

not name, is the chief supplier and no doubt will be negotiating with the United States in this respect, and therefore they reserved lead for the purposes of these negotiations.

In fisheries products—and here I know a number of the members of the committee are particularly interested inasmuch as reference was made to fish several times yesterday—although we secured very substantial concessions from the United States in 1935 and 1938 on both salt and fresh water fish, we were able again this time to get reductions across the board, and in many cases, the maximum reduction on almost every type of fresh water fish.

Hon. Mr. McKEEN: What reduction did they get on canned fish?

Mr. McKINNON: I think you are referring to one type of canned fish, are you?

Mr. McKEEN: Yes, canned salmon.

Mr. McKINNON: We received no reduction on canned salmon and we gave none. The situation back of that will be brought out by Mr. Kemp.

Hon. Mr. McKEEN: The reason I raise the question is that it created a serious situation on the Pacific Coast because the fish they use for canned salmon will now probably go out of the country on a lower duty and the cannery has the high barrier against them in trying to sell the product in the United States, and that works to the disadvantage of the cannery.

Mr. McKINNON: I think I might say, Senator McKeen, that we are aware of the situation you have referred to. But since the premium paid by the United States canneries has been from eight to twelve cents above the Canadian price, I do not think we could quite say that the reduction of one-half cent in the duty has been the cause of the situation. It may not have done anything to alleviate it, Senator McKeen, but when they already were paying a premium of eight to ten or twelve cents for our fish, the mere fact we got the duty reduced a further half cent has hardly a causative effect on the situation.

Hon. Mr. McKEEN: What you say is right, but the situation has been aggravated.

Mr. McKINNON: We shall discuss the situation in greater detail when we come to the salmon item. There is a second reduction now on all the fresh water fish, particularly that of Western Canada. Western Canada is becoming a tremendous exporter of fresh water fish.

Hon. Mr. HAIG: Principally Manitoba.

Mr. McKINNON: That is right, sir, and in pressing for a reduction on fresh water fish we were getting an advantage for the prairie provinces in what should be a great potential market. I have now mentioned agricultural and forest products, minerals and fisheries.

Hon. Mr. CRERAR: May I ask a question at this time which might have to be answered by Mr. Deutsch? In the shipment of fresh water fish from Western Canada to the United States, on more than one occasion—one occasion at least—such shipment or shipments were prohibited because of parasites in some of the fish.

Mr. McKINNON: That is right.

Hon. Mr. CRERAR: The discrimination against our fish was undoubtedly a protective measure. Will that be likely to arise in the future?

Mr. McKINNON: That is really under the agreement rather than the schedule.

Mr. DEUTSCH: In the future, Senator Crerar, they could keep our products out on the grounds of health but I do not think they would be permitted to use that as a cover for protection. As a matter of fact, the charter states specifically