

to the effect that Cuba would apply the maximum tariff to Canadian imports because of Canada's failure to purchase in Cuba even twenty-five per cent of the value of that island's purchases in Canada. Under the tariff system prevailing there another nation must buy fifty per cent or more to get the advantage of the lower tariff. This announcement was made by Mr. T. E. Palma, Cuban consul in Halifax. Does the minister accept the imputation that we do not purchase in Cuba twenty-five per cent of the value of that island's purchases in Canada? Would other countries be affected? Does the prohibition include codfish? Is a solution being sought for the difficulty, which is of serious moment to the business interests of my constituency, as regards both present conditions and future prospects?

Hon. W. D. EULER (Minister of Trade and Commerce): Mr. Speaker, the hon. member was kind enough to send me notice of the questions which he has just submitted.

It is rumoured in the press that Cuba has applied or is about to apply the maximum tariff to Canadian exports to that country. On March 10, two days ago, we received a cable from the Canadian trade commissioner at Havana, as follows:

Cuban government decree 3rd March published 10th March imposes maximum tariff Canadian goods shipped after latter date.

I may say that the maximum tariff of Cuba is double the minimum tariff which Canada has enjoyed for some time past. Last year Cuba passed a law which gave the president power to grant the minimum tariff where purchases from Cuba were at least fifty per cent of the sales made to Cuba. Further, if the purchases by Canada, for example, from Cuba were only between twenty-five per cent and forty-nine per cent of their purchases from us, a surtax of another twenty-five per cent would be added to the minimum tariff. If the purchases by Canada from Cuba are less than twenty-five per cent of the purchases by Cuba from Canada, then we were supposed to go under the maximum tariff. Apparently that is what has been done. We have enjoyed the privilege of the minimum tariff for some years.

I might add also, in reply to my hon. friend, that trade statistics as between the two countries are very greatly at variance, and if we accept the Cuban trade statistics we certainly fall below the twenty-five per cent limit. That discrepancy arises to some extent at least from the fact that a good many Canadian purchases from Cuba are made through agents or merchants in the United States. This applies more particularly

to pineapples and tomatoes. However, we have instructed our trade commissioner to make representations to the Cuban authorities in an effort to establish that our purchases from Cuba are a great deal larger than they are represented to be.

With regard to the item of codfish, we have not been able to ascertain whether or not that item is included and whether or not in future it will come under the maximum tariff. Among other rights the president has been given authority to exempt certain articles of which they stand in greater need than of other importations. That was the case in the past, but the privilege of exporting codfish under that tariff may expire as from April 2 of this year. We are trying to ascertain now—we have not yet been able to get the information—whether a similar exemption is to be made in regard to codfish. I may add in conclusion that the government are watching the matter; we shall certainly exert every effort to re-establish the minimum tariff as far as Canadian exports to Cuba are concerned.

Mr. KINLEY: It includes other countries as well, but not Newfoundland, I understand.

Mr. EULER: It does not include the United States. The United States have a special trade agreement with Cuba which is not extended to any other country. Their rates fall in many respects below the minimum tariff.

Mr. KINLEY: But Newfoundland?

Mr. EULER: I cannot answer at the moment.

PRIVILEGE—MR. JACOBS

On the orders of the day:

Mr. S. W. JACOBS (Cartier): Mr. Speaker, on a question of privilege. A Montreal journal in its issue of yesterday carries a dispatch from its correspondent in Ottawa which states that I was not present and did not vote on the Canada-United States pact. The records of the house will show that I was present and did vote, so that the person who was absent was no doubt the correspondent who sent the dispatch. It may be, however, that he was in the gallery but that his low visibility prevented him from recognizing the members of the house who were present.

CANADIAN FARM LOAN BOARD

On the orders of the day:

Mr. T. C. DOUGLAS (Weyburn): Some three weeks ago I placed a question on the order paper in reference to the Canadian Farm Loan Board. I wonder when I may expect a return.