

Canada by Cuba, presumably because of the difficulty in obtaining foreign exchange. It was felt that there is no longer any necessity to have this particular official stationed in Havana.

*To a question on October 4 as to whether the action of the United States Government in banning ships owned in the United States but sailing under "foreign flags of convenience" from trading between Cuba and the Soviet Union would be emulated by Canada, Mr. Green replied:*

No, Canada is not directly involved in this whole development. As a matter of fact, I believe the United States has in mind various other countries which are actually engaged in this trade.

*On October 9, Prime Minister Diefenbaker, asked to comment on "a special report made to the State Department in Washington by the United States Maritime Administration on . . . the part being played by eight Canadian-owned ships in trade between Communist countries and Cuba", replied:*

Canada is not directly involved in this matter. We have been informed of the recent United States shipping regulations relative to trade with Cuba, but so far as I know there are no ships of Canadian registry that would be affected. Canada, as the House knows, does not permit the export to Cuba of arms or strategic materials. That is the basis of Canadian policy on this question, and it is not affected in any way by the activities of these ships . . . which, as I stated earlier, under maritime law and general international law are subject to the laws of the country under whose flag they operate. The eight ships in question are under British registry and, I again state, are not subject to Canadian laws or regulations.

*In amplification of this statement, Mr. Diefenbaker said on October 10:*

. . . I now find that the owners of approximately 125 Canadian vessels were allowed, in 1949 and 1950, to register their ships in the United Kingdom under the transfer plan. Control of these vessels was vested in United Kingdom managers, who were required by the agreement to operate these ships in accordance with the laws of the United Kingdom.

Of that transferred fleet only 15 ships remain, and these are still under the control of the laws of the United Kingdom. I am informed that the Canadian taxation law cannot be used to override the law of the flag which controls ships operating in other countries.

*Asked on October 22 to comment on the radio and television address of President Kennedy concerning the action to be taken by the United States to counter the build-up of atomic arms in Cuba, Prime Minister Diefenbaker stated:*

. . . This is a time for calmness. It is a time for the banishment of those things that sometimes separate us. Above all, it is a time when each of us must endeavour to do his part to assure the preservation of peace not only in this Hemisphere but