

Hon. Mr. Robertson:—and we are going to do our utmost to induce other governments to proceed along those lines.

The honourable leader opposite made specific reference to what he seemed to think was an ill-advised treaty between our government and the government of Cuba regarding raw sugar. My honourable friend said that the contract provided only for the importation of raw sugar, and he left the impression that granulated sugar also was coming in, to the detriment of the sugar beet producers in Canada; or, in any event, that the treaty had not produced what the Canadian people had hoped it would. I was not sure of the facts in this matter, so I made inquiries to ascertain what the situation really was. I am informed that, as a result of the original Geneva trade agreements and the favoured-nations policy, we became a beneficiary in the Cuban market, not because of what we sold there but merely because we were a signatory to the agreements, and that we got the treatment which Cuba extended to other countries with whom she was doing business. A careful reading of my honourable friend's speech shows that the figures of our exports which he quoted are confined to three export items, and do not include commodities.

Hon. Mr. Haig: Those are the ones specified in the contract.

Hon. Mr. Robertson: Just a minute. I will come to that point a little later. To begin with, our market for fish, potatoes, and various other items sold to Cuba existed as a result of concessions given under the Geneva trade agreements. During the first five months of 1951 our total exports of fish and all other products amounted to \$15,328,000; our imports from Cuba in the same period were only \$3,856,828. I repeat that this was before the contract was entered into, and as a result of the Geneva trade agreements. At the Torquay conference the Cuban delegates took a very tough stand. They said, "We simply will not continue this agreement unless you are prepared to do more business with us." Remember it was \$15 million on one side to \$3 million on the other. So, to retain the market provided under the Geneva trade agreements, the Canadian Government agreed to import 75,000 tons of raw sugar; there was no question of granulated or refined sugar. What has happened as a result? In the first nine months of 1952 our exports to Cuba were valued at \$18,535,000, and our imports from that country, at \$15,176,000, the latter, to the extent of almost \$10 million, consisting of raw sugar. Coincident with but in no way related to the agreement to buy raw sugar, but rather as a result of the existing variation of prices

of raw material since the Korean incident began, Cuba has been shipping into Canada refined sugar in excess of the existent parity, and with no relation to this specific agreement. Today there is a world surplus of sugar, and sugar producers, I am advised, are experiencing what seems to be an inevitable consequence of extremely high prices for raw materials, namely accumulations of large stores followed by drastic readjustments. But I point out that this state of things has no direct bearing of any kind on the contract we made with respect to raw sugar. The sources from which we have been importing raw sugar were, in the main, the British West Indies and other parts of that area which are not British territory.

So, when all is said and done, I think the speech of the honourable leader of the opposition, (Hon. Mr. Haig) though marked by the shrewdness which one expects in him, is an able presentation of a particular political viewpoint. My honourable friend, I repeat, is one of the shrewdest men in public life today.

I pass now to the matter of security legislation. Canada has one of the best security programs in the world, whether it be judged from a purely humanitarian aspect or by its advantages in stabilizing our economy for the years ahead. I have no doubt that there will be much talk of a program of health insurance. I believe that the constitutional and financial problems involved, coupled with a lack of necessary facilities, make precipitate action undesirable. It might well be that if over-hasty action were taken, those who expect benefits would be grievously disappointed, and the effects upon our economy might be serious.

May I now make brief reference to the transfer payments to the provinces. This is a matter which affects my own province along with the others. Now that Ontario has signed its agreement, the estimated total cost is about \$300 millions. In spite of the evident benefits to the recipients, some of them criticize the principle of collection by one government and disbursement by another: they argue that a province should possess the right to the revenues and should be allocated the necessary taxation field. In theory that idea has much to commend it, but the difficulty is that up to the present no satisfactory means of putting it into practice has been evolved. Meanwhile the provinces are enjoying great benefits. Whether it be good or bad, I do not believe that the principle of the receipt by provinces of a large share of over-all revenues from the federal government is a new one. Despite the very large contributions made under the transfer payments to, for instance, Nova Scotia, I doubt whether the proportion of provincial