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COVER SUBJECT—Lumbering operations in British Columbia, where it is often necessary to transport logs by means of a high line from the forest-clad slopes of the Coast Range to the concentration areas. Approximately one hundred days of logging were lost last summer in stands similar to that illustrated in this photograph owing to the drought that resulted in serious forest fires. Effects of this reduction in cut are felt in low log inventories. Close to a billion board feet of lumber from such stands have been purchased for shipment to the United Kingdom during the latter part of 1951 and well into 1952, while large quantities will be exported to the United States and other world markets.

Photo by Jack Cash, courtesy B.C. Coast Woods Trade Extension Bureau

Price 10 cents

OTTAWA—EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
Printer to the King's Most Excellent Majesty, 1951.

Future Economic Growth of Japan Depends Upon Merchant Marine

Substantial segment of economy supported by shipping industry in prewar years—While definite improvements made in past six years, fleet is only 25 per cent of prewar size—Every effort being made to rehabilitate shipyards.

By W. D. Wallace, Acting Commercial Representative for Canada

TOKYO.—Japan expanded her shipping industry between the First and Second World Wars until she ranked third in the world, with vessels aggregating 6,329,000 gross tons. This large merchant marine supported a substantial segment of Japan's economy, and it is estimated that the fleet carried up to 60 per cent of the commodities exported from and imported into Japan. In addition, Japanese vessels earned a high return in foreign exchange for this country by carrying freight for foreign shippers.

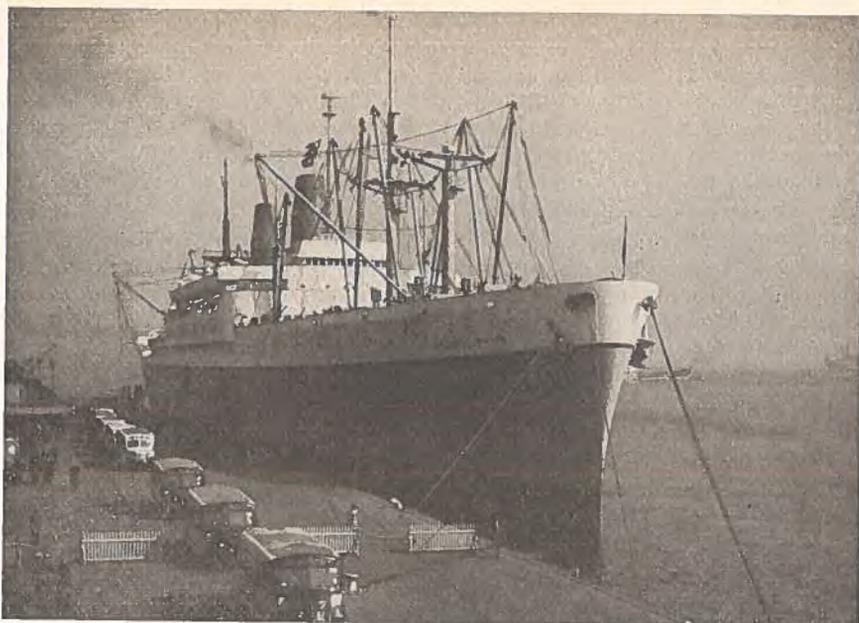
While there have been definite improvements in the merchant fleet during the past six years, the size of the fleet is only 25 per cent of its prewar size. The basic dependence of Japan's economy on shipping capacity remains unchanged and the country will have to rehabilitate its merchant marine if it wishes to succeed in future economic growth. In this respect a great deal depends on the work of Japan's shipbuilding industry.

Shipbuilding Industry Damaged Heavily During War

The shipbuilding industry also suffered heavy damage during the war and its existing equipment is not in the best of condition and requires renovation. Following the war, every effort was made to put the shipyards into operating condition. The industry now has 89 shipyards, with an annual building capacity of approximately 800,000 gross tons for the construction of vessels of over 1,000 gross tons and a repairing capacity of 1,600,000 gross tons. Only about 600,000 gross tons of building capacity can be used at present. The government is expected to keep the shipbuilding capacity at this level for the next few years. A law has been drafted for enactment at the October session of the Diet which will require shipbuilders to obtain a licence for each ship to be constructed. In this way, the government will have some control. The utilization of this capacity is important to Japan's economic recovery, as the shipyards also contribute to the production of a wide range of machinery and equipment used by other industries. It is estimated that about one half of the heavy equipment used in Japan is produced in the shipyards.

At the end of World War II, Japan found itself with a fleet reduced to less than 25 per cent of its prewar size. Shipping companies were bankrupt and the industry was placed under severe operating restrictions by the Supreme Commander of the Allied Powers (SCAP). The merchant marine was estimated at 1,526,000 gross tons, consisting of 552 passenger and cargo vessels of 1,124,000 gross tons and 128 tankers of 284,000 gross tons. The fleet was actually much smaller, as only half of the cargo vessels and about 10 per cent of the tankers could be put into service, and the majority of these vessels consisted of inefficient wartime standard ships.

Postwar reconstruction of the merchant marine has been carried out on a planned basis under the guidance of SCAP and the supervision of the Japanese Government. Seven annual programs have been imple-



Japan—Port of Yokohama, through which passes a large proportion of the war materials and other supplies shipped to Korea for the United Nations forces.

mented, the sixth and seventh being currently in progress. Vessels, including fishing, passenger and other ships, completed up to March 31, 1951, built under the construction programs and other orders, numbered 380, with a total of 777,600 gross tons. The total for cargo vessels and tankers was 264, of 691,603 gross tons.

In order to start rehabilitation of the shipping industry, a request was made to SCAP for approval to continue the building of vessels then under construction. In May, 1947, a public company, the Shipping Corporation, was formed to promote the construction and repair of vessels. Four shipbuilding programs were carried out under the guidance of this company, which placed orders for all new boats, and which owned them in common with shipowners on a 70 to 30 per cent basis. The financing was done through loans made by the Japanese National Reconstruction Finance Bank. Between December, 1947, and February, 1950, a total of 90 vessels, ranging from 830 to 4,400 gross tons, were constructed under the programs. These ships were constructed within the limits placed on them of not over 12 knots speed and not over 5,000 gross tons each.

With the dissolution of the Shipping Corporation, due to the shipping business being placed under private management, and the suspension of financing private enterprise by the National Reconstruction Finance Bank, the fifth, sixth and seventh shipbuilding programs took on a different aspect, and efforts were directed at the construction of ocean-going vessels. Financing of the new programs was done on a 50-50 basis, with the Japanese Government supplying half the funds from the United States economic aid counterpart funds and the shipowners raising the other half of the costs. In addition, the limitations on vessels were raised, and ships not exceeding 15 knots, 7,000 gross tons for cargo vessels and 12,000 gross tons for tankers, were permitted.

Under the fifth program 42 vessels, including 36 freighters and 6 tankers, totalling 374,450 tons, were constructed between December, 1949, and April, 1951. With the outbreak of war in Korea, coupled with a scarcity of bottoms, a greater demand was created for more Japanese ships to carry goods to and from Japan. The Japanese Government, therefore, drew up the sixth, sixth supplementary and seventh shipbuilding programs, which called for 59 freighters and 4 tankers, totalling 446,170 gross tons. Some vessels were launched this year and it is anticipated that all the vessels under these programs will be completed by next summer.

At the same time as the new building plans were under way, the government also arranged for special finances to assist in the reconditioning of wartime standard cargo vessels in an effort to bring these ships up to international classification for the transportation of commodities for import to and export from Japan. In addition, about \$21.5 million have been made available this year for the purchase of 33 foreign vessels, totalling 182,632 gross tons.

Foreign Orders for Vessels Obtained

In view of the limitations placed on the construction of ships for Japan, together with the inadequate financing of Japanese building, it has been necessary for the shipbuilders to obtain foreign orders. Shipbuilding costs have risen very rapidly since the outbreak of the Korean war, but the fact that the Japanese shipyards are not operating at full capacity and can accept orders for quicker delivery than other world shipyards has been the principal factor in obtaining foreign orders for vessels. From 1948 onwards, the industry has constructed 38 vessels, aggregating 150,000 gross tons, for foreign account. Since the beginning of this year, the builders have been receiving new orders and inquiries from abroad for tankers. Three tankers are now being constructed for delivery in the early part of 1952 to Liberia, Panama and the United States. In addition, contracts are expected to be signed in the near future for four more tankers for foreign account.

As a result of the shipbuilding programs, reconditioning of wartime vessels and purchases of foreign ships, the Japanese merchant fleet as of March, 1951, comprised 951 vessels of all types, representing a total of 1,830,000 gross tons. Of this total, international class vessels in commission numbered 122, aggregating 729,000 gross tons, and 123 vessels of 933,000 gross tons under construction. On September 1, 1951, the Ministry of Transportation announced that Japan had 176 vessels of 1,580,000 gross tons engaged in overseas service, which consisted of 150 freighters of 1,183,000 gross tons and 26 tankers totalling 397,000 gross tons. By March 31, 1952, it is expected that Japan will have about 2,380,000 gross tons of shipping, of which there will be 287 ocean-going vessels of 1,736,000 gross tons. This will consist of 255 freighters of 1,408,000 gross tons and 32 tankers of 328,000 gross tons.

Coastal Fleet to be Built Up

The Ministry of Transportation has announced a three-year plan to build up Japan's coastal fleet. It is proposed to build 505 vessels of 29,900 gross tons and to remodel 504 vessels of 55,900 gross tons.

The increase in tonnage of the Japanese ocean-going merchant marine has been accompanied by an improvement in the quality of the vessels, but this applies mostly to the newly constructed ships. Wartime standard cargo vessels and tankers, together with prewar ships and purchased foreign vessels, number 667 ships of 1,385,000 gross tons and account for

a major portion of the fleet. As these vessels are rapidly approaching obsolescence, it will be realized that the present ocean-going fleet is not large. In fact, the present tonnage is about 25 per cent of the prewar level while the quality is placed at one-tenth.

To increase the standard of the Japanese fleet, the Ministry of Transportation has adopted a policy calling for the disposal of low-efficiency ships, faster construction of freighters for overseas service, and the increased construction of medium-sized freighters between 2,000 and 3,000 gross tons.

Return of Japanese Shipping In International Trade Has Been Slow

The return of Japanese shipping to international trade has been very slow, and it is only in the last eighteen months that definite progress has been made. Immediately following the war, SCAP suspended the sailing of any Japanese vessels over one hundred gross tons, but this restriction was removed in December, 1945, by authorizing the operation of auxiliary vessels and those engaged in island ferry service or on the Inland Sea routes. The next step was the permission granted towards the end of 1946 for tankers to operate between Japan and the Persian Gulf for petroleum cargoes. In 1949, permission was granted for the operation of small steel boats not exceeding 800 gross tons. Early in 1950, this authorization was extended to cover vessels exceeding the ceiling.

In the same year, authorization was granted to Japanese shipping by the Philippines, Thailand and Korea to enter their ports for cargo. With the outbreak of war in Korea, Japanese shipping received further stimulus when the United States Military Sea Transport Service chartered 300,000 gross tons of shipping.

During the second half of 1950, SCAP considered the operation of regular services to foreign ports, and ship operators were encouraged to make application. A large number of these applications have been approved, and nine regular foreign lines were authorized recently. With the inauguration of a regular New York line, the shippers were of the view that Japan was again participating in world shipping activities. The most recent development has been the resumption of round-the-world service and the opening of a European service by the N.Y.K. Line. Japan now has 34 vessels operating to the United States, 26 to the Philippines, 21 to India and 13 to Iran.

Some thirty-eight countries, including Canada, have given blanket clearance for the entry of Japanese vessels to their ports, while 16 other countries and areas permit Japanese ships to enter their ports for cargoes on advance approval. Efforts are now being directed at having these countries give a blanket clearance for Japan's ships.

Under the increased participation in international shipping, Japan's overseas shipping is now carrying about 23 to 25 per cent of the cargoes entering into Japan's foreign trade. This amount is still far below the prewar level of 60 per cent or more.

The Japanese shipping industry realizes that its merchant marine will have to be further rehabilitated if the economic development of this country is to grow. The long range program of the industry is to have a merchant fleet of 4,000,000 gross tons by 1955, which will carry 50 per cent of Japan's foreign trade commodities. To reach this objective, the industry has many serious problems to overcome.

There is the major problem of replacing the tonnage that is fast becoming obsolete. Coupled with this is the construction of new vessels best suited to the changes in volume and pattern of Japan's foreign trade and the requirements of new equipment for the shipbuilding industry.

Around these problems is the question of financing the building of new ships and new equipment for the shipyards. The industry is now encountering serious financial difficulties arising from the rapidly increasing prices for steel and other essential materials. Medium and small shipowners are hesitating to place orders for the construction of new vessels in the face of these rising costs. The government is studying the problem and is expected to permit shipowners to buy medium-sized vessels from foreign countries. In the meantime, if it is found that relief to the industry is necessary, it will likely have to be through some form of government subsidies to the shipbuilders.

One other important question remains to be answered and that is whether or not limitations are to be placed on the size of Japan's merchant fleet and the building capacity of the shipyards. Under the terms of the "Treaty of Peace with Japan," no restrictions were placed on shipping. Information, however, from shipping circles indicates that this subject will possibly be reviewed at future discussions on a shipping agreement between the United States and Japan.

Industrialization of Switzerland Resulted In Rapid Expansion of Cantonal Banks

Old savings banks and lending establishments, as well as private banks, unable to meet the demands resulting from expanding industries—Large commercial banks handle about 57 per cent of all transactions—Insurance field constitutes one of the main factors of financial strength.

By Yves Lamontagne, Commercial Counsellor for Canada.

BERNE.—Since the beginning of the nineteenth century, the industrialization of Switzerland has been greatly helped by the Swiss banking system. However, the old savings banks and lending establishments, as well as the private banks were unable to meet the demands resulting from the expansion of the industries. This led to the formation of the cantonal banks, whose development has been rapid, as they now hold second place in the financial institutions of the country as a whole.

In 1948, there were 383 banks and savings institutions. There were 3,650 head offices, branches, agencies and other offices. The gross profits of the banks amounted to approximately 500 million francs (Can.\$125,000,000).

Commercial Banks Contributed to Economic Development

About 57 per cent of all transactions were handled by the large commercial banks. Specializing in the floating of loans, they contributed materially to the development of the country's economic activity. Three of them are particularly well known. La Société de Banque Suisse (Swiss Bank Corporation) was the first to establish a branch in London, and it also established a branch in New York in 1939. The Credit Suisse also has offices in London and New York. These two banks have a capital of over 200 million Swiss francs. The third bank, the Union de Banques Suisses (Union Bank of Switzerland), plays an important role in the promotion of Switzerland's foreign trade.

From 1914 to 1949, savings deposits rose from 1.8 to 8 billion francs. Collective savings represent a capital of from 1 billion to 1.5 billion Swiss francs to be invested annually, including insurance.

Excluding the National Bank, the combined balance sheets of all Swiss banks amounted to 21,442.1 million francs in December, 1950. This total is made up as follows:

	('000,000 francs)
27 cantonal banks	10,542.1
5 large banks	7,977.3
13 local banks and 7 savings banks	2,922.7
Total	21,442.1

The Swiss National Bank's reserves of gold increased from 52.1 million francs in 1907 to 6,179.4 million francs at the end of 1950; in 1940 they amounted to 2,145 million francs.

In December, 1950, bank notes in circulation totalled 4,240 million francs, the gold cover being 146 per cent.

Insurance Is a Main Factor of Financial Strength

The insurance field constitutes one of the main factors of Switzerland's financial strength. Swiss insurance companies handle considerable funds. The total premiums collected in 1947 amounted to 1,718,000,000 francs (Can.\$430,000,000), including 417 million francs for life insurance, 700 million francs for accident insurance, and 601 million francs for re-insurance. Foreign business represents about 90 per cent of the total re-insurance business. It was estimated at the beginning of 1944 that the average sum insured per Swiss family was 4,589 francs. In the life assurance field, over 8 billion francs in capital were insured in 1949 and 188 million francs were paid out to policy holders.

The Swiss national income in 1950 was estimated at 17,400 million francs (Can.\$4,350,000,000). In 1949 the national income amounted to 17,815 million francs; deducting 1,792 millions for direct taxation, the national income was 16,023 millions. The real income was estimated at 9,891 million francs, or 2,123 francs per head of population.

Barbados Passes Pioneer Industries Legislation

Port of Spain, October 25, 1951.—(FTS)—Early in August, the Legislative Council of Barbados passed a bill to encourage the establishment and development of new industries and to make provision for granting of relief from package tax, customs duty and income tax to persons establishing factories in this connection. Similar legislation has already been enacted in Jamaica, Trinidad and British Guiana.

Brazilian Cocoa Exports Declined

Rio de Janeiro, October 18, 1951.—(FTS)—Cocoa exports from Bahia in the first eight months of this year totalled 1,037,266 sacks (of approximately 132 lbs. each). This is a drop of about 16 per cent compared with the export in the same period last year. In view of the decrease, the Bahia cocoa commission in September, decided to permit sales at prices lower than the official established minimum price of 30 cents a pound f.o.b. Some 50 per cent of cocoa exports go to the United States.

Chile Increasing Production of Copper, Nitrate and Petroleum

Copper production to be increased by 47 per cent—Solar evaporation process now being installed in nitrate plants will make possible production of sodium sulphate and potassic nitrate—Petroleum production expected to be double that of last year.

By M. R. M. Dale, Commercial Secretary for Canada.

SANTIAGO.—The importance of copper in Chile's economic structure has forced it again into the political forum and it has become the subject of national and international political discussions. From opinions expressed in Parliament and elsewhere, the pre-eminent wish is to free the country from the price control on its main export from which half of its foreign income is obtained, and on which, therefore, depends a very large portion of its imports. An agreement was concluded in May, which gave an immediate increase of 3 cents per pound in the price of copper sold in the United States, and the Chilean Government arranged that this increase would accrue solely for the benefit of Chile. It was also agreed to increase copper production by 47 per cent which should increase it from 761 million pounds to 1,100 million pounds per annum, the companies providing the necessary funds. In return, the Chilean Government agreed to consider the revision of the present tributary system affecting the companies, but stated that it would be in such a way that the State's participation in the benefits from copper would not be diminished.

It was also agreed that 20 per cent of the copper produced in Chile would be reserved for disposal at the discretion of the Chilean Government. Consideration has been given by the government to the formation of a Copper Corporation which would function under the present Development Corporation. However, in some quarters, it is felt that the present opulence of the industry makes the desirability of such an organization unreal and that in times of falling demand, the government might well find such an organization to be a burdensome adjunct.

Small Copper Mines to be Developed

Special attention has been given to a proposal for increasing the production of the small and medium-sized copper mines. The United States Government has agreed to provide technicians and advisers to survey the potential and has given an indication as well, that favourable consideration would be given to credits for the development of such mines.

As evidence of the optimism in the immediate future of the copper industry, it is significant that important construction is being carried out by the Anaconda Copper Mining Co. at Chuquicamata for the treatment of sulphurous minerals. The new plant is expected to be completed by the beginning of 1952.

Early in the year, during a visit to Chile, Mr. Harry Guggenheim referred to the success of the solar evaporation process now being installed in the nitrate oficinas, and foreshadowed the establishment in Chile of a heavy chemical industry based on salts being obtained by the new process. Amongst the products obtainable is sodium sulphate used in many ways. Potassic nitrate also is produced in sufficient quantities for commercial purposes, as it contains sodium and potassium.

A scientific investigation laboratory is being installed for the study of the technical possibilities of the new sub-products. The Chilean Exploration Company is reported to have commenced new installations at considerable cost for the treatment of low grade production which should result in an increase over the maximum war production of 240,000 tons annually. Production capacity has increased ninefold since 1922. Domestic prices of nitrate were increased by Ch.\$900 per ton in April, but the Nitrate Corporation agreed to grant a bonus to growers of wheat, rice, potatoes, and cultivators of sunflower seed to keep prices at the same level as last year, or Ch.\$2,210 and Ch.\$2,410 respectively.

These new developments, through the solar evaporation process, were referred to by the Minister of Finance, following a visit to the North of Chile in the month of April in regard to new chemical products and specially mentioned the possibilities of obtaining titanium from iodine.

Petroleum Production Substantially Higher

An expenditure of Ch.\$556 million on petroleum production has been calculated for 1951, when it is expected to produce 1,200,000 barrels, or double the 1950 production. An important export business has developed with the Uruguayan Petroleum Association (ANCAP) and, following a visit of the General Manager of that Association, a new and amplified supplies contract has been signed. For the period September, 1951 to October, 1953, Chile will supply Uruguay with 240,000 cubic meters for a total value of US\$5 million. This will make a total purchase from Chile of US\$8,400,000, and the present agreement stipulates that purchases may be amplified as the production in the Magallanes oil wells increases. A plant for the condensation of gas is to be installed in the Magallanes district.

Coal supplies show a deficit of 5 per cent compared with last year. Reserves at San Antonio formed by imported coal are virtually exhausted. Train services have been curtailed and, to ensure supplies, US\$1,000,000 have been set aside in the Import Budget for imported coal. The Coal Rationing Committee decided to purchase 80,000 tons of coal in the United States. It is reported that the State Railways are also to effect a purchase.

It is reported that an important sulphur deposit has been found in the district of Los Andes, estimated to amount to some 20,000,000 tons. It is also reported that further investigations are likely to lead to other deposits being discovered.

The average general mining index for the year stood at 106·8, or 1·4 points less than the average for 1949. The index rose sharply to 118·9 in January, 1951, but declined to 103 in February due to strikes. Employment in the major mining industries averaged 49,765 in 1950, against 51,745 in 1949. A decline in the number of employed was apparent from November, 1950, being reduced to 48,148 in February, 1951. This was accounted for almost in its entirety by a reduction in coal miners as this industry was affected by strikes.

Chilean Mineral Production

	1949	1950
Bar copper	350,737 tons fine	345,460
Nitrate	1,769,910 gross tons	1,614,146
Iodine	84,261 net kilos	542,895
Iron	1,663,356 tons fine	1,771,049
Coal	1,882,117 net tons	1,964,092
Gold	5,572 kilos fine	5,915
Silver	24,873 kilos fine	23,227

Fish Canning Industry in Netherlands Is Relatively Recent Development

Practically entire production is exported—Sale on domestic market is prohibited because of short tin supplies and balance of payments position—High prices of fresh fish presently hampering industry—Exports of canned fish will be declining.

By W. G. Pybus, Assistant Commercial Secretary for Canada.

(One florin=Can.\$0.2771.)

THE HAGUE.—In spite of the fact that the Netherlands have been for centuries the centre of a great fishing industry, the fish canning industry has only been developed during and since the Second World War. The most important products are herring in tomato sauce, canned mackerel and sardines. One of the well-known seasonal lines is sprats in oil, while various specialties such as smoked herring and fish livers in tins are also produced. In 1950 the fish canning industry comprised about 35 concerns, spread along the coastal boundary of the Netherlands. In 1950 the turnover in this branch amounted to fl.9,017,000. Practically the entire production is exported.

It is remarkable that Holland has waited so long to develop a fish canning industry. Up to 1935 there were only three fish canning plants in the Netherlands. For many years the smoking and curing of fish has been a highly developed skill in this country and at present there are about 300 smoking establishments in operation. There is also a considerable number of drying houses for fish and shrimps. With the advent of modern canning methods, the Netherlands fish canning industry lagged behind its competitors in other lands and later found that it could not compete with canned products already on the home market, owing to the fact that well-known imported items such as Canadian canned salmon, American pilchards, French, Portuguese and Norwegian sardines were too popular. Accordingly, exports prior to the war were extremely small. In 1939 the small amount of approximately 480 tons of canned fish valued at fl.130,000 was sold abroad.

Industry Developed During Last War

With the advent of the Second World War imported products disappeared completely from the home market. During the war the fish canning industry developed considerably. Notwithstanding shortages of fish, as well as of packaging materials, production rose steadily. The total value of the production increased from fl.500,000 in 1938 to an average of fl.5,000,000 a year during the period 1941-43. The large increase may be explained mainly by the fact that meat and vegetable canning establishments, which were also short of raw materials, swung over to fish canning. The attractive feature about fish canning for the meat and vegetable operators was the fact that peak seasons came at a different time, so that it was possible to run the concern the year round with the same number of personnel.

As in most other countries the fish canning industry in the Netherlands experienced considerable postwar difficulty. Catches of fish from 1945 to 1947 were small owing to reduced fleets and the disruption of tin supplies. In addition, Holland's difficult foreign exchange position made the purchases of canning equipment and packaging materials very difficult. In view of this situation the sale of canned fish was prohibited on the home market and all available facilities were devoted to export. The prohibition of the sale of canned fish on the domestic market remained in force until November, 1949, and was again imposed on February 10, 1951, because of tin supplies and the balance of payments position.

In spite of postwar difficulties the industry in 1947 had attained a total turnover of almost fl.11,000,000, which decreased by fl.1,000,000 in the following year but in 1949 had risen to over fl.12,000,000. Last year the turnover was about fl.9,000,000. As a result of the prohibitions mentioned, the whole of the production was exported. The high prices which the industry must pay for fresh fish are at present hampering fish canning in the Netherlands. Packing materials are in short supply and more expensive than in former years. As a result Holland's exports of canned fish will be declining.

The industry operates under an Inspection Committee, which controls the quality of the products. Two manufacturers, one wholesale dealer, one retail dealer, two cookery experts and an official of the Fish Products Board comprise the regulating group, which has inspectors who must give their approval to the product before it can be placed on the market.

Commercial and Industrial Activity in Guadeloupe Continues Favourable

Buying for Christmas trade to be on smaller scale due to lack of operating capital—Industrial activity maintained due to heavy sugar cane crop—Rum market continues to improve, while prices have declined for molasses—Decided decrease recorded in coffee prices.

By G. A. Boyd, Honorary Commercial Agent for Canada.

POINTE-A-PITRE.—Commercial activity in Guadeloupe, generally speaking, has been on an increased level during the third quarter, ending September. Inflated inventories have been worked off and a healthier situation in respect of merchants' commitments is evident. Buying for Christmas trade will be on a smaller scale than in previous years due to lack of operating capital, a condition which banks are not prepared to rectify. In effect, bank credit is tighter than ever. Bills are being promptly taken up.

Due to the heavy cane crop, industrial activity, which is greatest during the second quarter, continued important during the third quarter. This was reflected in a substantial increase in the movement of funds as compared with corresponding periods in previous years with resultant betterment in trade.

Excessive Rains Affected Yield

The adverse conditions affecting industrial yield caused by excessive rains, persisted throughout the latter part of July and August. However, sugar production reached 74,000 metric tons, only 1,000 tons short of the quantity estimated at the start of grinding and 4,000 tons in excess of the revised figure of 70,000 tons. Some mills operated until early September, two months beyond the most favourable period for grinding, and yet were unable to process the entire crop. A total of 3,200 tons was withheld for local consumption and 70,800 tons exported to France. Shipping facilities improved in July and August and all of the commodity earmarked for export has been shipped. Mills had a satisfactory year and it is believed that bank loans covering operating costs and cane purchases have been cleaned up.

Improvement in the general trend of the rum market has continued. Prices are on the up grade, bullish even, and 95 francs per litre f.o.b. unpackaged has been paid for small lots of the 1951 quota. The most favourable feature of the market lies in the fact that demand is steady.

It is expected that three-quarters of the 1951 quota will be marketed before the end of the "rum year," so called, which ends March 31 of the following calendar year. This will be quite a boom to distillers whose general financial position has not been favourable for the past few years.

The 3,100,000 gallons of blackstrap molasses sold to the American market has been shipped and contributed substantially towards increasing the earning power of the mills, as well as providing much needed dollars. There remains about 3,000 tons to be disposed of. Unfortunately, prices have declined and not more than 22 cents f.o.b. tanker per gallon is expected for the product. This augurs ill for the 1952 crop which is expected to be far in excess of that for 1951.

Despite some damage from high winds, notably in August when Martinique was particularly hard hit, banana production has been maintained at about 6,500 tons per month. Improvement in prices has been steady so that farmers have done well during the quarter. Prospects are good for the fourth quarter.

There has been a decided decline in coffee prices. Holders of large lots who held out in the hope that prices would improve have sustained losses. The crop for next year is expected to reach over 500 tons, about 100 tons in excess of 1951.

Not only has the price of vanilla declined but it is practically impossible to find takers. The New York market, principal outlet for this crop, is particularly sluggish.

The cocoa crop, which was small, has been sold at satisfactory prices.

Improvement to port facilities at Pointe-a-Pitre, involving an expenditure of over 500 million francs, has not yet been started. It is reported that contracts are about to be let and it is expected that work will start before the end of the year. Road improvements are being carried on on a fair scale. Other public works are confined mainly to extension to the Pointe-a-Pitre General Hospital and the erection of police (gendarme) barracks. Building for private account is quite important. Private residences, principally, comprise the bulk of this activity.

Republic of Ireland Begins Production of Golden Syrup

Dublin, October 13, 1951.—(FTS)—The Irish Sugar Company has commenced the production of golden syrup at its Mallow, County Cork, factory. This has been the result of two years' experimental work. At the moment the syrup is available only to the wholesale trade, but will later be manufactured in sufficient quantities to meet the wide domestic demand. Golden syrup is mainly used by the confectionery trade in bulk, and to a lesser degree for table use, for which it is packed in two pound jars. The wholesale price is 2/ per two-lb. jar ex-factory, less rebate of 3/10d. per gross. The wholesale bulk price is 10d. per lb. ex-factory (minimum 1 cwt.) with a rebate of 1/6d. per cwt.

Heretofore Ireland depended for supplies of golden syrup chiefly on the English company of Messrs. Tate & Lyle, but for some years past only token shipments were procurable from Great Britain. Golden syrup attracts a high import tariff, owing to its sugar content. A local importer states that the f.o.b. price Liverpool for golden syrup was more than doubled by the time it reached the stores in the Republic of Ireland.

The plant at Mallow is small, but output can be stepped up by running shifts. Some of the equipment for it has been secured from France and Great Britain, the balance being assembled at the factory. The Irish Sugar Company has the sugar monopoly of this country and produces its sugar from locally grown beet, as well as refining imported raw sugar.

Canadian Exports, by Commodities

Commodities	September			January—September		
	1938	1950	1951	1938	1950	1951
MAIN GROUPS						
	(Millions of Dollars)					
Agricultural, Vegetable Products.....	17.0	47.8	68.8	118.3	442.2	598.1
Animals and Animal Products.....	10.6	33.9	29.2	84.3	264.3	260.2
Fibres, Textiles and Products.....	1.1	4.0	2.3	10.0	21.5	26.9
Wood, Wood Products and Paper.....	19.0	110.3	117.2	153.7	788.8	1,025.7
Iron and Products.....	3.9	20.6	28.8	48.2	186.0	227.3
Non-Ferrous Metals and Products.....	15.7	37.6	46.4	132.0	321.4	408.9
Non-Metallic Minerals, Products.....	2.1	9.8	11.5	17.6	73.5	96.7
Chemicals and Allied Products.....	1.2	8.6	11.2	14.6	73.0	95.9
Miscellaneous Commodities.....	1.6	6.6	4.7	15.8	49.8	44.9
TOTAL DOMESTIC EXPORTS.....	72.2	279.1	320.1	594.5	2,220.5	2,784.6
Agricultural, Vegetable Products:						
	(Thousands of Dollars)					
Fruits.....	1,098	1,608	1,783	5,314	9,829	9,259
Vegetables.....	844	543	467	3,029	6,176	7,575
Wheat.....	8,410	26,020	36,579	52,020	233,814	281,367
Grains, other.....	1,303	3,386	11,485	8,515	28,908	77,533
Flour of wheat.....	1,231	4,605	4,812	13,140	69,910	90,078
Farinaceous products, other.....	1,260	1,627	2,097	3,416	11,146	20,106
Sugar and products.....	165	601	290	1,603	4,486	3,431
Alcoholic beverages.....	823	3,803	5,593	7,210	28,940	39,102
Oil cake and oil cake meal.....	21	129	312	119	1,466	3,282
Vegetable fats and oils.....	14	363	233	103	2,944	2,511
Rubber and products.....	1,486	1,036	3,062	10,862	8,328	20,742
Seeds.....	110	2,110	775	1,238	16,784	17,692
Tobacco.....	48	925	171	4,915	9,504	13,669
Hay.....	40	75	74	362	2,311	1,444
Fodders, other.....	63	416	518	575	3,488	4,681
Vegetable products, other.....	98	525	583	882	4,187	5,623
TOTAL.....	17,014	47,773	68,836	118,315	442,219	598,096
Animals and Animal Products:						
Cattle.....	727	6,712	5,726	6,465	55,275	50,550
Other animals, living.....	94	431	105	1,050	4,480	1,706
Fish and fishery products.....	2,982	11,777	10,072	18,743	79,254	82,341
Furs and products.....	518	2,503	2,006	11,070	19,038	24,461
Hides and skins, raw.....	181	1,009	1,029	1,632	11,172	10,597
Leather and products.....	548	967	730	3,888	5,467	7,457
Bacon and hams.....	2,020	555	80	23,781	22,208	2,909
Meats, other.....	405	4,307	5,668	3,416	33,109	54,813
Cheese.....	2,050	2,771	2,007	7,203	13,003	5,586
Milk products, other.....	590	1,266	772	3,179	8,533	7,439
Animal oils, fats, greases, wax.....	221	748	334	2,057	2,794	3,654
Eggs, shell and processed.....	51	233	95	197	4,838	2,262
Animal products, other.....	222	646	558	1,653	5,118	6,455
Total.....	10,611	33,926	29,181	84,333	264,288	260,230
Fibres, Textiles and Products						
Cotton products.....	153	974	546	1,906	5,051	7,602
Flax, hemp, jute and products.....	2	309	93	75	1,528	1,036
Wool and products.....	169	1,169	755	977	4,251	5,525
Synthetic fibre and products.....	176	773	247	1,806	3,911	2,961
Cordage, rope and twine.....	5	277	316	1,094	3,927	6,113
Socks and stockings (except cotton).....	7	252	131	58	1,568	1,493
Textile products, other.....	543	248	198	4,068	1,243	2,124
TOTAL.....	1,054	4,002	2,285	9,985	21,470	26,856
Wood, Wood Products and Paper:						
Planks and boards.....	3,015	35,892	25,436	25,774	205,081	233,651
Pulpwood.....	2,313	3,846	7,122	11,178	23,620	47,334
Unmanufactured wood, other.....	1,907	7,495	5,358	13,433	44,689	49,838
Wood pulp.....	2,305	19,704	31,421	20,400	143,752	264,808
Manufactured wood, other.....	219	669	679	2,245	3,791	5,658
Newsprint paper.....	8,524	40,392	43,968	73,892	353,956	395,284
Paper, other.....	615	2,120	2,888	6,056	12,249	26,802
Books and printed matter.....	88	192	337	694	1,656	2,335
TOTAL.....	18,985	110,311	117,208	153,672	788,796	1,025,709

Canadian Exports, by Commodities—Continued

Commodities	September			January—September		
	1938	1950	1951	1938	1950	1951
(Thousands of Dollars)						
Iron and Products						
Iron ore.....	1	3,033	2,401	1	8,483	11,804
Ferro-alloys.....	97	2,063	2,384	792	12,126	22,392
Pigs, ingots, blooms, billets.....	180	2,631	974	2,346	13,945	8,221
Scrap iron.....	135	171	82	647	1,333	1,207
Castings forgings.....	1	414	628	21	2,222	4,078
Rolling mill products.....	355	343	1,257	4,143	4,537	7,992
Tubes, pipes and fittings.....	81	150	130	533	1,765	1,570
Wire and chain.....	106	123	118	911	709	742
Engines and boilers.....	8	363	727	419	13,086	6,237
Farm machinery and implements.....	440	4,844	6,230	6,826	69,295	82,918
Hardware and cutlery.....	170	390	272	1,637	3,067	3,492
Machinery (except farm).....	682	2,065	3,457	7,533	17,677	26,480
Tools.....	110	55	61	1,051	769	885
Automobiles, freight.....	431	413	3,236	5,838	6,631	9,320
Automobiles, passenger.....	833	2,052	4,971	12,123	13,472	22,867
Automobile parts.....	149	881	951	2,156	8,932	10,090
Other vehicles, chiefly iron.....	18	207	129	109	4,703	2,112
Railway cars and parts.....	30	37	70	150	524	711
Iron products, other.....	102	386	736	934	2,682	4,200
TOTAL.....	3,927	20,625	28,815	48,168	185,957	227,318
Non-Ferrous Metals and Products						
Aluminium and products.....	1,945	3,523	9,782	16,559	75,228	97,018
Brass and products.....	71	491	546	747	1,959	2,588
Copper and products.....	4,790	8,615	7,401	38,296	64,788	59,678
Lead and products.....	800	3,546	3,853	6,533	20,978	31,054
Nickel.....	4,977	9,817	11,427	38,943	77,907	96,786
Precious metals (except gold).....	1,864	3,548	3,149	17,983	23,097	37,661
Zinc and products.....	636	6,023	7,499	7,465	40,770	58,155
Clocks and watches.....	49	54	52	369	261	772
Electrical apparatus, n.o.p.....	318	1,044	1,528	3,194	7,440	12,179
Non-ferrous products, other.....	209	893	1,123	1,903	8,968	12,969
TOTAL.....	15,658	37,554	46,360	131,991	321,397	408,859
Non-Metallic Minerals, Products						
Asbestos and products.....	1,158	6,038	6,733	9,057	44,297	61,691
Clay and products.....	28	151	183	389	1,550	1,843
Coal and products.....	271	771	867	1,961	8,301	5,467
Glass and glassware.....	7	99	66	84	571	788
Mica and products.....	5	29	42	63	112	424
Petroleum and products.....	19	72	52	503	212	904
Abrasives, artificial, crude.....	249	1,432	1,700	3,050	10,508	15,596
Stone and products, other.....	203	802	954	1,418	4,578	5,632
Carbon and graphite electrodes.....	66	116	162	465	951	1,204
Non-metallic products, other.....	73	292	735	656	2,469	3,143
Total.....	2,080	9,802	11,494	17,646	73,549	96,692
Chemicals and Allied Products						
Acids.....	94	395	435	911	2,442	4,542
Cellulose products.....	2	19	224	16	119	730
Drugs, medicines, pharmaceuticals.....	114	433	739	1,101	3,309	4,349
Explosives.....	1	31	191	177	652	982
Fertilizers.....	225	3,115	2,906	5,712	29,592	27,254
Paints and varnishes.....	74	410	850	672	2,786	5,696
Calcium compounds.....	41	116	189	360	972	2,114
Soda and sodium compounds.....	366	631	902	3,039	3,897	7,367
Cobalt oxides and cobalt salts.....	52	63	107	354	466	895
Synthetic resins and products ¹.....	.....	379	203	.....	3,741	3,173
Polystyrene ¹.....	.....	191	441	.....	1,393	5,459
Chemical products, other.....	267	2,788	4,009	2,285	23,663	33,273
TOTAL.....	1,235	8,572	11,197	14,628	73,033	95,865

¹Not available in 1938

Canadian Exports, by Commodities—Concluded

Commodities	September			January—September		
	1938	1950	1951	1938	1950	1951
(Thousands of Dollars)						
Miscellaneous Commodities						
Toys and sporting goods.....	72	72	62	371	264	433
Films.....	214	201	344	2,972	1,700	4,023
Ships and vessels.....		3,076	9	188	21,164	7,088
Aircraft and parts.....	51	344	672	2,716	3,487	5,030
Electrical energy.....	342	562	858	3,119	4,817	6,185
Miscellaneous consumer goods.....	180	481	523	1,475	2,661	4,513
Miscellaneous, other.....	434	316	429	3,094	5,772	4,875
Donations and gifts.....		208	371	.....	2,445	3,718
Non-commercial articles.....	349	1,295	1,448	1,875	7,503	9,074
TOTAL.....	1,643	6,555	4,713	15,810	49,813	44,938

Canadian Exports, by Main Groups

Main Groups	September			January—September		
	1938	1950	1951	1938	1950	1951
(Thousands of Dollars)						
ALL COUNTRIES						
Agricultural, Vegetable Products....	17,014	47,773	68,836	118,315	442,219	598,096
Animals and Animal Products.....	10,611	33,926	29,181	84,333	264,288	260,230
Fibres, Textiles and Products.....	1,054	4,002	2,285	9,985	21,479	26,856
Wood, Wood Products and Paper....	18,985	110,311	117,208	153,672	788,796	1,025,709
Iron and Products.....	3,927	20,625	28,815	48,168	185,957	227,318
Non-Ferrous Metals and Products....	15,658	37,554	46,360	131,991	321,397	408,859
Non-Metallic Minerals, Products....	2,080	9,802	11,494	17,646	73,549	96,692
Chemicals and Allied Products.....	1,235	8,572	11,197	14,628	73,033	95,865
Miscellaneous Commodities.....	1,643	6,555	4,713	15,810	49,813	44,938
TOTAL.....	72,206	279,121	320,088	594,548	2,220,530	2,784,564
UNITED KINGDOM						
Agricultural, Vegetable Products....	8,754	11,244	15,767	68,601	173,436	167,809
Animals and Animal Products.....	7,122	4,325	4,363	53,685	41,417	18,484
Fibres, Textiles and Products.....	213	134	96	2,649	814	1,049
Wood, Wood Products and Paper....	3,240	3,479	12,575	28,502	25,760	97,178
Iron and Products.....	1,050	868	2,040	11,084	7,519	12,750
Non-Ferrous Metals and Products....	7,534	8,883	15,157	68,681	80,896	131,324
Non-Metallic Minerals, Products....	337	673	1,332	2,280	7,282	8,995
Chemicals and Allied Products.....	398	645	978	3,521	4,854	6,918
Miscellaneous Commodities.....	252	187	207	3,356	2,089	1,861
TOTAL.....	28,901	30,439	52,514	242,359	344,069	446,369
UNITED STATES						
Agricultural, Vegetable Products....	4,047	13,444	22,201	16,832	112,163	174,178
Animals and Animal Products.....	2,362	23,888	21,682	20,666	180,185	205,603
Fibres, Textiles and Products.....	158	2,571	1,370	1,389	13,689	14,568
Wood, Wood Products and Paper....	12,947	100,626	92,045	100,282	725,834	831,271
Iron and Products.....	227	12,745	11,446	3,155	99,834	123,906
Non-Ferrous Metals and Products....	2,987	24,632	21,832	24,996	192,526	201,817
Non-Metallic Minerals, Products....	968	7,720	7,752	8,504	52,459	67,112
Chemicals and Allied Products.....	361	4,978	5,346	6,255	41,759	50,695
Miscellaneous Commodities.....	1,063	2,185	3,056	7,265	14,633	22,191
TOTAL.....	25,121	192,789	186,730	189,344	1,433,082	1,691,341
OTHER COUNTRIES						
Agricultural, Vegetable Products....	4,213	23,085	30,868	32,882	156,621	256,109
Animals and Animal Products.....	1,126	5,714	3,136	9,983	42,686	36,143
Fibres, Textiles and Products.....	684	1,296	818	5,947	6,975	11,238
Wood, Wood Products and Paper....	2,797	6,206	12,588	24,880	37,202	97,259
Iron and Products.....	2,650	7,011	15,329	33,928	78,603	90,662
Non-Ferrous Metals and Products....	5,137	4,040	9,371	38,314	47,975	75,718
Non-Metallic Minerals, Products....	774	1,409	2,411	6,862	13,808	20,585
Chemicals and Allied Products.....	476	2,949	4,872	4,851	26,420	38,252
Miscellaneous Commodities.....	327	4,183	1,451	5,189	33,090	20,887
TOTAL.....	18,185	55,892	80,843	162,845	443,379	646,853

Trade Notes

AUSTRALIA

Correspondence for Australia Should Have Sufficient Postage

Sydney, N.S.W., October 26, 1951.—(FTS)—Businessmen communicating with the Commercial Counsellor for Canada in Sydney or Melbourne are requested to ensure that sufficient postage is provided for air mail correspondence. A number of letters have been received with insufficient postage, involving additional correspondence before the deficiency can be collected.

Australian Basic Wage Reaches All-Time High

Sydney, October 23, 1951.—(FTS)—Effective from the first pay period in November, the basic wage in Australia will again be increased. The new wage is based on the cost of living during the September quarter. The average basic wage for Australia will reach £10.0.0 for the first time in history.

Details of the increases and new basic rates for all Capital cities are as follows:—

	Increase per week	New Basic Wage per week
Sydney, New South Wales	14·0s	£10· 7·0
Melbourne, Victoria	10·0	9·19·0
Hobart, Tasmania	12·0	9·19·0
Perth, West Australia	9·0	9·17·0
Adelaide, South Australia	11·0	9·15·0
Brisbane, Queensland	10·0	9· 5·0

It is estimated that the cost of the increase over the whole field of Australian employment would be about £60 million and that the rise would add from £27 million to £28 million to direct labour charges in the manufacturing industry. Added yearly costs to governments are estimated at—Commonwealth £5 million to £6 million, New South Wales £5 million and Victoria £1 million.

Australia to Continue Imports of Dressed Flooring Boards

Sydney, September 20, 1951.—(FTS)—The shortage of flooring boards in Australia is still so acute, and affecting housing programs in all states, that it has been decided to extend the period for shipment against which licences will be issued to import dressed flooring boards from North America on evidence of availability. Licences will now be issued if the goods are shipped on or before March 31, 1952, the previous period for shipment being on or before December 31, 1951.

Australia to Eliminate Minor Applications for Duty Cuts

Sydney, September 20, 1951.—(FTS)—The Minister for Trade and Customs announced last week that his department would not consider applications for concessional rates of duty on imports unless a duty of at least £50 was involved. He had decided to eliminate minor applications because there were too many of them for the present staff to deal with and because of the decision to reduce the Commonwealth public service.

The department grants special rates of import duty for goods which are not available in Australia or from Britain. The decision will affect small machines and a wide range of manufactured goods imported in small quantities.

Australia Has Overall Increase in Internal Airways

Sydney, October 23, 1951.—(F.T.S.)—Statistics recently issued by the Department of Civil Aviation show an overall increase in domestic aviation up to March, 1951. No airline company of the fifteen operating showed a decrease for either the three months ended March, 1951, or the preceding twelve months. Route mileage flown increased by 13 per cent and actual miles flown by 9.4 per cent, which means that Australian aircraft fly approximately 41,000,000 miles a year. The number of passengers carried for the year rose by 12.9 per cent to 1,689,069, while passenger miles rose by the same percentage.

Passenger load factor, or the number of seats occupied, reveals the smallest increase—2.1 per cent. Actual tons of freight carried, however, amounted to 20.7 per cent more than the previous year, and mail-ton miles increased by 6.3 per cent. Against the preceding three months, the increase was even more remarkable. Miles flown rose by 12.4 per cent, passengers by 15 per cent, passenger miles by 16.2 per cent, passenger load factor by 4.1 per cent and mail-ton miles by 41.9 per cent.

New Capital Expenditure Shows Increase in Australia

Melbourne, October 22, 1951.—(F.T.S.)—Expenditure on new capital equipment and new buildings by private businesses in Australia increased by £A22 million in the first six months of 1951, as compared with the corresponding period of 1950, or by 35 per cent. Total expenditure for the 1951 period was £A86 million, of which £A66 million went to new capital equipment and £A20 million for new building. An even larger increase has been forecast for the second half of 1951 and also for 1952, although the 1952 estimate may have to be revised with the re-introduction of control over capital issues.

Manufacturing industries accounted for £A14.1 million of the increase, with engineering and vehicles well in the lead with a rise in total expenditure of over 50 per cent. Capital expenditure in mining increased from £A3.6 million to £A4.8 million; transport from £A2.6 million to £A4.8 million; wholesale and retail trade from £A10.1 million to £13.2 million and all others from £A5.2 million to £A6.6 million.

Overseas Investments in Australia Have Risen

Melbourne, October 22, 1951.—(F.T.S.)—Total paid-up capital held by overseas shareholders in Australian companies registered a further substantial increase at June 30, 1950, amounting to £A137.6 million as compared with £120.9 million in 1949, £A112.7 million in 1948, and £A105.4 in 1947. United Kingdom investors accounted for most of the increase, jumping from £A75.3 million in 1949 to £A88.4 million in 1950; holdings by United States investors rose from £A26.4 million in 1949 to £A28.7 million in 1950; New Zealand rose from £A9.5 million to £A10.1 million; holdings in Canada remained static at £A3.5 million and in "other countries" rose slightly from £A6.2 million to £A6.9 million.

Australian Paper Company Had Successful Year

Melbourne, October 22, 1951.—(F.T.S.)—Australian Paper Manufacturers Limited produced 148,194 tons of paper and cardboard during the year ended June 30, 1951, as compared with 133,126 tons for the previous year. This sets a new production record for the company. A new record was also achieved at the company's pulp mill at Maryvale, Victoria, where production reached 43,283 tons as compared with 40,089 tons in 1949-50.

Plans for expansion already in hand include doubling the capacity of the Maryvale Pulp Mill from 150 to 300 tons a day, installing a new M.G. paper machine and a new high speed M.F. paper machine of 13,500 tons and 18,500 tons capacity per annum respectively, and installing three high-pressure steam raising boilers specifically designed to operate on raw brown coal.

Long-range plans envisage the construction of a corrugated fibre box factory and of a solid fibre box-making plant.

Ford Motor Company Plans Expansion Program in Australia

Melbourne, October 22, 1951.—(F.T.S.)—The Ford Motor Company will begin a £A6,000,000 expansion program soon, and will manufacture the latest type Ford V8 engine in Australia.

Engines for cars and trucks up to five tons capacity will be made locally for the first time, and it is hoped to have the foundry and machine shop in operation by 1953.

Of the £A6,000,000 to be spent, £A4,750,000 will be allocated to the Geelong site, where the main operations were started about 25 years ago. The balance will be spent in enlarging other plants in Sydney, Brisbane and Perth.

BRITISH GUIANA

British Guiana Selected for Jute Experiment

Port of Spain, October 25, 1951.—(F.T.S.)—British Guiana has been selected by the Colonial Office of the United Kingdom as the site for a large-scale experiment in jute production. The project will be carried out by the Colonial Office in conjunction with the British Guiana Government and Booker Brothers, McConnel and Company Limited. A two-man mission from England headed by an official of the Jute Grade Association found conditions in British Guiana to be favourable following a month's survey. The survey was the result of a small-scale experiment carried out successfully by the British Guiana Department of Agriculture.

British Guiana Increases Imports from Canada

Port of Spain, October 25, 1951.—(F.T.S.)—British Guiana's imports from Canada and the United States for the first seven months of 1951 increased in value by \$513,654 over those for the same period of 1950. The colony's imports from the United Kingdom also increased by \$1,715,345 over the figure for 1950. Total imports during the period amounted to \$35,463,893, while exports were valued at \$28,902,119. Britain supplied the bulk of the imports valued at \$16,730,843 or about 47 per cent, while Canada and the United States shared \$9,449,170 or about 25 per cent.

Canada proved to be the colony's best customer, taking \$13,246,442 of her exports, nearly half. Britain took \$10,089,944 of the colony's products. Canada's exports to British Guiana included flour, smoked or dried fish, pickled pork, milk, potatoes, piece-goods, electrical machinery and paper.

CEYLON

Ceylon Calls Tenders for Waterworks Equipment

Washington, October 30, 1951.—(FTS)—The Ceylon Government has called for tenders for the supply of waterworks equipment and material urgently required for work in connection with water supply schemes in Ceylon. Tenders should reach the Chairman of the Tender Board, Ministry of Transport and Works, Colombo, Ceylon, not later than 2.30 p.m. on Wednesday, January 9, 1952.

(Editor's Note.—Tender forms and further particulars can be obtained from the Ceylon Embassy, 2148 Wyoming Ave., N.W., Washington, D.C.)

Ceylon Exports Rubber to Red China

Colombo, October 18, 1951.—(FTS)—Ceylon's recent export of some 5,500 tons of rubber to Communist China has received widespread publicity. The Ceylon Government's stated policy is that it will not exercise any destination control over shipments of rubber or other materials whether to communist-influenced or other countries. This shipment of rubber to Communist China is said to be for discharge at Whampoa and Taku Bar. Local market reports suggest that further business is under negotiation.

Ceylon's Trade with Japan May be Increased

Colombo, October 18, 1951.—(FTS)—A recent statement by the Minister of Finance, following a visit to Japan, indicates that Japan-Ceylon trade may undergo further expansion. Ceylon's trade with Japan continues to be regulated to some extent by the Japan-Sterling Area Trade Agreement and Ceylon's stipulated share in it. Ceylon's foreign trade policies, irrespective of currency considerations, are, however, elastic. In view of a degree of rapprochement between the two countries on both religious and business grounds also current visits to Ceylon of Japanese traders and business missions, it appears that new developments in this connection may be expected.

Tire Factory Proposed for Ceylon

Colombo, October 18, 1951.—(FTS)—Federal Rubber Company has been in negotiation with Ceylon interests in connection with the establishment of a tire factory near Colombo. It is understood that American and Ceylonese interests will share equally in this undertaking.

Ceylon to date has imported all requirements of motor vehicle and bicycle tires from abroad, the principal suppliers having been the United Kingdom, Canada, United States and India. It is estimated that the trade in tires and tubes for motor vehicles has averaged some 85,000 and 60,000

per year respectively, while imports of bicycle tires and tubes have been some 150,000 and 100,000 respectively. The total value of imports of tires and tubes in 1950 was estimated at some 8 million rupees.

Ceylon Closes Distillery

Colombo, October 18, 1951.—(F.T.S.)—Among other recent moves by the Ceylon Government in connection with its control of industrial development, the closing down of the only government-owned distillery is of particular interest. Members of the Cabinet have stated that prohibition is not to be forced on the country by legislation, but the movement appears to be gaining impetus and the eventual effects may be widespread. Meanwhile, the only obstruction to the import of wines and spirits is the abnormally high rate of duty. Despite this, the revival of trade in Canadian whiskies and beer offers interesting prospects.

Shipping Line Proposed for Ceylon

Colombo, October 18, 1951.—(F.T.S.)—The Ceylon Government has been seriously embarrassed on a number of occasions owing to delayed deliveries of shipments of rice, flour and other badly needed foodstuffs and also the high cost of ocean freight. The suggestion has been made from high government circles that Ceylon might develop an ocean freight service of its own to assist if not control the carriage of food cargoes from Burma, Australia and other countries in which such imports originate. Discussions regarding the availability of suitable vessels and their operation have already been carried on by the Minister of Commerce and Trade with United Kingdom authorities, and by the Minister of Finance with Japanese shipping interests. It appears that some progress in this general direction has been made. The supply of vessels and technical assistance from Japan is now said to have definite possibilities.

Ceylon's Foreign Trade Increased

(One rupee equals Can.\$0.2195.)

Colombo, October 18, 1951.—(F.T.S.)—Ceylon's foreign trade continues to thrive. September returns show a total merchandise trade worth Rs.2,636,168,824 for the first nine months of the year, an increase of Rs.701,751,235 over the same period in 1950, also an increase in the favourable balance of trade from Rs.184,313,000 to Rs.280,862,000.

Imports of foods of various types have been very heavy while those of textiles, iron and steel goods, machinery, paper and vehicles have all shown substantial increases. On the other hand, tea shipments have been much larger than usual while exports of coconut products and rubber have reached record dimensions.

The United Kingdom, Burma and India rank highest in the list of sources of supply of imports, in which Japan has now gained fourth place. Export trade has been increasingly dependent on the United Kingdom, followed by Australia and the United States.

Nine months' imports from Canada were worth Rs.13,395,316 as against exports of Rs.59,831,942.

CHILE

Chile Permits Bicycle Imports from Spain

Santiago, October 25, 1951.—(FTS)—The Foreign Trade Council has authorized an import quota of 2,000 bicycles from Spain. Requests for import permits must be presented before the 30th of October.

Chilean Gasoline Consumption Reaches Record High

Santiago, October 18, 1951.—(FTS)—Due to the constant increase in modern means of transport required by Chile, the consumption of gasoline has reached a high figure. The Chilean Customs statistics indicate under separate headings gasoline imported for the consumption of motor vehicles, etc., and that imported especially for aviation. Certain quantities of gasoline are imported in containers, but these are of little importance in comparison with the total volume.

The figures of imports with their values from the year 1941 to 1950 were as follows:

Years	Hectolitres	(Gold pesos of 6d.)
1941	1,647,323	13,531,123
1942	1,384,228	14,287,798
1943	1,231,721	13,882,836
1944	1,180,355	12,263,111
1945	1,333,707	12,773,298
1946	2,185,043	21,699,883
1947	2,616,292	32,499,815
1948	2,937,897	40,122,682
1949	3,251,295	47,092,963
1950	2,980,873	41,404,982

From the year 1948, aviation gasoline was indicated under separate heading. In that year, 150,954 hectolitres were imported; in 1949, 187,085 and in 1950, 102,197 hectolitres. A total of 196 tons of this type of gasoline was imported in containers in the year 1950.

The value of gasoline imported for general use, reduced to Chilean currency was Ch.\$209,000,000 in 1947; Ch.\$257,000,000 in 1948; Ch.\$332,000,000 in 1949 and Ch.\$419,000,000 in 1950.

Customs statistics indicate that aviation gasoline to the value of Ch.\$20,830,000 was imported in 1950.

Up to 1949 inclusive, the greater part of gasoline was imported from Perú, apart from which in some years important quantities were imported from Curaçao. From 1950 practically all imported gasoline originated in the United States.

Chile Makes Important Shipments to Germany

Santiago, October 16, 1951.—(FTS)—Chile continues to effect important shipments to Germany. By a recent vessel, 1,900 tons of forage oats, 500 tons of wine, 400 tons of copper bars, 400 tons of copper wire and 200 tons of lentils were shipped. By the same vessel 500 tons of ferro-manganese were shipped to Antwerp.

Chilean Exchange System Under Review

Santiago, October 18, 1951.—(FTS)—Official circles are studying the simplification of the exchange rates in Chile and the possibility of fixing

one rate only is under consideration. Should the committee approve the plan, the International Monetary Fund will be consulted before the new rate is definitely fixed.

Chile to Import Edible Oils

Santiago, October 23, 1951.—(FTS)—The Minister of Economy and Commerce reports that 450 tons of crude edible oil will be imported in drums to be refined in Chile as an experiment. The difference in price compared with the refined article is US\$23.50 per ton, and this difference could be invested in the construction of a storage tank in Valparaíso, which would cost about Ch.\$8,000,000. Should the experiment prove successful, other storage capacity could be constructed.

Chilean Copper Plate Exports Vary

Santiago, October 18, 1951.—(FTS)—The first statistics with respect to the export of copper plates from Chile date back from the year 1941. From that date until the present time, appreciable quantities have been sold on the international market, the maximum amount being reached in 1945 with a total of 7,662 tons, as in that year 6,997 tons were purchased by Argentina. Considerable fluctuations in exports of these products have been seen over the past 10 years, as is apparent from the following figures:

Years	Amounts Exported	Value of Exports
	Metric Tons	6d Gold \$
1941	135	250,344
1942	1,468	3,831,977
1943	2,096	4,053,368
1944	3,842	7,925,456
1945	7,622	15,919,805
1946	2,052	5,972,712
1947	2,074	5,760,008
1948	908	3,075,923
1949	1,032	2,478,800
1950	759	2,210,303

From January to June of the present year, 669 metric tons have been exported, of which 431 tons have been shipped to Belgium, 176 to Germany, 29 to Colombia, 20 to United States and 12 to Argentina.

In terms of local currency, the value of exports of this commodity in 1949 was Ch.\$20,110,365, that of 1950, Ch.\$27,318,299 and for the first six months of this year, Ch.\$35,208,684.

JAPAN

Japanese Mandarin Oranges Purchased by Canada

Tokyo, October 15, 1951.—(FTS)—The Japan Orange Growers Association reports that it will have about 1,300,000 boxes of mandarin oranges available for export this year. The bulk of the oranges has been contracted for shipment to Canada, which is the principal export market. In view of increased packing and shipping costs, the Association expects the price will be close to 65 cents (U.S.) per box f.o.b. Japan. Shipments to Canada in 1949 and 1950 amounted to 900,000 cases and 1,270,000 cases respectively, with the f.o.b. price in 1949 at 55 cents per box and in 1950 at 50 cents per box. In September of this year, the Japanese Government placed mandarin oranges under export control as a means of preventing the dumping of these oranges in foreign markets.

Penicillin Production in Japan Greatly Increased

Tokyo, September 29, 1951.—(F.T.S.)—During the past five years, rapid strides have been made in the production of penicillin in Japan and this country now ranks third among the leading producers. Production for 1951 is estimated at 12,000 billion units as compared with 7,495·5 billion units in 1950. Output in the previous years was as follows: 1946—48 billion units; 1947—13·8 billion units; 1948—307·4 billion units; and 1949—448·8 billion units.

Japan to Permit Increased Fertilizer Exports

Tokyo, October 1, 1951.—(F.T.S.)—The Government of Japan has agreed to permit the export of 200,000 tons of chemical fertilizer for the fertilizer year, August 1, 1951, to July 31, 1952, an increase of 100,000 tons over the previous year. This will include 100,000 tons of nitrogenous fertilizer and 100,000 tons of superphosphate of lime and will be for export to Formosa, Korea, Ryukyus Islands, and the Philippines.

Electric Power Shortage in Japan Critical

Tokyo, October 12, 1951.—(F.T.S.)—Japan is faced with a critical electric power shortage as a result of the worst drought in twelve years and a shortage of fuel coal for electric power production. Daily power production has dropped to 2,509,000 k.w.h. or 35 per cent below the normal daily average. The power shortage is being felt by almost every type of industry, and industrial output has recorded a steady decline since July. The steel, chemical, textile, machinery, ceramics, paper and aluminum industries report that they have had to cut back their output from 30 to 50 per cent of normal.

Japanese Plywood Exports Greatly Increased

Tokyo, October 6, 1951.—(F.T.S.)—Exports of plywood from Japan for the first six months of 1951 were valued at \$2·5 million and accounted for 28 per cent of the total lumber exports valued at \$6·9 million. These amounts are well above the totals for the entire year of 1950 when exports of plywood were valued at \$1·8 million or 20 per cent of the total lumber exports of \$8·9 million. The large gain was accounted for by increased shipments to the United States, Great Britain, Australia, and Belgium.

Japan Eases Controls on Correspondent Bank Contracts

Tokyo, October 8, 1951.—(F.T.S.)—The Foreign Exchange Control Board has announced that it is easing the restrictions on conclusion of "correspondent bank" contracts and increasing the collecting accounts in foreign banks. Japanese exchange banks, whose transactions have been restricted to three out of the nine foreign exchange banks, are now permitted to transact business with all of them. New collecting accounts will be established with seven banks in the United States, which will engage in the settlement of import bills for Japanese traders. When collections exceed \$100,000, they are required to place the surplus in various depository banks in which Japanese-owned dollar currency is placed.

Special Procurement Orders Received by Japan

Tokyo, October 12, 1951.—(FTS)—Since the beginning of the Korean War and up to September 15, Japan had received special procurement orders amounting to \$440,893,000, of which \$304,407,000 were for goods and \$136,486,000 were for services.

Japan to Allow Postal Remittances

Tokyo, October 13, 1951.—(FTS)—Effective November 1, 1951, Japan will permit postal remittance to foreign countries. Remittances will be permitted by anyone possessing a postal savings account but will be limited to below \$30 or £10 per month per person. Charges will be one per cent of the amount of exchange to dollar areas and one-half per cent to other areas.

R. G. C. Smith Receives New Appointment in London



R. G. C. Smith

Robert Guy Carrington Smith, Commercial Secretary for Canada in London since November, 1950, has been appointed United Kingdom Representative of the Department of Defence Production, on loan from the Department of Trade and Commerce, with the personal rank of Commercial Counsellor. He will also act as alternate Canadian delegate on the Defence Production Board of the North Atlantic Treaty Organization, succeeding Mr. E. W. T. Gill, who is returning to Canada for a tour of duty at head office of the Department of External Affairs.

As United Kingdom Representative of the Department of Defence Production, Mr. Smith will be concerned primarily with matters relating to military end items and strategic raw materials, essential to the defence program, including non-ferrous metals and basic chemicals. His responsibilities will not include steel, which will be that of the Department of Trade and Commerce.

Born in Quebec City in January, 1908, Mr. Smith attended Bishop's College School, in Lennoxville, Que., and graduated in 1929 from the Royal Military College of Canada, in Kingston. He then attended McGill University, and joined the Canadian Trade Commissioner Service in 1930, being posted to Buenos Aires in April, 1931, as Assistant Trade Commissioner. Mr. Smith was transferred to New York in October, 1936, and joined the Royal Canadian Artillery in 1940. Following a motorcycle accident overseas in October, 1943, he returned to Canada, and served in the Directorate of Military Operations and Planning, at National Defence Headquarters, until the conclusion of hostilities. On his recall to the Canadian Trade Commissioner Service, Mr. Smith was posted to Havana in January, 1946, and rendered considerable assistance to Canadian delegates attending the World Trade Conference in that city. He was transferred to Rome in September, 1948, and two years later was posted to London.

Effect of Defence Preparations on Canadian Economy Outlined

Associate Deputy Minister of Trade and Commerce indicates that impact of preparations increasing, but that curve of demand will level off after "the hump" has been reached, assuming no change in international outlook—Canada capable of even greater output.

DEFENCE preparations and their effect on the Canadian economy were recently discussed by M. W. Sharp, Associate Deputy Minister of Trade and Commerce, in an address to the Sales Research Club of Toronto. The impact of these preparations is increasing, he said, and will continue to increase for some time to come. More labour is being employed in defence plants or in industries that support the defence effort. The armed forces are expanding, and the defence consumption of raw materials is rising.

Although it was logical to conclude that the demand for the available resources of manpower and materials would continue, Mr. Sharp suggested that his audience should note the differences between wartime conditions and the relatively limited defence effort pursued at this time. "In modern, all-out war, demand is virtually unlimited, and for as long a time as is required to attain victory. In a period of defence preparations, the object of which is to prevent all-out war, there is a high degree of urgency, but there is also the prospect of attaining a state of readiness at some foreseeable time. Assuming no change in the international outlook, we face a period of build-up for our defences, often referred to as 'the hump', followed by a levelling-off on a plateau of defence expenditures adequate to maintain a state of readiness.

"A preparedness effort of this kind has a very different impact on the economy from an all-out war effort. It may produce inflationary pressures, which are difficult to manage, and none of us can afford to be complacent on that score. But, unless there are new crises in international affairs, there is hope that the hump will be surmounted in due course and productive resources released for civilian use."

Release of Demand for Resources Illustrated

Illustrating this observation, Mr. Sharp pointed out that defence preparations required clothing for the armed forces. Once these forces were at their maximum and an adequate reserve of clothing accumulated, the most severe impact of the defence effort upon the civilian supply of clothing was over. Similarly, when munitions plants now being planned have been built, the structural steel and the construction labour required to erect those factories become available for other uses. The impact then switches to a different type of metal and a different type of labour. In due time, even this demand tapers off, as there is no purpose in producing unlimited quantities of munitions and supplies that are bound to become obsolete. "It is the capacity to produce which is important under present circumstances, and not only the stock on hand," he said.

"All parts of the defence program are not proceeding at the same rate. The production of some items, like aircraft, requires a long period of factory building and tooling up. Other items can be turned out by existing factories with a minimum of expansion or new equipment and, therefore, with a minimum of delay. It is the general magnitude of the defence

effort at any particular point of time that matters, for this is a measure of the overall impact on the economy. But, that kind of overall analysis can be misleading when one is trying to assess the efforts in particular areas or particular industries or on particular materials.

Curve of Demand Constantly Changing

"There are distinctive curves in the demand for various defence items. Some rise sharply from the outset and then fall away within a comparatively short period. Others rise very slowly and do not reach a peak for months. The cumulative effect is difficult to forecast with any precision. The curve of total demand for defence goods is rising and will continue to rise for some months to come, but its composition will change from month to month. This is very different from the situation in time of all-out war, when the demand for everything needed by the armed forces keeps rising in the supreme effort to crush the enemy.

"The impact of defence preparations is not to be found only in the record of defence expenditures by the Federal Government. Resources are also being channeled into the expanded output of those vital raw materials and basic industrial facilities upon which the military effort is so completely dependent. In the meantime, the manpower and the materials to open a new mine or to build a new hydro-electric plant or a new steel mill cannot be used for other purposes. In the long run, these additional productive facilities will enable Canada and her allies to maintain adequate defences with less strain upon the civilian sector of the economy. We are building a stronger Canada, in terms of defence potential, and we are also laying the foundations of a more productive and diversified economy, better able to satisfy the needs of the growing Canadian population.

"The basic economic aims of the government have been described as the 'expansion of defence-supporting industries, the development of Canada's resources and the maintenance of a strong and resilient economy with the highest possible standard of living and the maximum freedom from controls.' In accordance with these objectives, control mechanisms have been kept relatively simple, and most of the formal controls have been limited to a comparatively small number of items. This is partly owing to the fact that most scarce commodities are produced by only a few firms in Canada, and partly because private industry has recognized that, by co-operating with the government, it is serving its own interests, as well as those of the nation. The comparative freedom from complicated direct controls is also a counterpart of the attempt by the government, through fiscal and monetary measures, to create a climate in which individuals and business concerns will tend to make the adjustments in their economic activities which are necessary to make room for a rising level of defence purchasing and defence-supporting activities.

"Fortunately, Canada is capable of growth and greater output. In fact, the gross national product may well attain a level in 1951 of three billion dollars greater than in 1950. All of us would have preferred to devote the fruits of that expansion wholly to raising standards of living. For the time being that does not seem possible. What we have accomplished and what we hope to accomplish are threatened by forces of aggression.

"Our hope is that, by taking action before it is too late, by building our strength to the point where aggression will not pay, the catastrophe of war can be averted. To attain that point will require a great effort and a considerable cost. But, the effort and the cost are insignificant in terms of resources and human values compared with those of war," Mr. Sharp concluded.

Great Britain to Cut Imports by One Billion Dollars Annually

Large balance of payments deficits incurred in second half of 1951 with most areas of the world—Serious decline recorded in gold and dollar reserves of sterling area—Existing commitments and contracts will not be disturbed—Revoked open general licences will have no direct effect on Canadian exports.

By R. P. Bower, Commercial Counsellor for Canada.

LONDON.—During the second half of 1951 the United Kingdom incurred large balance of payments deficits with most areas of the world, in particular with Western Europe and the dollar area. This has led to a serious decline in the gold and dollar reserves of the sterling area. At mid-1951, these reserves amounted to \$3,867 million; in the four months July-October they declined by almost \$900 million.

The new government has taken a serious view of the trade and payments deficit. To meet the situation it has decided to reduce United Kingdom imports from all countries except the sterling area by about \$1,000 million annually. At the rate prevailing in the first seven months of the year, United Kingdom imports from all countries other than sterling area would amount to about \$7 billion in 1951.

The full impact will not necessarily be felt by the supplying countries at once because of the pledge by the government that existing commitments and contracts will not be disturbed. A meeting of Commonwealth Finance Ministers is to be held in January, 1952, to discuss the problem from the point of view of the sterling area as a whole.

Open General Licences to be Revoked

The Board of Trade has revoked, as from November 8, Open General Licences for private imports from certain European and other non-sterling countries for a selected list of commodities. In their stead it has substituted import licences with, in most cases, a quota for each commodity based on the value of imports from these sources in the twelve months prior to June 30, 1951. Imports in this period were substantially lower than those which have prevailed in recent months. A number of raw materials will be so affected but the reduction in imports will not be severe. This measure should result in a saving of about \$400 million annually, mainly in un-rationed food but also in a few manufactured goods. In food the total reductions of privately imported commodities will be equivalent to about one-quarter of the total private imports of food from all sources. The items affected include canned hams and meat, various forms of sugar manufactures, fat mixtures, canned fruit and vegetables, fresh fruit and nuts.

Other economies will be effected by reducing imports of unrationed foods by the Ministry of Food and the total consumption of rationed food is to be kept at the average 1951 level.

Effect on Canadian Trade

The Open General Licences revoked under the new policy were those which had never been extended to Canadian goods. Their cancellation, therefore, will have no direct effect on Canadian exports to the United Kingdom.

The rate of importation of other goods from Canada, however, may be affected. The government proposes to slow down the stockpiling of strategic materials. Significant supplies of many of the more bulky commodities have been accumulated and it is the view of some authorities that a slowing down of stockpiling is necessary for national solvency. The decelerated program of stockpiling will not, in other words, entail a reduction in imports necessary for essential civilian and defence needs. It may mean a slowing down of deliveries, in excess of those minimum needs, destined for strategic stockpiling.

The government has announced that it is considering transferring all softwood purchases to private trade in a plan for the global limitation of purchases. It intends to maintain the consumption of softwood at its present level.

Financial and Other Measures Adopted

Other measures to be taken include (1) the raising of the bank rate from 1 per cent to $2\frac{1}{2}$ per cent, (2) the reduction in the allowance for tourists travelling on the Continent from £100 to £50 per person, (3) modification of the building program (apart from domestic houses) by the postponing of starting dates on new construction so as to ensure completion of more houses in 1952.

The need for these measures arises from the basic problem confronting the United Kingdom authorities at this time. The economy has to face the necessity of establishing a volume of exports necessary to pay for imports required for immediate civilian needs and maximum defence production.

The long-term objective is the expansion of production and every effort is to be devoted thereto. The chief shortages which are restricting output at present are those in coal and steel. Increased steel output for expansion of production in the metal using industries is vital if defence production goals and a healthier balance of payments are to be realized.

British Guiana May Have Record Rice Crop

Port of Spain, October 25, 1951.—(FTS)—The 1951 British Guiana rice crop is likely to prove an all-time record according to recent estimates, provided the reaping season, which was due to commence in early October, remains favourable. It is predicted that a surplus will be available for export to other markets after all commitments to Trinidad, Barbados and the Windward Islands have been filled.

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.

Trade and Tariff Regulations

Fiji Eases Import Control

Wellington, October 15, 1951.—(F.T.S.)—Fiji has announced that the following goods may be imported from any country under Open General Licence: Tinsplate, terneplate or black plate; semi-manufactured copper; semi-manufactured zinc; semi-manufactured nickel; borax; boric acid; newsprint; kraft paper; jute goods; dried, smoked, pickled and salted fish; onions; potatoes; animal feeding stuffs, excluding wheat and wheat flour; and the following finished steel (excluding fabricated steel)—heavy steel products including heavy rail, sleepers, etc. and heavy and medium plate; light rolled products including bars, rods, hoops and strips; steel sheets; wire plain or barbed other than insulated wire; wire rods; tubes and pipes including the fittings; tires, wheels and axles; steel forging; nails, screws, nuts and bolts.

To qualify for this exemption, the goods must be wholly produced or manufactured in the country from which they are exported; accompanied by a certificate of origin; and imported for use or consumption in the colony only.

Greece Revises Regulations for Financing Imports

Athens, October 25, 1951.—(F.T.S.)—The Bank of Greece has revised the regulations governing the financing of import trade under date of October 18, 1951.

Under the revised provisions, Greek imports are, for purposes of such finance, divided into three categories. Category A—covering essential foodstuffs, feedstuffs and animals for breeding and draft, may be financed up to 60 per cent of the value of the imported items; Category B—comprising all commodities under the program of current requirements, other than those under A or C, shall enjoy finance up to 50 per cent; Category C—including specific non-essentials or luxury items, shall not be entitled to any finance at all.

The finance shall be extended by commercial banks when establishing the letter of credit abroad, or, in cases of cash against documents, when settling the value of shipping documents in Greece. The term of the credit is to be 45 days as from date of arrival of the goods.

While the above regulations will make it easier for Greek importers to finance the importation of certain preferred goods, all imports into Greece from Canada remain subject to import licences.

Jamaica Issues Open General Licence

Kingston, November 1, 1951.—(F.T.S.)—The Government of Jamaica announced that, effective November 1, an Open General Licence had been granted for the importation into the colony from any country of the following goods: Tinsplate, terneplate or black plate; semi-manufactured copper; semi-manufactured zinc; semi-manufactured nickel; borax; boric acid; newsprint; kraft paper; jute goods; dried, smoked, pickled and salt fish, but excluding codfish; onions; animal feedstuffs, excluding wheat and wheat flour; and finished steel, excluding fabricated steel, as follows: (a) heavy steel products, including heavy rail sleepers, and heavy and medium plate, (b) light rolled products, including bars, rods, hoops and strips, (c) steel sheets, (d) wire, plain or barbed, other than insulated wire, (e) wire rods, (f) tubes and pipes, including tube fittings, (g) tires, wheels and axles, (h) steel forgings, (i) nails, screws, nuts and bolts.

TRADE AND TARIFF REGULATIONS—Continued

To qualify for entry under Open General Licence, the goods must be wholly produced in the countries from which they are exported. The importer is required to produce a certificate of origin for such goods. The prior approval of the Exchange Control Authorities must be obtained for payment of imports to be made to a country other than the country of origin of the goods.

In a complementary notice of the same date, importers were advised that licences would be granted freely for the importation of codfish from all sources, on the understanding that a maximum retail price would continue to be fixed. The present maximum retail price is 1s. 4d. per pound.

The Union of South Africa Revises Prohibited List

Johannesburg, November 2, 1951.—(FTS)—The Department of Commerce and Industries today announced revisions in the so-called "prohibited import" list. This list, established in 1948, comprises goods which will not be licensed except in the most exceptional circumstances.

Goods formerly on the prohibited list and now removed include: sardines, sild, brisling and similar fish of the sardine type packed in sealed containers, the contents of which do not exceed 4 oz. net weight; salted herrings; combs forming part of toilet or brush and comb sets; clocks of a f.o.b. cost not exceeding £8; rolled gold watch straps; compacts of a f.o.b. cost not exceeding 15 shillings. These goods may now be imported under the current licensing system.

Goods which have been added to the prohibited list are novelty tables, pin tables and other electrically or mechanically operated game or amusement machines, and silverplated vases.

Modus Vivendi Between Canada and Venezuela Renewed

Caracas, October 11, 1951.—(FTS)—The commercial *modus vivendi* between Canada and Venezuela signed at Caracas on October 11, 1950, effective for one year, has been renewed for a further period of one year from today. This agreement provides for the exchange of most-favoured-nation treatment between the two countries in all matters concerning customs duties or charges, as well as in matters relating to the concession of foreign exchange for commercial transactions and to the assignment of import and exchange quotas. As a result of the agreement Canadian products are, on import into Venezuela, accorded tariff treatment equal to that accorded to any other country including duty reductions extended by Venezuela to the United States.

Imports into Venezuela are subject to no restriction except for some twenty tariff items for which import permits are required. Total annual imports into Venezuela exceed \$600 million, of which about 70 per cent is supplied by the United States. Great Britain, Canada, Germany, Italy and France follow, in that order.

Venezuela has, in recent years, become Canada's most important market in Latin America. Exports from Canada to Venezuela rose from a value of \$1.7 million in 1939 to \$27.7 million in 1949 and \$25.5 million in 1950. Canadian imports from Venezuela showed a similar expansion

TRADE AND TARIFF REGULATIONS—*Concluded*

over the prewar level, increasing from \$1.9 million in 1939 to \$92 million in 1949 and \$87 million in 1950.

Canadian trade with Venezuela is notable by the very wide variety of Canadian products which have found a market in Venezuela. They include wheat flour, aluminum, rubber manufactures, ships, agricultural and industrial machinery, milk and products, newsprint and electrical apparatus, to name but a few of the most important products. Venezuelan sales to Canada, on the other hand, consist almost wholly of crude petroleum for refining, in addition to which small quantities of coffee and cocoa are imported.

Freight Rates to East Coast of South America Increased

Rio de Janeiro, October 18, 1951.—(FTS)—A general increase of approximately 10 per cent in freight rates between Canada, United States and East Coast of South America has been announced, to be effective from January 1, 1952. This should apply to cargoes moving both ways.

Canadian Production of Aircraft and Parts Lower Last Year

Gross factory selling value of products of Canada's aircraft and aircraft parts industry in 1950 was \$55,268,000, down 10 per cent from the preceding year's value of \$61,099,000. Assembly plants accounted for \$45,715,000 of the 1950 aggregate compared with \$55,277,000, while the value of products of parts plants was \$9,553,000 as against \$5,822,000.

Number of aircraft completed during the year was 85 with a factory selling value of \$2,666,000 as compared with 117 valued at \$22,932,000. The value of work done on aircraft under construction but not completed by the end of the year totalled \$17,086,000 against \$676,000, and the value of aircraft repair work was \$10,239,000 compared with \$9,277,000.

There were 115 aircraft imported to the value of \$1,215,000 compared with 99 at \$527,000 in 1949, while the number of aircraft engines imported was 605 worth \$3,448,000 against 319 at \$5,434,000. Imports of aircraft parts had a value of \$9,727,000 compared with \$12,729,000, and parts of engines were worth \$4,428,000 against \$4,320,000.

Exports of made-in-Canada aircraft in 1950 numbered 68 valued at \$789,000 compared with 112 at \$18,666,000 in 1949, while aircraft parts exported were worth \$3,594,000 against \$6,268,000. Re-exports of aircraft during the year totalled 19 with a value of \$175,000 against 13 at \$86,000, while re-exports of aircraft parts were valued at \$1,476,000 compared with \$2,774,000.

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, France, Western Germany, 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.

Foreign Exchange Quotations

The following are nominal quotations, furnished by the Foreign Exchange Division of the Bank of Canada. These quotations may be found useful in considering statistics and prices generally, but Canadian exporters are reminded that the kinds of currency which may be accepted for exports to different countries are specifically covered by the Foreign Exchange Control Act and Regulations, and that funds may sometimes be tendered in payment for exports which cannot, in fact, be transferred to Canada. Both importers and exporters are advised to communicate with their bankers before completing financial arrangements for the sale or purchase of commodities, to ensure that the method of payment contemplated is not only possible but that it is in accordance with the Foreign Exchange Control Act and Regulations.

Country	Monetary Unit	—	Nominal Quotations Sept. 17*	Nominal Quotations Nov. 5	Nominal Quotations Nov. 12
Argentina	Peso	Off. Free Export	-2977	-2091	-2088
			-2085	-0734	-0722
Austria	Schilling			-0489	-0489
Australia	Pound		3-2240	2-3405	2-3375
Belgium and Belgian Congo	Franc		-0223	-0208	-0208
Bolivia	Boliviano		-0238	-0174	-0174
British West Indies (Except Jamaica)	Dollar		-8396	-6089	-6090
Brazil	Cruzeiro		-0544	-0565	-0564
Burma	Rupee		-3022		
Ceylon	Rupee		-3022	-2195	-2193
Chile	Peso		-0233	-0115	-0015
Colombia	Peso		-5128	-4181	-4176
Costa Rica	Colon		-1800	-1866	-1864
Cuba	Peso		1-0000	1-0453	1-0441
Czechoslovakia	Koruna		0-200	-0209	-0209
Denmark	Krone		-2084	-1513	-1512
Dominican Republic	Peso		1-00000	1-0453	1-0441
Ecuador	Sucre		-0740	-0690	-0689
Egypt	Pound		4-1330	3-0017	2-9981
El Salvador	Colon		-4000	-4181	-4176
Fiji	Pound		3-6306	2-6368	2-6337
Finland	Markka		-0062	-0045	-0045
France, Monaco and French North Africa	Franc		-0037	-0030	-0030
French Empire—African	Franc		-0073	-0060	-0060
French Pacific Possessions	Franc		-0201	0-65	-0165
Germany	Deutsche Mark		-3000	-2489	-2480
Guatemala	Quetzal		1-0000	1-0453	1-0441
Haiti	Gourde		-2000	-2091	-2088
Honduras	Lempira		-5000	-5227	-5220
Hong Kong	Dollar		-2519	-1829	-1827
Iceland	Krona		-1541	-0642	-0641
India	Rupee		-3022	-2195	-2193
Iran	Rial		-0212		
Iraq	Dinar		4-0300	2-9256	2-9219
Ireland	Pound		4-0300	2-9256	2-9219
Israel	Pound		3-0000	2-9256	2-9219
Italy	Lira		-0017	-0016	-0017
Jamaica	Pound		4-0300	2-9256	2-9219
Japan	Yen		-0028		
Lebanon	Piastre		-4561		
Mexico	Peso		-1157	-1208	-1207
Netherlands	Florin		-3769	-2751	-2748
Netherlands Antilles	Florin		-5308	-5543	-5536
New Zealand	Pound		4-0150	2-9256	2-9216
Nicaragua	Cordoba		-2000	-2091	-2088
Norway	Krone		-2015	-1463	-1462
Pakistan	Rupee		-3022	-3159	-3156
Panama	Balboa		1-0000	1-0453	1-0441
Paraguay	Guarani		-3200		
Peru	Sol		-1538	-0655	-0654
Philippines	Peso		-4975	-5227	-5220
Portugal and Colonies	Escudo		-0400	-0361	-0361
Singapore	Straits Dollar		-4702	-3415	-3411
Spain and Colonies	Peseta		-0916	-0960	-0958
Sweden	Krona		-2783	-2021	-2018
Switzerland	Franc		-2336	-2393	-2390
Thailand	Baht		-1000		
Turkey	Lira		-3571	-3733	-3729
Union of South Africa	Pound		4-0300	2-9256	2-9219
United Kingdom	Pound		4-0300	2-9256	2-9219
United States	Dollar		1-0000	1-0453	1-0440
Uruguay	Peso		-6583	-6882	-6873
Venezuela	Bolivar		-2985	-3120	-3117
Yugoslavia	Dinar		-0200		

* September 17, 1949.