

Trade agreements with Cuba

Canada and Cuba have agreed on loans totalling \$20 million from the Export Development Corporation to support sales of Canadian capital equipment and related services to Cuba.

Present at the signing were Alastair Gillespie (one of his last duties as Industry, Trade and Commerce Minister), and Vice Prime Minister for Foreign Affairs, Dr. Carlos Rafael Rodriguez, who was in Ottawa from September 23 to 26 as head of a trade delegation from Cuba.

Mr. Gillespie, now Energy, Mines and Resources Minister as a result of Cabinet changes, said that another \$3.5-billion worth of business had been slated in future exports.

"These contracts are just one manifestation of our increasing trade with Cuba," Mr. Gillespie said. "We have identified many areas where we can co-operate in Cuban development and, with the forming of the Cuba/Canada economic committee this week, we expect the Canadian firms will become much more active in Cuba."

The loan agreements cover the sale of 20 diesel locomotives by MLW-Worthington Limited, Montreal; 50 side-dump ore railway cars by the Trenton, Nova Scotia works of Hawker Siddeley Canada Limited; 73 electric power transmission equipment servicing vehicles by Wajax International Limited, Toronto; and a plant for pulp molding equipment for the production of egg cartons, which will be handled on a turnkey basis by Roy W. Emmerly Ltd of Toronto.

Air agreement

Also announced was an agreement authorizing Air Canada to operate services from any point in Canada to Havana and/or Varadero and Cubana Airline from Cuba to Montreal and/or Ottawa.

Dr. Rodriguez said that he was delighted with the agreement and was eager for more Canadian tourists to visit Cuba. Some 40,000 Canadians are expected to spend their vacation there this winter — an increase of 10,000 over last year's figure.

Cuba, Canada's largest single market in the Caribbean area, this year has become Canada's third largest market in the entire western hemisphere, after

the United States and Venezuela. In 1974 Canada was Cuba's third most important supplier, with our exports exceeded only by those of the U.S.S.R. and Japan.

Canada's exports to Cuba have expanded rapidly in recent years, increasing from \$59 million in 1972 to \$83 million in 1973, followed by a further increase to \$145 million in 1974.

In the first six months of this year Canada's exports to Cuba increased by 114 per cent, from \$51 to \$109 million. Cuba's exports to Canada have also shown a rapid increase from \$11 million in 1972 to \$76 million in 1974. In the first six months of this year Cuban exports to Canada were up by 41 per cent, an increase from \$24 million in the first six months of last year to \$34 million in the same period this year.

Cultural co-operation with Poland

At the invitation of the Polish Deputy Prime Minister and Minister of Culture and Fine Arts, Jozef Tejchma, Secretary of State James Faulkner visited Poland recently.

In Warsaw, Mr. Faulkner held talks with Mr. Tejchma and with officials in the Ministries of Culture and Foreign Affairs, and later travelled to Krakow and Zakipane to see Polish cultural achievements in various fields.

The Ministers agreed that possibilities existed for co-operation and exchanges in publications, performing groups, the visual arts, feature films, radio and television.

Mr. Faulkner's invitation to Mr. Tejchma to visit Canada was accepted and will take place at a mutually-convenient date.

Canada/U.S. trade balance

For the first quarter of 1975, Statistics Canada reported a trade deficit with the United States of \$323 million, while the U.S. Bureau of the Census reported that Canada had a surplus of \$173 million. The U.S./Canada Trade Statistics Committee has now reconciled the two published figures and has established that Canada was in deficit by \$213 million.

Both the official and the reconciled

statistics indicated a deterioration in Canada's bilateral trade balance with the U.S. between the first quarters of 1974 and 1975. Canadian statistics registered an increase of \$216 million in the Canadian deficit, while the U.S. statistics reflected a decline of \$277 million in the Canadian surplus. But the committee's reconciliation indicated a greater deterioration than either of the two official statistics, a net change of \$436 million from the first quarter of 1974, largely because both Canadian and U.S. official figures overstated the increase in Canadian exports.

The statistics for the first quarter of 1975 follow the pattern found by the committee in previous years, in that both sets of official trade figures overstate their imports and understate their exports by comparison with the reconciled figures. As a result, the two countries' official measures of the trade balance diverge by the sum of these discrepancies.

The committee has published reconciled trade statistics for merchandise trade flow between the two countries annually for the year 1970 through 1974.

In the past, quarterly statistics released by the committee have been in seasonally-adjusted form. The corresponding seasonally-adjusted figures for the first quarter of 1975 are: Canadian exports \$5,286 million; Canadian imports \$5,455 million; Canadian deficit \$169 million.

University bans smoking

The first action of the University of New Brunswick Senate for the 1975-76 academic year was to prohibit smoking in classrooms.

The motion developed from a suggestion by the chairman, President John M. Anderson, that the Senate set an example. Individual professors may except seminars, at their discretion.

Dr. Anderson referred to a number of submissions he had received from students and anti-smoking leagues.

"These were not crank letters," he stated. "I sympathize with the students involved."

The motion passed with only one opposing vote. Senate is responsible for regulations governing conduct on campus.