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COVER SUBJECT—Port of Liverpool, through which flows a large proportion of the British imports from Canada and exports to this country from the United Kingdom. The policy of Great Britain in recent times of cutting imports from dollar countries, including Canada, and substituting soft-currency countries as sources of supply wherever possible, has changed during the first six months of this year. Essential raw materials are being obtained from any source, regardless of currency, though strict import controls are imposed on "non-essentials". (Trade of the United Kingdom during the first half of 1951, compared with same period in 1950, is reviewed on pages 354-365 of this issue of Foreign Trade).

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United Kingdom

✓ Trade

Gap

Widens

Underlying balance of payments difficulties lie with United Kingdom's own external balance of payments with the world, rather than with the sterling area's balance with the dollar countries.

By J. E. Lancaster, Assistant Commercial Secretary for Canada.

LONDON.—A wide visible trade gap, amounting to £554,800,000, or more than twice the figure for the first half of 1950, is revealed by United Kingdom trade figures covering the six-month period ending June 30, 1951.

In June alone, this gap was as much as £151 million. Although month-to-month trade figures, and even half-yearly figures, are not necessarily a reliable guide for the full year's results, if the Government's Economic Survey is to be followed, visible imports for the second half of the year will have to be restricted to £1,340 million, a figure practically the same as last year's for the same period. With increased prices for foodstuffs and raw materials, there is room for reasonable doubt as to whether imports can be held to the schedule envisaged in the survey.

The figures in the trade accounts show only the visible trade balance and do not take into account invisible earnings from insurance, shipping and other services, government releases on invisible trade not being available until October. The trade figures for the period in question, therefore, which measure exports on a f.o.b. basis and imports c.i.f., do not reveal a true picture of the earnings of the nation's economy through foreign trade. Nevertheless, it is already officially acknowledged that the overall balance shows some deficit in the first six months. With a surplus on invisible account of £450 million forecast for the full year 1951, and assuming that 50 per cent of this was earned during the period under discussion, the resulting overall deficit may well be over £250 million. This figure is in excess of the deficit the government was prepared to

accept for the whole year, even taking stockpiling necessities into consideration. Meanwhile, invisible exports may suffer from the loss of Anglo-Iranian Oil Company earnings.

Balance of Payments Problem Difficult to Solve

The underlying balance of payments difficulties facing the United Kingdom lie with this country's own external balance of payments with the world, including the rest of the sterling area, rather than with the sterling area's balance with the dollar countries, as was the case during the crisis of 1949. While the sterling area's surplus has dwindled appreciably, from \$543 million including Marshall Aid in the fourth quarter of 1950, to \$99 million including \$55 million of Marshall Aid in the second quarter of 1951, no actual deficit has occurred to date. Thus, the balance of payments problem confronting the United Kingdom appears to be more severe and difficult to solve than the 1949 crisis which led to the cutting of trade ties with the dollar countries. A reflection on the United Kingdom's position is the current month-by-month deficit with the European Payments Union, although it should be recorded that the United Kingdom still has an accumulated credit of £104½ million with the Union.

The deterioration in the United Kingdom's balance of payments has been primarily caused by the steep rise in prices of raw materials and foodstuffs. According to recent Board of Trade calculations, this has forced the nation to exchange 20 per cent more exports for a given volume of imports. The Chancellor of the Exchequer has estimated that the additional burden on the economy may be as much as £950 million a year. In June, however, for the first time in a year the Board of Trade index number on prices of raw materials failed to show any increase. As the export price index rose slightly, the spread between the indexes of imports and exports narrowed indicating a move in the terms of trade in Britain's favour. Unfortunately, any levelling off or fall in raw material prices has been, to a great extent, in sterling area commodities such as rubber, tin and raw wool, revealing a sharp cut in United States buying of these commodities with consequent loss in dollar earnings. It seems too early, however, because of this circumstance, to forecast a sterling area (and United Kingdom) dollar deficit with cuts in store on imports from dollar countries. Although there probably will be no broadening of the base on dollar imports by the United Kingdom, "non-essential" goods continuing to be heavily restricted, purchases of vital commodities such as non-ferrous metals and other required raw materials should be maintained and in some cases increased. Figures on imports from Canada and other major suppliers which follow would seem to substantiate this thesis.

Import Policy Shows Change

The United Kingdom's policy in recent times of cutting imports from dollar countries, including Canada, and substituting soft currency countries as sources of supply wherever possible, has changed somewhat during the period. The emphasis now appears to be placed on obtaining quantities of essential raw materials from any source regardless of currency. Newsprint, cardboard, non-ferrous metals, iron ore and so on are being purchased in Canada in many cases, up to the ability of Canadian producers to supply. On the other hand, strict import control over goods classed as "non-essential" has prevented a rise in the export of many Canadian products. Indeed, many declines from last year's figures are recorded. Rubber footwear and goods under the heading "apparel", which are included in the Token Import Scheme, have enjoyed larger

sales in this country, reflecting the increase in the basic percentage of the scheme from 20 to 40 per cent, effective from January 1 of this year. Shipments of Canadian foodstuffs, in most cases, are down from last year following the trend established the year before. While last year's drop may be attributed to the United Kingdom's policy of diverting purchases from dollar countries, this year's figures apparently reveal the higher domestic purchasing power as well as the high prices prevailing in Canada, which not only have had the effect of retaining these products on the home market but, from the United Kingdom standpoint, have made other countries more attractive as sources of supply.

United Kingdom Imports of Grain and Flour

	1949	QUANTITIES	
		1950	1951
		(January-June)	
	cwt.	cwt.	cwt.
CANADA	39,053,639	28,293,129	19,672,800
United States	7,278,928	11,184,152	24,601,869
Total	73,473,238	64,982,897	73,366,279
	1949	1950	1951
	£	£	£
CANADA	48,959,527	43,219,659	32,573,789
United States	9,402,379	15,020,359	39,824,475
Total	99,978,256	87,867,145	119,800,443

Total imports of wheat were 35.1 million cwt., only slightly greater than the 33 million cwt. in the same period of 1950. The United States displaced Canada as the largest supplier, shipping 15 million cwt. as compared with Canada's 14 million. The relative positions last year were the United States 6.9 million, and Canada 24.6 million cwt. The freezing of a sizeable percentage of Canada's prairie grain crop last August and transportation difficulties are the prime reasons for the United Kingdom's increased buying in the United States.

Imports of Canadian Wheat Flour Higher

No oats or barley were shipped from Canada. However, total wheat flour imports increased to 6.6 million cwts. from 4.5 million during the same period last year. Canada shipped 5.8 million cwt. of this total, far outclassing Australia, the second largest supplier, which delivered 752,000 cwt. There were no shipments recorded in 1951 from the United States, which supplied three-quarters of a million cwt. in the first six months of 1950.

United Kingdom Imports of Meat

	1949	QUANTITIES	
		1950	1951
		(January-June)	
	cwt.	cwt.	cwt.
CANADA	228,712	585,775	16,018
Denmark	649,139	1,722,629	2,226,003
Total	9,729,665	14,831,736	9,375,159
	1949	1950	1951
	£	£	£
CANADA	2,378,725	7,633,463	186,735
Denmark	7,557,698	19,194,417	27,238,517
Total	61,221,765	107,622,168	103,740,435

Other large suppliers of meat were the Netherlands with shipments valued at £14.4 million; New Zealand, £12.5 million; France, £11 million and Australia, £9 million. Canada's share of the trade this year, as last, was almost entirely made up of bacon. The precipitate fall in Canada's shipments was caused primarily by the higher prices required by Canadian producers and the consequent failure to negotiate contracts with this country.

United Kingdom Imports of Dairy Produce

	1949	VALUE	
		1950 (January-June)	1951
CANADA	£ 2,480,461	£ 1,383,936	£ 59,324
New Zealand	32,054,120	34,591,551	35,185,835
Total	98,109,613	90,587,414	85,941,281

Shipments of Canadian cheese to this market declined from the relatively small quantities exported last year and the year before.

United Kingdom Imports of Canadian Cheese

Year	Value	Amount
1951	£ 57,549	4,512 cwt.
1950	£ 454,835	47,815 cwt.
1949	£ 628,459	70,647 cwt.

New Zealand was the biggest supplier of cheese to the United Kingdom, shipping over 60 per cent of all imports by quantity and value. The New Zealand figures are £ 9 million and 1.1 million cwt. this year, compared with £ 8.4 million and 1.1 million cwt. last year. Other large suppliers were Australia, Denmark and the Netherlands. As Canadian availabilities fell during the period, shipments to the United Kingdom naturally decreased, most of the cheese shipped being on the 1950 contract. Seasonable factors affect shipments of commodities of this nature, and it is therefore difficult to judge Canadian prospects for the whole year by deliveries to date.

No Eggs in Shell Shipped by Canada

Canada shipped no eggs in the shell, either during the first six months of this year or last. Denmark continues to be the largest supplier delivering £ 5.1 million out of a total of £ 8.1 million. Dried whole eggs came mostly from the United States which shipped £ 2.9 million out of a total of £ 3 million. Because Canada was importing eggs during the period, being a seasonal importer, and also because of the prevailing high price in Canada, there was no possibility of meeting the United Kingdom market requirements from Canadian sources.

United Kingdom Imports of Fresh Fruit

	1949	QUANTITIES	
		1950 (January-June)	1951
	cwt.	cwt.	cwt.
CANADA	687,321	403,201
Spain	2,038,882	2,270,279	4,148,309
Total	16,675,198	17,882,975	20,554,419

	1949	VALUE	
		1950 (January-June)	1951
CANADA	£	£ 1,575,705	£ 1,223,385
Spain	4,460,791	5,788,678	11,574,843
Total	52,586,794	57,770,096	68,339,658

Australia and Italy shared honours as apple suppliers to the United Kingdom by value and quantity. The figures were Australia, £ 2.3 million, 571,161 cwt. and Italy, £ 2.3 million, 717,951 cwt. Canada's shipments declined somewhat in 1951, £ 1.2 million and 403,200 cwt., as compared with £ 1.5 million and 687,321 cwt. in 1950. There were no imports of Canadian apples listed in the first half of 1949.

United Kingdom Imports of Beverages and Cocoa Preparations

	1949	1950 (January-June)	1951
CANADA	£ 76,031	£ 43,520	£ 144,379
British West Africa	15,890,108	15,414,832	24,314,965
Total	61,490,605	68,544,370	96,771,978

British West Africa took first place because of large shipments of cocoa to this market. India, with shipments worth £21.6 million, and Ceylon, £11.2 million, were next, their shipments consisting mostly of tea.

United Kingdom Imports of Other Food

	1949	1950 (January-June)	1951
CANADA	£ 248,205	£ 721,256	£ 1,423,413
Cuba	3,961,631	7,376,945	19,463,592
Total	70,265,043	74,168,687	121,825,156

Canada Second Largest Supplier of Canned Fish

Canned fish was the only item under the "other foods" category in which Canadian imports played a part. Outside of Portugal's £1.2 million by value and 79,017 cwt. by quantity, Canada was the largest supplier of canned fish with shipments of 58,863 cwt. valued at £1 million. Sardines and salmon enjoyed the largest market, which totalled £4 million. The large imports from Cuba consisted mostly of sugar.

United Kingdom Imports of Tobacco

	1949	1950 (January-June)	1951
	lbs.	lbs.	lbs.
CANADA	9,825,390	11,894,935	16,296,148
United States	11,425,666	19,680,382	22,659,699
Total	72,883,374	80,906,116	76,741,523

	1949	1950 (January-June)	1951
CANADA	£ 1,441,051	£ 2,066,692	£ 3,378,136
United States	1,774,199	3,852,980	5,363,271
Total	11,941,823	15,051,522	17,040,391

Reflecting the extreme coal shortage which faced the United Kingdom this year, imports totalled 1,142,404 tons as compared with only 736 tons the year before. The cost of the 1951 imports is given as £7,948,977. Total shipments of asbestos amounted to 54,574 cwt., valued at £3.4 million, compared with 56,376 cwt. valued at £3.3 million last year. Chrysotile made up approximately 60 per cent of the shipments. By value Southern Rhodesia nosed out Canada with asbestos deliveries valued at £1.3 million to Canada's £1 million. The quantities were, Southern Rhodesia 17,187 tons and Canada 19,584 tons. The comparison in quantities shipped and the amount of exchange received in each case is due to the fact that Southern Rhodesia shipped only high grade long-fibred asbestos while Canada shipped mixed grades.

United Kingdom Imports of Iron Ore and Concentrates

	1949	1950 (January-June)	1951
	tons	tons	tons
CANADA	149,032	5,525	71,885
Sweden	1,468,439	1,727,457	1,427,515
Total	4,006,414	4,253,156	3,613,204

United Kingdom Imports of Iron Ore and Concentrates

	VALUE		
	1949	1950 (January-June)	1951
CANADA	£ 429,681	£ 18,217	£ 373,544
Sweden	4,449,049	5,263,046	4,805,462
Total	11,663,827	12,197,838	14,042,859

United Kingdom Imports of Iron Ore and Scrap

	VALUE		
	1949	1950 (January-June)	1951
CANADA	£ 430,983	£ 18,626	£ 373,552
Sweden	4,449,049	5,263,049	4,805,919
Total	14,149,000	21,049,169	17,798,266

Other large suppliers of iron ore and scrap were Algeria, Spain and Tunisia. The decline in importation of iron ore and scrap indicates the extent of the raw material shortages which are hampering steel production in this country at the present time.

Canada Is Sole Supplier of Nickel

Canada is the United Kingdom's sole supplier of nickel ore, concentrates and matte. Imports this year rose sharply. Figures for 1951 and the last two years are as follows:

Year	Value	Amount
1951	£3,969,872	18,882 cwt.
1950	£1,854,102	10,594 cwt.
1949	£1,470,601	15,171 cwt.

The wide variations in value between the years, compared with quantities received, should be noted.

Australia enjoys the lion's share of the zinc ore and concentrates market with deliveries amounting to 62,241 tons valued at £2.6 million, out of a total of 70,581 tons valued at £2.9 million. Canada's contribution remained steady in quantity at 7,848 tons this year, as compared with 7,492 tons in 1950. The value of Canadian shipments, however, jumped from £116,930 to £337,500, illustrating once again the relatively large increase in the market price.

United Kingdom Imports of Wood and Timber

	VALUE		
	1949	1950 (January-June)	1951
CANADA	£ 7,579,878	£ 2,473,958	£ 17,775,703
Total	34,571,686	33,076,081	71,321,457

Canada was by far the largest supplier of softwoods, shipping 165,327 standards valued at £14.6 million, compared with 23,603 standards at £1.6 million last year, and 70,550 standards valued at £4.5 million in 1949. Other large suppliers were Sweden with 97,203 standards valued at £7.5 million; Finland, 71,179 standards valued at £5.1 million and the United States with 50,671 standards valued at £4.4 million. The Soviet Union shipped 858 standards valued at £50,454. Yugoslavia, with shipments somewhat down in volume but up in value at £2.5 million, was, however, displaced from her leading position last year. Canada also supplied hardwoods to the value of £155,043, down from £200,360 last year, pit props valued at £86,917, and railway ties, valued at £1.4 million. Nigeria was the largest supplier of hardwood and her exports to this market were 51,932 standards valued at £3 million.

Noteworthy, because of present political troubles, is the fact that Iran is the largest single supplier of oil to the United Kingdom with shipments valued at £14.8 million this year, compared with £10.1 million the previous year. The Argentine Republic was second, shipping edible and other oils to the value of £10.4 million.

United Kingdom Imports of Undressed Hides and Skins

	1949	QUANTITIES	
		1950 (January-June)	1951
	cwt.	cwt.	cwt.
CANADA	31,924	28,859	19,627
Argentine Republic	602,276	587,095	238,278
Total	1,549,274	1,667,939	1,371,910
	1949	VALUE	
	£	1950 (January-June)	1951
CANADA	1,101,042	£ 1,256,754	£ 2,127,342
Argentine Republic	5,744,176	6,167,744	4,280,365
Total	20,753,891	25,850,905	41,480,104

Soviet Union Largest Fur Supplier

The Soviet Union followed by the United States was the largest supplier of furs and undressed skins. Canada was in third place with total exports valued at £1.9 million, just exceeding South Africa's total. Canada is the United Kingdom's fifth largest supplier of hides and undressed skins, with the Argentine, Brazil, United States and Australia the leaders in this field.

United Kingdom Imports of Paper-Making Materials

	1949	QUANTITIES	
		1950 (January-June)	1951
	tons	tons	tons
CANADA	68,764	35,797	79,818
Sweden	235,800	294,850	284,418
Total	868,337	896,633	1,067,639
	1949	VALUE	
	£	1950 (January-June)	1951
CANADA	2,853,817	£ 1,692,231	£ 4,825,830
Sweden	8,908,969	8,733,924	18,303,906
Total	27,004,460	23,531,366	57,510,124

Importations of items in the paper-making category were moderately up in quantity but sizeably up in value. Canada shared in the general increase indicating that the United Kingdom is being forced to turn to all suppliers regardless of currency considerations.

United Kingdom Imports of Iron, Steel and Manufactures

	1949	QUANTITIES	
		1950 (January-June)	1951
	tons	tons	tons
CANADA	33,573	22,031	22,764
France	105,086	139,976	123,032
Total	702,704	414,292	369,741
	1949	VALUE	
	£	1950 (January-June)	1951
CANADA	1,684,263	£ 1,110,085	£ 1,427,933
France	2,346,260	3,024,717	3,062,279
Total	20,435,105	13,531,954	15,034,252

United Kingdom Imports of Aluminum and Alloys

	QUANTITIES		
	1949	1950 (January-June)	1951
	cwt.	cwt.	cwt.
CANADA	1,361,980	1,082,809	1,255,360
Norway	23,198	163,625	44,415
Other Foreign Countries	22,303	82,712	41,127
Total	1,407,481	1,329,146	1,341,016

	VALUE		
	1949	1950 (January-June)	1951
	£	£	£
CANADA	5,502,344	5,985,610	7,739,638
Norway	149,851	976,292	283,013
Other Foreign Countries	52,684	489,571	257,798
Total	5,704,879	7,451,473	8,281,163

Although shipments of aluminum and alloys were up from last year, the price increased to a greater extent than the volume.

United Kingdom Imports of Electrolytic Copper

	QUANTITIES		
	1949	1950 (January-June)	1951
	tons	tons	tons
CANADA	25,192	29,926	28,323
Northern Rhodesia	15,645	18,113	33,583
United States	17,959	30,088	45,047
Total	85,897	103,226	121,189

	VALUE		
	1949	1950 (January-June)	1951
	£	£	£
CANADA	3,429,784	4,620,110	5,823,277
Northern Rhodesia	2,069,416	2,390,452	6,579,201
United States	2,398,262	4,759,974	9,334,683
Total	11,486,957	15,670,026	24,635,878

The large imports of electrolytic copper credited to the United States refer to an arrangement whereby North Rhodesian "blister" copper is shipped to the United States, utilizing the excess refining capacity there. The refined copper is then exported to the United Kingdom.

United Kingdom Imports of Lead

	QUANTITIES		
	1949	1950 (January-June)	1951
	tons	tons	tons
CANADA	19,573	9,171	15,383
Australia	73,369	70,919	35,176
Total	108,076	97,261	58,154

	VALUE		
	1949	1950 (January-June)	1951
	£	£	£
CANADA	2,319,681	881,994	2,135,354
Australia	7,834,929	5,891,896	4,248,798
Total	11,954,880	8,282,142	7,685,874

Imports of Lead Have Fallen

Although the United Kingdom is desperately short of lead, trade figures reveal that imports have steadily fallen. The reason for the decrease in the tonnage received is the continuing shipping difficulties in Australia. It is hoped that figures for the second half of 1951 will reveal an increase in imports.

United Kingdom Imports of Zinc

	1949	QUANTITIES	
		1950 (January-June)	1951
	tons	tons	tons
CANADA	26,048	13,384	16,891
Australia	18,204	19,751	14,353
Total	84,945	75,895	54,760

	1949	VALUE	
		1950 (January-June)	1951
	£	£	£
CANADA	2,507,230	1,166,981	2,540,818
Australia	1,739,908	1,516,586	2,059,482
Total	8,371,826	6,320,556	8,338,440

Canada Is Leading Supplier of Zinc

Canada, Australia, United States and Belgium, in that order, were the United Kingdom's chief suppliers of zinc. Total imports have fallen progressively from 1949, although total values of imports have risen. Drought in Tasmania, with the consequent loss of electric power, caused Australian production to decline. This, together with shipping problems, was instrumental in cutting down receipts during the first half of the year. The United Kingdom authorities believe that the full twelve months will reveal compensating shipments to meet the country's requirements.

United Kingdom Imports of Cutlery, Hardware, Implements, Instruments

	1949	1950	
		(January-June)	1951
	£	£	£
CANADA	316,924	446,752	459,507
Switzerland	721,957	839,634	1,044,102
Total	3,187,196	4,226,214	5,014,868

United Kingdom Imports of Electrical Goods and Apparatus

	1949	1950	
		(January-June)	1951
	£	£	£
CANADA	249,134	291,236	139,646
Netherlands	207,786	688,406	1,167,761
Total	1,377,217	2,319,223	3,014,999

United Kingdom Imports of Machinery and Parts

	1949	QUANTITIES	
		1950 (January-June)	1951
	cwt.	cwt.	cwt.
CANADA	88,606	25,890	14,327
United States	735,195	360,883	252,403
Total	1,258,191	990,484	734,417

	1949	VALUE	
		1950 (January-June)	1951
	£	£	£
CANADA	1,077,628	470,246	323,727
United States	15,640,808	12,387,802	11,595,951
Total	23,573,612	22,956,363	24,031,751

Imports of Canadian Machinery Declined

The United States, Germany, Switzerland, France and Sweden respectively were the largest suppliers of machinery and parts. While Canada's share has declined progressively during the three years in question, the United States has continued its leadership in this field supplying the United Kingdom market with from 45 to 70 per cent of its imports.

United Kingdom Imports of Wood and Timber Manufactures

	1949	1950 (January-June)	1951
CANADA	£ 825,930	£ 171,484	£ 477,121
Finland	2,783,290	2,511,212	2,055,761
Total	6,739,997	6,351,812	8,422,350

Although Canada's share in this category was sharply up from last year, Finland and the Soviet Union remained the chief suppliers. The Soviet Union shipped goods to the value of £1.2 million, compared with £2 million by Finland.

United Kingdom Imports of Woollens, Worsted Yarns, Manufactures

	1949	1950 (January-June)	1951
CANADA	£ 70,944	£ 108,522	£ 21,955
France	4,076,862	5,386,411	7,125,814
Total	9,398,225	11,490,385	19,409,903

Besides France, India Italy and Belgium were suppliers of note.

United Kingdom Imports of Apparel

	1949	1950 (January-June)	1951
CANADA	£ 109,214	£ 54,645	£ 77,509
Hong Kong	9,044	1,890,186	1,066,105
Total	2,067,176	5,736,908	4,694,453

Italy has continued to enjoy an increasing market for apparel in the United Kingdom, barely being surpassed by Hong Kong. Canada's increased sales were primarily due to more favourable treatment accorded under the Token Import Scheme.

United Kingdom Imports of Footwear

	1949	1950 (January-June)	1951
CANADA	£ 95,578	£ 58,857	£ 277,401
Hong Kong	556,266	723,732	304,452
Total	1,202,587	1,618,000	1,272,845

United Kingdom Imports of Chemicals, Drugs and Dyes

	1949	1950 (January-June)	1951
CANADA	£ 601,742	£ 691,509	£ 1,129,368
United States	3,563,313	4,776,389	6,399,008
Total	13,456,734	17,353,156	31,403,274

Although the United States and various European countries have out-distanced Canada, her position in this trade has grown in a most gratifying manner. The increased trade reveals the heavy demands and growing industrial activity in the United Kingdom, occasioned by growing civilian and rearmament requirements.

United Kingdom Imports of Leather and Manufactures

	1949	1950 (January-June)	1951
CANADA	£ 120,471	£ 155,999	£ 242,430
India	4,826,152	6,154,602	11,182,195
Total	6,054,839	7,670,548	13,817,795

United Kingdom Imports of Paper and Cardboard

	1949	QUANTITIES	
		1950 (January-June)	1951
	cwt.	cwt.	cwt.
CANADA	962,654	152,075	666,824
Sweden	1,120,400	2,545,220	2,701,919
Total	4,207,129	6,498,953	8,819,248

	1949	VALUE	
		1950 (January-June)	1951
	£	£	£
CANADA	1,619,388	278,185	1,631,151
Sweden	3,155,802	6,096,458	11,095,278
Total	9,745,134	13,484,501	34,256,393

United Kingdom Imports of Newsprint in Rolls

	1949	QUANTITIES	
		1950 (January-June)	1951
	cwt.	cwt.	cwt.
CANADA	785,705	120,693	615,947
Finland	250,471	567,047	563,927
Sweden	198,834	286,515	307,296
Total	1,589,263	1,285,706	1,621,269

	1949	VALUE	
		1950 (January-June)	1951
	£	£	£
CANADA	1,178,607	233,455	1,411,794
Finland	553,178	930,535	1,302,312
Sweden	408,801	473,221	744,748
Total	2,772,539	2,164,051	3,766,559

United Kingdom Imports of Vehicles*

	1949	1950 (January-June)	
		1950	1951
	£	£	£
CANADA	1,632,099	635,121	503,813
United States	4,066,659	7,129,167	4,013,644
Total	8,819,265	12,239,264	9,743,189

* Includes locomotives, ships and aircraft.

The United States and France are the leading suppliers of vehicles, with the United States far in the van. Canada's exports have declined steadily during the three years in question, from £1,632,099 in 1949 to £503,813 this year. The large 1949 figure included shipments of "North Star" planes.

Canada was Second Largest Supplier of Plastics

Canada was the second largest individual supplier of plastics to the United Kingdom, being well surpassed, however, by the United States. Out of a total of 1,032,471 cwt., valued at £3.3 million, received at United Kingdom ports, the United States was responsible for 43,929 cwt., valued at £1.9 million. Although Canada's share fell to 29,774 cwt. at £353,883 from 1950's figure of 38,724 cwt. at £424,026, there was a reasonable increase both in quantity and value over the 1949 figures.

Exports to Canada Were Larger This Year

Measured by value, United Kingdom shipments to Canada of capital goods, as well as consumer goods in many categories, were larger for the first six months of 1951 than during the same period last year. The percentage increase in the movement of capital goods to Canada, including

such items as machinery, iron and steel manufactures and electrical goods, was larger than the percentage rise in total trade in these goods to all countries.

Foreseeing the danger of an appreciable decline in the export of capital goods because of rearmament priorities, the United Kingdom Government has attempted to stimulate a larger flow of consumer goods to Canada and to the world at large. Reflecting this government pressure, there has been a gratifying increase in the export of many lines of consumables such as toys, footwear, beverages, pottery, woollens and worsteds, cutlery, and textiles other than rayon (artificial silk). The percentage rise in the value of shipments to Canada of these goods too, so far this year as compared with last, has been greater than the total percentage rise for shipments to all countries.

United Kingdom Exports to Canada and Total Exports

	1950		1951	
	Total	To Canada	Total	To Canada
	('000)			
Beverages and cocoa preparations ...	£ 21,191	£ 996	£ 23,722	£ 1,341
Foodstuffs	24,247	619	36,281	823
Coal	29,518	839	11,832	435
Non-metalliferous quarry products ..	1,553	78	2,134	85
Wool, raw and waste	12,421	393	21,931	1,000
Raw and waste silk	1,397	87	1,393	219
Seeds, oils, fats, gums	1,629	163	3,433	39
Pottery, glass, abrasives	26,152	3,176	30,382	4,014
Iron and steel manufactures	75,000	3,150	79,116	5,741
Non-ferrous metals and manufactures	32,608	2,980	38,175	4,090
Cutlery, hardware, implements and instruments	24,266	836	29,361	1,092
Electrical goods and apparatus	40,170	712	44,265	989
Machinery	157,349	4,236	171,062	5,516
Cotton yarns and manufactures	73,438	2,311	103,551	2,876
Woollen and worsted yarns and manufactures	62,127	8,507	95,164	15,059
Silk, artificial silk, yarns	23,166	882	31,329	792
Other textile materials	14,097	1,308	18,511	1,730
Apparel	16,000	1,251	22,412	1,401
Footwear	4,301	303	5,959	463
Chemicals, drugs, dyes and colours ..	47,101	1,549	66,257	2,107
Leather and manufactures	7,043	759	10,217	1,119
Paper, cardboard, etc.	12,861	234	17,775	330
Vehicles, including locomotives, ships and aircraft	203,000	16,076	230,000	13,747
Printed books	3,653	240	3,993	253
Floor coverings	3,242	425	3,361	258
Jewellery (coated or not)	1,091	91	1,497	102
Toys	1,588	140	2,626	239

Roy G. Peers Vice-President of Canadian Commercial Corporation

Roy G. Peers, of Montreal, has been appointed vice-president of the Canadian Commercial Corporation, with headquarters in Washington, D.C. His task will be to facilitate the integration of Canadian and United States defence production, in much the same manner as he did during the Second World War.

Mr. Peers was general manager of War Supplies, Limited, a former Canadian Government agency created during the Second World War, and also served as executive director of the Joint War Production Committee (Canada-United States).

Born in Birkenhead, England, Mr. Peers received his education in Toronto, later moving to Montreal, where he has been head of the export-import firm bearing his name since 1945.

Japan Now Considered Capable of Standing on Own Economic Feet

Japan no longer to receive direct financial aid from United States—Commercial and industrial firms handicapped by shortage of capital—Monetary position becoming increasingly tighter—Emphasis shifted from imports to exports.

By J. C. Britton, Commercial Representative for Canada.

(Editor's Note: Mr. Britton has returned home on leave and is making a tour of Canada.)

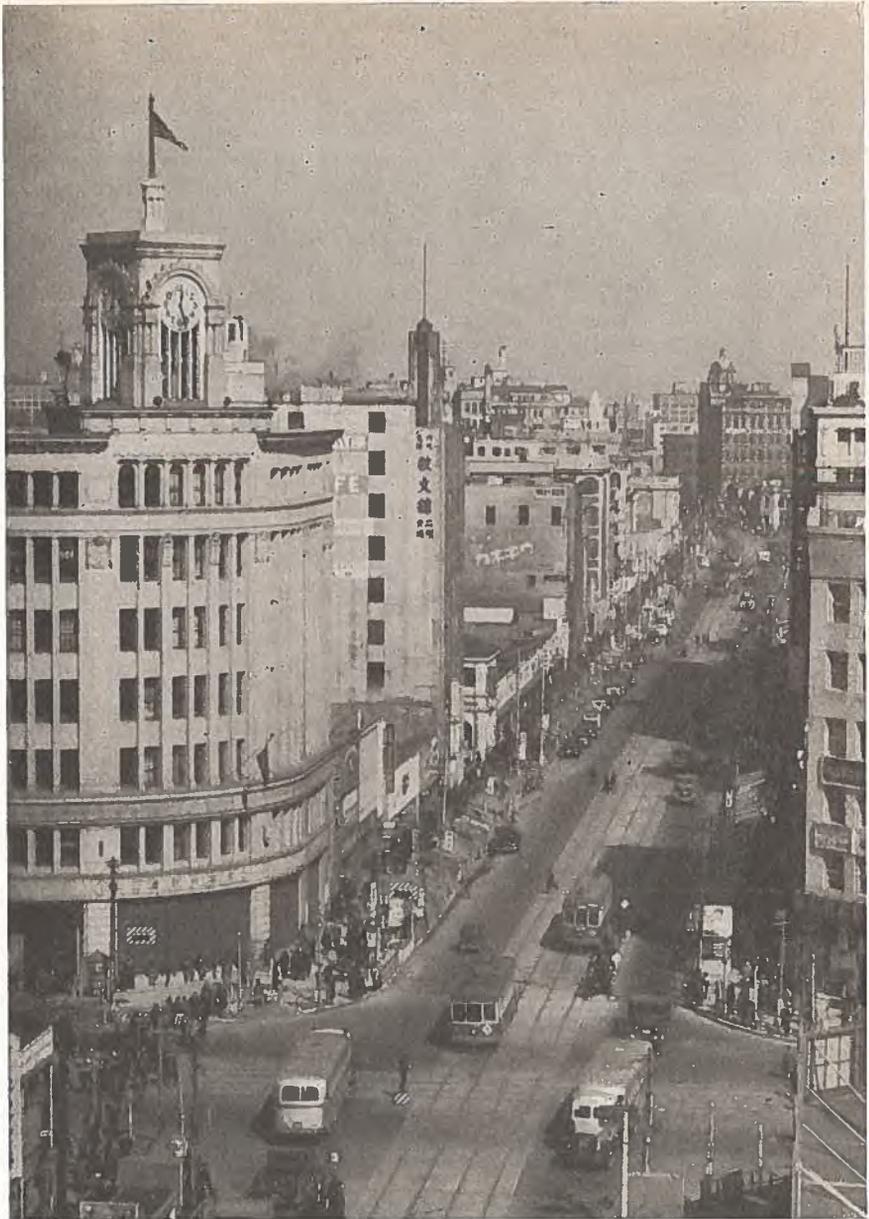
TOKYO.—Japan is faced with the task of achieving economic viability largely from its own resources. It has been announced that Japan is no longer to receive direct financial aid from the United States but is deemed capable of standing on its own economic feet. Control over economic and fiscal policies has already been restored to the Japanese Government and the process is now virtually completed. The latest step was the transfer on August 15 of control of Japan's United States dollar holdings, totalling more than \$300,000,000, from SCAP to the Japanese Government. Similar action with respect to sterling holdings was expected to follow. The foreign exchange position is at the moment fairly satisfactory and there is sufficient available to cover present import commitments. However, there is no surplus of either dollars or sterling and it seems probable that this situation will continue for some time to come.

The level of economic activity in Japan fluctuated widely in the first seven months of 1951. The boom conditions which developed after the outbreak of the Korean war were continued into January and February of 1951. There was a general levelling off in March, and both domestic and export demand declined sharply on a wide range of products. The position at the end of August was in many respects similar to that which prevailed immediately prior to the outbreak of the Korean war. There were large stocks of merchandise of all types in the country, in particular cotton textiles. Furthermore, there were substantial stockpiles of high-priced imported raw materials. Commercial and industrial firms in many categories are handicapped by a shortage of capital, while the monetary position is becoming increasingly tighter.

Industrial Activity Reached New High

Japanese industry has made remarkable strides in the past two years and in May the overall index of industrial activity reached a new postwar high of 153 (1932-36=100). This represented an increase of five points over April and equalled the figure achieved in May, 1938, when Japan's industry was operating at a high level. The number of important industries in which postwar production records have been established continues to grow, and in May, 1951, crude petroleum, refined petroleum products, cement, calcium carbide, soda ash and hydrochloric acid were added to the already extensive list. Furthermore, there has been a steady rise in the production of durable goods and the basic steel production in May was within 15 per cent of the peak year 1943, when Japan was making its maximum war effort.

The textile industry, which accounts for more than 50 per cent of the total volume of Japan's export trade, is still operating below prewar levels. Textile prices in Japan have been steadily declining in recent



Japan—Ginza shopping centre in Tokyo.

weeks and trade still continues to be dull. The Ministry of International Trade and Industry estimates that Japan will export 1,200 million yards of cotton cloth during the present calendar year. The present estimate is lower than the original plan of 1,400 million yards, and is based on a monthly average of 80 million yards in July, August and September, and 110 million yards from October onwards. July production of rayon staple was 19.4 million pounds, a decrease of 2.5 million from June. Rayon yarn output in July, amounting to 11.1 million pounds, was 515,000 below June production.

Industrial Equipment Is Obsolete and Techniques Antiquated

Although Japanese industry has established postwar production records, equipment in many industrial plants is still obsolete. Manufacturing techniques in many cases, furthermore, are still antiquated. Industrial firms generally did not take advantage of the favourable conditions which followed the outbreak of the Korean war when earnings were reasonably high to replace old equipment and to modernize manufacturing procedures. This situation has had some bearing on the current high prices of Japanese export goods. It is, furthermore, unlikely that the present tight money situation will be eased to any appreciable extent in the near future, so that industrial firms will have difficulty in obtaining funds for the purchase of industrial equipment. Industry in Japan is further handicapped by a shortage of electric power and transportation facilities.

Increased Textile Shipments Raised Export Total

Japan's exports in July amounted to \$153 million, an increase of 60 per cent over the June figure of \$93.8 million. The gain was attributed to increased exports of cotton yarn and cloth and synthetic fibres, and the improved shipping position which permitted increased shipments of Japanese iron and steel products to Australia. Total exports from January through July amounted to \$852 million, already above the total of \$820.2 million for the calendar year 1950. The export objective is \$1,375 million.

Imports into Japan during the first seven months of 1951 had an estimated value of \$1,300 million, still well above exports. The volume of imports should fall off gradually from the present high level, which resulted from heavy buying under sellers' market conditions at the end of 1950 and early 1951. The emphasis has, in fact, been shifted in Japan from imports to exports in the past three months. The country's United States dollar holdings have fallen to \$330 million, as against \$500 million at the end of 1950.

The program for Japanese recovery has been generally satisfactory. The success of the plan has been made possible largely as a result of United States financial aid which is variously reported as being around \$200 million in six years but which must exceed that figure by a substantial margin. The placement of special procurement orders for the United Nations Forces in Korea and Korean rehabilitation amounted to \$340 million at the end of July. These special procurement orders stimulated production and, although they may be expected to fall off, Japan may be expected to continue to supply a wide range of products for Korean rehabilitation. The country's industrial potential has by no means been taxed to capacity and can make an important contribution in South-East Asia and the Far East.

DATA FOR EXPORTERS COMPILED

Information, of particular interest to Canadian exporters, concerning shipping documents and customs regulations of foreign countries, is being compiled by the International Trade Relations Division. Countries concerning which such information is now available in a revised form are: Austria, Belgium, Belgian Congo, Cuba, Denmark, Dominican Republic, Egypt, Finland, Greece, Guatemala, Haiti, Iceland, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela. Data on other countries will be made available from time to time.

Indian Jute and Cotton Industries Faced Difficulties in Past Year

Mainly due to inadequate supplies of raw material—Jute and cotton mills forced to curtail operations—Some progress made in government programs of self-sufficiency.

By Richard Grew, Commercial Counsellor for Canada

(One rupee equals about 22 cents Canadian.)

NEW DELHI.—The Indian jute industry witnessed another critical year during 1950, mainly due to the lack of adequate supplies of raw jute. Although some progress was made in India's jute self-sufficiency program, this was not adequate to enable the industry to operate even on a 42½-hour week basis, and in November several mills temporarily had to suspend operations. For these reasons, production of jute manufactures was lower than that of previous years. As against an average monthly production of 77,000 tons in 1949, the average during 1950 was less than 70,000 tons. Consequently, exports of jute manufactures tended to decline. For the eight months ended August, 1950, the industry was able to send abroad only 447,000 tons, as against 530,000 tons and 620,000 tons during the corresponding periods of 1949 and 1948 respectively.

The year opened with the statutory controls applied during 1949 still operating. Thus, the orders fixing the ceiling prices for the sale of jute goods, as also for regulating the supply and distribution of jute goods, continued to be in operation under the supervision of an "ad hoc" committee. Consequently, the jute goods futures market remained under a statutory ban; the Jute Controller continued in office; shippers were allowed a margin of no more than 5 per cent profit; and mills were instructed to send goods directly to the consumers.

The continuation of controls was mainly necessitated by the prolonged trade deadlock between India and Pakistan, following the decision of the latter country not to devalue its rupee in September, 1949. However, during the period of deadlock, an interim agreement was made between the two countries to despatch to India 160,000 tons of raw jute, in return for 20,000 tons of jute goods from India before July 31, 1950. Unfortunately, the terms of the agreement were not fulfilled before the target date, partly due to the difficulty of opening letters of credit in India in the absence of any mutually-acceptable exchange rate, and partly owing to the low price which the Pakistan Jute Board was able to offer its growers. The agreement was eventually extended to September 30, and all attempts to renew it failed.

Mills Faced Acute Shortage of Raw Jute

In India, the mills continued to face an acute shortage of raw jute stocks. The problem developed into a crisis by July, when arrivals of raw jute dropped to as low as 147,000 bales. The stocks with mills, which stood at 943,000 bales, declined in the following month to 783,000 bales. Consequently, intensive efforts were made to keep mills working on a 42½-hour week. Surplus stocks with mills were requisitioned for distribution among the "have-not" mills. In this way, about 80,000 bales were secured which was just sufficient to pull the mills through the crisis till the arrival of the new crop. In order to minimize the chances of a rise in jute prices, the Central Disposals Section (C.D.S.) was asked to accept offers and to

allocate available supplies among mills in accordance with their stocks and needs. The offers to the C.D.S. were made irrevocable and a penalty of Rs.3 per bale was fixed for failure to accept by mills, or to deliver by brokers of raw jute under a contract. Following protests, however, the penalty clause was waived. Meanwhile, arrivals of raw jute gathered volume, but black-marketing compelled the Bengal Government to establish a statutory purchasing organization to buy up the jute and distribute it among the mills. Thus, the sector of the industry which provided almost the only scope for private trading went under state control in the third week of November.

The abnormal rise in prices of hessian in the United States market following the outbreak of hostilities in Korea, brought about an agitation in India for the withdrawal of controls over jute manufacturers. In August, hessian 40-inch 10-ounce was selling at the price of Rs.85 per 100 yards in the United States, as against the ceiling price of Rs.55 per 100 yards in India. Critics of the government policy pointed out that, as a result of ineffective controls, the country suffered in three ways: (a) excess money was deposited in foreign countries through under-invoicing of bills; (b) black money paid for the goods in India went into the pockets of managing agents, depriving the government of income-tax; and (c) the government was losing customs duty of the order of Rs.10 per 100 yards of hessian exported abroad. Instead of removing controls, however, the government tightened controls by directing the mills to deliver all goods produced during August to December to the government, for distribution to Argentina, United Kingdom, Australia, Sudan, Egypt and New Zealand, according to their requirements. Soon, however, hessian prices in the United States shot up to Rs.125 per 100 yards, and the government agreed to increase the then existing rate of export duty of Rs.350 per ton to Rs.750 per ton. Towards the end of November, this duty was again increased to Rs.1,500 per ton.

The outlook at the end of the year, therefore, was no more encouraging than at the beginning, and the prospects are that the mills will have to face the same problems of raw jute shortage during 1951. If, however, the Indo-Pakistan trade deadlock is ended to the mutual satisfaction of both countries, inflow of jute from Pakistan, which has had two bumper crops in succession, is bound to revitalize the industry tremendously. In the absence of any agreement, the position of the industry is bound to remain difficult till this country attains complete self-sufficiency in jute, which is planned to take place by the end of 1952.

Progress Made in Jute Program of Self-sufficiency

The only happy feature of the year was the commendable progress made in the government's self-sufficiency program in raw jute. The final forecast for 1949-50 disclosed the area under jute crop at 1,178,000 acres, yielding 3,117,000 bales, as compared with 834,000 acres with a crop of 2,055,000 bales in 1948-49. The increase of 33½ per cent in the yield is attributed to several measures adopted by the Indian Central Jute Committee under its self-sufficiency program—setting up of seed multiplication farms, provision for partial processing of the crop in all the jute-growing states, and increase in the acreage under jute in all these areas. Thus, Orissa added 50,000 acres more to its original acreage of 50,000 under jute. A similar area was brought under the crop in Assam, while Bengal and Bihar extended their area by 200,000 and 100,000 acres respectively. The jute production estimate for 1951-52 is 3,351,000 as against India's minimum requirements of 5,500,000 bales per annum.

Raw cotton continued to be a problem commodity during the year under review, and the problem resolved itself into not merely one of cover-

ing the deficit but of ensuring an equitable distribution of the available supplies among all the mills. Despite an increase of nearly 500,000 bales in the output of Indian cotton during the season, the scarcity of supplies was much more keenly felt than in the previous season, as the stocks brought forward from the previous season were poor in quantity and quality. A number of mills had to close down, while others had to curtail production to an appreciable extent. The price ceilings imposed by the government failed completely. Not a bale of Pakistan cotton was imported, except 12,000 bales from some old commitments, during the whole of 1950, owing to the failure of India and Pakistan to agree on the exchange value of the Pakistan rupee. Consequently, India had to find alternative sources of supply, and for the first time for well over a decade, American cotton was imported into the country, at a price higher than the cost of importing Pakistan cotton, even at Pakistan's exchange rate of Rs.144 Pakistani to Rs.100 Indian.

Total supplies of Indian cotton during the season, as compared with those of a year before, were less by about 700,000 bales.

Supplies of Cotton

	1950 Thousand bales	1949 Thousand bales
Opening stocks with mills.....	838	1,166
Opening stocks with trade	300	1,200
Output (trade estimate) excluding village consumption estimated at 300,000 bales.....	2,600	2,100
TOTAL SUPPLIES:	3,738	4,466

The increase of half a million bales in the output of cotton has been more than offset by a reduction of 1,228,000 bales in the opening stocks (both with the mills and the trade).

Ever since partition, it has been increasingly difficult to obtain cotton from Pakistan which, in pre-partition years, accounted for nearly 30 per cent of the Indian mills' consumption of East Indian cotton. Mills therefore, have been compelled to consume more and more Indian Union cotton. Thus, from 2,144,000 bales in 1946-47, the mills' consumption of the latter recorded a progressive rise in the subsequent two seasons and reached a total of 3,214,000 bales in the 1948-49 season. During the season under review, however, this upward trend was reversed, the mills' intake of Indian cotton being no more than 2,544,000 bales, a decline of 580,000 bales, as compared with the previous season. Excepting in the lean year of 1946-47, an abnormal year affected by strikes and communal disturbances prior to partition, the quantity of Indian cotton consumed during 1950 was the lowest for the past ten years. This situation may be explained mainly by late rains in Madhya Pradesh and failure of the monsoon in South India, which adversely affected the crop, and partly also by the government's anti-inflationary measures which pegged down prices of cloth and yarn without taking into account either world prices or the high prices of Indian cotton.

Exports of Cotton Restricted

With supplies of Indian cotton not even sufficient to meet the internal demand, exports of cotton had to be restricted, for the second year in succession, only to those short-staple varieties for which there is no demand within the country. In December, 1949, the government fixed a quantity ceiling of 200,000 bales for export in the 1949-50 cotton season. These were limited to four short-staple varieties, Bengal Desi, Mathia, Assam and

Comilla, the latter two being allowed to all destinations, while the first two were permitted export to hard-currency areas only. Despite the increase in export duty on November 18, 1949, from Rs.40 to Rs.100 per bale, this quantity was soon exhausted, and, as early as on January 11, 1950, the Export Controller informed the trade that export sale registrations far exceeded the ceiling of 200,000 bales. Sales for export to Japan were permitted a little longer, i.e. up to January 26, 1950, by which time the special quota allotted for Japan was also exhausted. Early in March, the United Kingdom was granted an extra quota of 10,000 bales as a special case. Total exports of Indian cotton during the 1949-50 season amounted to 246,000 bales as against 291,000 bales in 1948-49 and 800,000 bales in 1947-48. Of last season's exports, 12,000 bales went to the United Kingdom, 78,000 bales to Belgium, 52,000 bales to Japan, 64,000 bales to the United States and 40,000 bales to other countries.

Efforts to increase imports met with a fair measure of success. Thus, total imports during the year amounted to 1,249,000 bales, as against 1,024,000 bales in 1949, and only 644,000 bales in 1947. The total of 1,249,000 bales was made up of 410,000 bales from Egypt and Anglo-Egyptian Sudan; 290,000 bales from East Africa; 493,000 bales from the United States; 12,000 bales from Western Pakistan and 44,000 bales from other countries.

Government Encourages Increased Cotton Production

The main development of the current cotton season was the recognition by the government of the need for growing more cotton within the country, and to be self-sufficient at least in those varieties formerly being supplied by Pakistan. A target of 3,500,000 bales was set for the 1950-51 season, and of 4,000,000 bales for the 1951-52 season. To this end, in May, 1950, the government announced an eight-point policy, the main features of which were: (a) removal of all restrictions by state governments on the cultivation of cotton; (b) remission of land revenue for additional areas brought under cotton cultivation; (c) provision of improved varieties of cotton seed and fertilizers. One measure which had the unanimous support of the millowners and the cotton trade generally was an increase in the ceiling price of cotton by Rs.150 per candy (784 lb.), which became valid on June 16, 1950. At the same time, a Central Cotton Advisory Board consisting of representatives of the cotton trade and industry, was constituted. This Board improved the system of issuing quotas for each individual mill, tightened the restrictions in regard to movement of cotton from one zone to another, eliminated direct purchases of cotton by mills from the producers, and decided to appoint regional committees to supervise the working of the control regulations. Such regional committees have been appointed only in two or three centres so far, and efforts are still being made to form similar committees in other important cotton growing tracts. In spite of these measures, large-scale evasion of the control is reported from many places (the rates are from Rs.125 to Rs.150 per candy above the maximum permissible ceilings), and one district in the Punjab has been sealed off by the Textile Commissioner in an effort to check such evasion. The entire cotton crop of this district is to be bought up by his two nominees and distributed to mills as per his instructions.

Pending a more reliable estimate of the present season's crop, and in view of the anticipated difficulty in obtaining further supplies from abroad because of the universal stockpiling activities, the government issued a notice on October 18, 1950, warning the trade not to enter into any export commitments for raw cotton. Meanwhile, certain countries dependent on

special varieties of short-staple cotton have requested small allocations to meet their special needs, and these have been granted, although from November 8, 1950, the export duty was raised from Rs.100 per bale to Rs.400. With this increase, the export duty represents about 119 per cent of the internal cost of the cotton at the maximum ceiling price for the choicest quality.

Minister of Trade and Commerce Heads Canadian Delegation to Geneva Talks

Conference of Contracting Parties to the General Agreement on Tariffs and Trade will open on September 17—Consideration will be given to proposals for continuing administration of Agreement.

THE RIGHT Hon. C. D. Howe, Minister of Trade and Commerce, will head the Canadian delegation to the Sixth Session of the Contracting Parties to the General Agreement on Tariffs and Trade, which is scheduled to open at Geneva, Switzerland, on September 17, 1951.

Others in the Canadian delegation are: Dr. C. M. Isbister, Director of the International Trade Relations Division, Department of Trade and Commerce, who will be deputy chairman; Mr. James Sinclair, M.P., Parliamentary Assistant to the Minister of Finance, who will be parliamentary adviser to the delegation; Mr. L. Couillard, Department of External Affairs; Mr. W. J. Callaghan, International Economic Relations Division, Department of Finance; Mr. S. S. Reisman, International Economic Relations Division, Department of Finance; Mr. M. Schwarzman, International Trade Relations Division, Department of Trade and Commerce; and Mr. K. Goldschlag, Department of External Affairs, who will be secretary to the delegation.

Under the General Agreement on Tariffs and Trade, provision is made for the contracting parties to meet periodically for the purpose of giving effect to those provisions of the Agreement which involve joint action, and to further the objectives of the Agreement.

The Canadian delegation will support measures aimed at strengthening the GATT, in view of its achievements to date in bringing the important trading countries into a common agreement on the conduct of trade. In addition, tariff negotiations under GATT have provided for the reduction of tariffs on products accounting for a large proportion of the world's trade.

At their forthcoming session, the contracting parties will give particular consideration to proposals providing for the continuing administration of the Agreement, and designed to improve the effectiveness of the GATT organization in the light of the decision not to proceed with the establishment of an International Trade Organization.

India Purchases Canadian Wheat

India has purchased 400,000 long tons (14,900,000 bushels) of milling grades of Canadian wheat. The Right Hon. C. D. Howe stated that the sale resulted from negotiations between The Canadian Wheat Board and the Indian Supply Mission with headquarters in Washington, D.C.

The 400,000 long tons of wheat will be delivered to India under a shipping program running from October, 1951, to July, 1952. The entire quantity will be shipped through Pacific Coast ports. The sale of wheat to India is under the terms of the International Wheat Agreement.

Movement of Live Stock and Meat Products From Canada to Chicago Changes Pattern

Advent of controls on meat prices and the introduction of slaughter quotas cause interesting changes in first half of 1951—Canadian exports of live cattle decreased, but decline thought only temporary—Chicago yards one of the major outlets for Canadian cattle.

By Douglas S. Cole, Consul General of Canada.

CHICAGO.—Some interesting changes in the pattern of the live stock and meat products movement from Canada to the United States in the first six months of this year are revealed in the Canadian Live Stock and Meat Trade Reports. According to a senior official of the Chicago Stockyards, these changes have come about largely through the advent of controls on meat prices and the introduction of slaughter quotas established by the Office of Price Stabilization earlier in the year.

In 1950, Canada's exports of dressed meats to the United States (beef, veal, mutton and lamb) were 76,572,000 pounds, as compared with the 89,743,000 pounds exported in 1949. However, in the first half of 1951, the exports of these products to the United States were approximately 12,000,000 higher than in the same period in 1950. At the same time, almost the reverse has been true in the case of live cattle. In 1950, Canadian exports to the United States amounted to 352,957 head of live cattle (not counting purebred cattle, dairy stock, and calves) and represented an increase of 96,202 head over the 1949 total. In the first half of 1951, however, the live cattle exports decreased by 73,732 head in comparison with the same six months of 1950.

Explaining this movement shift, market observers point out that most of the cattle normally entering the United States from across the northern border are feeder stock. Replacement cattle were not being bought during this period in great volume from any source because of the uncertainties attending the OPS control regulations. Live stock farmers have been reticent in buying feeders in recent months from the range states in the United States, an attitude that became more prevalent during the period of continued uncertainty as to the future status of controls.

Decrease in Canadian Exports Thought Only Temporary

Observers contend that, in any event, the decrease in Canadian exports will be only temporary. Some were inclined to believe that Canadian feeder cattle might have been placed in a less attractive position in the past few months due to the exchange position. Others point out that the currency position has not had an unfavourable effect on the flow of dressed meats into the wholesale channels of the United States. The heavy demand for meat, they add, coupled with temporary inadequacies of supplies from domestic sources, has served to increase the importation.

Beef and live stock exports come from many sections of Canada. Cattle men at the Chicago stock yards regularly transact business with, and are familiar with the producing areas in the Canadian West, and the feeding sections in Ontario.

At the big marketing centre in Chicago, it is said there will always be a market for Canadian cattle south of the border, and that the demand for feeder stock, as well as for slaughter animals, will revive once the live stock markets in the United States get back to a more normal basis

of operation. This, it is felt, will be noticeable now that the status of OPS control legislation has been more clearly determined and after the cattle feeders have decided their programs for the months ahead.

The Chicago yards, of course, are one of the big outlets for Canadian cattle. It is the oldest of the major live stock markets in the United States, having been in operation since 1865, the year that saw the close of the Civil War. An idea of the size of its operations can be gleaned by the fact that since that time, nearly one billion head of live stock, cattle, hogs and sheep, have been shipped or driven into this one market.

At the time the Union Stock Yard was established, seven different yards were operating actively in Chicago, and others were in the planning stage. The producer whose animals were shipped to Chicago in those days often was confused as to his best marketing possibilities. This era was in the early days when stockmen from the West drove their animals in herds, many hundreds of miles, to concentration points.

Many brought their animals afoot all the way to Chicago and sold them for as much as they could get from a buyer. There was no true "Chicago market" in those days. The stockman had no real assurance that his animals would be in demand, or even knowledge of the extent of that demand which would tend to determine a value. One yard had a different price than its competitors. Uniformity was lacking, confusion was the condition of the day.

About this time, however, commission firms came into existence and with these salesmen representing the farmers and ranchers, guesswork on values was reduced. The commission firms, working in co-operation with producers and buyers, recognized the need for one central market, where the producers and buyers could intelligently appraise the supply and demand, and where values could be determined by open and competitive bidding.

Representatives of these interests met with owners of the many yards and railroads in Chicago and brought about the formation of the company that now bears today's name.

Chicago is Major Terminal Market

Chicago is a major terminal market. This means that the yards serve all segments of the live stock industry. Chicago's Union Stock yard, for instance, does not own, buy or sell, or in any way enter into the transactions dealing with the transfer of live stock ownership. Competition, as we have said, alone determines the price of cattle, hogs and sheep. Those entering into the bidding on a market place include individual buyers wanting only a few animals, representatives of the large packing houses who daily buy in volume, and shippers or order buyers.

In this terminal market, there are provided all of the facilities and service necessary to take care of the animals during the time they are on the property. All operations are "posted", which means they are governed by the terms of the Federal Packers and Stockyards Act, under the supervision of the United States Department of Agriculture.

The Union Stock Yard might be likened in its operations to a Securities Exchange in that the company does not own, buy, or sell nor have anything to do with determining the price of the commodity sold. Live stock prices are determined by competitive bidding, and the buyer who offers the most attractive price gets the animals.

In short, the operations of the Union Stock Yards, Chicago, are comparable to those in similar Canadian live stock markets. However, because of its size and importance as a live stock market place, Chicago acts in a sense as the live stock barometer of North America.

Turning Point Reached Last Year In Netherlands Postwar Economy

General conditions favourable but future marked with uncertainties—Disquieting economic undercurrents became evident following outbreak of Korean hostilities—Responsibilities under NATO not fully felt—Adverse trade balance causes concern.

Prepared by the Office of the Commercial Counsellor for Canada.

THE HAGUE.—The year 1950 will probably be marked as a turning point in the postwar economy of the Netherlands. Optimism, which in 1949 characterized the economic outlook, gave way to anxiety about the future. Although the country continued in an atmosphere of general prosperity throughout the year, many disquieting economic undercurrents became evident in the months following the June outbreak of hostilities in Korea. Rapidly rising commodity prices on world markets in the last six months of the year caused grave concern to industry and were largely responsible for turning the terms of trade against Holland.

The Netherlands responsibilities in the North Atlantic Treaty Organization were not fully felt during 1950. However, it was generally realized that increased defence expenditures could only be made by increasing taxation, an unbalanced budget and a reduction of consumption. The effects of these necessary measures cannot as yet be fully determined, but it is apparent that they will place considerable strain on Holland's recovery program and reverse many of the encouraging trends evident in 1949.

Canadian loans and United States Marshall aid have been responsible to a large degree for the excellent progress which has been made in Holland's postwar economic recovery. Owing to urgent defence requirements, it has been suggested that United States assistance will change in emphasis from civilian to military needs. To what extent this program can be carried out without causing a disastrous set-back to the Netherlands economic recovery program is still under study.

In spite of future uncertainties general economic conditions in the Netherlands during 1950 were favourable.

Production Continued to Expand

Production in the Netherlands during 1950 continued along the upward trend which has been evident since the war. The production index figure averaged 139 as compared with 125 for 1949, an increase of 11 per cent. Labour productivity also improved greatly during the year and in the fourth quarter the prewar level was almost reattained. It is important to note that the Netherlands experienced especially severe handicaps in this field as a result of the war. Loss of plant capacity, reduced numbers of skilled workers, the poor quality of raw materials, all increased the difficulty of raising the level of productive efficiency.

Investments during recent years have been twice as great as before the war. During 1949, 19 per cent of the national production was re-invested and for 1950 this figure exceeded 20 per cent.

Consumption, which clearly decreased in the first half of the year, increased slightly during the third quarter under the influence of the greater menace of war. In the last three months of 1950, consumption was

reduced by 10 per cent compared with the previous quarter. The annual real consumption per capita in 1950 was approximately one per cent below that of 1949.

The average index number for wholesale prices (base 1948 = 100) has risen by 22 points since the September, 1949, devaluation of the guilder. Since June, 1950, the month in which the hostilities began in Korea, the rise has been 10 points. The most important causes of the increase in the average wholesale price index number are to be found in the increased prices of raw materials and of finished products, in which imported materials play a major role.

The cost of living index of a working man's family (base 1938-39 = 100) continued to advance during 1950 and stood at 222 on December 15, 1950. Sharp increases were recorded in the last half of the year, the index advancing by 6 points during this period.

Two general wage increases, each of 5 per cent, were granted by the Netherlands Government during 1950. The pressure of increased living costs has led to almost constant negotiation by trade union leaders to have wage scales advanced. It is interesting to note that increases have been achieved with a minimum of labour disturbances. The basic stability of the Dutch worker and the well-balanced attitude of both government and labour leaders are probably the main factors which so far have contributed to the industrial peace.

Adverse Balance of Payments is Major Concern

The Netherlands' adverse balance of payments position for 1950 is of major concern to the country. The payments balance for 1950 shows a deficit, estimated by the Minister of Finance at approximately 1.2 billion guilders. For 1949 this deficit was 239 million guilders. This wide difference may be explained, on the one hand, by the specially favourable factors operative in 1949 and, on the other, by the very unfavourable factors which prevailed in 1950. In 1949, there was a large export of agricultural products as a result of the favourable crop conditions in the Netherlands and the dry summer in the remaining parts of Europe. The large volume of exports to Germany, after the conclusion of a trade agreement with that country, and the wait-and-see attitude adopted by Dutch industry with respect to purchases abroad in the months immediately following the devaluation, also contributed toward the more favourable balance of payments record for 1949.

In 1950 the pattern developed along reverse lines. During the first half of the year, heavy foreign buying took place for stock replenishment. Trade liberalization had the effect of increasing Holland's imports without a corresponding increase in exports. At first it was expected that the second half of the year would show an improvement. However, the outbreak of hostilities in Korea completely altered the picture. In consequence of international tension, prices increased on practically all commodity markets of the world with a resulting further deterioration of the Netherlands' terms of trade.

Compared with 1949 a marked deterioration in Holland's commodity trade balance is evident in 1950. The percentage of imports covered by exports has fallen from 72 to 68 per cent and the import balance has risen from 1.5 billion to over 2.46 billion guilders, an unexpected high. During 1950, Holland's imports totalled 7,753 million guilders and her exports amounted to 5,288 million guilders, producing a deficit in the balance of trade of 2,465 million guilders. This is 962 million guilders more than for the previous year.

Economic Development of India Promoted By Financial Assistance from Canada

Statement of principles for co-operative economic development of India under the Colombo Plan confirmed in New Delhi by exchange of notes—Goods or services to be provided by Canada on grant or loan basis.

CANADA and India have agreed on a statement of principles for the co-operative economic development of India under the Colombo Plan, these principles having been confirmed by an exchange of diplomatic notes in New Delhi on September 10, 1951. Active consideration is being given to the manner in which the available money will be spent in Canada, and it is anticipated that a statement on this subject will be made in the near future.

The text of the statement of principles is as follows:

The Governments of Canada and India, together with other governments, took part in London, in 1950, in drawing up the Colombo Plan for Co-operative Economic Development in South and South-East Asia. The Governments of Canada and India now desire to co-operate for their mutual benefit, and in particular for the achievement of the purposes of the Colombo Plan, by promoting the economic development of India. Therefore, the Governments of Canada and India now wish to establish agreed principles under which economic aid from Canada will be provided to India for the purposes of the Colombo Plan, and according to which supplementary agreements may be made to cover specific programs.

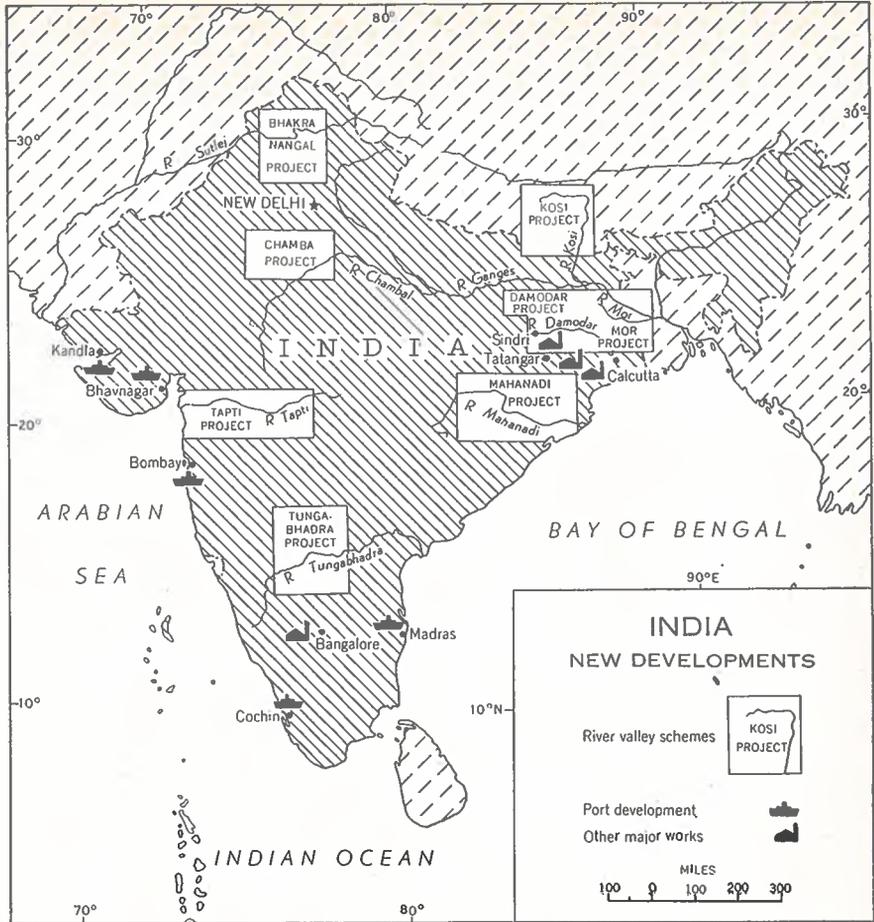
The Governments of Canada and India agree to the establishment of the following principles:

1. All economic aid supplied by the Government of Canada to the Government of India under the Colombo Plan shall consist of goods and services in accordance with specific programs agreed upon from time to time between the two governments. Similarly, agreement will be reached on the methods of procurement and transfer.

2. In order that Canadian aid may cover different types of projects, different forms of financing may be used; in particular, Canadian aid will be available on either a grant or a loan basis, depending on the nature of each specific program and the uses to which the goods and services supplied under it are put.

3. The particular terms of each specific program will be a matter for agreement between the two governments, subject to the following general provisions:

- (a) Grants: In any specific program, under which goods financed by grants from the Canadian Government are sold or otherwise distributed to the Indian public, "counterpart funds" will normally be set aside. The Indian Government will set up a special account for these funds and will keep separate records of the amounts placed in the account in connection with each specific program. It will pay into this account the rupee equivalent of the Canadian expenditures on goods and services supplied under any such program. The Government of India will from time to time report to the Government of Canada the position of this account, and will supply a certificate from the Comptroller and Auditor-General of India. The two governments will from time to time agree on the economic development projects in India to be financed from this account.



(b) Loans: For the specific programs which are agreed to be appropriate for financing by means of loans, the terms of the loans will be determined by the two governments. These terms will relate primarily to the commercial character of the particular project in question, to its anticipated earnings, and to its anticipated effects on the foreign exchange position of India.

TRANSPORTATION

The Transportation and Communications Division is in a position to furnish information on water, rail, air and road transport services to and from Canada. Shippers having any transportation problems are invited to use the facilities of this Division.

A list of the principal Canadian trade routes and the various steamship companies maintaining services thereon has been compiled and may be obtained on request.

Inquiries for this list or other information concerning international transportation services should be addressed to the Director, Transportation and Communications Division, Department of Trade and Commerce, Ottawa.

Field Representatives for Trade Fair Promotion Are Appointed

Two field supervisors, one in Quebec Province and one in Toronto, will also assist administration officials of the Canadian International Trade Fair—Retired businessmen will stimulate interest in trade fair next June among Canadian manufacturers and producers.

Two field supervisors and seven field representatives have been appointed to collaborate with administration officials of the Canadian International Trade Fair in stimulating interest among Canadian businessmen in the Fifth Canadian International Trade Fair, being held from June 2-13, 1952, in Toronto. The continuation of the trade fair beyond 1952 will depend largely on the measure of participation by Canadian manufacturers and other producers next year.

The two field supervisors are Mr. F. A. Serdongs, of Montreal, a naturalized Canadian who was born and educated in Belgium; and Mr. McCormack Smyth, of Oakville, a University of Toronto graduate, who has extensive sales and promotional experience. Mr. Serdongs has been appointed sales supervisor for Quebec Province, and Mr. Smyth for Toronto and its environs.

The seven field representatives are:

(a) M. J. Edwards, of Montreal, formerly chief inspector of the Express Association of Canada, who will be responsible for the Montreal area. Mr. Edwards was born in England, educated in Guildford and the Isle of Wight, and came to Canada in 1911 after working with a law firm for ten years. He joined the Canadian Pacific Express Company, in Winnipeg, and transferred to the Express Traffic Association in 1930 as an inspector.

(b) H. L. Gagnon, of Sherbrooke, Que., who was employed with the Royal Bank for forty-one years, prior to his retirement in 1950. He will be responsible for Quebec Province, other than Montreal. Mr. Gagnon was born in Nova Scotia, and has spent twenty-two years in foreign countries, at posts in the British West Indies, Barcelona, Spain; and Paris, France.

(c) A. A. Love, of Lindsay, Ont., whose territory extends north and east from Whitby, Orillia and Midland, Ont. Born and educated in Quebec City, he was employed for a number of years with the Canadian Bank of Commerce, retiring in 1950 as inspector in charge of methods at the head office, in Toronto. After serving in Quebec, Montreal, London, England; St. John's, Nfld.; Ottawa and Toronto, Mr. Love was transferred in 1929 to the Maritimes Division, as assistant inspector at Halifax, and was subsequently branch manager at Yarmouth, Truro and Sydney, prior to his transfer to Toronto.

Two Representatives Named for Western Canada

(d) Campbell Millar, of Portage La Prairie, Man., whose territory includes Northwestern Ontario, as far as the head of the Great Lakes, Manitoba and Saskatchewan. He is in the real estate business, in Winnipeg, and was formerly warehouse sales supervisor for the War Assets Corporation. Mr. Millar was in the Canadian Army for thirty years, and during

the Second World War commanded the 3rd Battalion of the Royal Winnipeg Rifles and served on the headquarters staff in Winnipeg and London, England.

(e) Professor E. H. Morrow, of Vancouver, whose territory will comprise Alberta and British Columbia. He was head of the School of Business Administration, Western University, London, Ont., from 1922-1928, and for the next eleven years was in the publishing business, first as a director of research for the business papers' division of the Maclean-Hunter Publishing Company, Limited, and subsequently as sales manager of the general books division of the Macmillan Company of Canada, Limited, publishers.

(f) D. R. Platt, of London, Ont., whose territory extends west from Collingwood, Harriston, Brantford and Port Dover through Western Ontario. He was born and educated in Prince Edward County, and served since the age of sixteen with the Bank of Nova Scotia, from which he retired recently. He served mainly in Ontario, and was branch manager at Cobalt, Picton, Peterborough and London.

(g) A. S. Wilkinson, of Guelph, whose territory extends through West-Central Ontario, east of Collingwood, Stratford, Brantford and Port Dover to Barrie, Hamilton and the Niagara Peninsula. Born and educated in London, England, he came to Canada as a young man, and joined the Royal Bank of Canada, retiring recently as manager of the Guelph branch. He also served in a number of Ontario branches, in Montreal and Quebec City.

Prior to his recent appointment, Mr. Serdongs was chief of the Belgian Government Economic Mission in Canada, and has wide experience as a commercial director of Belgian and Canadian import-export firms. He was educated in Belgium, and graduated from the University of Antwerp with a Bachelor of Commerce degree. During the Second World War, Mr. Serdongs served with the Canadian Army, in the Royal Canadian Artillery and the Royal Canadian Army Pay Corps.

After doing post graduate work at the University of Toronto in Political Science, Mr. Smith was employed with the Dunlop Tire and Rubber Goods, Limited, and later established an electrical equipment manufacturing firm in Toronto, which he later transferred to Port Credit.

These field supervisors and field representatives will work directly with the trade fair administration, in Toronto, and collaborate with trade fair provincial committees in their respective territories.

J. J. D. Brunke Appointed Director of Priorities Division

J. J. D. Brunke, an executive officer of the Mutual Life Assurance Company of Canada, Waterloo, Ont., has been appointed Director of the Priorities Division, Department of Defence Production, in succession to Mr. H. J. Sissions. A political science and economics graduate of the University of Toronto, Mr. Brunke has been loaned to the department by his company. He was engaged in somewhat similar work with the Department of Munitions and Supply during the Second World War, having been in charge of the priorities office of that department in Washington, returning to Ottawa to become Secretary of the Production Board and Assistant to the Co-ordinator of Production.

Canada to Provide Financial Assistance For Economic Development of Pakistan

Statement of principles for co-operative economic development of Pakistan under the Colombo Plan confirmed by exchange of notes in Karachi—Canadian aid to be provided on either a grant or loan basis in form of goods or services.

CANADA and Pakistan have agreed on a statement of principles for the co-operative economic development of Pakistan under the Colombo Plan, the principles having been confirmed by an exchange of diplomatic notes in Karachi on September 10, 1951.

The principles provide that Canadian aid to Pakistan may be provided on either a grant or loan basis, depending on the nature of the projects to be financed. Projects of an essentially commercial nature would be eligible for loans; others of a basic public utility or developmental character would be eligible for grants.

In addition, the governments have tentatively agreed on the projects to be undertaken in Pakistan with Canadian assistance during the first year of the Colombo Plan. These projects, amounting in all to some \$10 million, include capital works and equipment (dump trucks, motors, pumps, etc.) in connection with a large settlement scheme in the Thal Area, experimental and demonstration work in the field of live stock, and some electrical and transport equipment.

If, for any reason, any of these projects prove impracticable, others will be substituted in the program.

The text of the statement of principles follows:

The Governments of Canada and Pakistan, together with other governments, took part in London, in 1950, in drawing up the Colombo Plan for Co-operative Economic Development in South and South-East Asia. The Governments of Canada and Pakistan now desire to co-operate for their mutual benefit, and in particular for the achievement of the purposes of the Colombo Plan, by promoting the economic development of Pakistan. Therefore, the Governments of Canada and Pakistan now wish to establish agreed principles under which economic aid from Canada will be provided to Pakistan for the purposes of the Colombo Plan, and according to which supplementary agreements may be made to cover specific programs.

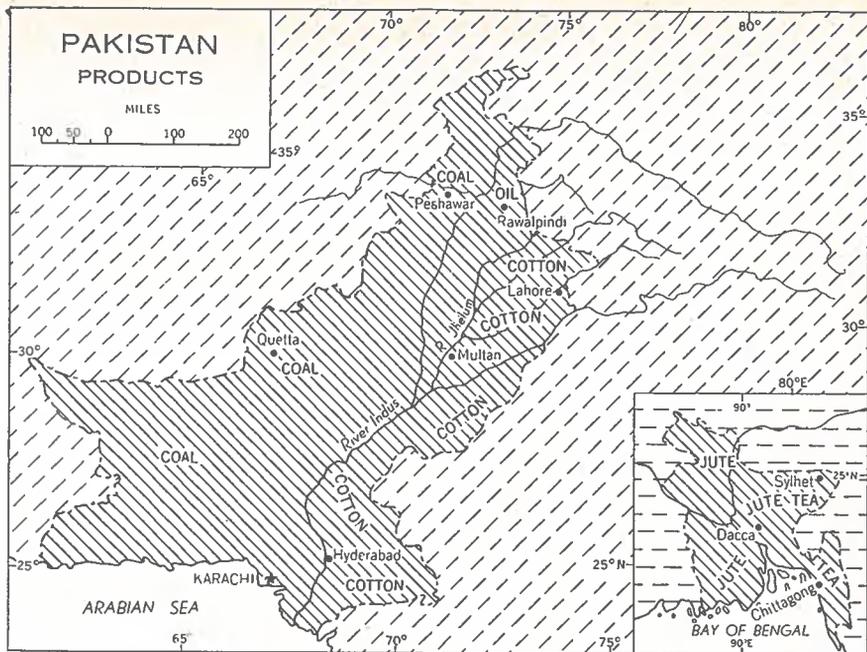
The Governments of Canada and Pakistan agree to the establishment of the following principles:

1. All economic aid supplied by the Government of Canada to the Government of Pakistan under the Colombo Plan shall consist of goods and services in accordance with specific programs agreed upon from time to time between the two governments. Similarly, agreement will be reached on the methods of procurement and transfer.

2. In order that Canadian aid may cover different types of projects, different forms of financing may be used; in particular, Canadian aid will be available on either a grant or a loan basis, depending on the nature of each specific program and the uses to which the goods and services supplied under it are put.

The particular terms of each specific program will be a matter for agreement between the two governments, subject to the following general provisions:

- (a) Grants: In any specific program under which goods financed by grants from the Canadian Government are sold or otherwise distributed to the Pakistan public, "counterpart funds" will



normally be set aside. The Pakistan Government will set up a special account for these funds and will keep separate records of the amounts placed in the account in connection with each specific program. It will pay into this account the rupee equivalent of the Canadian expenditures on goods and services supplied under any such program. The Government of Pakistan will from time to time report to the Government of Canada the position of this account and will supply a certificate from the Auditor-General of Pakistan. The two governments will from time to time agree on the economic development projects in Pakistan to be financed from this account.

- (b) Loans: For the specific programs, which are agreed to be appropriate for financing by means of loans, the terms of the loans will be determined by the two governments. These terms will relate primarily to the commercial character of the particular project in question, to its anticipated earnings, and to its anticipated effects on the foreign exchange position of Pakistan.

Foreign Trade Service Directories

The list of Canadian Government Trade Commissioners, formerly reproduced in each issue of "Foreign Trade," will be published henceforth once a month, appearing in the last issue of every month.

The Head Office Directory and the list of Foreign Commercial Representatives in Canada, which formerly appeared once a month, will be published henceforth once a quarter, in the last issues of September, December, March and June.

Foreign Exchange Quotations, which were formerly published in each issue of "Foreign Trade," will be reproduced henceforth in the last issue of each month.

Trade Notes

AUSTRALIA

Australia Awards Power Contract to Italian Firm

Sydney, August 22, 1951.—(FTS)—The New South Wales Government has announced the letting to an Italian firm, Societa Anonima Elettificaziene of Milan, of a contract to build a £902,000 power transmission line, which will link power from the Sydney City Council and the Railways Department with power from the State Electricity Commission's plants at Port Kembla and Tallawarra.

Australia Orders Two Ships from Local Industry

Sydney, August 22, 1951.—(FTS)—The Australian Government has decided to place orders locally for the building of two ships of about 4,800 tons deadweight each for the coastal trade. The Australian Shipping Board is to invite tenders from Australian shipbuilders; engines and boilers already in the Board's possession are to be used. Behind the decision is a desire to assist the Australian shipbuilding industry, which is well on the way to completing its existing program, and also to improve interstate shipping of coal and to minimize handling delays.

Australian Population Increased

Sydney, August 22, 1951.—(FTS)—Australia's population increased by 253,873 in the twelve months ended March 31, 1951. This made the total population 8,380,207, the natural increase being 112,705 and the increase by immigration 141,168.

United States to Supply Emergency Power Plants to Australia

Sydney, August 22, 1951.—(FTS)—The Australian Minister for National Development has announced that manufacturers in the United States are now going ahead with all of the twenty-eight "packaged" emergency power plants ordered by Australia under the \$100,000,000 loan. The plants, which are for erection in New South Wales, Queensland and Victoria, comprise four with a capacity of 10,000 k.w. and twenty-four with a capacity of 5,000 k.w. each, giving a total new capacity of 160,000 k.w.

Australian Tungsten Output to be Increased

Melbourne, July 26, 1951.—(FTS)—The increasing world demand for tungsten, stimulated by the defence programs in the western world, draws attention to new plans for expansion of production of this important strategic metal in Australia.

Tungsten is derived from both wolfram and scheelite ores which are found in quantity in Queensland, New South Wales, Tasmania, Western Australia and Northern Territory. The Australian domestic consumption is relatively small, probably not more than 100 tons a year of 65 per cent concentrate, so that the scheelite and wolfram industries are almost wholly dependent on overseas markets. These markets remained fairly static during the postwar years, as production in the United States,

Bolivia, Brazil and Portugal was adequate for the demand, even with supplies from Eastern countries being curtailed or uncertain. Up to 1950, therefore, there was little incentive to expand production but with the outbreak of the Korean war, tungsten achieved a growing importance.

The bulk of Australian production comes at present from scheelite deposits in King Island, a small island off the north-western tip of Tasmania in Bass Strait, and it is here that the new expansion program is concentrated. Three major factors have contributed to this development, viz.—(1) a sharp increase in the world price to a level several times that prevailing in 1949; (2) the negotiation of long-term contracts with the United Kingdom and the United States Governments for periods of five and seven years respectively; and (3) the solving of the problem of the high molybdenum content carried by the King Island scheelite ore, by concluding an arrangement with an associate in the United States to treat the concentrate for the removal of molybdenum and phosphate impurities, thus creating a wider market in the United States. By the end of 1951, it is expected that King Island production will have increased by 50 per cent over 1950, whilst other expansion programs are in process in other parts of Australia.

Australian production of tungsten (calculated to 65 per cent concentrates) stood at 1,066 tons in 1946, moving up gradually to 1,245 tons in 1949, and dropping back to 1,110 tons in 1950. World production in 1949 is estimated by the Australian Bureau of Mineral Resources to have been in the neighbourhood of 30,000 tons of 60 per cent concentrates.

BRAZIL

Gold Production in Brazil Increased

Rio de Janeiro, August 24, 1951.—(FTS)—Gold production in Brazil in 1950 amounted to 4,081 kilos, valued at Cr\$154.3 million. The 1950 figure, although higher than the two previous years, is substantially below the 1944 production of 5,175 kilos.

Brazilian Imports from Great Britain Higher

Rio de Janeiro, August 18, 1951.—(FTS)—During the first half of 1951, Brazil's imports from the United Kingdom have increased notably, particularly in the field of machinery. Except for India, Brazil was the United Kingdom's biggest customer for textile machinery during the first six months of this year, with purchases amounting to over \$5 million. The importation of electrical equipment increased nearly 100 per cent over the corresponding period of last year, and tools and allied products also showed marked improvement.

Brazilian Export Trade Increased

Rio de Janeiro, August 24, 1951.—(FTS)—During the first five months of 1951, Brazil exported 1,862,960 tons of merchandise valued at Cr\$12,621,440,000. This is an increase of more than 10 per cent over the same period of last year. The main products were coffee, cotton, cocoa, skins and hides, pinewood, sisal, carnaúba wax, rice, corn and mamona. All products except cocoa showed improvement, and corn was not exported during the first five months of 1950.

New Monazite Refinery Opened in Brazil

Rio de Janeiro, August 10, 1951.—(FTS)—The newly erected refinery for monazite sands at Victoria, Estado de Espirito Santo, to be operated by Industrias Nacionais de Refinação Monazita Ltda., was officially inaugurated early this month.

Brazilian Cement Production Higher

São Paulo, August 16, 1951.—(FTS)—Brazil's cement production and importation in 1950 was 1,335,000 tons and 404,117 tons respectively, although the national plants (20 in number) had an annual production capacity of 1,565,000 tons. The figures for 1949 were—production, 1,281,000 tons, and importation, 433,820 tons. According to news reports, a national production of 3,000,000 is foreseen for 1952 in view of the new plants which are being planned.

Brazil to Manufacture Motorcycles

São Paulo, August 16, 1951.—(FTS)—The first motorcycle factory to operate in Brazil will shortly be built in the town of Jundiá, in the State of São Paulo. The enterprise is being financed by Brazilian and Italian capital and it is anticipated that the monthly production capacity of the factory will be 1,000 machines.

Storage and Dry Cell Battery Factory to be Established in Brazil

São Paulo, August 16, 1951.—(FTS)—A storage and dry cell battery factory is being established in the State of São Paulo, by the National Carbon do Brasil S/A., whose registered capital is 50 million cruzeiros. About 60 tons of machinery is being mounted and 50 tons more are under way. When production begins an initial staff of 250 workers will be employed. The output will be destined for transmitters and receptors of the army and navy, telephone systems and medical and precision instruments.

EASTERN CARIBBEAN

French Guiana Revises Import Tax

Port of Spain, August 16, 1951.—(FTS)—A special import tax imposed in French Guiana has been revised, and will now apply only to luxury items at a uniform rate of 9·20 per cent ad valorem. The tax was formerly collected on all imports, including those from France and its overseas territories. Items considered essential to the economy of French Guiana are exempted, but the tax still applies to tobacco products and matches.

British Guiana Aided by Colonial Development Corporation

Port of Spain, August 16, 1951.—(FTS)—The officer in charge of the operations of the Colonial Development Corporation in the British Caribbean area states that the cost of projects which the Corporation has already undertaken in British Guiana amounts to \$17 million. These projects have been principally in the mining, timber and rice industries.

British Guiana Buys Hereford Cattle from Britain

Port of Spain, August 16, 1951.—(FTS)—Four young Hereford bull calves, aged between five and seven months, have been purchased from breeders in the United Kingdom for shipment to British Guiana. It is understood they will be used for crossing with the native Zebu cattle as a means of improving the quality of British Guiana's beef stock. It is the first such shipment from the United Kingdom in many years.

Antigua Seeks Market for Tomatoes

Port of Spain, August 16, 1951.—(FTS)—A market for fresh tomatoes is being sought by the Government of Antigua. It is stated that with favourable shipping facilities and prices the island can supply at least 500,000 lbs. net in 1952. In normal years, the harvest season occurs from January to mid-April. To ensure maintenance of adequate standards, sorting and packing will be done under the strict supervision of Antigua Government officials.

Surinam to Export Shrimps to Holland

Port of Spain, August 16, 1951.—(FTS)—A large experimental consignment of shrimps will be shipped shortly from Surinam to the Netherlands.

Marshall Aid Granted for British Guiana Rice Project

Port of Spain, August 16, 1951.—(FTS)—ECA has approved a grant of \$621,000 to assist in the development of rice production in British Guiana. This grant is part of a \$7 million allocation to the United Kingdom to assist in the economic development of her colonies. The funds allocated to British Guiana will be used to finance the drainage and irrigation of some 35,000 acres of land suitable for the growing of rice.

ISRAEL

Israel Inaugurates Refinery for Regenerating Lubricating Oil

(One Israel pound equals US\$2.8)

Athens, July 5, 1951.—(FTS)—A I£ 100,000 refinery for the regeneration of lubricating oils has been inaugurated at Lodd in Israel. From each kilogram (1,000 grams) of used oil, about 700 grams (70 per cent) regenerated oil of first class quality can be recovered, a process which will save the country about \$500,000 per annum in foreign currency. While the capacity of the new refinery is 3,600 tons, it is estimated that there are 6,000 tons of oil at present available for regeneration.

It is hoped eventually to obtain a contract from the British Army for the regeneration of oil used by the Middle East Forces.

Israeli Diamond Industry Facing Difficulties

(One Israel pound equals US\$2.8.)

Athens, July 1, 1951.—(FTS)—Due to the fall in prices for polished diamonds in the United States, the local diamond industry is again faced with considerable difficulties. While prices for the finished products are on the decline, the London Syndicate recently increased prices for raw diamonds.

During 1950, exports of polished diamonds were valued at I £ 3,354,161. The figure for the first four months of this year reached I £ 1,403,000, as compared with I £ 893,000 during the same period last year. Ninety per cent of Israel's diamond exports during 1950 were sold in the United States, the remainder mainly in the British Empire. United States imports were valued at \$9.1 million, and Canadian at \$262,821.

In view of growing price difficulties, producers are again pressing the government for permission to sell diamonds through barter agreements, under which part of the possible loss on the sale of the diamonds can be recovered from profits when the imported goods are sold in Israel.

NORWAY

Norway's Balance of Payments Greatly Improved

Oslo, August 28, 1951.—(FTS)—During the first six months of 1951, the deficit in Norway's balance of payments amounted to 90 million kroner, 40 million during the first quarter of the year and 50 million in the second quarter. This is a decline of 595 million kroner, or as much as 87 per cent, as compared with the first six months of 1950 when the deficit totalled 685 million kroner. This improvement in the balance of payments was almost entirely due to the Norwegian shipping returns, which increased from 14 million kroner for the first half of 1950 to 575 million for the first six months of 1951, and were thus responsible for about 95 per cent of the reduction in the payments deficit.

Norwegian Small Whale Catch Higher

Oslo, August 28, 1951.—(FTS)—By the end of July, this season's small whale catch off the Norwegian north-west coast totalled 1,753 beaked whales, 50 bottlenose and 21 killer whales, as against 1,433 beaked whales, 35 bottlenose and 12 killer whales last year. Sales have been easily effected, and satisfactory prices obtained, the blubber fetching 1 krone per kilogram, and the whale meat from kroner 1.10 to 1.20 per kilogram. Practically all the whale meat has been sold on the home market, while small sample shipments have been sent to the United States. The participation has been somewhat larger this season than last year, 269 concessions having been granted, and reports received from 222 whaling boats. The land stations, of which there are four on the Norwegian west coast, have also had a good season, their total catch amounting to more than 300 large whales, mostly finbacks.

Greater Part of Norwegian Merchant Fleet Is Motor Driven

Oslo, August 28, 1951.—(FTS)—The Norwegian merchant fleet comprised 5,496 ships at the end of June, 1951, having a total gross tonnage of 5,844,287 tons. This was an increase of 44 ships, totalling 164,830 gross tons, during the last six months. Of this total tonnage, 74 per cent were motor ships and only 26 per cent steamships. The following table briefly shows the trend towards motor tonnage in the Norwegian merchant fleet during the past 20 years.

	Motor Tonnage (1,000 gross tons)	Steam Tonnage
1930	1,038	2,339
1940	3,083	1,758
1945	1,920	880
1950	3,659	1,640
1951	4,329	1,516

At the same time, the expansion of the merchant fleet after the war has been most marked in the case of tankers, the figures at the end of June, 1951, being dry cargo ships 3.05 million gross tons and tankers 2.79 million gross tons, as compared with 2.94 million and 1.9 million gross tons respectively at the end of 1939. Furthermore, as the new tonnage presently being built mainly comprises tankers, it is expected that in the near future the tanker fleet will reach 50 per cent of the total tonnage.

PAKISTAN

D.D.T. Plant to be Set Up in Pakistan

Karachi, July 16, 1951.—(F.T.S.)—The Government of Pakistan and the United Nations International Children's Emergency Fund have jointly sponsored the setting up of a plant in Pakistan for the manufacture of D.D.T. The UNICEF will provide equipment worth Rs. 800,000 (\$255,591.00). The Government of Pakistan will provide Rs. 1,225,000 (\$391,374.00). The plant will produce about 700 tons of D.D.T. a year, which is sufficient to meet the requirements of anti-malaria work.

Pakistan Industrial Development Corporation Established

Karachi, July 18, 1951.—(F.T.S.)—The Pakistan Government has established an Industrial Development Corporation charged with the duty of promoting and sponsoring such industries as jute, paper mills, heavy engineering industries, heavy chemical industries and shipbuilding. Branches of the corporation will be opened in the eastern section of Pakistan

PORTUGAL

Portugal Increases Production of Electrical Material

Lisbon, July 27, 1951.—(F.T.S.)—With the extending use and lower cost of hydro-electric power, the utilization of electrical equipment is expanding and new industries are springing up within the country to meet this demand. Local industry can now supply practically the entire demand for transformers, switchboard material, motors, wires and cables in the small and medium ranges.

The production of electric motors from $\frac{1}{8}$ to 50 h.p. is now sufficient for local needs and with the installation of new plants, the prices of motors have decreased in varying degrees by 10 per cent to as much as 40 per cent.

Portuguese Shipyards Active

Lisbon, July 27, 1951.—(F.T.S.)—New ship construction continues very active in Portugal. On the ways at present are: one 10,500-ton tanker; two trawlers of just over 2,000 tons and one of 1,500 tons to augment the codfishing fleet, while seven 510-ton trawlers are also being built for the fresh fish fleet fishing in the high seas.

A hospital ship of 4,800 tons is also being built for the codfishing fleet, along with two ocean going tugs, powered with 1,200 h.p. engines each.

SOUTH AFRICA

Tourist Spendings in South Africa Increase

Cape Town, July 31, 1951.—(FTS)—Tourists to South Africa will contribute about £15 million to the country's invisible exports in 1951. During the first quarter of the year, 25,487 visitors arrived compared with 21,382 in the similar period of last year. It is anticipated that last year's annual figure of 78,559 will be exceeded. The largest influx was from Southern Rhodesia, but there has been a slight falling off from the United Kingdom and a sharp decline in visitors from the United States.

New Peak Reached in South African Bank Credit

Johannesburg, August 17, 1951.—(FTS)—Total loans and discounts by South African commercial banks reached a new high level of £182,400,000 on June 30, according to the monthly returns published in the Government Gazette. Since March 31 commercial bank advances have risen by nearly £21,000,000, if allowance is made for the fall of £7,000,000 in their deposits with the National Finance Corporation.

The inflationary pressure of this increase on the money supply has been offset by a drop in the Reserve Bank's gold and foreign exchange holdings—from £167,800,000 at the end of March to £154,300,000 on June 30. A major factor in the sharp increase in bank credit has been the sharp rise in the prices of raw materials and goods since the Korean war began. In order to carry adequate stocks at the higher prices, commercial and manufacturing firms have been forced to acquire additional working capital.

Critical Meat Shortage in South Africa

Johannesburg, August 17, 1951.—(FTS)—The meat shortage that has prevailed throughout the Union of South Africa for the past year or so in varying degrees of intensity, and which has caused considerable hardship, principally in the urban areas, shows no improvement. Ways and means are therefore being studied by the authorities to bring about a better supply of this important article of diet. The steps likely to be taken will follow the line of better breeding practice in the backward areas, better feeding in areas where mixed farming is carried on, and of achieving a quicker turnover by marketing cattle at a younger age. Another measure will be to encourage greater productivity from the five million native-owned cattle.

Statistics show that the Union's cattle population has remained constant at about 12,500,000 since 1939. According to the Under Secretary for Agriculture this means that, under the present intensive farming systems, South Africa has reached saturation as far as livestock population is concerned.

South African Textile Imports are Large

Johannesburg, August 17, 1951.—(FTS)—A report on the textile trade of the Union, which appeared in a recent edition of "Industrial Review", shows that, with the exception of blankets and kaffir sheeting, the great bulk of the Union's textile requirements in piecegoods and yarns have hitherto been imported. Consequently, textile imports have constituted a large share of total imports. In the postwar period total

textile imports made up between 20 per cent and 25 per cent of total imports. During 1948 and 1949 textiles constituted over 15 per cent of total imports, amounting to nearly £50 million in 1949, compared with total imports of £312 million.

South African Exporters' Association Proposed

Johannesburg, August 17, 1951.—(FTS)—A project is under way to form a South African Exporters' Association open to all firms interested in export trade, as a result of a popular demand from South African exporters.

The preliminary steps in forming this association have already been taken, and the idea is receiving the full encouragement of the government and the various Chambers of Commerce and Industry. It is hoped that the association will in due course help to solve many of the problems concerning the packaging, shipping, invoicing, etc. of goods for export, which at present confront many firms inexperienced in these matters.

TURKEY

Private Industries Receive Assistance in Turkey

Istanbul, July 11, 1951.—(FTS)—The ECA Administrator and Turkish Minister of Foreign Affairs have issued a joint statement allocating 3·8 million lira for the development of private enterprise projects. A total of 1·5 million lira is allotted to Ibrahim Ethem Laboratory for the production of pharmaceuticals, 462,000 lira to Messrs. Gulcuoglu ve Ortaklari for the construction of an oilseed plant in Izmir and 1·8 million lira to Pyramid Ltd., Ski., for a cotton carding mill in Istanbul.

Foreign Investment in Turkey Given Encouragement

Istanbul, August 2, 1951.—(FTS)—The long discussed Bill affecting foreign investment in Turkey has been passed by the Grand National Assembly. The law now provides a guarantee to the foreign investor of the transferability of capital after a period of three years. Foreign exchange will also be granted for the transfer in any one year of profits up to 10 per cent of the investment.

Freight Rates to Istanbul Increased

Istanbul, August 22, 1951.—(FTS)—An increase in freight rates to Istanbul of 20 per cent has been announced by most lines operating to this port. New rates of conference lines from the United States are already in effect, and British lines will implement the 20 per cent rise on September 1, 1951. A meeting of representatives of all lines will be held later in the month to resolve various points of contention between foreign lines and the Turkish State Seaways.

The reason for the drastic increase is the slow turn-around of ships discharging in the port. For many years, the facilities for loading and off-loading of ships in this port have been inadequate to the demands made upon them. In recent months conditions have become steadily worse, and the situation now is one of acute congestion. There have recently been cases where ships have been in port for periods up to a week without discharging a single pound of cargo. Ships which should be off-loaded in three days are taking up to three weeks.

The problem is twofold: inadequate cargo handling facilities, particularly cranes; and shortage of customs and storage sheds. All bonded storage space is now jammed, and the situation is aggravated by the fact that lighters used in discharging cargoes are left loaded, thereby decreasing the number available for the movement of goods from ship to shore.

Although plans are in hand for the enlargement of the port by the building of quays and storage sheds, no adequate short-term relief can be expected. One important factor contributing to customs overloading, which might be easiest of solution, is the time imported goods spend in customs. The practice of leaving goods stored in customs is fairly widespread for the very simple reason that storage charges are cheaper than a significant proportion of private warehousing.

Modern Pharmaceutical Plant Being Erected in Turkey

Istanbul, August 15, 1951.—(FTS)—Construction work has been started on a modern plant in Turkey designed to produce penicillin, streptomycin, insulin and other pharmaceutical products. The factory is being financed on a joint basis by the American company, E. R. Squibb, and Turkish private capital. It is expected that the factory will be completed in 1952. Production will cater to Turkey's requirements, but there may also be sufficient surplus production of certain pharmaceuticals to export to Middle East countries.

Increased Oil Output Possible in Turkey

Istanbul, August 16, 1951.—(FTS)—Independent surveys made by American and German petroleum experts have shown that it would be possible to secure production of 1,000 tons of oil per day from the Raman area in south-eastern Turkey. Present production is approximately 350 tons daily.

Studies are now being made by the Ministry of State Exploitations and the Mineral Research Institute regarding the installation of a modern refinery capable of handling the full output of the wells. Unconfirmed reports allude to an application by a United States petroleum concern to participate in the exploitations on a partnership basis.

Turkish Raisin and Fig Crops are Good

Istanbul, August 15, 1951.—(FTS)—This year's production of Sultana raisins will be between 70,000 and 75,000 metric tons, it is estimated. Weather conditions have been favourable and the condition of the fruit gives promise of a higher quality than last year.

The fig crop in 1950 was approximately 23,000 tons, of which 18,000 tons were exported. It is reported that, although the trees are carrying about the same amount of fruit, the figs are better developed and should give a better yield.

Interest from foreign markets for figs is already in evidence, but raisin exporters are disquieted because of expected competition from California growers.

Twentieth Izmir International Fair Opened

Istanbul, August 15, 1951.—(F.T.S.)—The 20th Izmir International Fair was opened on August 20 by the Minister of Economy and Commerce, Professor Muhlis Ete.

Countries which are officially participating, with separate pavilions, are the United States, the United Kingdom, Western Germany, Italy, Sweden, Belgium, Holland, Finland, Israel, Yugoslavia, Hungary and Czechoslovakia. In addition, large numbers of local and foreign firms as well as several official and semi-official institutions have stands in the Fair. It is reported that attendance during the first day established a record.

ECA Funds Granted to Assist Turkish Refugees from Bulgaria

Istanbul, August 17, 1951.—(F.T.S.)—The authorization of TL30 million to assist in the resettlement of refugees of Turkish origin who have been expelled from Bulgaria has been announced. The grant will come from ECA counterpart funds held by the Turkish treasury. About 32,000 refugee families already have come to Turkey from Bulgaria, most of them in the last year. The funds will be utilized for construction of houses, barns and stables, and the purchase of farm animals, agricultural equipment, seed and household equipment.

Export of Turkish Alcoholic Beverages Increased

Istanbul, August 20, 1951.—(F.T.S.)—It is reported that 768,790 litres of wines and liqueurs, valued at TL308,407, were exported by Turkey between June, 1950, and July, 1951. The principal purchasing countries were Germany, Norway, Denmark, Syria and Sweden. Prior to 1950, Turkish exports of alcoholic beverages were insignificant, but the Ministry of Monopolies have been exerting increased efforts to foster the sale of these Turkish products in foreign countries.

UNITED KINGDOM

Many New Factories Established in Scotland

London, August 3, 1951.—(F.T.S.)—A total of 287 new factories and 322 factory extensions of 5,000 square feet and over has been built in Scotland since July, 1945.

British Film Production Reduced

London, August 28, 1951.—(F.T.S.)—A total of 125 British films of 3,000 feet or over were registered with the Board of Trade during the twelve months ending March, 1951. This compared with 131 in the previous year. Of this total, 76 were first feature films of 6,500 feet or more in length, which was 5 less than the figure reached a year ago.

According to the British Film Producers Association, this reduction in output reflects the difficulties of an industry operating under conditions of severe competition in its home market, a heavy burden of taxation, and competition in overseas markets with other film-producing countries in most of which the industry enjoys a measure of financial aid or other form of assistance.

Scotland to Expand Hydro-Electric Power Output

London, August 1, 1951.—(FTS)—Plans are already in hand for the examination of over 100 Scottish water power generation schemes with a potential output of 17,000,000 units per day. Rising costs of thermal stations may make a considerable expansion of these projects possible, for although the motive power is supplied free, the capital cost of building dams and water turbines and maintaining them makes the cost of current produced substantially the same. It is estimated that Scotland could develop water power to give a minimum of 34,000,000 units per day.

United Kingdom Apple Market No Longer Protected for Home Producer

London, August 8, 1951.—(FTS)—The early appearance on the British market of Italian apples of the 1951 crop is causing concern to United Kingdom producers. On January 1 the trade was returned to private enterprise, except for dollar imports, and the home producer therefore no longer has a protected market.

The *Fruit Trades' Journal* points out that the only tariff is one of 4/6d. per 112 lbs. against foreign apples, which is applicable from early summer until August 15. This duty, imposed since long before the war, was designed to protect Australian and New Zealand exporters. The British crop begins to come on the market about the middle of August and the season extends until December, except for Cox's Orange, which are stored and marketed through the winter.

It is no secret that Italy, Holland and Denmark have been developing their orchards with the British market in mind, a market unrestricted by quotas, duties or closed periods.

Under GATT the United Kingdom agreed not to include apples as one of the items of which imports could be barred during the peak season of home marketings. The only recourse the British grower has is to Article 19 under which the government can ban imports if it can be shown that home producers are being ruined; in other words "after the fact". There is no automatic countervailing duty which could be invoked as a safeguard against dumping. Therefore the British growers will this year have to stand up against the full rigors of competition for the first time since prewar.

Unless growing conditions take an unfavourable turn, production in the United Kingdom is expected to come close to the record 1947 level. Heavy crops of both dessert and cooking apples are expected, with prospects for Cox's Orange particularly good.

Prospects in Europe are not as good as anticipated. Production in Denmark is expected to be about 20 per cent below that of last year. Switzerland estimated only about 35 per cent of an excellent crop on July 1, compared with 70 per cent in 1950, and Belgium and Holland expect average crops.

During the seven months ending May 31, the United Kingdom imported 131.1 million pounds of apples from Europe, compared with 52.6 in 1949-50 and 62.3 million in 1948-49. In each year by far the greatest supply came from Italy, 80.3, 52.6 and 41.3 million pounds, respectively. Except for Italy, apples from these countries do not normally appear on the British market before December. It is probable that the arrival of the 20 tons of Italian apples during the last week of July was an effort to cash in before the British crop came on. These Italian apples (Gravensteins) are bringing 6d. to 9d. a lb. in Covent Garden, compared with 1/- to 1/1½d. for New Zealand Doughertys, Tasmanian Democrats and Granny Smiths.

Canadian Exports by Areas

Country	July			January—July		
	1938	1950	1951	1938	1950	1951
COMMONWEALTH COUNTRIES						
(Millions of Dollars)						
United Kingdom and Europe	26.2	35.2	74.7	189.8	273.1	328.7
America	1.8	2.7	4.9	12.2	18.4	23.5
Africa	2.3	4.9	8.7	11.5	29.3	34.4
Asia	0.4	4.6	4.8	5.0	35.9	40.2
Oceania	4.8	4.1	7.5	29.9	25.5	32.6
TOTAL COMMONWEALTH COUNTRIES	35.5	51.5	100.7	248.4	382.1	459.4
FOREIGN COUNTRIES						
United States and possessions	21.2	169.6	203.9	140.0	1,082.3	1,321.6
Latin America	1.1	10.6	16.3	10.2	71.4	96.1
Europe	7.1	15.6	41.4	36.7	96.0	156.0
Other Foreign Countries	1.3	6.5	12.2	17.9	52.5	81.6
TOTAL FOREIGN COUNTRIES	30.7	202.2	273.8	204.8	1,302.2	1,655.3
TOTAL DOMESTIC EXPORTS	66.2	253.7	374.5	453.2	1,684.3	2,114.7

Canadian Exports, by Countries

Country	July			January—July		
	1938	1950	1951	1938	1950	1951
COMMONWEALTH COUNTRIES						
(Thousands of Dollars)						
Europe:						
United Kingdom	25,796	35,169	73,935	186,725	271,086	327,458
Gibraltar		1	45	2	97	356
Malta	20	3	728	230	1,885	872
TOTAL EUROPE (1)	26,204	35,173	74,708	189,826	273,068	328,686
America:						
Newfoundland ?	593			4,102		
Bermuda	116	245	336	783	1,700	2,133
Barbados	89	203	518	591	1,901	2,658
Jamaica	373	635	1,372	2,568	4,369	5,858
Trinidad and Tobago	283	941	1,312	2,039	4,751	5,874
Bahamas	146	156	193	1,100	1,169	1,274
Leeward and Windward Islands		214	445		1,844	2,444
British Guiana	118	287	694	815	2,418	2,986
British Honduras	32	43	61	166	247	301
Falkland Islands					1	
TOTAL AMERICA	1,750	2,724	4,931	12,164	18,400	23,528
Africa:						
Northern Rhodesia		67	2		187	110
Union of South Africa	2,173	4,123	8,160	9,874	26,986	31,342
Other British South Africa			23		3	24
Southern Rhodesia	71	335	95	718	819	1,043
Gambia	2		1	14	10	15
Gold Coast	23	38	86	80	323	580
Nigeria	16	21	84	52	125	320
Sierra Leone	20	28	17	127	159	131
Other British West Africa						
Anglo-Egyptian Sudan	4		5	196	58	28
British East Africa	39	294	269	438	629	798
TOTAL AFRICA	2,348	4,906	8,742	11,499	29,299	34,391

Throughout this bulletin, totals represent sums of unrounded amounts, hence may vary from sums of rounded amounts.

(1) Includes Ireland in 1938, see page 397.

(2) The trade of Newfoundland is included in Canadian statistics, as from April 1, 1949.

Canadian Exports, by Countries—Continued

Country	July			January—July		
	1938	1950	1951	1938	1950	1951
COMMONWEALTH COUNTRIES—Contc.						
(Thousands of Dollars)						
Asia:						
India	114	2,815	1,941	1,607	17,444	24,203
Pakistan.....		928	273		7,291	3,149
Ceylon.....	9	133	280	135	3,985	1,916
Aden.....	2	2	1	59	9	18
Federation of Malaya.....	94	175	928	1,616	2,832	5,348
Other British East Indies.....	1	1		4	24	
Hong Kong.....	180	527	1,341	1,462	4,291	5,561
TOTAL ASIA (1).....	421	4,581	4,764	5,046	35,876	40,195
Oceania:						
Australia.....	3,088	3,002	5,416	20,183	19,433	24,839
New Zealand.....	1,595	1,070	2,093	9,393	5,909	7,482
Fiji.....	70	4	1	249	159	238
Other British Oceania.....		2		42	5	77
TOTAL OCEANIA.....	4,753	4,078	7,510	29,867	25,506	32,636
TOTAL COMMONWEALTH COUNTRIES²	35,476	51,462	100,653	248,402	382,149	459,436
FOREIGN COUNTRIES						
United States and Possessions:						
United States.....	20,959	168,196	201,927	138,962	1,073,144	1,311,773
Alaska.....	7	107	220	59	543	666
American and Virgin Islands.....	3	17	4	19	87	109
Hawaii.....	148	727	838	777	3,575	4,192
Puerto Rico.....	44	541	832	183	4,823	4,721
United States Oceania.....		9	43	3	125	129
TOTAL UNITED STATES AND POSSESSSIONS.....	21,161	169,597	203,864	140,003	1,082,297	1,321,590
Latin America:						
Argentina.....	283	466	756	2,678	9,080	3,410
Bolivia.....	17	885	220	73	1,149	1,877
Brazil.....	283	1,459	2,660	2,151	6,183	16,742
Chile.....	13	99	1,509	347	1,094	3,875
Colombia.....	72	1,553	701	596	7,812	7,553
Costa Rica.....	7	243	263	59	1,321	1,251
Cuba.....	90	1,428	2,026	586	9,309	11,382
Dominican Republic.....	10	307	489	242	1,599	2,338
Ecuador.....	2	103	106	22	566	1,524
El Salvador.....	4	102	145	28	722	1,090
Guatemala.....	5	155	168	65	1,327	1,391
Haiti.....	21	249	303	83	1,386	1,424
Honduras.....	5	42	35	102	270	3,204
Mexico.....	126	1,462	2,383	1,520	8,526	13,940
Nicaragua.....	4	48	90	56	462	623
Panama.....	15	246	956	195	4,127	4,202
Paraguay.....	3	33	8	9	63	64
Peru.....	68	212	387	550	1,729	2,791
Uruguay.....	13	149	718	135	756	2,990
Venezuela.....	36	1,369	2,426	735	13,954	14,428
TOTAL LATIN AMERICAN.....	1,077	10,610	16,349	10,232	71,435	96,099
Europe:						
Albania.....	1			6		
Austria.....		81	185	8	1,553	1,192
Belgium and Luxembourg.....	1,183	4,159	9,149	4,261	24,392	42,591
Bulgaria.....	1			6	146	8
Czechoslovakia.....	963	384	33	2,433	1,260	323
Denmark.....	71	36	630	717	534	1,884
Estonia.....				1		
Finland.....	44	6	33	237	392	643
France.....	938	1,834	5,746	5,331	11,579	19,136

(1) Includes Burma and Israel in 1938, see page 397.

(2) Includes Ireland, Burma and Israel in 1938, see page 397.

Canadian Exports, by Countries—Concluded

Country	July			January—July		
	1938	1950	1951	1938	1950	1951
FOREIGN COUNTRIES—Cont.						
(Thousands of Dollars)						
Europe—Cont.						
Germany	1,000	405	3,087	6,996	3,817	11,647
Greece	366	83	82	1,403	1,024	2,033
Hungary			2	1	62	26
Iceland	2	41	7	10	436	327
Ireland*	388	1,682	1,308	2,869	7,904	9,341
Italy	188	567	9,432	866	5,415	24,880
Latvia	1			157		
Lithuania	143			239	1	
Netherlands	1,120	414	3,574	5,728	5,499	8,173
Norway	679	3,399	4,162	4,078	10,555	15,868
Poland	26	19	2	506	1,221	85
Portugal	12	467	656	90	3,502	2,899
Azores and Madeira		12	20	2	112	129
Roumania	4	1	1	27	87	4
Spain		142	71	19	3,752	544
Sweden	252	107	657	2,607	1,967	2,363
Switzerland	46	1,694	2,378	398	10,014	11,092
U.S.S.R. (Russia)		3		604	120	7
Yugoslavia	1	16	200	6	614	825
TOTAL EUROPE	7,131	15,552	41,415	36,737	95,958	156,020
Other Foreign Countries:						
Afghanistan					50	16
Arabia		11	223		514	935
Belgian Congo	1	234	296	51	955	2,127
Burma*	5	1	1	92	8	39
China	336	118	53	1,644	1,635	143
Greenland		4	24		28	101
Egypt	32	161	174	199	3,000	947
Ethiopia		7	29		34	89
French Africa	5	115	229	403	1,289	1,502
French East Indies	2	19	30	15	43	160
French Guiana				4	4	2
French Oceania	10	10	48	56	529	365
French West Indies	21			106	8	20
Madagascar		3	5	4	78	27
St. Pierre and Miquelon	20	96	149	141	595	683
Iran		28	112	38	613	694
Iraq	5	7	102	30	53	344
Israel*	16	166	636	71	7,537	6,333
Jordan		1			44	75
Tripoli		2	1,021		374	1,212
Other Italian Africa		184			184	
Japan	661	2,532	6,248	10,700	14,007	41,977
Korea		34	31		1,137	125
Liberia	1	11	25	15	62	1,264
Morocco	9	92	77	61	1,021	914
Indonesia	45	227	307	424	2,095	2,947
Surinam	3	59	96	22	564	649
Netherlands Antilles	15	166	162	129	3,563	1,163
Philippines	99	690	1,235	848	6,899	9,342
Portuguese Africa	64	223	272	1,015	1,318	1,903
Portuguese Asia		43	12		97	42
Siam (Thailand)	2	117	237	13	852	1,089
Canary Islands		35	1	2	102	9
Spanish Africa			1		55	67
Syria	8	34	240	36	560	2,389
Turkey		1,053	108	1,903	2,587	1,874
TOTAL OTHER FOREIGN	1,339	6,483	12,184	17,859	52,494	81,568
TOTAL FOREIGN COUNTRIES	30,705	202,243	273,813	204,829	1,302,180	1,655,27
TOTAL DOMESTIC EXPORTS	66,181	253,704	374,466	453,231	1,684,328	2,114,714

* Included in the totals for "Commonwealth Countries" for 1938. The figures are shown here to facilitate comparison with other years.

Trade Commissioners on Tour

CANADIAN Trade Commissioners return periodically from their posts abroad to familiarize themselves with conditions in this country and the special requirements of businessmen. They are able to furnish information concerning markets in their respective territories and possible sources of supply. Exporters and importers are urged to communicate with these officers, when in their vicinity, and to discuss the promotion of their particular commercial interests, now and in the future. Arrangements for interviews with these trade commissioners should be made directly through the following offices in the area concerned:

Ottawa—Foreign Trade Service, Department of Trade and Commerce

Branford—Board of Trade
Brampton—Chamber of Commerce
Brockville—Chamber of Commerce
Calgary—Board of Trade.
Charlottetown—Board of Trade.
Edmonton—Canadian Manufacturers' Association.
Fredericton—Chamber of Commerce.
Guelph—Board of Trade
Halifax—Board of Trade.
Hamilton—Chamber of Commerce.
Kitchener—Chamber of Commerce
London—Chamber of Commerce.
Moncton—Canadian Manufacturers' Association.
Montreal—Montreal Board of Trade.
Quebec City—Board of Trade.

Regina—Chamber of Commerce.
St. Catharines—Chamber of Commerce
Saint John—Board of Trade.
Saskatoon—Board of Trade.
St. John's—Department of Trade and Commerce, Stott Building.
Toronto—Canadian Manufacturers' Association.
Vancouver—Department of Trade and Commerce, 355 Burrard Street.
Victoria—Department of Trade and Industry.
Welland—Chamber of Commerce
Winnipeg—Canadian Manufacturers' Association.

J. C. Britton Returns from Japan on Tour



J. C. Britton

James Cleland Britton, Commercial Representative of the Department of Trade and Commerce with the Canadian Liaison Mission to Japan since January, 1949, has arrived home on leave and will commence a tour of Canada in Toronto on October 1. Born in Toronto, Mr. Britton was educated in that city and afterwards graduated from Queen's University, in Kingston, with a B. Comm. degree. He joined the Canadian Trade Commissioner Service in 1931, and was appointed Assistant Trade Commissioner at Port of Spain, Trinidad, in May, 1933. Mr. Britton was transferred to Johannesburg in August, 1936, as Assistant Trade Commissioner, and moved to Los Angeles in January, 1942. He served with the R.C.N.V.R. from June, 1942, until May, 1943, when

appointed Secretary to the Office of the High Commissioner to Newfoundland. Two years later he was appointed Acting Trade Commissioner in St. John's and subsequently made Commercial Secretary.

A. P. BISSONNET, Commercial Secretary for Canada in Karachi, Pakistan, since June, 1950, has returned to Canada on leave and will visit Montreal from September 5 to 19 inclusive to discuss business conditions in Pakistan, Afghanistan and Iran with Canadian businessmen.

T. G. MAJOR, Canadian Government Trade Commissioner in Port-of-Spain, Trinidad, since November, 1945, has returned home and completed a tour of Eastern Canada on June 23. He will commence a tour of Western Canada in Vancouver on September 4.

Ottawa—September 13-15
Toronto—September 17-26

St. Catharines: Welland—September 28
Montreal—October 1-9

JOHN A. STILES, Canadian Government Trade Commissioner in Caracas, Venezuela, since February, 1948, has returned home on leave. He completed a tour of Eastern Canada in St. John's, Newfoundland, on June 29, and commenced a tour of Western Canada in Brampton, Ontario, on August 27.

Edmonton—September 15-16
Calgary—September 18

Vancouver—September 20-27

United States Trade with Latin America Increases

Washington, September 6, 1951.—(FTS)—United States exports to the Latin American republics in the first half of 1951 totalled \$1,749,100,000, 47 per cent more than in the first half of 1950, and 22 per cent more than in the second half, the Office of International Trade, U.S. Department of Commerce, reported today. In terms of quantity, United States exports to Latin America in the first half of this year were 31 per cent higher than in the comparable period last year, and the unit value, or price, of such goods rose 12 per cent, OIT said.

Exports of machinery and automobiles expanded approximately two-thirds from January-June, 1950, to the corresponding period in 1951. The number of motor trucks and passenger automobiles exported to Latin America increased 90 per cent and 182 per cent, respectively.

United States imports from the Latin American countries reached a half-yearly peak value of \$1,869,500,000 in January-June, 1951, an advance of 46 per cent from the corresponding period of 1950. Marked advances in the price of Latin American commodities accounted largely for the high value of imports.

Imports of coffee from Latin America in January-June, 1951, amounted to 1,374,000,000 pounds, valued at \$693,000,000—one-third larger in quantity and two-thirds greater in value than in the first half of 1950. Imports of sugar and crude petroleum showed relatively little change. Wool imports, principally for clothing, from Uruguay increased 53 per cent in quantity and 183 per cent in value, while wool, mainly for carpets, from Argentina dropped 56 per cent in quantity but advanced 17 per cent in value. Copper from Chile declined slightly in quantity but rose 39 per cent in value.

Since Korea, prices of imports from Latin America have risen considerably more than prices of United States exports. As a result, the terms of trade have become increasingly favourable for the Latin American republics.

Trade and Tariff Regulations

Cuba Permits Duty-Free Import of Eggs in Shell

Havana, September 4, 1951.—(FTS)—Eggs in the shell imported into Cuba will continue to enter free of import duties, consular fees and other import taxes until January 15, 1952, according to a presidential decree just published. The only charge that will apply is a sales tax of six per cent ad valorem. Duty-free entry for fresh eggs into Cuba has been in force for some time, but this privilege was due to expire on July 31.

New Zealand Announces 1952 Licensing Policy for Certain Imports

Wellington, August 22, 1951.—(FTS)—The New Zealand Department of Customs announced to-day that Collectors of Customs have been authorized to grant licences for imports of the following goods from Canada and the United States during 1952 up to the value of licences granted for imports of such goods from those sources during the 1951 period: Men's lace gumboots not less than 9½ inches in height (Canada only); printed books, papers, music or advertising matter not elsewhere included in the tariff (tariff item 301(2)); engines specially suited for use on motor vehicles; artificers' tools not elsewhere included in the tariff (354(1)); tacks (Canada only); spare parts for motor vehicles; oil not elsewhere included in the tariff, including mineral lubricating oil (394(10)); wooden handles for tools not elsewhere included in the tariff (409); sausage skins and casings of animal origin.

United States Tightens Controls on Shipments from China or Korea

Washington, D.C., September 6, 1951.—(FTS)—United States Foreign Assets Control Regulations (*Foreign Trade*, April 7, 1951, page 584) have been tightened with regard to the entry into the United States or onward transit through the United States of any goods, from any country of Chinese or North Korean origin.

The regulations now apply to goods imported in the mails.

Goods which are the growth, produce or manufacture of China shall be deemed for the purposes of the regulations to be Chinese merchandise regardless of whether they may have been subjected to further grading, processing, curing, etc., in another country.

A further section has been added which makes, for the purpose of the regulations, any merchandise Chinese when there is added to it any adornment of Chinese origin whether or not such addition of this Chinese adornment may have occurred in a country other than China.

H. J. Sissons Named Co-ordinator of Materials Branch

Henry J. Sissons, of Toronto, who was appointed Director of the Priorities Division, Department of Defence Production, last February, has been named Co-ordinator of the Materials Branch of that department, replacing M. W. Mackenzie, the Deputy Minister who has been Acting Co-ordinator.

The services of Mr. Sissons have been loaned to the government by the Hydro-Electric Power Commission of Ontario.