitems) indented under this item were not established until May 1, 1966; hence, the figures shown in the 1966 column for the annotations are for May through December only and, therefore, do not add to the tariff item totals shown for the full period.

Source: Bureau of the Census.

TABLE 13.—*U.S. automotive trade with Canada, calendar years 1963–66* [1]

[In millions of U.S. dollars]

Item	1963	1964	1965	1966 [2]
U.S. exports to Canada: [3]				
Passenger cars	26.9	45.4	113.9	275.7
Trucks, buses, and chassis	18.4	17.7	45.0	84.8
Parts and accessories	495.6	591.1	729.1	925.6
Total exports	541.0	654.1	888.1	1,286.1
Imports from Canada: [4]				
Passenger cars	0.8	21.9	84.1	386.0
Trucks, buses, and chassis	1.8	4.7	17.5	142.9
Parts and accessories	18.6	49.3	94.0	271.2
Total imports	21.4	75.9	195.6	800.1
U.S. net exports [5]	519.6	578.2	692.5	486.0
Memo entry:				
Duty-free automotive imports (under APTA tariff items): [6]				
Passenger cars			79.4	385.4
Trucks, buses, and chassis			15.5	138.8
Parts and accessories:				
Automotive categories			67.5	227.1
Other categories			45.2	87.0
Total			207.6	838.3

[1] These figures are not all-inclusive inasmuch as some automotive products as well as other items destined for automotive use are not separately delineated in the U.S. trade classification system, other than Canadian articles entered duty free under the Automotive Products Trade Act of 1965 and therefore, are not separately available in U.S. foreign trade statistics. Because of the classification problem, commodity coverage in this table is necessarily more limited in scope than is table 12; however, for the import classes covered, the figures include not only original equipment but also replacement parts and other automotive imports not qualifying for duty-free treatment under the APTA. Export figures include only exports in those classes identified as automotive, or largely automotive.

[2] Subject to revision.

[3] Exports of U.S. merchandise. The export figures in the table are not fully comparable over the period shown. Comparability was substantially affected by the change in commodity classification to the new classification, effective January 1, 1965, within the general structure of the Standard International Trade Classification, revised.

[4] Imports for consumption. The import figures in the table are not fully comparable over the periods shown. Comparability was substantially affected by the change, beginning with September 1963 data, from the Schedule A Statistical Classification of Commodities to the classification in the Tariff Schedules of the United States Annotated (TSUSA). Changes in classification made by the Tariff Schedules Technical Amendments Act of 1965 and modifications proclaimed by the President pursuant to the Automotive Products Trade Act of 1965 have affected comparability to varying degrees in some instances.

[5] Although classes for which items are included in the figures shown in the table were selected to provide as great a degree of consistency between imports and exports and as great consistency over time as possible within classification limitations, coverage of exports and imports is not identical, nor is it complete; hence the figures shown on the balance line are not exact, but are to be considered as approximations.

[6] There are no U.S. export statistics comparable to this "memo entry" on imports since many articles exported to Canada and enjoying duty-free entry into Canada as a result of the agreement are not identifiable in U.S. export classifications. Canadian import statistics are not compiled on a basis directly comparable to U.S. statistics. However, on the basis of careful evaluation of Canadian statistics, preliminary judgements indicate that 1966 U.S. automotive exports are understated in a range of $80,000,000 to $120,000,000.

Source: U.S. Department of Commerce.

TABLE 14.—*U.S. automotive trade,*[1] *total with all countries, with Canada, and with all countries except Canada, 1965–66*

[In millions of U.S. dollars]

Item	Trade with all countries		Trade with Canada		Trade with all countries except Canada	
	1965	1966 [2]	1965	1966 [2]	1965	1966 [2]
U.S. exports:						
Passenger cars	403.2	575.7	113.9	275.7	289.3	300.0
Trucks, buses, and chassis	349.7	388.7	43.0	84.8	304.7	303.9
Parts and accessories	1,341.6	1,356.7	729.1	925.6	612.5	431.1
Total	2,094.5	2,321.1	888.1	1,286.1	1,206.4	1,035.0
U.S. imports:						
Passenger cars	679.3	1,265.7	84.1	386.0	595.2	879.7
Trucks, buses, and chassis	31.8	153.1	17.5	142.9	14.3	10.2
Parts and accessories	149.7	350.9	94.0	271.2	55.7	79.7
Total	860.8	1,769.7	195.6	800.1	665.2	969.6
U.S. net exports	1,233.7	551.4	692.5	486.0	541.2	65.4

[1] The figures are not all-inclusive inasmuch as some automotive products as well as other items destined for automotive use are not separately delineated in U.S. trade classification systems and, therefore, are not separately available in U.S. foreign trade statistics. Exports and imports of tires and tubes are not included. Figures may not add to totals because of rounding. (Also see notes in table 13.)
[2] Subject to revision.

Source: BDSA (based on Bureau of the Census data.)

TABLE 15.—*U.S. automotive exports to principal producing countries, to other selected countries, and total to all countries, calendar years 1964–66*

[Millions of U.S. dollars]

Country of destination	Passenger cars			Trucks and buses			Parts and accessories			Total exports		
	1964	1965	1966 [1]	1964	1965	1966 [1]	1964	1965	1966 [1]	1964	1965	1966 [1]
Canada	45.4	113.9	275.7	17.7	45.0	84.8	591.1	729.1	925.6	654.1	888.1	1,286.1
European Economic Community, total	33.5	39.8	29.1	9.1	6.0	5.5	63.9	81.0	65.3	105.7	125.8	99.9
Belgium and Luxembourg	14.2	13.9	9.3	1.9	1.1	.9	17.2	27.9	17.3	33.3	42.9	27.5
France	4.2	5.1	4.2	3.7	2.3	2.0	13.3	15.8	13.3	21.2	22.9	19.5
Western Germany	6.9	11.3	8.7	.8	1.5	1.2	20.6	23.6	21.7	28.3	36.4	31.6
Italy	.8	.9	.9	.9	.1	.3	6.6	7.4	7.1	8.4	8.4	8.3
Netherlands	7.3	8.7	6.0	1.7	1.2	.9	5.4	6.4	5.9	14.4	16.2	12.9
Sweden	10.1	11.5	7.3	.7	1.2	1.1	16.1	16.4	18.3	27.0	29.0	26.7
United Kingdom	1.0	1.4	1.4	.3	1.2	2.3	20.5	31.6	28.0	21.8	34.2	31.7
Japan	9.1	9.7	8.6	.3	.1	.9	14.3	7.8	7.4	23.7	17.6	16.9
Other countries:												
Argentina	1.3	2.5	.6	11.8	11.2	4.6	36.1	36.0	23.2	49.3	49.7	28.4
Brazil	1.3	.8	1.0	.4	1.0	.5	8.2	9.8	13.2	9.9	11.7	14.7
Mexico	63.6	50.9	53.3	79.2	34.5	29.2	58.5	98.3	88.6	201.3	183.7	171.2
Peru	11.3	12.9	16.5	14.4	17.4	17.6	11.7	16.3	15.3	37.5	46.6	49.5
Venezuela	26.4	31.0	21.1	25.9	32.6	21.1	34.8	39.4	34.4	87.2	103.0	76.6
Switzerland	10.0	9.5	9.1	1.5	1.2	2.5	2.9	3.5	3.2	14.4	14.3	14.7
Republic of South Africa	7.4	11.1	18.5	14.0	11.1	9.2	11.0	13.9	12.5	32.5	36.1	40.1
Saudi Arabia	5.1	6.3	6.6	13.7	15.0	14.6	6.4	9.5	7.8	25.2	30.9	29.1
India	.3	.4	.6	11.2	5.3	2.0	12.8	18.2	8.8	24.3	23.9	11.5
Philippines	4.9	3.9	4.7	18.4	9.1	12.5	16.6	17.9	18.2	39.9	30.0	35.3
Australia	31.0	32.2	29.1	10.3	12.3	6.1	37.8	41.3	27.6	79.1	85.8	62.7
All other countries	61.2	63.1	92.3	128.8	143.9	174.2	135.9	166.7	59.3	326.0	373.7	325.8
Total, all countries	325.2	403.2	575.7	358.5	349.7	388.7	1,081.4	1,341.6	1,356.7	1,765.1	2,094.5	2,321.1

[1] Subject to revision.

NOTE.—For applicable footnotes see table 13.

Source: Bureau of the Census.

TABLE 16.—*U.S. automotive imports from principal producing countries, all other countries, and total from all countries, calendar years 1964–66*

[In millions of U.S. dollars]

Country of origin	Passenger cars			Trucks, buses, and chassis			Parts and accessories			Total		
	1964	1965	1966 [1]	1964	1965	1966 [1]	1964	1965	1966 [1]	1964	1965	1966 [1]
Canada	21.9	84.1	386.0	4.7	17.5	142.9	49.3	94.0	271.2	75.9	195.6	800.1
European Economic Community, total	431.2	432.5	647.7	12.2	12.7	9.5	35.4	37.5	51.5	478.8	482.8	708.7
Belgium and Luxembourg	.2	.3	.5	6.0	8.2	6.2	1.4	1.9	1.1	7.6	10.5	7.7
France	33.4	21.7	30.2	(2)	(2)	(2)	2.8	2.3	2.8	36.2	23.9	33.1
West Germany	381.7	396.4	598.5	6.1	4.4	3.1	29.5	31.5	45.6	417.3	432.4	647.2
Italy	15.7	13.6	18.4	.1	.1	.2	1.4	1.6	1.8	17.3	15.3	20.3
Netherlands	.2	.5	.2				.3	.2	.2	.4	.7	.4
Sweden	28.3	41.0	53.9	(2)	(2)	.1	1.7	1.4	1.8	30.1	42.4	55.8
United Kingdom	99.3	91.2	115.4	.9	.4	.2	12.6	12.3	15.2	112.9	103.8	130.8
Japan	17.1	30.5	62.1	.6	1.2	.4	2.1	2.8	8.4	19.8	34.5	70.9
All other countries	.2	.1	.6	(2)	(2)	(2)	1.1	1.6	2.8	1.3	1.8	3.4
Total from all countries	598.1	679.3	1,265.7	18.3	31.8	153.1	102.3	149.7	350.9	718.6	860.8	1,769.7

[1] Subject to revision.
[2] Negligible.

NOTE.—For applicable footnotes see table 13.

TABLE 17.—*Total U.S. trade (all commodities) with the world and with Canada calendar years 1964, 1965, and 1966*

[Dollar amounts in millions of U.S. dollars]

	1964	1965	1966 [1]
Exports, including reexports [2]:			
To all countries, total	$24,499.6	$26,699.5	$29,395.5
To Canada	$4,746.6	$5,586.7	$6,635.9
Canada's percent of total	19.37	20.92	22.57
Imports, general:			
From all countries, total	$18,684.6	$21,365.6	$25,550.3
From Canada	$4,240.8	$4,831.9	$6,124.7
Canada's percent of total	22.70	22.61	23.97

[1] Subject to revision.
[2] Total excludes special category commodities.

Source: Bureau of the Census.

TABLE 18.—*U.S. total trade (all commodities) with Canada and balance of merchandise trade, calendar years 1963–66.*

[Millions of U.S. dollars]

Period	U.S. exports to Canada [1]		U.S. imports from Canada		Net exports [3]
	Total exports [2]	Domestic merchandise	General imports	Imports for consumption	
Calendar years:					
1963	4,119.8	4,039.1	3,829.5	3,825.8	290.3
1964	4,746.6	4,653.2	4,240.8	4,226.7	505.8
1965	5,586.7	5,485.9	4,831.9	4,813.4	754.8
1966 [4]	6,635.9	6,487.1	6,124.7	6,106.4	511.2

[1] Excluding special category.
[2] Including reexports.
[3] Based on total exports (excluding special category) and general imports.
[4] Subject to revision.

Source: Bureau of the Census.

TABLE 19.—*Canadian automotive exports to principal producing countries, to other selected countries, and total to all countries, calendar years 1964 and 1965*

[In thousands of U.S. dollars] [1]

Country of destination	Passenger cars		Trucks and buses		Parts and accessories		Total	
	1964	1965	1964	1965	1964	1965	1964	1965
United States	19,209.4	61,408.8	4,747.6	20,360.8	65,701.9	130,797.3	89,749.9	212,566.9
European Economic Community, total	2,737.6	5,824.5	60.4	288.0	798.9	1,930.4	3,596.9	8,042.9
Belgium and Luxembourg	1,963.7	5,298.7	44.4	234.7	472.6	235.3	2,480.7	5,768.7
France	727.1	433.5	8.9	9.1	10.4	45.6	746.4	488.2
Western Germany	22.3	16.1	6.3	4.4	295.8	1,530.9	324.4	1,551.4
Italy	6.7	41.5	.8	1.7	.8	2.6	8.3	45.8
Netherlands	17.8	34.7		38.1	19.3	116.0	37.1	188.8
Sweden	2,209.3	3,490.8	25.9	106.8	714.9	[illegible]	3,140.1	4,306.4
United Kingdom	1,770.1	1,119.2	23.2	62.3	658.8	[illegible]	2,452.1	3,439.0
Japan	16.7	61.5	9.0	46.2	.5	3.6	26.2	111.3
Other countries:								
Argentina	43.6	227.5		4.8	327.9	[illegible]	371.5	1,139.4
Brazil	22.1	221.5	78.2		10.6	3.4	110.9	224.9
Mexico	4.4	2.5			3,648.8	3,678.8	3,653.2	3,681.3
Peru	807.6	6,225.0	24.8	191.3	31.8	[illegible]	864.2	7,332.5
Venezuela	4,939.1	15,261.3	11.7	19.1	1,664.7	1,017.3	6,615.5	16,277.7
Austria	66.5	252.2	6.0		81.8	154.3	154.3	406.5
Portugal	13.0	72.4			.1	3.8	13.1	76.2
Switzerland	576.1	2,322.3	11.4	44.6	183.5	155.2	771.0	2,532.1
Republic of South Africa	11,474.7	16,704.2	3,499.8	2,131.1	3,366.9	5,525.1	18,331.4	24,360.4
Saudi Arabia	536.5	985.7	16.7		29.8	56.9	583.0	1,043.6
India	35.3	183.7	36.6	62.6	1,389.2	108.8	1,461.1	355.1
Philippines	2.0	48.3	16.1		83.4	25.5	101.5	73.8
Australia	8,859.1	7,659.7	3,092.9	4,161.3	8,975.4	10,641.1	20,927.4	22,462.1
New Zealand	825.4	1,128.0	144.4	27.5	366.9	603.3	1,036.7	1,768.8
All other countries	8,589.4	14,660.1	1,180.2	2,220.5	1,456.3	1,929.0	11,225.9	18,809.6
Total to all countries	62,718.9	137,851.2	12,974.9	29,726.9	89,492.1	161,522.4	165,185.9	329,100.5

[1] Converted to U.S. dollars at average annual exchange rates as published by the Federal Reserve Board.

Source: Compiled from data published by the Dominion Bureau of Statistics.

TABLE 20.—*Canadian automotive imports from principal producing countries, other selected countries, and total from all countries, calendar years 1964 and 1965*

[In thousands of U.S. dollars] [1]

Country of origin	Passenger cars		Trucks and buses		Parts and accessories		Total	
	1964	1965	1964	1965	1964	1965	1964	1965
United States	41,055.8	116,325.9	21,225.7	41,760.4	596,448.3	772,130.5	658,729.8	930,216.3
European Economic Community, total	40,804.3	51,074.7	1,171.2	573.3	5,275.7	7,755.6	47,251.2	59,403.6
Belgium and Luxembourg	20.2	24.3			27.9	17.9	48.1	42.2
France	4,981.6	8,901.6	40.8	43.1	591.0	891.0	5,613.4	9,835.7
Western Germany	35,327.5	40,873.3	1,128.5	524.2	4,565.8	6,706.5	41,021.8	48,104.0
Italy	455.8	1,254.2		4.6	70.3	110.6	526.1	1,369.4
Netherlands	19.2	21.3	1.9	1.4	20.7	29.6	41.8	52.3
Sweden	3,363.0	4,313.9	16.9		417.7	808.0	3,797.6	5,121.9
United Kingdom	42,247.0	42,038.0	510.0	709.4	12,718.5	11,402.5	55,475.5	54,149.9
Japan	1,070.3	7,283.2	231.4	597.7	198.9	835.9	1,500.6	8,716.8
Other countries:								
Argentina								
Brazil					25.6	10.0	25.6	10.0
Mexico	1.1	.5				6.7	1.1	7.2
Peru	.6						.6	
Venezuela	1.1						1.1	
Austria	3.8	2.8	61.5	28.6	594.1	1,337.2	659.4	1,368.6
Portugal		.9			.4		.4	.9
Switzerland	9.7	10.5			.6	.7	10.3	11.2
Republic of South Africa	.7				97.2	115.0	97.9	115.0
Saudi Arabia		.6						.6
India	1.6				2.0		3.6	
Philippines		.4						.4
Australia	2.2				219.2	302.7	221.4	302.7
New Zealand					1.3		1.3	
All other countries	26.1	21.8		19.8	104.1	25.8	130.2	67.4
Total all countries	128,587.3	221,073.2	23,216.7	43,689.2	616,103.6	794,730.6	767,907.6	1,059,493.0

[1] Converted to U.S. dollars at average annual exchange rates as published by the Federal Reserve Board.

Source: Compiled from data published by the Dominion Bureau of Statistics.

TABLE 21.—*Canadian automotive trade, total with all countries, and with all countries except United States, calendar years 1964 and 1965*

[Values in millions of U.S. dollars]

	Trade with all countries		Trade with all countries except United States	
	1964	1965	1964	1965
Canadian exports:				
Passenger cars	62.7	137.9	43.4	76.5
Trucks and buses	13.0	29.7	8.3	9.3
Parts and accessories	89.5	161.5	23.8	30.7
Total	165.2	329.1	75.5	116.5
Canadian imports:				
Passenger cars	128.6	221.1	87.5	104.8
Trucks and buses	23.2	43.7	2.0	1.9
Parts and accessories	616.1	794.7	19.7	22.6
Total	767.9	1,059.5	109.2	129.3
Canadian net imports	602.7	730.4	33.7	12.8

NOTE.—Data on United States-Canadian trade are shown in table 13.

Source: Dominion Bureau of Statistics, converted to U.S. dollars.

TABLE 22.—*Total Canadian trade (all commodities) with the world, and with the United States, calendar years 1963–65*

[Millions of U.S. dollars]

Item	1963	1964	1965
Canadian exports to:			
All countries	6,302.2	7,502.7	7,904.2
United States	3,491.4	3,958.8	4,487.4
United States percent of total	55.4	52.8	56.8
Canadian imports from:			
All countries	6,079.5	6,940.4	8,006.6
United States	4,120.1	4,786.8	5,606.2
United States percent of total	67.8	69.0	70.0

Source: Compiled from data published by Dominion Bureau of Statistics, converted to U.S. dollars.

IX. APPENDIXES

APPENDIX A

CHRONOLOGY OF IMPORTANT EVENTS "THE AUTOMOTIVE PRODUCTS TRADE ACT OF 1965"

Events	
Agreement concerning automotive products between the Government of the United States of America and the Government of Canada.[1]	Jan. 16, 1965.
Repeal of Canadian rebate plan, Canadian Order in Council P.C. 1965-1/98.[2]	Do.
Establishment of duty-free treatment of automotive products under the agreement, Canadian Order In Council P.C. 1965-99.[3]	Do.
Establishment of free duty for Canadian imports of automotive products, Motor Vehicle Tariff Order 1965; Canadian Order in Council P.C. 1965-99.	Do.
Regulations respecting the entry of motor vehicles under the Motor Vehicle Tariff Order 1965 above; Canadian Order in Council P.C. 1965-100.	Do.
Truck tractors included through supplementary exchange of notes.[4]	Mar. 9, 1965.
President's letter to Congress requesting legislation [5]	Mar. 31, 1965.
Hearings before the Committee on Ways and Means, House of Representatives, 89th Cong., 1st sess., on H.R. 6950, Automotive Products Trade Act of 1965.	Apr. 27, 28, and 29, 1965.
Report of the Committee on Ways and Means, House of Representatives, 89th Cong., 1st sess., to accompany H.R. 9042, Automotive Products Trade Act of 1965.	June 21, 1965.
Hearings before the Committee on Finance, U.S. Senate, 89th Cong., 1st sess., on H.R. 9042, Automotive Products Trade Act of 1965.	Sept. 14, 15, 16, 20, and 21, 1965.
Report together with minority views of the Senate Committee on Finance, 89th Cong., 1st sess., to accompany H.R. 9042, Automotive Products Trade Act of 1965.	Sept. 27, 1965.
Conference Report No. 115, House of Representatives, 89th Cong., 1st sess., to accompany H.R. 9042, Automotive Products Trade Act of 1965.	Oct. 1, 1965.
Public Law 89-283, 89th Cong., H.R. 9042, Automotive Products Trade Act of 1965.[6]	Oct. 21, 1965.
Modification of U.S. tariff schedule by Presidential Proclamation No. 3682.[7]	Do.
Establishment of the Automotive Agreement Adjustment Assistance Board by Executive Order 11254.[8]	Dec. 20, 1965.
GATT waiver approved [9]	Do.
Modification of U.S. tariff schedule by Presidential Proclamation No. 3743.[10]	Sept. 8, 1966.

[1] App. B.
[2] App. C.
[3] App. D.
[4] App. E.
[5] App. F.
[6] App. G.
[7] App. H.
[8] App. I.
[9] App. P.
[10] App. Q.

Appendix B

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;

Agree 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 its obligations underPart 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 shal however have the right to terminate this Agreement twelve months from the date on which that Government gives written notice to the other Government of its intention to terminate the Agreement.

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

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

For the Government of the United States of America:

For the Government of Canada:

ANNEX A

1. (1) Automobiles; when imported by a manufacturer of automobiles.
   (2) All parts, and accessories and parts thereof, except tires and tubes, when imported for use as original equipment in automobiles to be produced in Canada by a manufacturer of automobiles.
   (3) Buses, when imported by a manufacturer of buses.
   (4) All parts, and accessories and parts thereof, except tires and tubes, when imported for use as original equipment in buses to be produced in Canada by a manufacturer of buses.
   (5) Specified commerical vehicles, when imported by a manufacturer of specified commerical vehicles.
   (6) All parts, and accessories and parts 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 commerical 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 the 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 Canadaian 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 C

ORDER IN COUNCIL REPEALING REBATE PLAN P.C. 1965-1/98

At the Government House at Ottawa

Saturday, the 16th day of January 1965

PRESENT:

His Excellency the GOVERNOR GENERAL IN COUNCIL:

His Excellency the Governor General in Council, pursuant to Section 22 of the Financial Administration Act, is pleased hereby to order as follows, in accordance with the following minute of the Treasury Board:

T.B. 635460
FINANCE

The Treasury Board recommends that your Excellency in Council, pursuant to Section 22 of the Financial Administration Act, be pleased to amend Order in Council P.C. 1963-1/1544, as amended, in accordance with the Schedule hereto.

SCHEDULE

1. Paragraph (a) of subsection (1) of section 1 of Order in Council P.C. 1963-1/1544 is revoked and the following substituted therefor:

"(a) 'designated period' means any following period, namely:

(i) November 1, 1963 to October 3, 1964, or

(ii) November 1, 1964 to January 17, 1965;"

2. (1) Paragraph (a) of section 2 of the said Order is revoked and the following substituted therefor:

"(a) motor vehicles imported or taken out of warehouse by a motor vehicle manufacturer in Canada during the designated period November 1, 1963 to October 31, 1964, and"

(2) Section 2 of the said Order is further amended by adding thereto the following subsection:

"(2) All Customs duties specified in Schedule A to the *Customs Tariff* payable in respect of the following goods, namely:

"(a) motor vehicles imported or taken out of warehouse by a motor vehicle manufacturer in Canada during the designated period November 1, 1964, to January 17, 1965, and

"(b) motor vehicle parts for use as original equipment for motor vehicles, imported or taken out of warehouse by or on behalf of such manufacturer during that designated period.

are remitted to the extent of the duties so payable on such part of the value for Customs duty purposes of those goods as does not exceed the amount (hereinafter referred to as the 'excess value') by which

"(c) the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during that designated period,

exceeds

"(d) 78/365 of the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the period November 1, 1961 to October 31, 1962,

and where the excess value exceeds the value for Customs duty purposes of the goods so imported or taken out of warehouse during that designated period, the amount of such excess may be added to the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the immediately preceding period of twelve months in determining the amount of Customs duties specified in Schedule A to the *Customs Tariff* that may be remitted under this Order or under Order in Council P.C. 1962-1/1536 in respect of goods imported or taken out of warehouse during that preceding period."

APPENDIX D

ORDER IN COUNCIL ESTABLISHING DUTY-FREE TREATMENT P.C. 1965-99

At the Government House at Ottawa
Saturday, the 16th day of January 1965

PRESENT:

His Excellency the GOVERNOR GENERAL IN COUNCIL:

WHEREAS the Acting Minister of Finance and the Minister of Industry, have reported as follows:

1. That an agreement has been entered into with the United States with respect to the reduction of duties by Canada and the United States on importations of certain automobiles and other vehicles and parts for use as original equipment in certain automobiles and other vehicles; and

2. That it is deemed reasonable by way of compensation for concessions granted by the United States and in order to give effect to the agreement in Canada, to reduce the Customs duties on certain automobiles and other vehicles and parts for use as original equipment in certain automobiles and other vehicles.

THEREFORE, His Excellency the Governor General in Council, on the recommendation of the Acting Minister of Finance and the Minister of Industry, is pleased hereby, pursuant to the Customs Tariff,

(a) to deem reasonable by way of compensation for concessions granted by the United States the reduction of duties provided for in, and

(b) to make, effective the 18th day of January 1965,

the annexed Motor Vehicles Tariff Order, 1965, the provisions of which may be cited as "Tariff Item 950".

MOTOR VEHICLES TARIFF ORDER 1965

1. The rates of Customs duties on the following goods imported into Canada on or after January 18, 1965, from any country entitled to the benefit of the British Preferential Tariff or Most-Favoured-Nation Tariff, for which a special entry in such form and manner as is prescribed by the Minister has been made, are reduced to the rate set out as follows opposite the description of those goods:

Description of goods	*Rate*
(1) Automobiles, when imported by a manufacturer of automobiles	Free.
(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.	Free.
(3) Buses, when imported by a manufacturer of buses	Free.
(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.	Free.
(5) Specified commercial vehicles, when imported by a manufacturer of specified commercial vehicles.	Free.
(6) All parts, and accessories and parts thereof, except tires, tubes and machines or other articles required under 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) In this Order,

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

(b) "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;

(c) "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;

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

(e) "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 the Canadian value added of all vehicles of that class produced in Canada by the manufacturer in the base year;

(f) "net sales value" has the meaning assigned by regulations made under section 273 of the *Customs Act;* and

(g) "specified commercial vehicle" means a motor truck, ambulance or hearse, or a chassis therefor, but does not include any following vehicle or chassis therefor, namely a bus, electric trackless trolley bus, fire truck, amphibious vehicle, tracked or half-tracked vehicle, golf or invalid cart, straddle carrier or motor vehicle designed primarily for off-highway use, or any machine or other article required under Tariff Item 438a to be valued separately under the tariff item regularly applicable thereto.

(2) For the purposes of paragraph (e) of subsection (1) of this section, in computing the net sales value of all vehicles of any class described in that subsection that were sold for consumption in Canada by a manufacturer

(a) in the period of twelve months ending on the 31st day of July, 1965, there shall be deducted an amount equal to one and one-half times the net sales value of all vehicles of that class so sold by the manufacturer in that period that were imported into Canada or taken out of warehouse for consumption on or after January 18, 1965, and for which no special entry as described in section 1 of this Order was made; and

(b) in any subsequent period of twelve months ending on the 31st day of July, there shall be deducted an amount equal to the net sales value of all vehicles of that class so sold by the manufacturer in that subsequent period that were imported into Canada or taken out of warehouse for consumption on or after January 18, 1965, and for which no special entry as described in section 1 of this Order was made.

(3) Where a manufacturer of vehicles of any following class, namely automobiles, buses or specified commercial vehicles has, by notice to the Minister in writing accompanied by the consent in writing of any other person, designated such other person as a person associated with the manufacturer in the production of vehicles of that class in Canada in the base year and in any subsequent period of twelve months ending on the 31st day of July specified in the notice, which notice has been communicated to the Minister on or before a day not later than the thirtieth day after the commencement of the period so specified or, in the case of the period ending on the 31st day of July, 1965, after January 18, 1965, the person so designated shall, with respect to vehicles of that class, be deemed for all purposes of this Order in the base year and in the period so specified, not to be a separate person but to be one and the same person as the manufacturer.

APPENDIX E

TEXT OF SUPPLEMENTARY EXCHANGE OF NOTES

UNITED STATES NOTE

MARCH 9, 1965.

His Excellency the Right Honorable CHARLES S. A. RITCHIE,
Ambassador of Canada.

EXCELLENCY:

I have the honor to refer to the Agreement concerning Automotive Products between the Government of the United States of America and the Government of Canada signed on January 16, 1965.

It is the understanding of my Government that automobile truck tractors are included within the articles to be accorded duty-free entry by our two Governments pursuant to Article II and the Annexes of the Agreement.

I have further the honor to request you to confirm the foregoing understanding on behalf of the Government of Canada.

Accept, Excellency, the renewed assurance of my highest consideration.

For the Secretary of State:

(S) G. GRIFFITH JOHNSON

CANADIAN NOTE

WASHINGTON, D.C., *March 9, 1965.*

No. 98
The Honorable DEAN RUSK,
The Secretary of State,
Washington, D.C.

SIR,

I have the honor to acknowledge receipt of your Note of March 9, 1965, which reads as follows:

"I have the honor to refer to the Agreement concerning Automotive Products between the Government of the United States of America and the Government of Canada signed on January 16, 1965.

"It is the understanding of my Government that automobile truck tractors are included within the articles to be accorded duty-free entry by our two Governments pursuant to Article II and the Annexes of the Agreement.

"I have further the honor to request you to confirm the foregoing understanding on behalf of the Government of Canada.

"Accept, Excellency, the renewed assurance of my highest consideration."

I have further the honor to confirm the foregoing understanding on behalf of the Government of Canada.

Please accept, sir, the renewed assurances of my highest consideration.

(S) C. S. A. RITCHIE

APPENDIX F

[From Office of the White House Press Secretary]

THE WHITE HOUSE MADE PUBLIC TODAY THE FOLLOWING LETTER FROM THE PRESIDENT TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

MARCH 31, 1965.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. PRESIDENT: (DEAR MR. SPEAKER:) On January 16, Prime Minister Pearson of Canada and I signed an important agreement looking toward freer trade in automotive products between our two North American countries. This Agreement resolves the serious difference which existed between Canada and the United States over our automotive trade. More significantly, it marks a long step forward in United States commercial relations with her greatest trading partner. It testifies to the goodwill and confidence between us.

The automotive producers of the United States and Canada make up a single great North American industry. The same kind of cars, using the same parts, are produced on both sides of the border, in many cases in factories only a few miles apart. Over 90% of the automobiles sold in Canada are assembled by firms owned in part or in whole by United States companies. The men and women who work in the plants on both sides of the border are members of the same international union.

Tariffs and other restrictions involving Canadian-United States trade in automotive products have been the cause of significant inefficiency in this great industry. Canadian plants produce a great variety of cars, essentially identical with those made in far larger numbers in the United States. Because the Canadian market is relatively small, production runs have been short, and costs and prices have been high. High costs and prices, in turn—supported by the tariff and other restrictions—have contributed to keeping the market small.

Historically, Canada's share in North American automotive production has lagged far behind her share in automotive purchases. In 1963, in an attempt to increase its share of the North American market, the Canadian Government put into effect a plan, involving the remission of tariffs, which was designed to stimulate automotive exports. A number of United States manufacturers, believing they would be injured by the plan, called upon this Government to impose countervailing duties. In all probability, such action would have invited retaliation. We were faced by the prospect of a wasteful contest of stroke and counterstroke, harmful to both Canada and the United States, and helpful to neither. Our broader good relations with our Canadian friends would have suffered serious strain.

To avoid such a dismal outcome, our two governments bent every effort to find a rational solution to the problems of the divided industry. The Automotive Products Agreement that the Prime Minister and I signed in January is the result of our joint labors.

The agreement will benefit both countries. We will have avoided a serious commercial conflict. Canada will have achieved her objective of increasing her automotive production. United States manufacturers will be able to plan their production to make most efficient use of their plants, whether in Canada or the United States. They will save the price of the tariff, and, over the longer run, we will benefit from the faster growth in the Canadian market which lower prices will make possible.

The Agreement has already brought results. The Canadian Government revoked its controversial plan and, on January 18, reduced all relevant duties to zero. I am informed that the Canadian Parliament will be asked to give its approval in the near future.

We recognize, of course, that full integration of the North American automobile industry cannot be brought about all at once. To allow time for adjustment, the Canadian sector of the industry—less than 1/20 the size of ours—will operate initially under special arrangements. The Agreement itself will be subject to comprehensive review no later than January 1, 1968. We should then be a in position to judge what further steps are necessary.

In signing the Agreement, I pledged myself to ask the Congress to authorize the President to remove all United States duties on Canadian automobiles and parts for original equipment. I am today sending to the Congress draft legislation which would give the President that authority. The proposed legislation would also authorize the President to make similar automotive agreements with other countries, and to make agreements leading to mutually beneficial reduction of duties on replacement parts.

I repeat: In my judgment, the Agreement will benefit both Canada and the United States, and the automotive industry and automotive workers in both countries. However, we recognize that adjustments in an industry of such size could result in temporary dislocation for particular firms and their workers.

To provide appropriate relief, the Bill I propose will make applicable the adjustment assistance of Title III of the Trade Expansion Act of 1962. The tariff change contemplated in the automotive agreement, is, however, a special case. Tariffs will be cut to zero, *all at one time*. Furthermore, dislocation, if it should occur, may well be due as much to the decrease in exports of certain products as to an increase in imports. Therefore, this Bill calls for special procedures for obtaining adjustment assistance. These special procedures will be limited in application to this Agreement and to a transition period of three years. If a similar agreement is made with another country, or if we should make agreements affecting replacement parts, appropriate adjustment assistance legislation will be recommended to the Congress.

The Agreement and this Bill are designed to lead to a more efficient organization of the North American automotive industry. It is based on mutual trust and will result in mutual benefit—benefit to producers, to labor, and to consumers on both sides of the border.

Canada has acted. It is our turn. In order that we may act, I ask the Congress to approve promptly this legislation.

Sincerely,

LYNDON B. JOHNSON.

APPENDIX G

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 this 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 Traiff 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 Departments of Commerce, Labor, State, and the Treasury, and from such other sources as he may deem appropriate.

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

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

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

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

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

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

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

EFFECTIVE DATE OF PROCLAMATIONS

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

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

TERMINATION OF PROCLAMATIONS

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

SPECIAL REPORTS TO CONGRESS

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

(b) Whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment

parts produced by such manufacturer in Canada after August 31, 1968, he shall report such finding to the Senate and the House of Representatives. The President shall also report whether such undertaking is additional to undertakings agreed to in letters of undertaking submitted by such manufacturer before the date of the 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 determination 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 Govern-

ment 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 17, 1963, and in volume 77A of the United States Statutes at Large.

DEFINITION OF CANADIAN ARTICLE

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

"(d) Products of Canada.

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

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

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

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

DEFINITION OF ORIGINAL MOTOR-VEHICLE EQUIPMENT

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

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

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

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

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

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

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

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 Canadain article and original motor-vehicle equipment (see headnote 2 of this subpart)	Free		"

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

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

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

(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
613.19	662.51	711.85
618.48	664.11	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	682.91	

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 vehicle 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 15, 1914 (15 U.S.C. 12).

TITLE VI—MISCELLANEOUS PROVISIONS

JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

SEC. 601. Section 601(c) 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:

"(c) 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 H

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

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

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

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

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

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

LYNDON B. JOHNSON

By the President:
DEAN RUSK,
Secretary of State.

[F.R. Doc. 65-11584; Filed, Oct. 25, 1965; 4:21 p.m.]

APPENDIX I

PRESIDENTIAL DOCUMENTS

[From the Federal Register, vol. 30, No. 207, Oct. 26, 1965]

TITLE 3—THE PRESIDENT

Executive Order 11254

ESTABLISHING THE AUTOMOTIVE AGREEMENT ADJUSTMENT ASSISTANCE BOARD

By virtue of the authority vested in me by the Automotive Products Trade Act of 1965 (approved October 21, 1965; hereinafter referred to as the Act), particularly by Section 302(k) thereof, and as President of the United States, it is ordered as follows:

SECTION 1. There is hereby established the Automotive Agreement Adjustment Assistance Board (hereinafter referred to as the "Board"), which shall consist of the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Labor. The Board shall elect a Chairman from among its members.

SEC. 2. There are hereby delegated to the Board the functions conferred upon the President by Section 302 of the Act.

SEC. 3. (a) The Board shall request information and advice from other Government agencies and from public sources as it may deem appropriate. The Board shall make each final determination, under Section 302 (b), (c), or (d) of the Act, with respect to a firm or group of workers only after compliance with Section 302(f)(1) of the Act.

(b) Upon request of the Board, the heads of Federal agencies shall so far as practicable provide the Board with information and reports relating to matters within the cognisance of the Board.

(c) Each Department represented on the Board shall furnish necessary assistance to the Board in accordance with Section 214 of the Act of May 3, 1945 (31 U.S.C. 691).

SEC. 4. (a) The Board may have an Executive Secretary.

(b) The Board, may from time to time establish appropriate subsidiary bodies to assist it in carrying out the functions conferred upon it by Section 2, above. The Board is authorized to re-delegate such functions as it considers appropriate, other than the making of final determinations, certifications, and terminations of certifications under Sections 302 (b), (c), (d), and (g)(2) of the Act.

LYNDON B. JOHNSON

THE WHITE HOUSE, *October 21, 1965.*

[F.R. Doc. 65-11510; Filed, Oct. 22, 1965; 2:40 p.m.]

APPENDIX J

AUTOMOTIVE AGREEMENT ADJUSTMENT ASSISTANCE BOARD

(Board Order 1)*

Automotive Assistance Committee

ESTABLISHMENT AND DELEGATION OF FUNCTIONS

1. Pursuant to Executive Order 11254, dated October 21, 1965, and Section 501.3 of the Automotive Agreement Adjustment Assistance Board regulations (48 CFR 501.3) and consistent with the provisions thereof, there is hereby established the Automotive Assistance Committee of the Automotive Agreement Adjustment Assistance Board, composed of the following members, or their alternates:

A. An Assistant Secretary of the Treasury,

B. The Assistant Secretary of Commerce for Domestic Business Policy, and

C. The Assistant Secretary of Labor for International Affairs.

2. The Assistant Secretary of Labor shall be Chairman of the Committee. His term of office shall coincide with that of the Secretary of Labor as Chairman of the Board.

3. There is hereby delegated to the Committee all functions of the Board, except the making of final determinations, certifications, and terminations of certifications and the authority contained in Section 501.3(a) of the regulations (48 CFR 501.3(a)). The Committee shall advise the Board, as requested, with respect to such final determinations, certifications, and terminations of certifications.

4. The Committee shall be aided in carrying out its functions by the Executive Secretary, selected by the Board, and by such staff assistance as may be provided by each Department concerned.

Dated: January 19, 1966

(s) W. Willard Wirtz
Chairman, Automotive Agreement Adjustment Assistance Board.

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*Federal Register, Vol. 31, No. 14, January 21, 1966.

APPENDIX K

[From the Federal Register, vol. 31, No. 14, Jan. 21, 1966 (pp. 826-827)]

TITLE 48—TRADE AGREEMENTS AND ADJUSTMENT ASSISTANCE PROGRAMS

Chapter IV—Department of Labor

PART 412—ADJUSTMENT ASSISTANCE FOR WORKERS AFTER CERTIFICATION UNDER AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

Pursuant to authority contained in section 501 of the Automotive Products Trade Act of 1965, Public Law 89-283, I hereby establish Part 412 of Title 48 of the Code of Federal Regulations to prescribe procedures for State employment security agencies in administering the program of adjustment assistance for workers established by this Act.

The provisions of section 4 of the Administrative Procedure Act (5 U.S.C. section 1003) which require notice of proposed rule making, public participation in their adoption, and delay in effective date are not applicable because these rules relate to public benefits. I do not believe such procedures will serve a useful purpose here. Accordingly these regulations shall become effective immediately.

1. The new 48 CFR Part 412 shall read as follows:

Sec.

Authority: The provisions of this Part 412 issued under Public Law 89-283.

412.1 *Effective Date of Program.*

(a) Trade Readjustment Allowances. Trade readjustment allowances shall be payable to qualified dislocated workers for weeks of unemployment beginning after January 18, 1966, and shall be payable retroactively as provided in section 412.5 for weeks of unemployment beginning after January 17, 1965, and before January 19, 1966.

(b) Relocation Allowances. Relocation allowances shall be payable to qualified dislocated workers for relocations occurring after January 18, 1966, and shall be payable retroactively as provided in section 412.6 for relocations occurring after January 17, 1965, and before January 19, 1966.

(c) Supplemental Payments. Supplemental assistance-subsistence payments and supplemental assistance-transportation payments shall be payable to qualified dislocated workers for weeks of training beginning after January 18, 1966.

412.2 *Applicability of Part 411 to Dislocated Workers*

Except where inconsistent with this part, the provisions of Part 411 of this chapter shall apply to a dislocated worker as if he were an adversely affected worker as defined in section 411.1(c) of this chapter. Dislocated employment shall be deemed adversely affected employment as defined in section 411.1(b) of this chapter.

412.3 *Definitions*

As used in this part, except where the context clearly indicates otherwise, the term—

(a) "Adjustment assistance" means the worker assistance provided by title III, chapter 3, of the Trade Expansion Act of 1962.

(b) "Automotive Act" means the Automotive Products Trade Act of 1965, Public Law 89-283.

(c) "Board" means the Automotive Agreement Adjustment Assistance Board established by Executive Order 11254 of 1965 to carry out the functions conferred on the President by section 302 of the Automotive Act.

(d) "Certification" means a certification of a final determination by the Board under section 302 of the Automotive Act that a group of workers is eligible to apply for adjustment assistance.

(e) "Dislocated employment" means employment in a firm or appropriate subdivision of a firm if a certification has been made that workers of such firm or subdivision of a firm are eligible to apply for adjustment assistance.

(f) "Dislocated worker" means (1) an individual who has been partially or totally separated from dislocated employment because of lack of work in such employment or (2) an individual who has been totally separated from a firm because of lack of work which results from lack of work in dislocated employment in a subdivision of such firm other than that in which he was last employed.

(g) "Impact date" means the date on which a dislocation began or threatens to begin as specified in a certification with respect to a group of workers pursuant to section 302(g)(1) of the Automotive Act.

412.4 *Qualifications*

To qualify for trade readjustment allowances under the Automotive Act a worker must meet each of the following requirements:

(a) He must make an application for a trade readjustment allowance in accordance with instructions and on form furnished by the Secretary which shall be furnished to the worker by the State agency.

(b) He must be a dislocated worker.

(c) His partial or total separation must have occurred—

(1) After January 17, 1965, and

(2) After the impact date specified in the applicable certification; but

(3) Before the expiration of the 2-year period following the date on which the most recent applicable certification was made, and

(4) Before the termination date, if any specified pursuant to section 302(g) of the Automotive Act.

(d) He must have been employed within the qualifying period specified in section 411.1(w) of this chapter—

(1) In at least 78 weeks at wages of at least $15 in each of such weeks and

(2) In at least 26 weeks out of the last 52 calendar weeks in such period at wages of at least $15 in each of such weeks in a firm or firms with respect to which a certification of dislocation has been made under section 302 of the Automotive Act. For the purpose of meeting this requirement weeks in adversely affected employment may be combined with weeks in dislocated employment.

Evidence that a worker has met the requirements of this section shall be obtained in accordance with section 411.4 of this chapter.

412.5 *Retroactive Payment of Trade Readjustment Allowances*

(a) Trade readjustment allowances are payable retroactively for weeks of unemployment beginning after January 17, 1965, and before January 19, 1966, to qualified dislocated workers as herein-below provided.

(1) The State agency shall pay such retroactive allowances for weeks with respect to which the dislocated worker received unemployment insurance or for weeks with respect to which he was denied unemployment insurance for the reason only that he was taking training approved by the State agency.

(2) The State agency shall pay such retroactive allowances for weeks other than those covered by subparagraph (1) of this paragraph if the dislocated worker submits a written statement certified to be true to the best of his knowledge and belief, and the State agency determines on the basis of the information contained in such statement, State agency records, or other reasonably available information that he is entitled to such allowances. In this connection, the statement shall include information with respect to each such weeks as to (i) his unemployment, and if he worked, for whom, how much he was paid, and the reason for the termination of his employment; and (ii) his ability to work, availability for work, and what steps he took to obtain work. The statement shall include also any other information requested by the State agency necessary to determine whether the dislocated worker is otherwise entitled to such allowances. If the State agency finds that he took such steps to obtain work as a reasonable man would take in his circumstances, he shall be deemed to have been available for work.

(3) The State agency shall not apply State law provisions regarding claimant reporting, registration for work, or search for work for any week to which subparagraphs (1) and (2) of this paragraph are applicable.

(b) This section shall not be deemed to preclude payment to a dislocated worker to trade readjustment allowances on a retroactive basis for weeks of unemployment beginning after January 19, 1966, in cases where an adversely affected worker would be entitled to such payment.

412.6 *Relocation Allowances*

(a) Relocation allowances may be granted to qualified dislocated workers subject to the terms and conditions set forth in section 411.18–411.25 of this chapter, except that with respect to relocations occurring after January 17,1965, and before January 19, 1966, sections 411.18 (d), (e), and (g), 411.19, 411.20, and 411.24 shall not apply.

(b) A relocation allowance shall be granted retroactively to a dislocated worker for a relocation occurring after January 17, 1965, and before January 19, 1966, if—

(1) He had at the time of relocation no reasonable prospect of obtaining suitable employment in the commuting area of his former place of residence. In determining whether a worker has met this requirement the opinion of the director of the employment service of the State in which the commuting area of the worker's former place of residence is located shall be taken into account.

(2) He relocated because he obtained suitable employment affording a reasonable expectation of long-term duration in the area in which he relocated, or relocated in reliance upon an adequately-substantiated bona fide offer of such employment and failed to obtain such employment by reason of circumstances outside of his control.

(3) The relocation was completed to the extent provided by section 411.25 (d) of this chapter.

(4) He can present reasonable substantiation of the costs of the relocation.

(c) In determining the amount payable retroactively as a relocation allowance the limitations of sections 411.21, 411.22, and 411.23 of this chapter shall apply.

Singed at Washington, D.C., this 14th day of January 1966.

W. WILLARD WIRTZ,
Secretary of Labor.

[F.R. Doc. 66-695; Filed, Jan. 20, 1966; 8:47 a.m.]

APPENDIX L

[From the Federal Register, vol. 31, No. 14, pp. 827-829, Jan. 21, 1966]

AUTOMOTIVE AGREEMENT ADJUSTMENT ASSISTANCE BOARD

TITLE 48—TRADE AGREEMENTS AND ADJUSTMENT ASSISTANCE PROGRAMS

Chapter V—Automotive Agreement Adjustment Assistance Board

PART 501—ORGANIZATION, FUNCTIONS, AND PROCEDURES

Pursuant to authority contained in the Automotive Products Trade Act of 1965 (Pub. L. 89-283, 79 Stat. 1016) and Executive Order 11254 of October 21, 1965 (30 F.R. 13569), there is hereby established Chapter V and Part 501 of Title 48 of the Code of Federal Regulations to provide for carrying out the responsibilities of the Automotive Agreement Adjustment Assistance Board under this Act and Executive Order.

The provisions of section 4 of the Administrative Procedure Act (5 U.S.C. 1003) which require notice of proposed rulemaking, opportunity for public participation, and delay in effective date are not applicable because the regulations in this Part related to public benefits. Accordingly these regulations shall become effective upon publication in the Federal Register.

Part 501 of Title 48 of the CFR shall read as follows:

Sec.

AUTHORITY: The provisions of Part 501 are issued under sec. 302(k) of the Automotive Products Trade Act of 1965, 79 Stat. 1021, and E.O. 11254, 30 F.R. 13569.

§ 501.1 *Scope and purpose*

The purpose of this Part is to set forth regulations relating to the responsibilities vested in the President by Section 302 of the Automotive Products Trade Act of 1965 (79 Stat. 1018) and delegated to the Automotive Agreement Adjustment Assistance Board by Executive Order 11254, issued October 21, 1965 (30 F.R. 13569). Section 302 of the Automotive Act provides special transitional authority for determining eligibility of firms or groups of workers to apply for adjustment assistance in connection with 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. Such adjustment assistance is substantively the same as that for which provision is made in Chapters 2 and 3 of Title III of the Trade Expansion Act of 1962 (76 Stat. 883). Petitions for determinations under this special authority may be filed from January 20, 1966, through June 30, 1968.

§ 501.2 *Definitions*

As used in this Part and in the forms issued pursuant hereto, except where the context clearly indicates otherwise, the term:

(a) "Automotive Act" means the Automotive Products Trade Act of 1965 (Pub. L. 89-283, 79 Stat. 1016).

(b) "Operation of the Agreement" includes governmental or private actions in the United States or Canada, directly related to the conclusion or implementa-

tion 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.

(c) "Board" means the Automotive Agreement Adjustment Assistance Board consisting of the Secretaries of the Treasury, Commerce, and Labor as established by E.O. 11254.

(d) "Automotive Product" means a motor vehicle or a fabricated component to be used as original equipment in the manufacture of motor vehicles, as provided in the Automotive Act.

(e) "Like product or directly competitive product."

(1) A "like product" means a product which is the same as the automotive product in question.

(2) A "directly competitive product" is a different product which in most cases would perform the same function as the automotive product in question.

(f) "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.

(g) "Establishment" means a factory or plant including auxiliary facilities operated in conjunction with (whether or not physically separate from) production facilities.

(h) "Appropriate subdivision" means a single establishment in which the automotive product concerned is produced. Where such a product is produced in a distinct part or section of an establishment, such part or section may be considered an appropriate subdivision of the firm.

(i) "Dislocation" means—

(1) 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

(2) 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. Significant number or proportion of workers means in most cases 5 percent of the workers or 50 workers in a firm (or appropriate subdivision thereof), whichever is less. In the event there are fewer than 50 workers in a firm (or appropriate subdivision) a significant number or proportion may mean as few as, but no fewer than three workers.

(j) "Primary factor" means a factor which is greater in importance than any other single factor present in a given case, but which does not have to be greater than any combination of other factors.

§ 501.3 The Board

(a) The Chairman is elected by the Board from among its members.

(b) The Board may from time to time establish appropriate subsidiary bodies to assist it in carrying out its functions.

(c) The Board may redelegate such of its functions as it considers appropriate, except the making of final determinations, certifications, and terminations of certifications under sections 302(b), (c), (d), and (g)(2) of the Automotive Act.

(d) The Executive Secretary is selected by the Board.

(e) Any rule of practice or procedure of the Board may be waived, altered, suspended, or revoked by the Board if in its judgment there is good and sufficient reason therefor, provided the rule is not required by law.

§ 501.4 Communications to the Board

All communications to the Board should be addressed to: Chairman, Automotive Agreement Adjustment Assistance Board, % Department of Labor, 14th and Constitution Avenue NW., Washington, D.C., 20212.

§ 501.5 Who may file petitions

(a) Petitions for determinations of eligibility to apply for adjustment assistance under this Part may be filed by:

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

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

(b) The signature of any person who signs a petition or other document related thereto constitutes a certification that he has read the document, that to the best of his knowledge and belief the statements contained therein are correct and complete, and that he is authorized by, and on behalf of, the petitioning firm or group of workers to sign it.

§ 501.6 Filing of petitions for determination of eligibility to apply for adjustment assistance

(a) How to file. Petitions under this part shall be filed on Form AAB-1 (Firm) or AAB-2 (Group of workers).[1]

(b) Availability of forms. Petition forms and information relating thereto may be obtained from the Executive Secretary of the Board, the Department of Commerce Field Offices, and local offices of the State employment security agencies affiliated with the U.S. Department of Labor.

(c) Where to file. Petitions and documents relating thereto shall be filed with the Board at Washington, D.C. (see § 501.4).

(d) When to file. Petitions may be filed from January 20, 1966, through June 30, 1968.

(e) Date of filing. A petition will be deemed to be filed on the date on which the Board determines that it conforms with the requirements of this part.

(f) Number of copies. A signed original and three (3) true copies of each petition and related documents shall be filed. The name of the person signing the original shall be typewritten or otherwise reproduced on each copy.

(g) Conformity with requirements. Substantial compliance with the requirements of this section may be accepted by the Board for good and sufficient reason.

§ 501.7 Contents of petition

The petition forms are designed to elicit such information as will assist the Tariff Commission in its investigations and the Board in making the final determinations required under the Automotive Act. The questions contained in the petition relate to (a) whether the product which is the basis for the petition is an automotive product, (b) whether there is dislocation or threat thereof, and (c) the role of the operation of the Agreement in causing such dislocation or threat thereof.

§ 501.8 Action on petitions

(a) Transmittal to Tariff Commission. The Board shall promptly transmit a copy of each properly filed petition to the Tariff Commission. Either concurrently with such transmittal and in no event later than five (5) days after the filing of such a petition, the Board shall request the Tariff Commission to conduct an investigation in order to provide the Board with a factual record, including particular kinds of data as the Board may specify, on the basis of which the Board may make final determinations under sections 302 (b), (c), and (d) of the Automotive Act.

(b) When final determinations are made.

(1) The Board shall make each such final determination not later than fifteen (15) days after the date on which it receives the Tariff Commission's report[2] unless within such period the Board requests the Tariff Commission to furnish a supplemental report covering such additional factual information as the Board may specify.

(2) If the Board requests a supplemental report, it shall make its final determination not later than ten (10) days after receipt thereof from the Tariff Commission.[3]

(c) Advice from other agencies. The Board shall make each such final determination only after it has sought advice from the Departments of Commerce, Labor, and the Treasury, the Small Business Administration, and such other agencies as it may deem appropriate.

§ 501.9 Basis for certification.

(a) The Board shall promptly certify, except as provided in (c) of this Section, that a petitioning firm or group of workers is eligible to apply for adjustment assistance if it determines that

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[1] The board will file sample copies of these forms with the Office of the Federal Register.

[2] Section 302(c)(3) of the Automotive Act provides: "Not later than 60 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."

[3] Section 302(f)(2) of the Automotive Act provides: "* * * 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 * * *."

(1) Dislocation of such 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 like or directly competitive product, has decreased appreciably; and

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

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

(b) The Board shall promptly certify that a petitioning firm or group of workers is eligible to apply for adjustment assistance if it determines that

(1) Dislocation of such firm or group of workers has occurred or threatens to occur; and that

(2) The operation of the Agreement has been the primary factor in causing or threatening to cause such dislocation.

(c) In no case shall the Board certify that a petitioning firm or group of workers is eligible to apply for adjustment assistance if it determines that the operation of the Agreement has not been the primary factor in causing or threatening to cause dislocation to such firm or group of workers.

§ 501.10 Release of reports

Tariff Commission reports concerning investigations made under section 302 (e) or 302(f) of the Automotive Act (except for confidential data) will be made public by the Commission at the time they are transmitted to the Board.

§ 501.11 Written and oral submissions

Interested persons may make written submissions to the Board concerning a report of the Tariff Commission no later than eight (8) days after the report has been made public. At its discretion the Board may afford interested persons an opportunity to present their views orally if so requested within five (5) days after after the Tariff Commission report has been made public.

§ 501.12 Material available to the public

Petitions and related documents filed with the Board and materials issued for general distribution by the Board may be inspected by persons concerned on request to the Executive Secretary, except as set forth in §§ 501.13 and 501.14.

§ 501.13 Material not available to the public

(a) Documents and other information transmitted in confidence by any Federal or State agency, the release of which has not been authorized by such agency, shall not be available to the public.

(b) Confidential business data qualifying under the provisions of §501.14 shall not be available to the public.

§ 501.14 Confidential business data

(a) Confidential business data consist of any information which concerns or relates to the trade secrets, processes, operations, style of work, or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm partnership, corporation, or association, the disclosure of which is not authorized by law or by the party furnishing such information.

(b) Business data which it is desired shall be treated as confidential shall be clearly marked "Business Confidential."

(c) The Board may refuse to accept in confidence any information which it determines is not entitled to confidential treatment. In the event of such refusal, the person submitting such information shall be notified thereof with a statement of the reasons and shall be permitted to withdraw such information.

§ 501.15 Termination of certification

(a) A certification of eligibility with respect to a group of workers shall be terminated whenever the Board determines that the operation of the Agreement is no longer the primary factor in causing separations from the firm or appropriate subdivision thereof. Whenever the Board has reason to believe that such

certification should be terminated, it shall promptly make an investigation and promptly inform the group of workers and firm concerned of that fact.

(b) Within ten (10) days of being so informed interested persons may make written submissions to show why termination of certification should not be effected. At its discretion the Board may afford interested persons an opportunity to present their views orally if so requested within the ten-day period.

§ *501.16 Notices*

(a) The Board shall cause to be published in the Federal Register.

(1) a notice of the establishment of subsidiary bodies and delegations of functions (where appropriate for the guidance of prospective petitioners and other interested persons);

(2) a summary of each final determination made by the Board with respect to a certification of eligibility or termination of such certification;

(3) a notice of each certification of eligibility issued by the Board;

(4) a notice that an investigation has been initiated by the Board with respect to termination of a certification of eligibility;

(5) a notice of each termination by the Board of a certification of eligibility;

(b) Following a certification, a refusal to certify, or a termination of a certification, the Board shall promptly transmit notice to such effect, with the basis for the action, to the petitioner concerned.

Signed at Washington, D.C., this 19th day of January 1966.

W. WILLARD WIRTZ,
Chairman, Automotive Agreement Adjustment Assistance Board.

[F.R. Doc. 66-781; Filed, Jan. 20, 1966; 8:50 a.m.]

APPENDIX M

[From the Federal Register, vol. 30, No. 238, Dec. 10, 1965]

RULES AND REGULATIONS

TITLE 19—CUSTOMS DUTIES

Chapter III—Business and Defense Services Administration, Department of Commerce

PART 301—DETERMINATION OF BONA FIDE MOTOR-VEHICLE MANUFACTURER

Pursuant to authority contained in the Automotive Products Trade Act of 1965 (Public Law 89-283, 79 Stat. 1016), and Subpart B, Part 6, schedule 6 of the Tariff Schedules of the United States as proclaimed by Proclamation No. 3682 of October 21, 1965 (30 F.R. 13683), and Commerce Department Order No. 152, as amended, of Dec. 3, 1965, there is hereby established Chapter III, Part 301 of Title 19 of the Code of Federal Regulations to provide for carrying out the functions and responsibilities of the Administrator, Business and Defense Services Administration, relating to the development, maintenance and publication of a list of "bona fide motor-vehicle manufacturers." The regulations established hereby are necessary to the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, signed by the President on January 16, 1965, and involve foreign affairs functions of the United States. Therefore, these regulations fall within the foreign affairs exception to the provisions of section 4 of the Administrative Procedure Act requiring notice of proposed rule making, opportunity for public participation, and delay in effective dates. Accordingly, these regulations shall become effective upon publication in the FEDERAL REGISTER. A new Chapter III, "Business and Defense Services Administration, Department of Commerce," is added to Title 19 of the Code of Federal Regulations.

Part 301 is added to Chapter III, Title 19 of the Code of Federal Regulations to read as set forth above:

AUTHORITY: The provisions of this Part 301 issued under Commerce Department Order No. 152, as amended, and 79 Stat. 1016.

§ 301.1 Scope and purpose

The purpose of this part is to set forth regulations implementing headnote 2 to Subpart B, Part 6, schedule 6 of the Tariff Schedules of the United States as proclaimed by Proclamation No. 3682 of October 21, 1965 (30 F.R. 13683), issued pursuant to Titles II and IV of the Automotive Products Trade Act of 1965, by establishing a procedure under which a person may apply to be determined a "bona fide motor-vehicle manufacturer." Under headnote 2 to Subpart B, Part 6, schedule 6 of the Tariff Schedules of the United States as proclaimed by Proclamation No. 3682, whenever the Secretary of Commerce has determined a person to be a bona fide motor-vehicle manufacturer, such person is eligible to obtain duty-free importation of certain Canadian articles and to issue certain orders, contracts, or letters of intent under or pursuant to which other persons, not themselves bona fide motor-vehicle manufacturers, may obtain duty-free treatment for such Canadian Articles. The responsibilities of the Secretary of Commerce relating to the development, maintenance and publication of a list of "bona fide motor-vehicle manufacturers" and the authority to promulgate rules and regulations pertaining thereto, were delegated to the Administrator, Business and Defense Services Administration, Department of Commerce, by Department Order No. 152, as amended, December 3, 1965.

§ 301.2 Definitions

For the purposes of the regulations in this part and the forms issued to implement it:

(a) The term "Act" shall mean the Automotive Products Trade Act of 1965 (Public Law 89-283, 79 Stat. 1016).

(b) The term "Administrator" means the Administrator of the Business and Defense Services Administration, Department of Commerce.

(c) The term "motor vehicle" means a motor vehicle of a kind described in item 692.05 or 692.10 of Subpart B, Part 6, schedule 6, of the Tariff Schedules of the United States (excluding an electric trolley bus and a three-wheeled vehicle) or an automobile truck tractor.

(d) The term "bona fide motor-vehicle manufacturer" means a person who, upon application to the Administrator under this part, is determined by the Administrator to have produced no fewer than 15 complete motor vehicles in the United States during the 12-month period preceding the date certified in the application, and to have had as of such date installed capacity in the United States to produce 10 or more complete motor vehicles per 40-hour week. A person shall only be regarded as having had the capacity to produce a complete motor vehicle if his operations included the assembly of two or more major components (e.g., the attachment of a body to a chassis) to create a new motor vehicle ready for use.

(e) The term "person" includes any individual, corporation, partnership association, company, or any other kind of organization.

(f) The term "United States" includes only the States, the District of Columbia, and Puerto Rico.

§ 301.3 Application.

(a) Any person in the United States desiring to be determined a bona fide motor-vehicle manufacturer shall apply to the Administrator by filing two copies of Form BDSAF 725 in accordance with the instructions set forth on the form and in this part. Application forms may be obtained from the Administrator, any field office of the U.S. Department of Commerce, or from U.S. Collectors of Customs, and should be mailed or delivered to the Office of the Administrator, Business and Defense Services Administration, U.S. Department of Commerce, Washington, D.C. 20230.

§ 301.4 Determination by the Administrator

(a) As soon as practicable after receipt of the application, the Administrator shall determine whether an applicant has produced no fewer than 15 complete motor vehicles in the United States during the 12-month period preceding the date after January 17, 1965, certified in the application and as of such date, had installed capacity in the United States to produce 10 or more complete motor vehicles per 40-hour week. The Administrator may request such additional data from an applicant as he may deem appropriate to establish whether the applicant has satisfied the requirements of this part.

(b) A determination by the Administrator under this part shall be effective for a 12-month period to begin on the date as of which the Administrator determines that the applicant qualified under this part. Within 60 days prior to the termination of such period, a bona fide motor-vehicle manufacturer may apply for another determination under this part.

(c) The Administrator will promptly notify each applicant in writing of the final action taken on his application.

§ 301.5 Maintenance and publication of a list of bona fide motor-vehicle manufacturers

(a) The Administrator 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, and the effective dates for each determination.

This regulation shall become effective upon publication in the Federal Register.

Dated December 7, 1965.

A. A. BERTSCH,
Acting Administrator, Business and Defense Services Adminstration.

[F.R. Doc. 65-13233; Filed, Dec. 9, 1965; 8:49 a.m.]

Appendix N

List of "Bona Fide Motor Vehicle Manufacturers" Certified by the Administrator, Business and Defense Services Administration, as of December 31, 1966

Manufacturers of Motor Vehicles, Including Motor Vehicle Chassis

American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48323.
Avanti Motor Corp., 613 South Michigan Street, South Bend, Ind. 46601.
Checker Motors Corp., 2016 North Pitcher Street, Kalamazoo, Mich. 49007.
Chrysler Corp., 341 Massasschusetts Avenue, Highland Park, Mich. 48231.
Divco-Wayne Corp., 680 Fifth Avenue, New York, N.Y. 10019.
FWD Corp., 105 East 12th Street, Clintonville, Wis. 54929.
The Flexible Co., 326–332 North Water Street, Loudonville, Ohio 44842.
Ford Motor Co., The American Road, Dearborn, Mich. 48120.
Freightliner Corp., 5400 North Basin Avenue, Portland, Oreg. 97217.
General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
Hendrickson Manufacturing Co., 8001 West 47th Street, Lyons, Ill. 60534.
International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
Kaiser Jeep Corp., 940 North Cove Boulevard, Toledo, Ohio 43601.
Kenworth Motor Truck Co., 8801 East Marginal Way, Seattle, Wash. 98108.
Mack Trucks, Inc., Executive Offices, Box M, Allentown, Pa. 18105.
Marmon Motor Co., Post Office Box 5175, Dallas, Tex. 75222.
Midget Motors Corp., Campbell Street Extension, Athens, Ohio 45701.
Moorhead Plastics, Inc., 2300 12th Avenue South, Moorhead, Minn. 56560.
Motor Coach Industries, Inc., Pembina, N. Dak. 58271.
Ottawa Steel Products, 1313 North Hickory Street, Ottawa, Kans. 66067.
Outboard Marine Corp., 100 Pershing Road, Waukegan, Ill. 60086.
Parsons Division, Koehring Co., Newton, Iowa 50208.
Peterbilt Motors Co., 38801 Cherry Street, Newark, Calif. 94560.
Polaris, Industries, Inc., Roseau, Minn. 56751.
S. S. Automobiles, Inc., 161 West Wisconsin Avenue, Milwaukee, Wis. 53203.
Shelby American, Inc., 6501 West Imperial Highway, Los Angeles, Calif. 90045.
Thiokol Chemical Corp., Post Office Box 407, Logan, Utah 84321.
Walter Motor Truck Co., School Road, Voorheesville, N.Y. 12186.
Ward LaFrance Truck Corp., Grand Central Avenue, Elmira Heights, N.Y. 14902.
White Motor Corp., Post Office Box 6979, Cleveland, Ohio 44114.

Manufacturers of Motor Vehicle Bodies, Assembly and Installation of Bodies, Fifth Wheels, and Other Motor Vehicle Equipment on New Chassis

Alloy Trailers, Inc., South 3025 Geiger Boulevard, Spokane, Wash. 99204.
American Body & Trailer, Inc., 1500 Exchange Avenue, Oklahoma City, Okla. 73101.
Adam Black & Sons, 276–300 Tonnele Avenue, Jersey City, N.J. 07306.
Blue Bird Body Co., Fort Valley, Ga. 31030.
Bristol-Donald Co., Inc., Bristol-Donald Manufacturing Corp., 50 Roanoke Ave., Newark, N.J. 07105.
Brown Trailer Division, Clark Equipment Co., Michigan City, Ind. 46360.
C. & C. Trailer & Body Co., 300 San Leandro Boulevard, San Leandro, Calif. 94577.
Columbia Body & Equipment Co., 123 NE. Oregon Street, Portland, Oreg. 97232.
Comet Corp., Spokane Industrial Park, Spokane, Wash. 99216.
Commercial Body Sales & Manufacturing Co., Inc., 2680 South Orange, Fresno, Calif. 93766.
Decker Tank Co., 300 Lincoln Avenue, Hawthorne, N.J. 07506.
Emmert Trailer, 614–618 Mishawaka Street, Elkhart, Ind. 46514.
John Evans Manufacturing Co., Sumter, S.C. 29150.
Fruehauf Corp., 10900 Harper Avenue, Detroit, Mich. 48232.
Garsite Products, Inc., 10 East Grand Boulevard, Deer Park, N.Y. 11729.
Hardee Manufacturing Co., Plant City, Fla. 33566.

The Heil Co., 3000 West Montana Street, Milwaukee, Wis. 53101.
The Hess & Eisenhardt Co., Blue Ash Road, Rossmoyne, Cincinnati, Ohio 45242.
Hews Body Co., 82 St. John Street, Portland, Maine 04102.
Hobbs Equipment Co., Inc., Keeler Avenue, Norwalk, Conn. 06856.
Leland Equipment Co., 408 North Maine Street, Tulsa, Okla. 74101.
Jay Madsen Equipment Co., Inc., 120 Wilson Avenue, Bath, N.Y. 141810.
Manning Equipment Co., 3709 Bishop Lane, Louisville, Ky. 40218.
Marion Metal Products, 959 Cheney Avenue, Box 406, Marion, Ohio 43302.
Massart Supply, Inc., 211 West Third Street, Lafayette, La. 70501.
Montone Manufacturing Co., Post Office Box P, Hazleton, Pa. 18201.
Ohio Body Manufacturing Co., New London, Ohio 44851.
Omaha Standard, 2411 West Broadway, Council Bluffs, Iowa 51504.
Peerless Trailer & Truck Service, Inc., 549 NE. Third Avenue, Portland, Oreg. 97232.
Reliance Trailer & Truck Co., Inc., 2765 16th Street, San Francisco, Calif. 94103.
Superior Coach Corp., 1200 East Kibby Street, Lima, Ohio 45802.

Manufacturers in the Assembly and Installation of Motor Vehicle Equipment on New Chassis, Including Fifth Wheels on New Truck-Tractors

American Equipment & Trailer, Inc., 740 North Grand, Amarillo, Tex. 79105.
American Trailer Service, Inc., 2814 North Cleveland Avenue, St. Paul, Minn 55113.
Antietam Equipment Co., Post Office Box 91, Hagerstown, Md. 21740.
Automotive Service Co., 111–113 North Waterloo, Jackson, Mich. 49204.
Automotive Safety, Inc., 252 Central Avenue, Newark, N.J. 07103.
Ballard Brake & Equipment Co., Inc., 1316 West Eighth Street, Marion, Ind. 46952.
Bankhead Welding Service, Inc., 1345 Bankhead Avenue NW., Atlanta, Ga. 30331.
Big "T" Truck Parts, Route 22, Post Office Box 144, Phillipsburg, N.J. 08865.
Brake & Equipment Co., Inc., 1801 North Mayfair Road, Milwaukee, Wis. 53226.
Brake Service, Inc., 170 Washington Street, Bangor, Maine 04401.
Burch Body Works, Rockford, Mich. 49341.
Capitol Trailer & Body Co., 2420 East Broadway, North Little Rock, Ark. 72117.
The Carnegie Body Co., 9500 Brookpart Road, Cleveland, Ohio 44129.
B. M. Clark Co., Route 17, Union, Maine 04862.
Clement-Braswell Division, Gar Wood Industries, Inc., Sibley Road, Minden, La. 71055.
Cloverleaf Equipment & Sales Inc., 7801 Old Granger Road, Cleveland, Ohio 44125.
Commercial Truck & Trailer, Inc., 313 North State Street, Girard, Ohio 44420.
Connell Motor Truck Co. of Fresno, 2832 Church Avenue, Fresno, Calif. 93766.
Critzer Equipment Co., East 3804 Front Avenue, Spokane, Wash. 99210.
Cross Truck Equipment Co., Inc., 5130 18th Street SW., Canton, Ohio 44706.
Dealers Truck Equipment Co., Inc., 2491 Texas Avenue, Shreveport, La. 71102.
Dealers Truckstell Sales, Inc., 653 Beale Street, Memphis, Tenn. 49423.
Roy F. Drake Body & Equipment Co., 1501 North Minnesota Avenue, Sioux Falls, S. Dak. 57101.
Drake-Scruggs Equipment, Inc., 600 South 31st Street, Springfield, Ill. 62703.
Eastern Tank Corp., 290 Pennsylvania Avenue, Paterson, N.J. 07503.
Eggiman Motor & Equipment Sales, Inc., 2959 West Beltline Highway, Madison, Wis. 53713.
Elder-Oilfield, Inc., 5875 North Loop, Box 2061, Houston, Tex. 77001.
Eight Point Trailer Corp., 6100 East Washington Boulevard, Los Angeles, Calif. 90022.
Elliott Machine Works, Rensch Avenue, Galion, Ohio 44833.
Fleet Equipment Co., 10605 Harry Hines, Dallas, Tex. 75220.
Fleet Supply Ltd., 183 Waughtown, Winston Salem, N.C. 21707.
Garnon Brothers Truck Equipment Co., 1617 Peninsula Drive, Erie, Pa. 16505.
Gar-Wood—Albany Truck Equipment, Inc., Railroad and Maplewood, Albany, N.Y. 12205.
Gar-Wood—Detroit Equipment, Inc., 21083 Mound Road, Warren, Mich. 48091.
Geoda Mfg. Co., 428 West Market Street, Salinas, Calif. 93901.
General Trailer Co., Inc., 1492 South B Street, Springfield, Oreg. 97477.
General Trailer Co., Inc., 546 West Wilkins Street, Indianapolis, Ind. 46225.
Gibbes Machinery Co., Columbia, S.C., 29202.

Gooch Brake & Equipment Co., 512 Grand Avenue, Kansas City, Mo. 64106.
Grand Rapids Brake Service, Inc., 1935 Century Avenue SW., Grand Rapids, Mich. 49509.
Ole Granning Trailer, Inc., 3040 Wyoming, Dearborn, Mich. 48120.
F. B. Hart Co., 1441 Richards Boulevard, Sacramento, Calif. 95807.
Hawkeye Truck Equipment Co., 1401 East 14th Street, Des Moines, Iowa 50313.
Heislers, Inc., Willard Airport, Willard, Ohio 44905.
Hudsonville Truck & Trailer Service Co., 5210 36th Avenue, Hudsonville, Mich. 49426.
O. G. Hughes & Sons, Inc., 312 South Central, Knoxville, Tenn. 37902.
Humes Truck & Trailer Manufacturing Co., 907 Franklin Avenue, Steubenville, Ohio 43952.
Illinois Auto Electric Co., 2001-37 Indiana Avenue, Chicago, Ill. 60616.
J. C. Truck Equipment, Inc., Denton Avenue and Jericho Turnpike, Garden City Park, N.Y. 11530.
Jalco Truck Products Co., Inc., 534 Meridan Road, Youngstown, Ohio 44501.
Kay Wheel Sales Co., Tacony and Van Kirk Streets, Philadelphia, Pa. 19135.
Kencar Equipment Co., 1906 Lakeview Avenue, Dayton, Ohio 45408.
Knapheide Equipment Co., Post Office Box 553, Quincy, Ill. 62301.
Ledwell & Son, Inc., Post Office Box 1106, Texarkana, Tex. 75501.
Ledwell & Son Sales, Inc., Robison Road at Waco Street, Texarkana, Tex. 75501.
Merit Tank & Body, Inc., 707 Gilman Street, Berkeley, Calif. 94706.
Middlekauff, Inc., 1615 Ketcham Avenue, Toledo, Ohio 43608.
Mid West Truck Equipment Sales Corp., 640 East Pershing Road, Decatur, Ill. 62526.
Dan Mitchell & Sons, Inc., 34 127th Street, Corona, Long Island, N.Y. 11368.
Moline Body Co., 222 52d Street, Moline, Ill. 61265.
Monon Trailer, Inc., Monon, Ind. 47959.
Motor Truck Equipment Corp., Post Office Box 10005, Dallas, Tex. 75207.
Mutual Truck Parts Co., Inc., 2000 South Wabash Avenue, Chicago, Ill. 60616.
Neil's Automotive Service, Inc., 167 East Kalamazoo Avenue, Kalamazoo, Mich. 49006.
Nelson Manufacturing Co., Ottawa, Ohio 45875.
The Ness Co., Inc., 365 West Cottage Place, York, Pa. 17405.
Northwest Truckstell Sales, Inc., 835 Southeast Hawthorn Boulevard, Portland, Oreg. 97214.
Nye Implement Co., Inc., 250 East 4th Street, Post Office Box 311, Fostoria, Ohio 44830.
Ohio Truck Equipment, Inc., 3470 Spring Grove Avenue, Cincinnati, Ohio 45223.
Chas. Olson & Sons, Inc., Pillsbury at Lake Street, Minneapolis, Minn. 55406.
Olson Trailer & Body Builders Co., 2740 South Ashland, Green Bay, Wis. 54306.
Page & Page Co., Post Office Box 491, Portland, Oreg. 97207.
Palmer Spring Co., 355 Forest Avenue, Portland, Maine 04101.
Palmer Trailer Sales Co., Inc., 162 Park Street, Palmer, Mass. 01069.
Perfection Equipment Co., 7 South Pennsylvania, Oklahoma City, Okla. 73107.
Perfection Spring & Equipment Co., 1172 Commonwealth Avenue, Boston, Mass. 02134.
Perfection Truck Equipment Co., 2550 McGee Trafficway, Kansas City, Mo. 64108.
Pezzani & Reid Equipment Co., Inc., 3960 West Fort Street, Detroit, Mich. 48216.
Power Brake Co., Inc., 1506 West Morehead Street, Charlotte, N.C. 28208.
Power Brake Service & Equipment Co., Inc., 1307-17 Carnegie Avenue, Cleveland, Ohio 44115.
Dean Powers Co., Highway 30 South, Route 2, Cedar Rapids, Iowa 52404.
Reliable Spring Co., Inc., 10557 South Michigan Avenue, Chicago, Ill. 60628.
Rowland Truck Equipment, Inc., 2265 Beaver Street, Jacksonville, Fla. 32203.
Safety Sales & Service Corp., 50-96 South Cameron Street, Harrisburg, Pa. 17105.
Schaefer Body, Inc., 5006 Superior Avenue, Cleveland, Ohio 44103.
Schlen Body & Equipment Co., North on University, Carlinville, Ill. 62626.
Scientific Brake & Equipment Co., 314 West Genesee Avenue, Saginaw, Mich. 48601.
Schweigers, Inc., Highway 81 and 212, Watertown, S. Dak. 57201.
Shasta Truck & Equipment, Inc., 3333 South Market, Redding, Calif. 96001.
Smith-Moore Body Co., Inc., Brook Road at Lombardy, Richmond, Va. 23220.
Paul Stutler, Inc., 3397 East Waterloo Road, Akron, Ohio 44312.
Syracuse Auto Parts, Inc., 120 North Geddes Street, Syracuse, N.Y. 13204.
D. H. Thomas & Sons, Inc., 1005 Lee Street, Rockford, Ill. 61103.

Thumb Truck Equipment, Pigeon, Mich. 48755.
Titzer Truck Sales, Inc., 1120 North Fares Avenue, Evansville, Ind. 47711.
Traffic Transport Engineering, Inc., 14301 Prospect, Box 298, Dearborn, Mich. 48121.
Transport Equipment Co., 3400 Sixth Avenue, South, Seattle, Wash. 98134.
Truck Equipment Co., 2923 Tchoupitoulas, New Orleans, La. 70115.
Truck Equipment Co., 1011 Southwest Washington Street, Peoria, Ill. 61602.
Truck Equipment, Inc., 680 Potts Avenue, Green Bay, Wis. 54306.
Truck Equipment Sales, Inc., 301 South Fourth Street, Murray, Ky. 42071.
Truck Parts & Equipment Co., 295 Hegenburger Road, Oakland, Calif. 94621.
Truck Parts & Equipment Co., 2225 Folsom Street, San Francisco, Calif. 94110.
Truck & Trailer Equipment Co., 4214 West Mount Hope Road at M-78, Lansing, Mich. 48904.
Tuff Boy, Inc., Route 2, Box 129A., Manteca, Calif. 95336.
Urbana Truck Body Co., 501 East University Avenue, Urbana, Ill. 61801.
Utility Trailer Sales Co., 1402 North 22d Avenue, Phoenix, Ariz. 85009.
Utility Trailer & Equipment Co., Inc., 4771 Southeast 17th Avenue, Portland, Oreg. 97202.
Valley Truck Parts, 862 North 10th, San Jose, Calif. 95112.
Watson Automotive Equipment Co., 1401 South Eads Street, Arlington, Va. 22202.
Weaver Trailer & Body Co., 1355 West Mound Street, Columbus, Ohio 43223.
Weaver Truck Trailer & Body Corp., 2405-15 North Wooster Avenue, Dover, Ohio 44622.
Weigand GMC Truck Sales, Inc., 1008 North Tuscarawas Avenue, Dover, Ohio 44622.
White Autocar Sales, Inc., 140 Arbor Lane, Green Bay, Wis. 54305.
Williamsen Idaho Equipment, Pole Line Road and Maple, Pocatello, Idaho 83201.

Appendix O

Companies Listed by the Canadian Government as Vehicle Manufacturers Under the Vehicle Tariff Order, 1965

APPENDIX 1 TO MEMORANDUM D49-30

Amalgamated Metal Industries Ltd., Toronto, Ontario: Specified commercial vehicles.
American Motors (Canada) Ltd., Brampton, Ontario: Automobiles.
Atlas Hoist & Body Inc., Montreal, Quebec: Specified commercial vehicles.
B.K. & B. Truck Bodies Ltd., London, Ontario: Specified commercial vehicles.
Canadian Blue Bird Coach Ltd., Brantford, Ontario: Buses.
Canadian Kenworth Ltd., Burnaby, British Columbia: Specified commercial vehicles.
Chrysler Canada Ltd., Windsor, Ontario: Automobiles and specified commercial vehicles.
Cockshutt Farm Equipment of Canada, Ltd., Brantford, Ontario: Specified commercial vehicles.
Crane Carrier Canada Ltd., Toronto, Ontario: Specified commercial vehicles.
Elcombe Engineering Ltd., Windsor, Ontario: Specified commercial vehicles.
Ford Motor Co. of Canada, Ltd., Oakville, Ontario: Automobiles, buses, and specified commercial vehicles.
F.W.D. Corp. (Canada) Ltd., Kitchener, Ontario: Specified commercial vehicles.
General Motors of Canada, Ltd., Oshawa, Ontario: Automobiles, buses, and specified commercial vehicles.
Hayes Manufacturing Co. Ltd., Vancouver, British Columbia: Specified commercial vehicles.
International Harvester Co. of Canada, Ltd., Hamilton, Ontario: Specified commercial vehicles.
Kaiser Jeep of Canada Ltd., Windsor, Ontario: Automobiles and specified commercial vehicles.
Motor Coach Industries Ltd., Winnipeg, Manitoba: Buses.
Olsen W. H., Manufacturing Co., Ltd., Tilbury, Ontario: Specified commercial vehicles.
Prevost Car Inc., Ste. Claire (Dorchester Co.), Quebec: Buses.
Reliance Truck & Equipment Ltd., Vancouver, B.C.: Specified commercial vehicles.
St. Johns Sheet-Metal Ltd., St. Jean, Quebec: Specified commercial vehicles.
Sicard Inc., Montreal, Quebec: Specified commercial vehicles.
Studebaker of Canada, Ltd., Hamilton, Ontario: Automobiles.
Thomas Built Buses of Canada Ltd., Woodstock, Ontario: Buses.
Volvo (Canada) Ltd., Toronto, Ontario: Automobiles.
Walinga Body & Coach Ltd., Fergus, Ontario: Specified commercial vehicles.
Welles Corp., Ltd., Windsor, Ontario: Buses.
Western Flyer Coach (1964) Ltd., Winnipeg, Manitoba: Buses.
Wilson's Truck Body Shop Ltd., Truro, N.S.: Specified commercial vehicles.
Almac Metalcraft Inc., Ville d'Anjou, Quebec: Specified commercial vehicles.
Eastern Steel Products Co., Preston, Ontario: Specified commercial vehicles.

Name and location of persons designated under paragraph 2(3) of the Motor Vehicles Tariff Order 1965:	*Designated by—*
General Motors Diesel Ltd., London, Ontario.	General Motors of Canada, Ltd. Oshawa, Ontario.
General Motors Products of Canada, Ltd., Oshawa, Ontario.	Do.
Freightliner of Canada, Ltd., Burnaby, B.C.	Cockshutt Farm Equipment of Canada, Ltd., Brantford, Ontario.
The White Motor Co. of Canada, Ltd., Toronto, Ontario.	Do.
Northam Equipment Ltd., Montreal, Quebec.	Sicard Inc., Montreal, Quebec.
Sicard Equipment Ltd., New Toronto, Ontario.	Do.

APPENDIX P

[GATT Doc. L/2328]

UNITED STATES IMPORTS OF AUTOMOTIVE PRODUCTS

DECISION OF 20 DECEMBER 1965 [1]

Having been notified that the Governments of the United States of America and Canada concluded on 16 January 1965 an agreement providing for duty-free treatment for trade in automotive products between their two countries;

Having received the request of the Government of the United States for a waiver from their obligations under paragraph 1 of Article I of the General Agreement in accordance with paragraph 5 of Article XXV;

Considering that the automotive industries of the United States and Canada are characterized by an exceptionally high degree of integration, and

Considering that, by reason of the close similarity of market conditions in the two countries and the close relationship which exists and could be further developed in their production facilities of automotive products, there are special factors which offer exceptional opportunities further both to rationalize the production of automotive products in the two countries and integrate production facilities and to increase the efficiency of United States/Canadian automotive production;

Considering moreover that the Government of the United States accepts that the facilities granted in paragrph 1 below should not be used in a way to prejudice the interests of other contracting parties and that it is not its ntention to cause imports into the United States market of automotive products imported from Canada to replace imports of like products from other sources;

Taking note of the declaration of the Government of the United States and Canada that they will continue their efforts to seek reduction or elimination of tariff and non-tariff barriers to the expansion of international trade in automotive products; and

Noting, furthermore, the assurances given by the Government of the United States that it will, upon request, promptly enter into consultations with a contracting party to the GATT considering that the elimination of the United States duties on Canadian automotive products is causing or imminently threatens to cause a significant increase of imports of any such products from Canada at the expense of imports from the requesting contracting party;

THE CONTRACTING PARTIES

Decide, in accordance with paragraph 5 of Article XXV of the General Agreement *and in accordance* with the procedures adopted by them on 1 November 1956 as follows:

1. The Government of the United States, notwithstanding the provisions of paragraph 1 of Article I of the General Agreement, is free to eliminate the customs duties at present imposed on automotive products of Canada without being required to extend the same tariff treatment to like products of any other contracting party.

2. The Government of the United States shall enter into consultations with any contracting party that requests consultation on the grounds (i) that it has a substantial interest in the trade in an automotive product in the United States market, and (ii) that the elimination of customs duties by the United States on imports of that automotive product from Canada has created or imminently threatens to create a significant diversion of imports of that automotive product from the requesting contracting party to imports from Canada.

3. If, in consultations in accordance with paragraph 2 above, it is agreed there is no significant diversion of imminent threat of diversion of trade in the sense of that paragraph, the waiver shall continue to apply.

[1] The Decision was adopted by 41 votes in favour and none against.

4. In the event the parties to consultation in accordance with paragraph 2 above agree there has been a significant diversion or is an imminent threat of diversion of trade, the waiver shall terminate in accordance with paragraph 5, with respect to the automotive product or products in question. If the parties to consultation fail to reach agreement, either may refer the question whether the requesting party has a substantial interest or whether there has been a significant diversion or is an imminent threat of diversion of trade to the CONTRACTING PARTIES. If the CONTRACTING PARTIES decide that the requesting country has a substantial interest and that there has been a significant diversion or is an imminent threat of diversion of trade, the waiver shall terminate in accordance with paragraph 5, with respect to the automotive product or products in question.

5. Unless the requesting party has previously withdrawn its request, any termination of this waiver pursuant to paragraph 4 shall take effect on the ninetieth day after agreement by the parties to consultation, or after a finding by the CONTRACTING PARTIES, with respect to diversion or imminent threat of diversion of trade.

6. In addition to receiving an annual report as referred to in the procedures adopted by the CONTRACTING PARTIES on 1 November 1956, the CONTRACTING PARTIES will, two years from the date when this waiver comes into force and, if necessary, biennially thereafter, review its operation and consider how far in the circumstances then prevailing the United States would continue to need cover to implement the agreement with Canada, having regard to the provisions of paragraph 1 of Article I of the GATT.

7. For the purposes of this Decision, the phrase "automotive product" or "automotive products" shall mean a product or products listed in the Annex hereto, as they are described in the Tariff Schedules of the United States.

(Annex not reprinted.)

APPENDIX Q

[From the Federal Register, vol. 31, No. 178, Sept. 14, 1966]

PRESIDENTIAL DOCUMENTS

TITLE 3—THE PRESIDENT

Proclamation 3743

FURTHER IMPLEMENTING AGREEMENT CONCERNING AUTOMOTIVE PRODUCTS BETWEEN THE UNITED STATES AND CANADA

By the President of the United States of America

A Proclamation

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

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

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

WHEREAS sections 201 and 203 of the Automotive Products Trade Act of 1965 authorize the President to proclaim such modifications of the Tariff Schedules of the United States as will provide for the duty-free treatment of Canadian articles which are original motor-vehicle equipment either if the modifications of such articles are set forth in title IV of that Act or if the President subsequently determines that the importation of the articles is actually or potentially of commercial significance and that such duty-free treatment is required by the agreement, such proclamation to provide for retroactive effect for such duty-free treatment as of the earliest date after January 17, 1965, which the President determines to be practicable;

WHEREAS, by Proclamation No. 3682 of October 21, 1965 (30 F.R. 13683), the President pursuant to sections 201 and 203 proclaimed the modifications of the Tariff Schedules of the United States provided for in title IV of the Automotive Products Trade Act of 1965; and

WHEREAS I determine (a) under subsection (b) of section 201 that the importation of the Canadian articles which are original motor-vehicle equipment and which are dutiable under TSUS items 688.04, 688.06, and 688.15 is actually or potentially of commercial significance and that duty-free treatment of such Canadian articles is required to carry out the agreement of January 16, 1965, and (b) under section 203 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(b) and 203 of the Automotive Products Trade Act of 1965, do proclaim that the Tariff Schedules of the United States are modified by inserting in proper numerical sequence new items 688.05, 688.07, and 688.16, 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. Such modifications shall

enter into force on the day following the date of this proclamation and shall be 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 eighth day of September in the year of our Lord nineteen hundred and sixty-six, and of the Independence of [SEAL] the United States of America the one hundred and ninety-first.

LYNDON B. JOHNSON

By the President:
GEORGE W. BALL,
Acting Secretary of State.

[F.R. Doc. 66-10086; Filed Sept. 12, 1966; 2:13 p.m.]

O