

Supply—Trade and Commerce

Mr. Howe: I cannot hear you, for one thing.

Mr. Charlton: On page 270 there is a reduction of \$45,000 under advertising in Canada and abroad, as compared with last year. I asked the minister the reason for that reduction, and whether it was accounted for by the \$40,000 under administration.

Mr. Howe: No, the two items are not related. The \$40,000 item covers such things as the cost of the trip to the United Kingdom by the deputy minister, trade commissions abroad, tariff expeditions abroad and so on. The other is for advertising in publications and newspapers. There is a reduction in the latter item which, as I have said, is made possible by the advertising incidental to the trade fair, which was paid for by the trade fair and which we think warrants a cut in the usual advertising appropriation.

Mr. Charlton: Then there is a reduction of \$20,000 in connection with films. Is that because the minister feels films are not doing the job, or perhaps because more films were made last year? What films were made last year for the \$30,000, and what are proposed this year for the \$10,000?

Mr. Howe: This is not to pay for the making of films. It is for making the sound tracks in foreign languages; and for distributing films made by the film board or other agencies of government. The distribution of films on trade matters is undertaken by the Department of Trade and Commerce.

Mr. Charlton: Then this is not to pay for the production of films, but for transporting them around the country?

Mr. Howe: This is the cost of translating them into foreign languages and preparing them for distribution in foreign countries.

Mr. Fraser: Where your trade commissioners distribute them?

Mr. Howe: Yes.

Mr. Charlton: Who paid for the films?

Mr. Howe: They have been paid for. Some of those produced in the past may have been paid for by the Department of Trade and Commerce. Others have been paid for by the national film board. They are out of the library of government films, chosen because they have some significance in the country to which we send them.

Mr. Graydon: An item slipped by while I was out, and I wanted to ask the minister just one question without enlarging upon it. I am told by a prominent agriculturist in this country that there is a large market awaiting Canadian butter in Venezuela. I wonder if

the minister has any information on that, or whether his department has made any recent investigation into the possibilities. If that were so it would be a great boon to butter producers here, who are faced with pretty heavy competition and the prospect of rather low prices in some instances.

Mr. Howe: Mr. Chairman, we have moved butter to Venezuela, and we hope to move more. Our prices are somewhat out of line with those competing in the market, but I assure my hon. friend we shall lose no opportunity to sell butter in Venezuela.

Item agreed to.

General administration—

427. Economic research and development branch, including the conducting of investigations and reporting upon commercial relations and foreign tariffs, and the development of Canadian industry, and a contribution of \$6,300 to the International Customs Tariffs Bureau, \$442,480.

Mr. Macdonnell (Greenwood): Will the minister add a word to what he said this afternoon on the question of the relationship between the tariff board and the Department of Trade and Commerce in connection with the whole question of commercial relations and foreign tariffs. The minister did mention it this afternoon, but I was not too clear on the division. On the face of it, it looks as if there might be a duplication. I should like to have it explained to me.

Mr. Howe: Mr. Chairman, the tariff board acts as adviser to the Minister of Finance regarding domestic tariffs, that is tariffs placed on goods entering Canada. The branch we are discussing, the economic research branch, commercial relations division, deals with tariffs applied by foreign countries against Canadian goods. I think that is the distinction. There is no overlapping.

Mr. Macdonnell (Greenwood): It is two sides of the same coin, so to speak. The minister did say this afternoon that the very able head of the tariff board does take full part in trade discussions. Perhaps there is nothing more that need be said about it, but surely the subject does not divide itself sharply into two unrelated parts, foreign tariffs and domestic tariffs. They seem to be part of one problem.

Mr. Howe: We endeavour to make it one problem. The officers of the Department of Trade and Commerce interpret foreign tariffs to Canadian business, and obtain the views of Canadian business on foreign tariffs. This department takes a leading part in any discussion of foreign tariffs, such as have been current in recent years at Geneva and Annecy.

[Mr. Charlton.]