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COVER A German technician tests a milling cutter in one of the great machinery plants. Machinery now is Germany's leading export, thanks to the industry's postwar recovery. For the complete story, please turn to page two.

Germany and the Machinery Market

In the past six years, Germany has gone far towards regaining its prewar place as a supplier of machinery to world markets—but the future is not unclouded.

I. V. MACDONALD, Assistant Trade Commissioner, Bonn.

GERMANY, once the world's leading exporter of machinery, now comes third, ranking after the United States and the United Kingdom. Production and exports have mounted rapidly since the end of World War II but recent events suggest that export markets for machinery are becoming more and more competitive. Though the year 1953 saw record postwar exports, this powerful German industry is studying means to sustain its foreign sales. Incoming orders are now falling short of deliveries by over 20 per cent and the present volume of exports may not be maintained unless new and effective methods of export promotion are adopted. It should be remembered, however, that the present backlog of orders was built up largely during the recent boom, with its unusual demand for new plant and equipment.

Dependence on Machinery Exports

Prewar Germany built a reputation for the production and export of a wide range of machinery. By 1936 the Germans claimed to be the world's leading exporters of machines and they increased their export sales almost up to the outbreak of war. Today the volume of machinery exports is even higher and, for the first

six months of 1953, comprised 22 per cent of total exports and 40 per cent of all exports of finished products, compared with 14 per cent and 33 per cent respectively during 1950. Thus machinery is now more important to German foreign trade than ever before and contributes substantially to the export surplus.

Prewar Position

During the late 1920's and the 1930's Germany steadily improved her position in world markets vis-à-vis her competitors. By 1929 German exporters, with a large share of orders from Russia, claimed over 25 per cent of foreign sales, compared with the U.S. share of almost 36 per cent. However, in the depression year 1932 German machinery sales are said to have exceeded those of any other nation—some 39.5 per cent of the world export trade. Until the eve of World War II, Germany retained a predominant place in the machinery trade although the relative position of the United States steadily improved. It is thus not surprising that Germany swiftly re-entered many of the markets for machinery though it has not yet recaptured the prewar percentage share of sales. Today the leading supplier of machinery is the United States.

Machinery Exports from West Germany

(millions of DM)

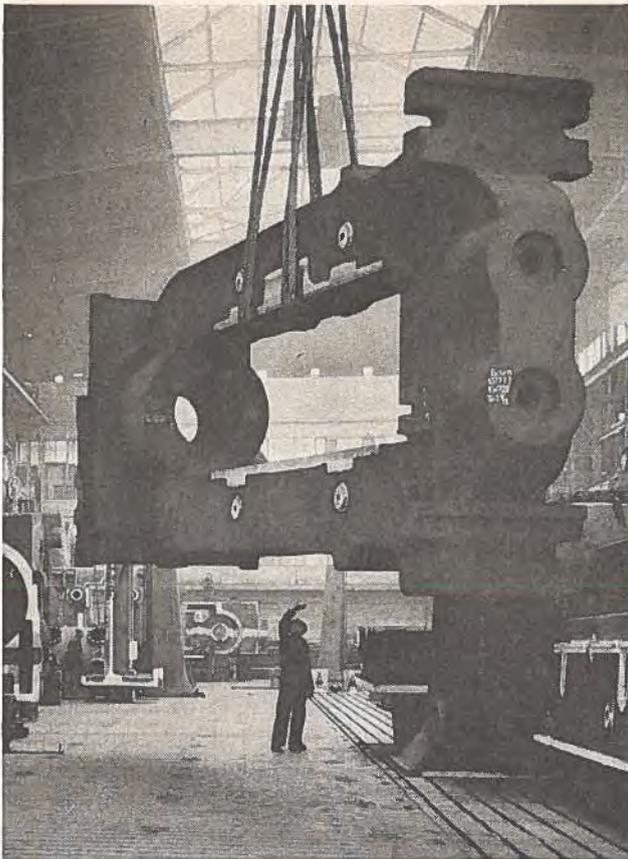
	1936	1937	1938	1949	1950	1951	1952	Jan.- Sept. 1953	Jan.- Sept. 1952
	**	**	**	**	*	*	*	*	*
Machine tools, rolling mill equipment					206.6	404.3	765.7	558.0	534.0
Machinery for textile, leather and leather goods industries					169.1	326.0	410.9	276.3	296.3
Agricultural machinery (including tractors)					172.8	321.8	408.2	269.7	294.0
Paper and printing machinery					104.2	190.4	255.4	187.0	184.4
Power producing equipment					122.3	252.6	240.7	191.3	167.8
Conveyers					39.0	79.4	177.1	145.0	119.1
Pumps, compressors, etc.					49.3	108.8	147.6	126.9	105.3
Machinery for food and beverages industry					43.5	76.0	103.0	115.0	74.0
Office machinery					26.9	68.9	75.5	70.2	54.4
Locomotives					14.0	36.8	68.4	61.9	51.9
Other machinery					228.8	404.2	910.4	825.7	645.3
TOTAL (a)	632.7	802.0	826.8	430.0	1,176.5	2,269.2	3,562.9	2,827.0	2,526.5
(b)	380.0	481.0	496.0						

(a) Prewar German Reich.

(b) Figures relating to territory of present West German Federal Republic.

Sources: * "Der Aussenhandel der Bundesrepublik Deutschland".

** Verein Deutscher Maschinenbau-Anstalten e.V.



This forging, weighing approximately 180 tons, is in process of being assembled in the Demag plant. Today machinery accounts for over one-fifth of German exchange earnings.

Machine building, textile manufacture, and coal mining are the big three industrial employers; each has over half a million workers. In total sales, the textile and food industries exceed machinery, but in the all-important export field machinery is far in the lead and accounts for over one-fifth of German foreign exchange earnings. Next in line is the coal industry, followed by the chemical industry, each with about one-tenth of the export total. Machine construction is centered largely in the provinces of Nordrhein-Westfalen (especially in the Ruhr area of this province) and Baden-Wuerttemberg, which together account for well over half of the total production. Although the Ruhr area stands first in value of machines produced, the province of Baden-Wuerttemberg has the highest *per capita* production in the Federal Republic.

Export Position Improves

Machine tools form the most important single group in the German machinery industry, holding first place in number of employees, in value of production and in machinery exports (16 per cent of the total). Next in importance from the export standpoint come tractors, printing and paper machines, and textile machines, each with approximately 7-9 per cent of machinery exports. Other German engineering exports, ranged according to the volume of export sales, are: power-

producing equipment, construction machinery, food processing equipment, agricultural machines, mining machines, foundry and rolling mill equipment, lifting machines and conveyers, sewing machines, locomotives, pumps, office machinery, woodworking machinery and electric motors.

The machinery industry has not only vastly increased the value of its exports but also has improved its relative position in the German export structure. For the Federal Republic area, machinery exports in 1952 represented double the percentage of total exports over the prewar year 1936. The export contribution of machinery and other major classifications of goods is shown in the table on the following page.

Markets Abroad

German machines find a market in more than 130 countries. Germany's European neighbours buy two-thirds of its machinery exports by value and in 1952 Italy—a growing exporter of machinery herself—was its best customer. Great Britain, the Netherlands, France, Belgium-Luxembourg, Sweden and Switzerland, added to Italy, accounted for almost 44 per cent of Germany's 1952 machine exports. These seven countries and Turkey each imported more German machinery than the United States did. Of the overseas markets in 1952, Latin America was outstanding, purchasing 14 per cent of total machinery exports. Brazil was easily the largest importer of this group, to the extent of DM249 million, and ranked as Germany's third largest customer for machinery, after Italy and Great Britain. Sales to the United States totalled DM142 million (4 per cent of the total) and represent a considerable improvement over 1938 (1.5 per cent of 826.8 million DM). Canada has provided a better market for German machines than the United States, if the two are compared on the basis of national income or population. However, sales to Canada in 1952 did not reach the level of those to other countries such as Yugoslavia, Spain, South Africa, Egypt, Indonesia, Greece, and Chile. The value of German machinery sales to Canada in 1952 was DM21 million and for the first nine months of 1953, DM18 million.

Main Competitors

Although German trade analysts claim that the industry's share of world markets was almost 40 per cent in 1932, it is now less than that of both the United States and the United Kingdom. These two countries were the predominant suppliers of machinery during the immediate postwar period and, despite the resurgence of German industry which began in 1948, have continued in first and second place respectively. Great Britain has held her approximate prewar portion of export sales and the United States has improved its position considerably. France and Italy have almost

		(percentage shares)						
		(1)	(2)	(2)	(2)	(3)	(3)	(3)
		1936	1947	1948	1949	1950	1951	1952
German Export Structure	Machines	10.3	1.8	5.4	9.8	15.7	17.2	21.2
	Foodstuffs	2.0	2.6	2.7	2.2	2.3	3.4	2.2
	Raw materials	20.1	84.5	55.0	49.3	32.9	23.5	22.6
	Semi-manufactured products	27.4		22.4	20.6	22.2	25.2	20.7
	Finished products (without machinery)	40.2	11.1	14.5	18.1	26.9	30.7	33.3
		100%	100%	100%	100%	100%	100%	100%

(1) Territory of present Federal Republic.

(2) U.S. and British Zones of Germany.

(3) West German Federal Republic.

Source: Verein Deutscher Maschinenbau-Anstalten e.V.

doubled their shares. The table below shows the relative position of Germany, Great Britain and the United States in the prewar and recent postwar years.

During the past year, in the face of market uncertainties, competition in export markets has been intensified. In the first five months of 1953, machinery exports from the U.K. were off about 3 per cent, German exports remained the same, and United States exports of machines increased about 3 per cent.

Berlin—Progress and Difficulties

Statistics do not tell the story of West Berlin's re-emergence as a producer and exporter of machinery. To appreciate the achievement fully, one must see the ruined factory sites and burned-out rows of workers' houses in the one-time Berlin industrial areas. But West Berlin's manufacturers today are delivering a wide range of machinery and other industrial goods, many of which require special manufacturing skills. Typical of these specialty firms is a producer of precision optical equipment who has built an excellent reputation for quality and now holds sales contracts with dollar buyers covering many months' output.

Other Berlin manufacturers, especially of machinery, are in a less fortunate position and have found that some foreign buyers still feel doubtful about Berlin's ability to honour delivery dates, because of the political situation. However, despite the many difficulties, optimism prevails and much progress has been made in promoting export sales. The city's manufacturers are represented at almost every important international

machinery fair in Europe and elsewhere. Twenty-two Berlin firms exhibited at the Canadian International Trade Fair in 1953 and report that they were well received by Canadian buyers. Sales and engineering personnel have been sent to scores of countries and Berlin industrialists have set up a marketing association to foster export sales.

Considerable attention is being paid to improving the quality of German machinery as well as to streamlining production methods. The adoption of new assembly and construction techniques has lessened somewhat the number of highly skilled workers required, and has speeded up production processes. Automatic devices are tending to require of the machine operator intelligent observation rather than mechanical skill. In plastics, as in other fields, the development of new machinery has kept pace with the discovery of new materials.

Foreign Investment Aids Exports

Increasing investment by German interests in overseas countries has led to new opportunities for sale of German-made machinery in those markets. This process has been facilitated in Brazil by a treaty signed recently which provides for economic collaboration between German and domestic firms, and for independent action by German companies.

Recently India became a big customer when its Government, after calling for tenders, ordered 480 loco notives from foreign manufacturers, 270 of which are

Shares of Germany, Great Britain and United States in World Machine Exports

	(in percentages)									
	1926	1929	1932	1936	*	*	*	*	*	*
					1948	1949	1950	1951	1952	
Germany	22.3	25.2	39.5	29.6	0.9	2.8	8.7	12.6	16.0	
Great Britain	23.3	19.6	20.6	21.1	28.4	29.3	23.7	21.3	21.5	
United States	34.3	35.8	19.3	28.2	53.4	48.0	43.5	40.5	37.6	
Other countries	20.1	19.4	20.6	21.1	17.3	19.9	24.1	25.6	24.9	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* West German Federal Republic.

Source: Verein Deutscher Maschinenbau-Anstalten e.V.

to be delivered by West Germany. The strongest competitor was Japan, which secured the second largest order for 125 freight locomotives. It is interesting to note that Canada also has supplied locomotives to India and has undertaken to send an additional 100-120 units under the Colombo Plan. A stimulus to German machinery exports to India is likely to follow the present discussions between the Indian Government and the representatives of the German industrial combines Krupp A.G. and Demag. These talks are centered around a new \$150 million steel plant for India, among other industrial development projects. Meanwhile, the German firms have been engaged as technical consultants to the Government at a fixed fee of over \$4 million a year.

Machinery Sales to U.S.

Deliveries of machinery to the United States market have increased markedly during the past three years and today Germany is the leading European exporter to the United States, ranking second only to Canada as a supplier of machinery to this market. German exports have increased sharply since 1950, rising from \$4.7 million in that year to \$12.9 million in 1951 and to \$31.3 million in 1952. Indications are that 1953 will see a further slight increase, with machinery exports to the U.S. for the first nine months valued at \$23.3 million.

Chief European competitors in the American market are Great Britain, Italy and Switzerland. Canada sells more machinery to the United States than do all the European countries and supplies more than half of total American machinery imports. It is not considered, however, a competitive threat to German sales in the U.S. because Canadian exports are predominantly agricultural machinery and Germany is chiefly interested in selling industrial machines, particularly machine tools. German makers of machine tools will probably continue to concentrate their sales effort on specialty lines and not attempt to compete with the standardized types produced so efficiently by U.S. industry.

The Outlook

The long absence of Germany from world trade has necessitated an energetic campaign to rebuild and modernize the machinery industry, re-introduce German makes to foreign users, and re-establish sales and service facilities throughout the world. Thanks to these measures, Germany has succeeded in regaining a large proportion of world export markets and the strongest efforts will be made to consolidate present gains. Possible steps which might improve the relative position of German machine exporters are a lowering of steel prices, cheaper long-term export credits, increased tax-rebate incentives, and a further

lessening of currency risks through government guarantees. It is improbable, however, that the tax-rebate system will be extended—in fact, the German Ministry of Economics has indicated that Germany would welcome negotiations to eliminate these on an international scale. On the other hand, a further easing of credit conditions on purchases of machinery and other goods from West Germany seems likely. ●

Jamaica's Coffee Industry

The 1953-54 coffee crop just ended exceeded all expectations and the factories were hard pressed, coping with the quantities of cherry coffee received. The factory at Aenon Town, and the new factory at Clarendon Park operated by the Coffee Industry Board, processed 7,786,120 lbs. of cherry coffee, compared with 4,098,380 lbs. processed at Aenon Town last season. Other factories reported a 30 per cent increase over last year's crop.

Because of the increased production and interest in factory prepared coffee, the Board decided to erect another central factory at Trout Hall which is expected to begin operations in September 1954. Plans have also been made for six smaller factories to be built this year.

Estimated Coffee Production in Tons

	1950-51	1951-52	1952-53	1953-54	1954-55
Exports of raw coffee by Clearing House	740	973	1,325	1,550	1,700
Exports of Blue Mountain coffee	150	120	160	155	210
Exports of roasted coffee	340	230	255	250	250
Local consumption	1,000	1,200	1,400	1,500	1,600
Total	2,230	2,523	3,140	3,455	3,760

The Central Grading and Finishing Works now under construction will be completed by September this year at a cost of over £100 thousand. This factory will take care of all processing from the wet parchment to the finished product for export.

The high quality factory coffees now enjoy a better place on world markets, and prices of up to 600s. per cwt., f.o.b. Kingston, were received during the last crop.

The export of the famous Blue Mountain Coffee is not controlled by the Coffee Industry Board and it is sold mostly to European markets.

—M. B. PALMER
Trade Commissioner, Kingston

OKLAHOMA trades with Canada

Ties between Canada and Oklahoma have grown closer with the development of the oil industry in this country—and this promises well for mutual trade in a variety of products.

C. O. R. ROUSSEAU, *Assistant Trade Commissioner, New Orleans.*

OKLAHOMA, whose southern and western borders are covered by Texas and its Panhandle, achieved statehood only 47 years ago. Earlier it was known as Indian Territory and was inhabited by the Cree, Choctaw, Cherokee, Chickasaw, and Seminole Indian tribes. During the decade from 1940 to 1950, drought and soil erosion took a heavy toll and migration from the farming areas brought the population down from 2,336,000 to 2,224,000. In the last few years an irrigation system has been put into effect and agricultural output has risen.

Economic Mainstays

Oklahoma's economy is based largely on agriculture, which employs about 246 thousand persons, and on the production of oil. Its chief farm product, wheat, brought in a total of \$88,866,000 in 1950; cotton came second (\$46,483,000), corn third (\$41,242,000) and hay fourth (\$31,535,000). Oats, sorghum and peanuts are also of some importance. Total cash income from agriculture in 1951 reached \$622,142,000. Cattle raising is also a valuable source of revenue; in 1951 there were 3,065,000 head of cattle on Oklahoma farms and ranches, including 1,034,000 head of beef cattle.

Oil production ranks second in Oklahoma's economy; in 1952, it netted \$378 million. In the same year 5,626 new wells were drilled and 3,551 of them went into production; this brought the total of producing oil wells in the state to 58,612. The petroleum industry employs some 81,000 workers who draw wages totaling \$295,800,000. Oklahoma, incidentally, is the only state which can pride itself on having producing oil wells on the State Capitol grounds. Some of these wells were drilled underneath the Capitol Building by directional methods during the development of the Oklahoma City field in the early 1930's. They are still producing and oil is pumped from underneath the Capitol building. The revenue derived from them has helped to pay for new administration buildings which are going up around the Capitol. In the sixteen years

In Oklahoma City, oil derricks surround the state Capitol—fitting in a state which has over 58 thousand producing wells and a 1952 oil production worth \$378 million.

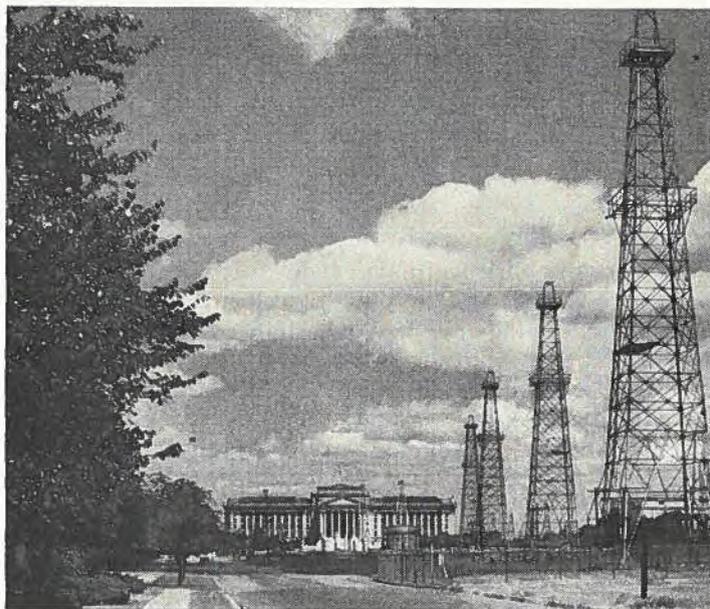
since the oil industry was established, 6½ billion barrels of oil have flowed from Oklahoma oil wells and geologists predict that there are still greater untapped deposits within its borders.

Manufacturing Is Expanding

Although Oklahoma cannot be regarded as a manufacturing state, its income from manufacturing is growing because of the available supplies of oil and natural gas, plus other raw materials such as coal, zinc, natural gas, feldspar and glass sands, barytes, gypsum and others. In 1952, 79,400 workers were on peacetime manufacturing payrolls with an aggregate wage of \$219,531,600, compared with 38,227 persons with an aggregate wage of \$48,970,000 in 1939.

Principal Cities

The two principal centres of Oklahoma are Oklahoma City, the state capital, and Tulsa, the self-styled oil capital of the world. Oklahoma City, (population 325,352 in 1950) which is regarded as the main distributing centre, is becoming industrialized. It is a clean, well-planned city and boasts a modern civic centre. Tulsa, located in the northeast part of the state, had



a population of 251,686 in 1950 and is the home of over 300 oil companies. It has an industrial district which specializes in the manufacture of heavy goods and many oil supply houses. It is also the site of the International Petroleum Exposition, the largest annual show of its kind in the world.

Oklahoma's diversified economy is developing rapidly. Its two-way trade with Canada so far has not been too important, but there is a growing interest in Canada because many Oklahoma oil workers are moving into Western Canadian oil fields. The principal exports from Oklahoma to Canada are petroleum products, iron and steel products, machinery and oil-well equip-

ment, cotton, and common glassware. The main imports from Canada are lumber, shingles, newsprint, Christmas trees, apples and zinc concentrates. Most of the lumber imported from Canada is softwood such as fir, hemlock and cedar, and spruce from Western Canada. The lumber people are exhibiting a growing interest in Canadian lumber and the Canadian office in New Orleans is making every effort to encourage further orders. Oklahoma's natural interest in the oil discoveries here has also created enthusiasm for visiting that country, both to see the new oil fields and to escape the intense summer heat. Travel agencies report greater interest every year in trips to western and eastern Canada. ●

United Kingdom Steel: *production and prices*

The British steel industry achieved, in 1953, an all-time record output; certain restrictions on steel exports were modified. But competition from other countries is growing.

R. P. BOWER, *Commercial Counsellor, London.*

UNITED KINGDOM STEEL OUTPUT in 1953, at 17,609,000 tons, set an all-time record, compared with 16,418,000 tons in 1952 and 15,640,000 tons in 1951. In the last quarter of 1953, production was running at an annual rate of 18½ million tons—in one week in December it actually reached an annual rate of over 19 million tons.

This improved 1953 output was the result of the coming into production of new capacity and also reflected the better supply of raw materials. For the first eleven months of 1953, scrap iron and steel imports averaged 71,700 tons a month, compared with 61,200 tons a month the year before. Similarly, the tonnage of ships available for breaking-up rose from 10,700 tons a month to 18,500.

Imports of iron ore, which averaged 807,800 tons a month in 1952, reached 920,600 tons a month for the first eleven months of 1953. The largest supplier of iron ore to the United Kingdom in both years was Sweden. In 1953 imports from Sweden averaged 319 thousand tons a month. Algeria, with 155,800 tons a month, was the second largest supplier, followed by Canada with 93,500 tons a month. In 1952, the Canadian monthly average was 51,900 tons. The

United Kingdom mined 14.5 million tons of iron ore in 1953, slightly more than was imported in the same period.

Imports Reduced

The United Kingdom both imports and exports steel. Since the war, home production has been inadequate to meet home demand and the deficiency has been made good by purchases from abroad. In 1953, for example, imports of iron and steel products averaged 149 thousand tons a month, compared with 205 thousand tons in 1952. Austria was the largest supplier, with a monthly average of 38,200 thousand tons, followed by France with 30,700, Belgium, 17,000 tons and the United States, 10,700. Imports from Canada amounted to 6,100 tons a month, compared with 14,600 in 1952.

The rise in domestic output enabled imports of ingots and semi-finished steel to be reduced from 1.18 million tons in 1952 to slightly over one million in 1953. The trend towards smaller imports from abroad may be expected to continue as the home supply position improves.

Despite a steel deficiency on the home market varying in intensity ever since the end of the war, the United

Kingdom has consistently set aside a tonnage of steel for export markets. This has been done despite the fact that these exports had to be replaced by imports from abroad, frequently from high-cost sources. The object of this policy was to maintain overseas connections against the day when Britain would again be seeking export business. For the first eleven months of 1953, United Kingdom steel exports averaged 226,500 tons a month, compared with 214,800 a month for the whole of 1952. For the first time since the end of the war, Canada obtained more British steel than any other United Kingdom market, the eleven-month average reaching 19,500 tons. This compares with 17,100 tons a month for the whole of 1952 when Australia, by taking 25,400 tons a month, was the leading buyer.

Export Controls

The increase in steel output in 1953 brought overall production roughly in balance with demand. Certain restrictions on exports, hitherto considered necessary to ensure domestic users an adequate supply, were modified. At the end of May, export control regulations were amended so that licences for exports to Commonwealth countries are no longer required for rails; sleepers; fish plates and sole plates; pipes and tubes; wire; forgings other than forged bars and gun forgings; tires, wheels and axles; alloy steel including alloy tool steel; colliery arches, and header bars and fittings.

By the end of 1953, the decision had been taken to remove export controls (other than strategic controls) on all types of finished steel except carbon plates, sheets and semi-finished steel other than wire rods. Therefore, effective January 1, 1954, licences are no longer required for export of these commodities to Commonwealth destinations. The export of non-alloy semi-finished steel, such as ingots, billets and blooms, will continue to be closely restricted. The control of tinplate is still being maintained. However, the outlook for even the restricted types is more encouraging than at any time since the war. There may be occasional difficulty in getting specific types for Canada in the quantities required, but no serious shortfalls are expected in 1954.

Trends in Export Prices

Practically ever since the war, export prices for British steel have been higher than domestic prices—a situation made possible by the persistent shortage of most types of steel in the principal consuming countries. This trend continued throughout most of 1953 but as the year progressed, competition from German and other sources, and improved steel supplies, forced a reduction in prices to the foreign buyer. In 1954, United Kingdom prices are expected to be competitive on the Canadian market.

The latest in this series of price decreases is a £5.0.0 per ton deduction in the export prices of British steel plates, effective February 1st. Mild steel plates and "universals" are now priced at £38.0.0 per ton; boiler plates, £40.0.0; floor plates, £40.0.0; and joists and broad flanged beams, £33.0.0. Plates are one of the few steel products still in short supply in the United Kingdom, as in most other countries. This deduction, therefore, suggests that the industry expects increased competition.

Demand for plate has been high in postwar years because of the arrears in railway car construction, the rapid expansion of the world's shipbuilding, and the emphasis that so many countries have been placing on large capital development projects. Canadian requirements for pipelines, oil refineries, power stations and other construction have contributed to this situation. British steel-makers have been operating at or near capacity since the end of the war to meet these demands. Home production of steel plates has been expanded and imports increased. Exports have had to be controlled in order to provide domestic industries with their essential supplies; shipments actually fell from 329 thousand tons in 1950 to 225 thousand tons last year.

Shipbuilding Decreases

Demand is still greater than supply, but order books for shipbuilding and other heavy plate-consuming industries are shorter than for some time and the recent price changes may be taken as a reflection of the industry's concern over the situation likely to arise as the year progresses. As an illustration, the number of ships ordered from British yards in 1953 was 169, compared with 244 in 1952 and 709 in 1951. United Kingdom shipyards' total order book now stands at 850 ships, 5½ million tons, compared with an order book of 1,135 ships and seven million tons in the middle of 1952. This industry is the largest single user of steel plate and any decline in shipbuilding has an immediate effect on the supply position. ●

Coal in Canada

Production of coal in Canada reached its peak about three years ago, with the 1950 output of 19.1 million tons. Since then, it has been dropping and in 1952 totalled only 17.6 million tons, according to a recent official report. At the same time, consumption has been declining—from 44.6 million tons in 1951 to 41.6 million in 1952—largely because of the replacement of coal by fuel and diesel oil in the heating of homes and buildings and in railway operation.

commodity notes

Brazil

HYPODERMIC SYRINGES—The production of a wide range of hypodermic syringes has begun in Campinas near São Paulo, employing the most modern methods known in the industry. The plant, Industria Brasileira de Seringas Ltda., has 50 employees of whom 12 are Italian technicians recently arrived from Europe. The factory is now producing 2,000 units daily and, according to reports, will soon be able to supply the Brazilian domestic market—São Paulo, Feb. 5.

EGGS—The growth of the internal market for eggs in Brazil is stimulating production. According to the Ministry of Agriculture, production increased from 273.7 million dozen in 1950 to 277.4 million in 1951 and 311.0 million dozen in 1952. The State of São Paulo is the largest producer followed by Minas Gerais and Rio Grande do Sul. About 50 per cent of the eggs produced in Brazil originate in these three states—São Paulo, Feb. 5.

COFFEE—Brazil exported 15,562,027 bags of coffee from January 1 to December 31, 1953, as compared with 15,821,015 bags in the calendar year 1952. According to Coffee Institute statistics, Brazil had only 6,552,263 bags of coffee on hand at the end of 1953 to cover exports until the new crop comes in during the latter part of June. Available port stocks amounted to 2,755,824 bags as of December 31st—São Paulo, Feb. 5.

Greece

CITRUS FRUITS—Greece has more than tripled its citrus fruit production since the 55,000-ton crop in 1938. This year's bumper crop of 190 thousand tons—the highest on record—of oranges, lemons, limes, tangerines and grapefruit has increased the surplus available for export and processing to 60,000 tons. According to a Ministry of Agriculture census, Greece has seven million citrus fruit trees; an important percentage was planted after 1946 and has not reached full production. When these trees mature in the next two years, the crop will rise to about 250 thousand tons, even if the total number of trees does not increase with additional acreage. Serious efforts are being made to meet high standards of quality for the exported fresh fruit and to increase industrial processing of inferior qualities. The Agricultural Bank will grant loans up to a total of about \$250 thousand to the manufacturers of essential oils,

citrus fruit juice, marmalade and jellies to buy modern equipment and extend their facilities—Athens, Feb. 8.

SPONGES—The 1953 Greek sponge landings totalled 64,235 kilos, only 50 per cent of the 1952 record of 128,266 kilos, because the Greek sponge fishing fleet was not able to extend its operations to Egypt and Cyrenaica as in past years. On the other hand, because the Greek currency was devalued in April 1953 exports increased, prices in local currency improved and old stocks were sold. Exports totalled 114 thousand kilos during the first nine months of 1953 (55,000 kilos during the same period in 1952). Some 1,219 kilos (200 kilos in 1952) were shipped to Canada—Athens, Feb. 3.

TOBACCO—During 1953, 50,000 tons of Greek tobacco of the dark Oriental type were exported, compared with 41,000 tons in 1952. This increase is mainly the result of expanded exports to Western Germany and France and a revival of interest in Greek tobaccos in other foreign markets, including Eastern Europe, following devaluation of the Greek currency last April. A negligible quantity of the 1952 and earlier crops is still in the hands of growers, exporters and the Agricultural Bank. For the first time since the war, over 10,000 tons of the current year's 60,000-ton crop have already been sold

Prices are very satisfactory and it is expected that a greater area will be cultivated next year and that the prewar average of 60,000-ton crops will easily be exceeded—Athens, Feb. 8.

Japan

RAYON YARN—The six leading Japanese rayon yarn manufacturers plan to increase their monthly production by a million pounds over their present output of about twelve million pounds—Tokyo, Feb. 11.

Philippines

FERTILIZER—The new Maria Cristina plants operated by the National Power Corporation, a state entity, at Ilagan City in the southern island of Mindanao, will manufacture some 50,000 metric tons a year of commercial crystalline ammonium sulphate fertilizer of standard grade. The hydro-electric plant has a 25,000 kilowatt power unit and 90 per cent of its output is used by the fertilizer plant.

Some 400 engineers and technicians are employed to operate the hydro and fertilizer plants. The overall cost of the plants is 19 million Philippine pesos, or US\$9.5 million—Manila, Feb. 6.

South Africa

DRIED FISH—Two relatively recent developments in the South African fishing industry are the production of dried fish for export and the sale of quick frozen fish in household and hotel packages. Building of two fish dehydration plants at Cape Town was begun in 1953, one to cost about £90,000 and the other £60,000. One factory, expected to come into production soon, will dry hake in closed chambers in four days by a process said to be new to South Africa. The main production will be unsalted dried fish which will resemble the Norwegian unsalted cod. The capacity of the plant will be about 500 tons of wet fish a month, with an expected yield of approximately 100 tons of the unsalted dried fish. All the output will be exported, mainly to Nigeria, the Gold Coast and the Belgian Congo. The other factory should be completed in June and will replace one of the four existing plants.

Exports of dried fish began soon after the last war at the request of the Rhodesian Food Controller during a period of meat scarcity. They now amount to about 200 tons a month, with a value of approximately £18,000. It is said that the main obstacle to increasing exports is getting shipping space to West Coast ports because of infrequent sailings—Cape Town, Jan. 30.

COAL—Transportation bottlenecks and irregular availability of export permits are curtailing exports of South African coal. Export sales, which averaged 224,248 tons (£451,880) each month during 1952, fell to 97,977 tons (£232,474) a month during 1953. The decline has been more marked in bunker coal, sales of which have been reduced from a monthly average of 35,616 tons (£78,903) in 1950 to 10,959 tons (£29,191) during 1953—Johannesburg, Feb. 2.

WHEAT—Official estimate at the end of 1953 increased the anticipated wheat crop by 201 thousand bags to 5.8 million bags of 200 lb. As a comparison, the December 1952 estimate forecast a crop of 6.1 million bags which on harvesting proved to be 5.9 million—Johannesburg, Feb. 2.

WOOL—Judging by price trends for the first half of this season, and provided the total clip reaches the estimate of between 265 and 270 million lb., the South African wool cheque for the present season will be between £66 million and £67 million, the second largest in the history of the wool industry. The average price of all wools sold from July 1, 1953,

to the end of November 1953, was 62.78d. per lb., compared with 56.17d. for the same period in the previous season—Johannesburg, Feb. 2.

Spain

BITTER ORANGES—Reports just received from Seville indicate that during the past few days all bitter oranges remaining on the trees were destroyed by heavy frosts. The season for collecting this crop is now about half completed and the reports state that only 17,000 cases, which were in storage at the time of the frosts, remain. Bitter orange production is confined to the Seville area—Madrid, Feb. 4.

United Kingdom

SCOTCH WHISKY—Scotch whisky exports in 1953 were the highest ever recorded, totalling 13,202,464 proof gallons and earning £37,768,128 in foreign currencies. This was an increase of 1,671,085 gallons and £4,729,060 over 1952. The United States, the leading buyer, took 7,163,747 gallons valued at £20,781,768, an increase of 862,888 gallons and £2,300,562 over 1952. Canada was the second largest customer, paying £2,574,700 for 873,865 gallons—London, Feb. 18.

United States

TITANIUM—Production of titanium metal is being given high priority in the United States. The expansion goal was recently increased to 25,000 tons a year because of the rapid development of its use for military equipment. However, U.S. production is well below this level and was only 2,241 tons during 1953, about double the production in 1952. It is hoped that production this year may be stepped up to 4,000 tons; with continued expansion it might reach 13,000 tons in 1955—Washington, Feb. 20.

IRON ORE—The Bureau of Mines indicates that, although there will likely be a levelling-off of requirements, U.S. imports of iron ore will probably increase this year. In 1953 imports of iron ore rose to 119 million tons, as compared with 98 million tons in the previous year—Washington, Feb. 19.

Venezuela

SHELL EGGS—During December 1953, shipments of Canadian shell eggs to Venezuela reached a new high of 702 thousand dozen valued at \$330 thousand. The total 1953 value of shell eggs from Canada is estimated at \$940 thousand, about 10 per cent of Venezuela's total egg imports. The United States still has 87 per cent of the market; Denmark and the Netherlands share the remaining 3 per cent—Caracas, Feb. 8.

Netherlands *and Its Fishing Industry*

W. G. PYBUS

Asst. Commercial Secretary, The Hague.

Good catches and increased exports of salted and fresh herring made 1953 a prosperous year for Dutch fishermen. But the fishing fleet needs modernizing.

NETHERLANDS FISHERMEN found 1953 a generally good year. Landings of salted herring, the most important catch, were higher than in 1952 and the export market, greatly strengthened by East European purchases, continued firm. Domestic herring prices were above the 1952 level throughout the year, with prices paid to fishermen averaging 30 guilders per 100 kilos. Export prices declined slightly compared with the previous twelve months and averaged about 54 guilders per 100 kilos. Although the industry is still pressing for improvement of the fishing fleet, the year's results with existing equipment gave cause for satisfaction.

The Herring Catch

By December 5 a total of 1,009,276 barrels of salted herring had been landed, compared with 904,961 barrels on the same date of the year before. After very poor catches in October—about 100 thousand barrels less than in the same month of 1952—Netherlands trawlers later caught record quantities of herring in the English Channel. Ymuiden trawlers, making a week's trip, returned with 2,000 to 3,000 crates of herring, some of which had to be stowed on deck. As the market was unable to take up these heavy arrivals, prices dropped. Large quantities had to be sent to the

fishmeal factories. French trawlers facing the same problem came from Boulogne to dump their catches at the Ymuiden fishmeal factory.

If the herring landed by Netherlands fishing boats cannot be sold at the prices fixed by the official appraisers, the fishing companies sell it to the fishmeal factories at 12·30 guilders per 100 kilos. The Government pays to the fishing companies the difference between this and the price fixed by the appraisers.

Exports Doubled

In spite of the keen competition in foreign markets, the volume and value of exports of fresh herring by the end of September 1953 were nearly twice those of the same period in 1952.

Foreign shipments of other seafood totalled 7,492 metric tons valued at 10,501,000 guilders during the first nine months of 1953, compared with 8,322 tons and 11,809,000 guilders during the corresponding period of 1952.

In May 1953 Russia placed an order for 40,000 barrels of salted herring; in July, a Netherlands delegation signed a contract in Moscow for 150 thousand barrels, to be delivered in six monthly instalments of 25,000 barrels. The first delivery was made during the second half of August.

On August 3 the Netherlands Association of Herring Exporters concluded a barter contract with Eastern Germany for 6,100 tons of salted herring, against delivery of Eastern German products, including potassium.

Throughout the year herring prices were above the 1952 level. The average landing prices to fishermen were 30 and 27 guilders respectively and the price obtained by Netherlands exporters during the period January-September 1953 averaged 54 guilders per 100 kilos, compared with 56 guilders during the preceding twelve months. This latter price reflects the cost of processing, packing, storage, handling and insurance.

The Netherlands Minister of Agriculture and Fisheries recently pointed out that, regrettably, too much emphasis is being placed upon trawl fishing for herring

Landings of Fish in Netherlands Ports

	1952		January-September 1953	
	Metric tons	Value Fl. 1,000--	Metric tons	Value Fl. 1,000--
Fresh herring	42,830	9,890	25,070	6,106
Salted herring	91,746	28,472	49,337	16,540
Mackerel	11,400	3,427	9,768	2,686
Haddock	4,569	2,714	3,519	1,671
Cod	4,211	2,980	4,061	2,653
Whiting	8,019	2,354	5,212	1,576
Plaice	12,384	5,237	11,977	4,274
Sole	4,464	7,019	3,588	5,389
Dab	2,037	555	1,077	341
Oysters	1,432	4,225	454	1,295
Shrimps	4,034	2,552	1,611	903
Mussels	46,739	4,667	30,638	3,127
Eels	3,972	7,714	2,899	5,898
Other inland fish	2,224	1,699	876	610
Undersized fish	5,352	208	2,770	92
Shrimps for drying	8,958	450	7,689	549



At the opening of the herring season, the Dutch fleet, decked out in flags, draws hundreds of visitors. The herring catch last year reached over a million barrels.

and less interest shown in catches of other types of seafish. The equipment of the Netherlands fishing fleet was gradually improved during 1953. Dutch fishing circles feel that their fishing boats must be completely modernized and that, in addition, sales distribution should be brought up-to-date. It has been estimated that 45 million guilders would be needed to renew the fleet and 20 million to improve the sales distribution system. Both steps are essential in view of the rapid development of the German trawling fleet within the past few years.

A number of large trawlers have been built in Western Germany with government assistance in the form of subsidy and low coal prices. Netherlands fishing experts assert that the larger herring production has changed West Germany from a herring importer to an exporter and that Germany is likely to become a serious competitor, not only in salted herring but also in filleted fish. They consider it doubtful whether all these new German vessels can be justified from an economic viewpoint.

Speaking of fishing on distant grounds, the Minister said that during the past season only a few Netherlands fishermen had ventured far afield. The prices of the

fish landed by long-distance fishers were on the whole higher than those realized by their German competitors.

Prospects for 1954

In the explanatory notes to the 1954 budget, the Minister went on record as saying that all possible government assistance will be given to the Netherlands fishing industry. The Central Laboratory for Fisheries Research at Ymuiden, construction of which was started in 1953, will be of great value. In addition to the present vessel on which biological and technical experiments are carried out, a second vessel for this purpose will be put into service on May 1.

The regulations guaranteeing the fishermen certain minimum prices, which had a favourable effect during the past year, will continue in 1954. Fishing conditions in inland waters will be improved.

In general, prospects for the Netherlands fishing industry for the coming twelve months are not unfavourable, although exporters will have to make every effort to maintain their present sales.

Fish Trade with Canada

Arrivals of Canadian fresh or frozen salmon in the Netherlands increased from six tons valued at 28,000 guilders in 1952 to 24 tons valued at 86,000 guilders during the first nine months of 1953. Netherlands imports of canned salmon also increased, rising from 191 metric tons valued at 551 thousand guilders in 1952 to 294 tons and 790 thousand guilders during the period January-September 1953.

Purchases of Canadian canned lobster and crab rose from 20,000 guilders in 1952 to 27,000 guilders during the first three quarters of 1953.

The improvement in Canadian exports of fish products to the Netherlands resulted largely from the fact that the premium paid for the so-called "export bonus" or free dollars dropped considerably during the greater part of 1953. The export bonus dollar scheme officially ended in December 1953. Bearing in mind the improved dollar position of the Netherlands, it is quite probable that dollar imports at the official currency exchange rate will be further eased in 1954.

According to the Netherlands import statistics, Canada made no shipments of fish oils to this country during the period January-September 1953.

Netherlands shipments of salted herring to Canada, which have grown steadily in postwar years, totalled 454 tons valued at 624 thousand guilders in 1952. During the first nine months of 1953, some 244 tons worth 335 thousand guilders were sent to Canada, compared with 301 tons worth 414 thousand guilders during the corresponding period of 1952. ●

Credit Conditions in Latin America

Most of the republics in this trading area built up their foreign exchange reserves and paid their accounts more promptly in 1953, though the degree of improvement varied from country to country, as special factors operated.

A STUDY OF CREDIT CONDITIONS in Latin America reveals that 1953 was a year of improvement and growing strength. Gold and foreign exchange holdings increased from US\$2,935 million at the end of 1952 to US\$3,375 million at the end of September 1953—the highest level in seven years. Not all countries, naturally, shared equally in this general increase in reserves. Each of the Latin American republics presented, as always, an individual picture, varying with the world market demand for their major exports, with crop experience, the political situation, the effectiveness of administrative controls, and the different degrees of internal financial stability. Commercial credit and collection experience in the various countries in 1953 reflected the radically different conditions always apparent within any large trading area.

Exchange Gains and Losses

High export earnings, largely from good coffee crops sold at rising prices, permitted Colombia, Costa Rica, Nicaragua and El Salvador to purchase a larger volume of imports and still accumulate a foreign exchange surplus. Brazil's trade experience improved dramatically but drastic import controls played an important part and the net improvement in foreign exchange holdings was complicated by foreign borrowings and repayments on the very large accumulated commercial debt.

In Argentina and Uruguay exchange holdings recovered impressively after two years of difficulty, but here again the rise in exports was supported by cautiously restrictive purchasing of imports. Venezuela, Cuba and the Dominican Republic continued to trade at a high level and their persistently strong foreign exchange positions showed little material change.

The exchange accounts of Mexico, Peru, Guatemala and Haiti reflected the adverse trend of trade in these areas. Ecuador and Paraguay were not able, by a small margin, to balance their foreign accounts and accordingly suffered some loss of foreign exchange. Chile's holdings strengthened during the first half of the year but weakened again in the second half.

Domestic Factors

The rather depressed business conditions that appeared in some of the countries early in 1953 fortunately did not become too serious in any of them. Argentina, which has suffered long and much from the inroads of inflation, saw the inflationary pressures subside somewhat during the year. By the end of '53 the downward adjustment in Cuba had run its course and a more optimistic mood re-asserted itself. The mild recession in Mexico is still causing business hesitancy and uncertainty. Politics and tin still trouble Bolivia, although arrangements with the United States did

Summary of Changes during 1953

Country	Exchange Position	Business and credit conditions	Outlook for 1954
ARGENTINA	much stronger	improved	fair
BOLIVIA	some improvement	slightly better	uncertain
BRAZIL	improved	steadier	fair
CHILE	slight gain	weaker	less promising
COLOMBIA	stronger	little change	good
COSTA RICA	stronger	little change	good
CUBA	stronger	softer	satisfactory
DOMINICAN REPUBLIC	slight loss	little change	good
ECUADOR	slight loss	little change	satisfactory
GUATEMALA	weaker	more uncertain	fair
HAITI	some loss	more difficult	fair
HONDURAS	little change	little change	satisfactory
MEXICO	weaker	softer	fair
NICARAGUA	stronger	stronger	good
PANAMA	little change	more stable	satisfactory
PARAGUAY	slight loss	improved	less promising
PERU	weaker	weaker	more difficult
SALVADOR	little change	little change	good
URUGUAY	much stronger	improved	satisfactory
VENEZUELA	little change	little change	good

help to improve the outlook. In Guatemala, coffee helps to keep the economy fairly prosperous but labour conditions continue to be disturbed.

Collection experience in the Latin American countries, as reported by the Federal Reserve Bank of New York, in general bears out the improved payments position as a result of stronger exchange reserves. Almost all the republics in this area paid their accounts more promptly over the year, with Argentina, Bolivia, Chile, Paraguay and Uruguay showing the most conspicuous improvement. Statistically, the percentage of accounts which Brazil paid promptly dropped sharply; the

important feature, however, was that she was actually paying off large numbers of accounts methodically and chronologically, beginning with those of longest standing.

The Canadian Export Credits Insurance Corporation's experience roughly parallels that of the Federal Reserve Bank, although the Corporation's record of overdue accounts shows that Colombia, Guatemala, Haiti and El Salvador tended to be slower in making payment. In addition, overdue Canadian commercial accounts in Brazil were not liquidated in 1953 at the same rate as were the American arrears.

ARGENTINA *Revives Its Grain Exports*

Bumper crops, plus a more realistic export price policy, brought Argentine grain exports up to five million tons in 1953—and this figure may rise further in 1954.

W. F. HILLHOUSE, *Agricultural Secretary, Buenos Aires.*

GRAIN EXPORTS FROM ARGENTINA during 1953, at five million metric tons, were the highest since 1948 and surpassed those for the two previous years combined. The bumper crops of 1952-53, plus a realistic export price policy, especially during the second half of the year, permitted this high level of exports in the face of heavy international stocks of most grains. Wheat at 2½ million tons, corn at over a million, and barley at over half a million, accounted for more than 80 per cent of the exports. No official estimates are yet available for the 1953-54 harvest and expected production varies with the crops. However, the amounts available for export, led by an anticipated bumper corn crop, will undoubtedly exceed 1953 exports.

These increased grain exports combined with a restrictive import policy to produce a salutary change in Argentina's balance of payments position. Between December 15, 1952, and December 15, 1953, her net holdings of gold and foreign exchange almost tripled,

rising from 1,105 to 3,144 million pesos. The December 1953 figure is the highest since July 1951 and compares favourably with most net balances held since early 1948. However, when related to the amount of money in circulation within the country, the present balance appears less satisfactory; money in circulation increased from 5,257 million pesos in January 1948 to 19,201 million pesos in December 1953.

Brazil Is Main Market

With a total of over 1,225,000 tons, Brazil again qualified as Argentina's best grain customer in 1953, a position temporarily usurped by France in 1952. Over 1,100 thousand tons of this were purchased for cruzeiros at a price well above the prevailing international level.

In 1953 the United Kingdom, after several years' almost complete absence from this market, became Argentina's second best customer. She led in corn and barley purchases, with 407 thousand and 260 thousand

Argentine Grain Exports

(thousands of metric tons)

Year	Wheat	Corn	Barley	Oats	Rye	By-products	Total
Average 1930-39	3,406.1	6,234.2	300.9	446.6	124.9	316.9	10,928.6
Average 1940-49	2,253.8	1,212.2	312.7	122.8	111.4	161.7	4,174.6
1948	2,143.6	2,520.8	665.9	81.5	141.6	353.0	5,906.4
1949	1,836.8	1,081.4	198.3	191.9	196.1	233.8	3,738.3
1950	2,747.2	796.4	93.2	400.1	172.1	211.4	4,420.4
1951	2,450.8	299.2	147.8	106.0	194.5	143.8	3,342.1
1952	67.6	643.6	121.8	43.8	113.1	52.6	1,042.5
1953	2,512.4	1,078.8	544.2	212.1	316.3	355.2	5,019.0

Argentine Grain Shipments—Twelve Months 1953

Destination	(metric tons)				
	Wheat	Corn	Oats	Rye	Barley
United Kingdom	229,490	407,049			260,066
Italy	312,934	104,569	21,069	121,775	18,756
Netherlands	60,854	130,768	77,244	68,775	114,664
Belgium	41,547	110,232	24,035	61,443	70,535
Switzerland	48,288	27,225	43,491	7,810	20,020
Germany	52,668	80,595	700	150	
France		87,459		6,494	
Sweden		44,750		4,050	7,300
Norway		3,000		28,999	
Denmark	6,000	3,451	4,000	16,779	
Austria	1,500	24,418	900		784
Finland					7,350
Spain		5,000			
Yugoslavia					4,500
Hungary					4,000
United States			33,314		
Brazil	1,168,266	49,560	4,116		3,399
India	243,326				
Peru	98,525				
Chile	88,491				
Japan	79,016				
Paraguay	43,971				
Korea					27,413
Africa	17,455	642			
Malta	10,058				
Bolivia	10,000				
Israel			1,254		5,500
Uruguay			2,000		
Barbados		102			
Totals	2,512,389	1,078,820	212,123	316,275	544,287

tons respectively, and her wheat purchases (229 thousand tons) were the largest since 1947 and compared with an average of less than 20 thousand tons during the period 1948-52.

Italy was next in importance, taking almost 580 thousand tons, 313 thousand tons of which were wheat. Holland took over 450 thousand tons consisting mainly of corn, barley, oats and rye. India remained a good customer for wheat, buying over 243 thousand tons.

The table above gives details of Argentine grain shipments in 1953 by commodity and destination.

All the grains, and wheat by-products, contributed to the increase in total exports of these commodities. Wheat exports at 2,512,000 tons accounted for half the total and were the largest since 1950. They were, in fact, slightly higher than the average for the ten-year period 1940-49 and only about 30 per cent lower than the average for the ten years just before World War II. Shipments of corn at 1,078,000 tons were the best since 1949 and only slightly lower than the average for 1940-49. They represented, however, little more than 15 per cent of the average of the 1930's when Argentina was the main international supplier of this grain. Barley exports at 544 thousand tons almost equalled the cumulative total for the previous four years and compared favourably with exports of any

previous period except 1946-48, when more than 600 thousand tons were shipped each year. Shipments of rye at 316 thousand tons reached an all-time record, as did exports of wheat by-products at 355 thousand tons. Oats exports at 212 thousand tons were the highest since 1950, noticeably better than the average for the 1940's, but only about one-half the average for the prewar decade. The table on page 14 gives exports by commodities for the years 1948-53 with comparative average data for the two decades of the 1930's and 1940's.

Outlook for 1954

Official production estimates for 1953-54 have not yet been published for any of the crops and trade estimates vary widely. On the basis of our private estimates of 6,250,000 tons of wheat, 5,500,000 tons of corn and a total of 2.5 million tons of barley, rye and oats, all of which estimates are conservative, and allowing liberal quantities for domestic requirements and reserves, it would appear that there will be more than 7.5 million tons of these grains available for export in 1954. As there seems little likelihood that the present export price policy will be altered in the near future, Argentina may be expected to provide strong competition in the international grain markets this year, especially in corn, wheat, rye and oats. ●

Cuba at the Close of 1953

Readjustment was the keynote in Cuban business during the past year, largely because of uncertainty in the sugar industry. Canadian exports suffered from the business slump.

G. A. BROWNE, *Commercial Secretary, Havana.*

THE RENEWED WORLD DEMAND for sugar since the end of the war was stimulated further by the Korean conflict and culminated in Cuba's record sugar crop and record national income in 1952. At the end of that year a period of adjustment began and, as 1953 drew to a close, production and income seemed to be stabilizing at somewhat lower levels.

The 1952 sugar production of seven million long tons was cut back because of the falling world price to approximately five million long tons in 1953, with a resulting fall in national income from 1952's two billion pesos (one Cuban peso equals one U.S. dollar).

Uncertainty Affects Business

Throughout 1953, major business indices drifted downward in an atmosphere of uncertainty over prospects for the country's mainstay, the sugar industry. The signing of the International Sugar Agreement in London in August coincided with an apparent check in this business decline, though some part of it stemmed from characteristic seasonal factors. Although commodity sales in general picked up through the fourth quarter, they were still below those for the same period in 1952. Many businessmen were waiting for a clearer guide to Cuba's probable 1954 income and particularly for the establishment in December of the sugar quotas for the U.S. and the free world markets. Figures for the complete quarter are not yet in, but it is believed that the trend in the four months since June changed only slightly from the average of about 25 per cent below the same period of 1952. Total deposits and bank loans went down in the second half; the decrease in loans indicated trade and investment caution.

Though the adjustment in sugar production following the 30 per cent cutback for 1953—with the probable prospect of little or no increase in the immediate future—was accompanied by parallel adjustments in other areas, the level of supply has remained relatively high. Domestic agricultural and industrial production, plus imports, were generally adequate and there were no excessive price swings in essential consumer goods, partly because of some government intervention.

The taking-up of slack in the sugar industry and in some other less important areas was aided by certain

new developments. Those of chief interest are the rapidly expanding rice industry and, in the western end of the island, an important cotton project. The cattle industry has made steady progress, with improved quality and sales and steadier prices. Fruit growers have maintained their production of pineapple and citrus, important exports, but garlic, onion and coffee growers have had problems.

The mining industry has had a good year, with production of manganese, iron ore, copper, nickel and chrome exceeding that of 1952.

In manufacturing, a large new brewery and a cement factory, and expanded operation of the eastern province's nickel plant have, together with the plans for urban and rural electrification, cushioned some of the decrease in employment and income. The Government's new loan to consolidate certain existing public obligations provides \$50 million for a variety of public works, including irrigation projects, municipal waterworks, highways and rural roads, hospitals, public buildings and repairs to public property, and will help to maintain employment and keep up consumer demand. Worth noting is the plan for a Cuban Foreign Trade Bank to promote Cuban exports and to facilitate trading with countries maintaining exchange restrictions. The initial capital for the proposed Foreign Trade Bank will come from the above loan.

Foreign Trade Declines

Cuba's foreign trade, according to official figures for the first half of 1953, showed a decline in imports of 22 per cent and in exports of 8 per cent, compared with the first half of 1952. In the absence of 1953 year-end figures, there were signs that imports continued to decline slightly, with exports holding close to 1952 year-end levels. Monthly reports of Havana Customs House receipts, consistently lower throughout the year than in 1952, showed an average decline of about 18 per cent in the five months from July-November compared with the year before.

DBS figures for the first nine months of 1953 showed that Canadian exports to Cuba were down 37 per cent in value from the previous period. This decline compared with the same period in 1952 had three main

causes: the general weakening in business conditions, non-recurring capital imports, and increased foreign and domestic competition. The record sugar crop and high national income in 1952 encouraged over-buying. The sugar cutback after the 1952 crop, plus lower national income and unsettled political conditions at that time, caused a business decline with shrinking

Foreign Trade of Cuba

(Commodity Imports and Exports in millions of pesos)

(Because of rounding, figures do not necessarily agree with totals.)

	1948	1950	1952	1953
<i>Imports</i>				
1st Quarter	148.5	119.4	161.8	132.2
2nd Quarter	127.5	118.6	161.0	119.4
6-months	276.0	238.0	322.8	251.6
3rd Quarter	117.9	133.4	145.4	
4th Quarter	135.5	143.6	149.9	
Total	527.4	515.0	618.3	
<i>Exports</i>				
1st Quarter	189.8	124.2	172.8	162.1
2nd Quarter	207.6	165.9	219.8	197.3
6-months	397.4	290.1	392.6	359.5
3rd Quarter	195.0	204.7	166.8	
4th Quarter	117.4	147.2	115.8	
Total	709.8	642.0	675.3	

credit. Importers and the domestic trade generally bought warily. Items affected under this particular heading were salt cod and canned sardines, automobiles and trucks, clocks, asbestos manufactures, fertilizers, pigments, drugs and chemicals—and sporting ammunition, import of which was strictly forbidden.

Commodities Affected

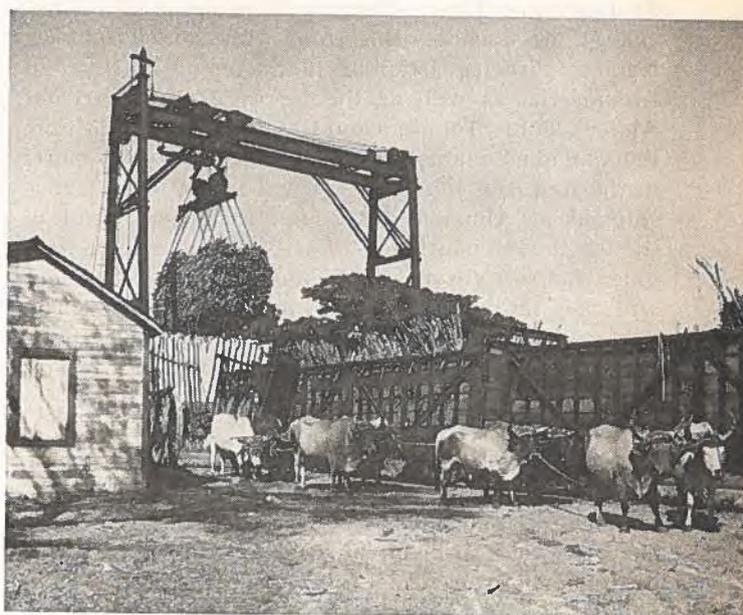
In the case of aluminum and aluminum semi-fabrications and manufactures, which fell off by nearly 70 per cent, the general business slump at the end of 1952 caught importers here with large stocks on hand. Canadian aluminum exports were also affected by competition from low-priced Japanese galvanized iron roofing sheets. Imports of copper tubing fell chiefly because of the standstill in sugar mill maintenance and repair. The 168 sugar mills—large users of copper tubing, much of which needs to be replaced periodically—deferred replacement because of difficult business conditions at the end of 1952. Local importers are still holding large stocks of copper tubing imported in 1952.

The 13 per cent drop in newsprint is explained both by heavy imports at the end of 1952 and withholding of orders in early 1953 to balance local inventories. The business slump also affected advertising and, with reduced lineage, Havana newspapers were said in some

cases to have reduced the size of their editions by as much as six pages—some 8 to 12 per cent of their newsprint requirements. Part of the reduction may also be due to the higher price of Canadian newsprint. This slump in 1953 trade and manufacturing similarly affected ferro-alloys, imports of which fell off by \$22,000, or nearly 85 per cent, because of foundry slow-downs.

The major item under non-recurring imports was dissolving pulp. The Compania Rayonera Cubana imported an experimental quantity in 1952 for test purposes and there is some possibility that this company will resume imports of this particular type of dissolving pulp in 1954. Imports of semi-fabricated steel, machinery and parts, which declined by half a million dollars in 1953, were 1952 capital items which are not likely to recur annually. The same is true of the \$90,000 decline in dynamos, generators, and parts.

Imports of Canadian wheat were sharply lower (by \$439 thousand, or about 17 per cent) because of the low-protein content of some of the 1952-53 crop, and were replaced, it is understood, by United States wheat. The drop of just over two million dollars, or about 95 per cent, in Cuba's imports of Canadian flour can be almost entirely attributed to the operations of the new Burrus flour mill in Havana which is said to be milling between 40 and 50 per cent of the Island's total domestic consumption. The drop of \$178 thousand in oats was caused by the embargo imposed by Cuba as a result of hoof and mouth disease in Canada; this embargo was not raised until July 1953.



Bundles of sugar cane arrive at a Cuban sugar mill, where processing will begin. Cuban sugar production was cut back in 1953 by some two million tons and national income affected by this development.

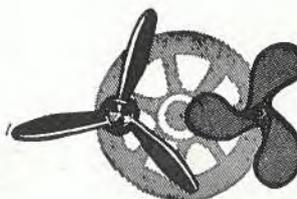
Calf upper leather, which fell off by \$18,000 (or 50 per cent) from 1952 is being largely replaced by cheaper domestic side leather. There continue to be some small imports of calf, principally from Holland, at prices considerably below the Canadian. The fall of \$125 thousand in canned milks is seasonal as is that of calcium compounds (shipped from St. Lawrence ports), and in the former is directly related to the duty-free period for this import. The same applies to the small decline in shell eggs.

Manufactures of iron, aluminum semi-fabs and aluminum manufactures fell off as a result of the European competition and brass and copper semi-fabs because of Belgian and West German competition, which also

cut into the copper tubing market. Canadian copper wire and cable sales suffered from Italian and Spanish competition. Cuban buyers of copper screen have recently looked to Belgian and West German producers. The \$110 thousand decline in sales of electric meters and parts is explained by European competition, particularly British, although Switzerland is now making a strong bid for this market. Recovery of our sales will depend entirely on price.

Most wholesale and retail trade channels currently appear well stocked. The start of the sugar grinding season in January, however, coinciding with the peak of the tourist season, should see some change from the characteristic seasonal sluggishness of the fourth quarter. ●

transportation notes



Canada

CANADA-MEDITERRANEAN PORTS—The Canada Levant Line will operate a new monthly service from eastern Canadian ports to the Mediterranean area when the 1954 navigation season opens in the St. Lawrence River. Cargo will be accepted for discharge at Lisbon, Barcelona, Marseilles, Genoa, Naples, Piraeus, Istanbul, Famagusta, Beirut and Alexandria, as well as the North African ports of Algiers, Tunis, Tangiers and Casablanca. In addition, the Canada Levant Line will accept cargo for ports in the Red Sea, Persian Gulf and India, to be transhipped at Alexandria through the Suez Canal to the territories mentioned. Facilities will also be provided for refrigerated cargo and bulk oils and there will be limited passenger accommodation. The general agents for the Canada Levant Line will be the Federal Commerce & Navigation Company Limited of Montreal.

Chile

GERMAN SHIPS BOUGHT—Three ships with a tonnage of 15,000 each have been acquired from Germany by a Chilean shipping company for service in the northern part of Chile. Each vessel will have five hatches and a marked improvement in the loading and unloading service is anticipated. The purchase is being financed by the Chilean State Bank on a long-term basis—Santiago, Feb. 5.

Greece

STORAGE IN BOND EXTENDED AND REGULATED—Following the liberalization of trade last April and July, when transit and "in bond" imports were again permitted in Greece, another step was recently taken to help importers handle such shipments. By decision of the Minister of Finance, imported commodities may be stored in bond in state warehouses or the central warehouses of the General Warehouse Company of Greece for any period up to 12 months for foodstuffs and 15 months for other commodities. Supplies used for the repair and catering of ships may be stored up to three years. In the event that space is not available in these warehouses, such items as molasses, goods requiring refrigeration, lubricants and fuel, sponges, explosives, asphalt, malt, gummed paper and cardboard for playing cards used only by the state playing card monopoly may be stored in privately-owned warehouses, following approval by the customs authorities. An exception is newsprint which may normally be stored in bond in privately-owned warehouses which have been accepted as branch warehouses or annexes of the General Warehouse Company in the three cities of Athens, Piraeus, and Salonica. There are several such private newsprint warehouses owned by newsprint importers and wholesalers and licensed as annexes of the General Warehouse Co.—Athens, Feb. 3.

GREEK-OWNED SHIPPING REPATRIATED—By special provisions in the new Greek law on foreign capital, the considerable privileges given to all private foreign investment in Greece have been offered to vessels of over 1,500 tons gross owned by Greek nationals and registered under a foreign flag. It is hoped that as a result of this preferential treatment much of this shipping will ultimately be repatriated and become a source of revenue for the Greek economy. If successful on any important scale, the effect of this measure on the entire Greek economy can hardly be under-estimated. At the end of 1953, Greek-owned tonnage totalled 8.8 million tons gross or 1,160 vessels of over 500 tons capacity. Registries under the Greek flag from this number include only 13.5 per cent of the tonnage or only 25 per cent of the number of vessels—292, mostly coastal ships.

The first results of this effort are encouraging. The new Greek-owned cargo-passenger liner *Atlantic* has been returned to Greek registry and is scheduled to sail between Piraeus and New York via Halifax, beginning next July. The newly-built cargo steamer *Athinai*, also to fly the Greek flag, will start a regular line between Greece and South American ports, and will soon be joined on the same route by two more newly-built cargo steamers now being negotiated for transfer to the Greek registry. Meanwhile negotiations are continuing for the registry in Greece of the new Goulandris transatlantic line *Olympia* (flag of Liberia) of 22,979 tons, just completed at Clydeside—Athens, Feb. 3.

India

NEW PLANES FOR AIR INDIA—Orders have been placed abroad for five *Super-Constellations* for Air India International, India's recently nationalized and only overseas airline. The airline's present fleet consists of four *Constellations* which may be diverted to domestic service after the *Super-Constellations* are received. The planes will be India's first *Super-Constellations* and will cost over Rs.40 million. Two of them will be delivered in May and the remainder early next year. In addition to improving the service on existing routes, the new planes will enable the newly-formed Indian Airlines Corporation to expand its foreign services. A service to Tokyo and another to Singapore and Djakarta are being considered by the Communications Ministry; they may start in August—New Delhi, Feb. 2.

Pakistan

KARACHI-LONDON AIR SERVICE—Pakistan's plans to enter the international aviation field are progressing. The overseas service of Pakistan Inter-

national Airlines will begin flights on April 18th with three new *Super-Constellations*. The new airlines' personnel are now training in the United States and the Netherlands. It is said that the new Karachi-London service of Pakistan International Airlines will provide the quickest service between the two cities, not excluding the present *Comet* service of BOAC. This will be effected by cutting down the number of intermediate stops to one at Damascus and thus achieving a 17-hour schedule between Karachi and London—Karachi, Jan. 30.

Panama

NEW AIRPORTS PLANNED—A law for the construction of airports at points which are not linked by permanent highways to urban centres with hospitals is up before the Congress of Panama. This law includes the surveying and necessary studies to condition the runways which are now in use but need improving. In the budget a sum of balboas 100,000 (\$100,000) will be set aside for this project—Guatemala City, Feb. 1.

United States

The state of Ohio has introduced a new tax on trucking which has resulted in the cancellation of reciprocal agreements between the state of Kentucky and Ohio. Nine other states are threatening action because of Ohio's refusal to exempt truckers from their states from this new tax on the basis of existing reciprocal agreements. The tax is payable on every truck with three or more axles and the charge is made on a cents per mile basis. The five classifications and the tax rates for each are as follows:

1. Commercial car with three or more axles, $\frac{1}{2}$ cent a mile.
2. Tractor combination with three or more axles, 1 cent.
3. Tractor combination with maximum of four axles, $1\frac{1}{2}$ cents.
4. Tractor combination with total of five or more axles, 2 cents.
5. Car or tractor operated as part of a tandem with four or more axles, $2\frac{1}{2}$ cents.

The truck operator is responsible for keeping a record of all miles travelled in Ohio and the amount of tax due each quarter. The state requires that each operator keep a daily manifest listing starting point, destination, speedometer readings and taxable miles travelled for every truck. All private truck mileage, empty or loaded, is subject to the tax. It is understood that Canadian trucks entering Ohio will also be subject to this tax. Taxes must be paid each quarter. The first quarter ended January 1st and tax returns were due January 20th—Detroit, Feb. 10.

Israel

Attacks Its Food Problem

H. W. RICHARDSON

Commercial Secretary, Athens.

With heavy food imports draining off foreign exchange, Israel is studying three main techniques for improving domestic food production and cutting down on purchases abroad.

IN ITS FIFTH YEAR as an independent state, Israel still must import over 50 per cent, by value, of the food for its 1½ million people. This means, naturally, a heavy drain on limited foreign exchange reserves; Israel pays out over \$50 million a year for imports of wheat, oil seeds, sugar, meat and fish alone.

This heavy outside expenditure continues despite the spending of over \$300 million on agricultural expansion and mechanization, the doubling of land under cultivation, and the continued food rationing. So far, local production provides only one-third of the nutritional needs of the population.

New Approach Needed

During the days of the British Mandate, the basic objective of Jewish colonization was the acquisition of land and the settlement of the largest possible number of persons per acre. The provision of food came second because it could be obtained cheaply from neighbouring Arab countries. Jewish agriculture then concentrated upon intensive farming, with livestock, fruit and vegetables as the basis. The colonists relied upon Arab farmers for their grain and feed.

With the emergence of the State of Israel and the virtual elimination of local Arab agriculture, the Jewish population acquired large tracts of land. At the same time the young state faced the task of supplying most of its own grain because of the embargo imposed by the Arab countries. This objective is still not attained because the available arable land is severely limited and the present set-up of the many "Moshav" co-operative farm units does not lend itself to extensive one-crop farming. Instead, these co-operatives practise intensive mixed farming by smallholders. Some progress has been made, however, in encouraging grain and fodder cultivation in the "Kibbutz" collective type of farm settlement and Israel reportedly grows over 60 per cent of its needs of barley—the principal grain for fodder—and all the green fodder necessary to support the limited livestock population.

However, locally grown wheat supplies only 10 per cent of the needs of a heavy bread-eating population and about 250 thousand metric tons have to be

imported each year at a cost of about \$20 million; Canada supplies about one-third of this. Some Israelis feel that at least 60 per cent of the acreage now under barley could and should be turned over to wheat-growing, though this would mean smaller poultry feed production and an eventual drop in the fowl population and the egg ration.

Progress to Date

The table on the next page gives a breakdown of the area under cultivation, plus production figures of the main crops and livestock raised during the agricultural year October 1951-September 1952, with comparative figures for the year 1949-50.

Field Crops

Israel is still far from supplying her requirements for all essential field crops but has made considerable progress. She now grows all her own vegetables, except potatoes and onions, and soon may export several early-season vegetables, particularly carrots, to North Europe. Green and grain fodder requirements are covered in large part from domestic production. Israel will have to depend on imported wheat for many years but has made some progress in increasing the yield per acre and grows about 35,000 tons in a good year.

The commercial possibilities of new fibre crops, such as flax (1,750 acres) cotton and ramie have already been proved and around them new industries may grow up. The initial cultivation of sugar-beet (2,500 acres) and peanuts (3,000 acres) has also been successful and cultivation on a commercial scale will eventually help to reduce the present annual imports of sugar (34,000 tons) and oil seeds (60,000 tons), costing \$15 million.

Production of both Virginia leaf and Oriental tobacco has been expanded and the record yield of 1952 was well above requirements for the Oriental variety.

However, the extensive cultivation of these industrial crops is not easy within the framework of the existing types of agricultural settlement, with their individual smallholdings. Large land-holdings have until now

been confined mainly to citrus growing and to some grain and green fodder cultivation by the collective "Kibbutz" type, usually on tracts of land away from their own settlement.

Citrus Leading Export

The largest single crop in this branch of agriculture has always been citrus, which accounts for about 50 per cent of all exports. The wartime abandonment of large groves and the temporary manpower shortage had an adverse effect which is still felt. Of the 50,000 acres of groves in 1948, some 34,000 acres are once again producing and the long-term target has been set at 62,500 acres through annual plantings over ten years. Machines are replacing hand labour, groves are being thinned out to permit further mechanization and make picking easier, and sprinkler and aluminum pipe irrigation is replacing the old reservoir and canal system. The 1952-53 season's export of 5,325,000 cases of citrus was a record.

The larger part of the area devoted to olive production is non-irrigated and yields are low. However, the small irrigated acreage gives a high yield of fruit of a quality suitable for pickling and these pickles may enter the export market in the near future.

The entire area devoted to bananas is irrigated and produces a high average yield of the Cavendish variety. Trial shipments may be made to Finland and Italy in 1954.

The production of dairy products, eggs and meat falls far short of minimum requirements, because of limited fodder, insufficient livestock and the doubling of the population since 1948. The present level of milk and egg production allows for a distribution of 80 litres of milk a year and three eggs a week per person.

Experiments in Livestock Breeding

At present 50 per cent of the milk supply is imported in powder form; a very limited quantity of butter is produced locally. The average yield per milch cow is 3,500 litres a year. To attain self-sufficiency in milk products, the present herd of 62,500 cows, mainly Holstein-Friesians and some Brown Swiss, would have to be doubled. Present plans call for the import of 12,000 cows as foundation stock during the next five years. Sheep and goats serve primarily as a source of milk for cheese making and a further 15,000 sheep from Turkey are expected shortly.

Domestic beef production is approximately 2,000 tons a year. With a potential half-million acres of natural pasture still available, this could be increased and the foreign exchange outlay on meat imports cut down. An attempt is being made to raise a special "beef race". Some 200 head of Herefords and some Brahmin have been imported and experiments are being carried out at four experimental stations and at the Acre stud farm. Similar experiments are directed towards producing a special race of meat-bearing sheep which could also graze on the natural pastureland.

Breakdown of Agricultural Production

	1951-52		1949-50	
	1,009,000 acres	127,500 "	712,500 acres	87,500 "
	Area under cultivation (in acres)		Production (in tons)	
	1951-52	1949-50	1951-52 (est.)	1949-50
Hay	95,500	57,750	120,000	63,000
Fodder	57,000	42,750	600,000	400,000
Barley and oats	210,000	127,500	90,000	38,300
Wheat	81,250	92,000	31,000*	27,000
Pulses	28,000	17,500	5,000	2,300
Oil seeds	14,500	17,750	6,500	4,150
Tobacco	13,500	6,750	3,000	1,500
Melons	15,500	14,750	40,000	44,700
Potatoes	7,000	5,750	45,000	35,000
Vegetables	41,500	27,500	180,000	125,000
Citrus	33,750	31,750	**8,900,000†	6,267,610
Grapes—table	12,750	11,250	10,000	9,450
Grapes—wine	6,875	3,600	7,500	7,400
Bananas	2,200	1,162	8,500	2,000
Olives	34,250	34,250	12,000	3,800
Other fruit	13,500	11,125	12,000	11,350
Beehives (units)	34,000	28,000	.....	.....
Honey .....	.....	.....	550	420
Cows (head)	62,500	37,523	112,000§	93,000
Sheep and goats (head)	135,000	110,000	18,000 milk	13,000
Meat, liveweight .....	.....	.....	10,350	n.a.
Laying hens (head)	2,095,000	2,715,000	355 m. eggs	330 m.

* act.

** 1952-53 season.

† Cases.

§ Kilolitre.

Israel's poultry require 170 thousand tons of feed a year, including barley, corn, wheat bran, oil cakes, fish and meat meal, antibiotics, etc. During 1952, with a bumper crop, local production covered over 60 per cent of the poultry feed requirements. However, foreign exchange difficulties permitted the import of only 80 per cent of the full quota of feed and there has been some illicit diversion of bread grain for feed. There seems little chance, therefore, of increasing the poultry population over the present 2½ million. Despite the small domestic ration, trial shipments of 15 million eggs are to be made to Switzerland during this winter's peak laying period.

Mechanization Is Increasing

A recent census of agricultural machinery showed a total of 3,133 tractors, 783 grain combines, 235 forage harvesters, 897 power-driven sprayers and dusters, 563 pick-up balers, 759 drills, and 16,917 other agricultural machines.

Comparative figures for 1948 are available for three types of machines only, and the following table, relating to Jewish farming, shows the mechanization which has taken place during this period:

Machinery	March 1952	Sept. 1948	Percentage Increase
Tractors	3,090	681	354
Crawler	1,546	501	286
Wheel	1,544	280	451
Combine harvester—grain ..	779	261	198
Balers	562	173	225

This extensive use of imported agricultural machinery since 1948 has contributed substantially to the satisfactory increases in cultivation during this comparatively short period. However, some critics feel that mechanization has been carried too far in relation to the difficult foreign exchange situation and the ample labour supply.

Future Outlook

Irrigation projects, soil conservation schemes, re-seeding of natural pastures and plant protection are among the many activities which the Israeli Ministry of Agriculture is carrying out on an increasing scale in an effort to obtain the maximum yield from the potentially fertile soil of this land which centuries of neglect have turned into a barren waste.

Israel's basic problem, limiting any appreciable reduction in her imported food bill, is insufficient water. The country reputedly does not lack water but rainfall is low and the irrigation systems developed in ancient times have fallen into disuse. An up-to-date and extensive system must be created if Israel is ever to approach self-sufficiency in food production with its limited arable land.

Of this area, one-eighth is now irrigated—a larger percentage than in almost any country. Grandiose irrigation schemes have been put forth, the largest and most important of which is the "All-Israel Scheme" which would take at least ten years to complete and would eventually irrigate over 600 thousand acres. The basis is the transfer of surplus water from the Galilee area in the north to the Negev in the south, which has been a desert for centuries. However, this will probably depend upon international agreement and possible United Nations approval. Meanwhile, smaller regional and local schemes are being implemented or extended.

Altogether, in five years Israel has made excellent agricultural progress. If it is ever to become largely independent of food imports, however, agricultural policy must be changed. Increased irrigation, greater cultivation of industrial crops such as sugar beets, cotton, oil seeds and possibly some wheat, and full use of natural pastures for cattle grazing—these three steps seem to give the greatest promise in achieving this objective. ●

Portugal's Cork Industry

The Portuguese cork industry reports that it has acquired over 90 per cent of the 1953 crop of cork, a total quantity of over 100 thousand tons, at prices 15 to 20 per cent higher than those ruling in 1952.

Official figures covering the first nine months of 1953 give raw cork exports as 93,387 tons valued at 520,450 contos (approximately Can.\$15,613,500), compared with 93,521 tons in 1952 valued at 564,573 contos (approximately Can.\$16,937,190). Exports of manufactured cork amounted to 23,837 tons worth 347,654 contos, as compared with 19,161 tons valued at 366,966 contos in 1952. Raw cork exports in the first nine months of 1953 included five classifications as follows (1952 figures in brackets): waste, 44,807 tons (43,234); corkwood, 16,809 tons (25,663); virgin, 15,794 tons (8,134); refugo, 11,372 tons (12,691); granulated, 4,605 tons (3,799). Manufactured cork exports were divided as follows (1952 figures in brackets); agglomerated cork, 18,226 tons (12,284); corks, 3,959 tons (4,794); discs, 1,134 tons (1,376). The principal buyers for raw cork were the United States, 46,495 tons; Germany, 9,533 tons; the United Kingdom, 8,674 tons, and Russia 4,744 tons. The main markets for manufactured cork were the United Kingdom, 5,260 tons; the United States, 3,995 tons, and Canada, 3,308 tons.

General notes



Brazil

NEW REFINERY—It is expected that the Cubatao refinery between São Paulo and Santos may be in partial operation by June 1954. This plant will have a capacity of 45,000 barrels a day and will represent an estimated annual saving of approximately US\$30 million. The expansion has already been authorized to increase the capacity to 75,000 barrels a day, which would represent a saving of US\$50 million a year—São Paulo, Feb. 4.

Burma

OIL INDUSTRY PARTIALLY NATIONALIZED—A joint oil venture, the Burma Oil Co. (1954) Ltd., was formally established under an agreement signed January 12, 1954, between the Union Government and the three main oil-producers in the country—the Burma Oil Co., the Indo-Burma Petroleum Co. and the British-Burma Petroleum Co. Self-sufficiency in petroleum products is the immediate aim of this co-operative venture in which the Government of Burma has acquired an initial one-third interest. A longer-range objective is to refine 10,000 barrels of oil a day, which will enable Burma to resume its lucrative prewar export trade in oil—Bombay, Feb. 2.

Colombia

PLANNING COUNCIL ABOLISHED—The three-man National Planning Council set up by the Colombian Government in 1952 has been abolished by government order, as from January 1st. Henceforth its functions will be performed by the Secretary of Technical and Economic Affairs of the President's staff, who will also be known as the Director of Economic and Fiscal Planning—Bogotá, Feb. 3.

NEW TIRE FACTORY—It has just been announced that the Seiberling Rubber Company of Akron, Ohio, will manufacture tires in Bogotá. According to press reports, the Seiberling Company will be a minority shareholder in a new seven million peso Colombian corporation being established and the majority of the stock will be subscribed by local capital. The new company will be called "Productos de Caucho Villegas", and the machinery will be mounted in the plant of "Almacén Villegas", which since 1942 has engaged in making rubber tiles, shoes and camel-back, and in retreading used tires. It is expected

that the manufacture of "Seiberling" tires will begin early next year and Seiberling will thus become the third American company to invest in a Colombian plant. The other two are Goodyear and Goodrich, who have each had an interest in a local plant for some years—Bogotá, Feb. 4.

Cuba

NEWSPRINT FROM BAGASSE—Intensive studies continue on the use of sugar-cane bagasse as a raw material for newsprint and other papers. At the request of the Cuban Government, a United States Department of Commerce expert has been loaned to Cuba to assist in the preparation of a report on the feasibility of the undertaking. Considerable publicity continues to be given this project, including the offer of the Sugar Workers' Retirement Fund to advance the capital for the establishment of a mill. To date, no concrete steps toward implementing this project have been made public—Havana, Jan. 30.

El Salvador

HIGHWAY PLANNED—The Governments of Honduras and El Salvador are planning the construction of a highway to link El Salvador with Puerto Cortes. This was one of the main points discussed between the Presidents of the two countries at a recent meeting. The cost of the highway is calculated at \$10 million—Guatemala City, Feb. 3.

Indonesia

POPULATION—According to a recent estimate, the population of Indonesia totals 79.2 million. No census has been taken since 1930. The foreign population of the city of Djakarta is estimated at 129 thousand, of which 44,435 are Dutch nationals, 1,753 Europeans and Americans, 82,880 Chinese and 2,782 other Asiatics—Djakarta, Feb. 2.

FRIENDSHIP TREATY WITH PHILIPPINES—Documents were exchanged in Manila on November 20, 1953, ratifying the treaty of friendship with the Philippines which was initiated in 1951—Djakarta, Feb. 2.

TRADE WITH JAPAN—Plans are reported to be under way whereby Japan would import cow and calf hides from the United States to the value of

\$3.9 million and crude oil from Indonesia to the value of \$1.2 million, for settlement through the Japan-Indonesia open account—Djakarta, Feb. 2.

Italy

HIGH TENSION TRANSMISSION CABLE—Construction of a high tension transmission cable across the Straits of Messina from the mainland of Italy to Sicily has been announced. This cable, the longest of its kind in the world and measuring 3,653 metres in one span, is being readied in Milan and will be carried south wound on bobbins loaded on specially constructed trucks. The steel towers for this work, which are 224 metres high and weigh 450 tons, are also being constructed in Milan and will be fitted upon the two cement bases which have just been completed and which required 7,000 tons of cement and 850 tons of iron. When completed, this high tension transmission cable will carry electric power from new power stations in the Sila mountains to Sicily for use in the industrialization programs now under way on the island—Rome, Feb. 5.

Nicaragua

TRADE BALANCE FAVOURABLE—Nicaragua's trade balance was favourable during 1953, according to official sources. During January-October the favourable balance was US\$16,063,485 and total exports during those ten months rose to US\$50,140,772, as against total imports of US\$34,077,287—Guatemala City, Feb. 3.

United Kingdom

GOLD AND DOLLAR RESERVES INCREASE—During January, the sterling area had a surplus of \$25 million in its balance of payments on current account. Gold and dollar reserves, as a result, increased to \$2,543 million at January 31st. The surplus in the balance of payments arose after taking account of the receipt of \$15 million from the United States as defence aid, and the payment of \$4 million to the European Payments Union, representing that part of the December deficit with the Union which had to be paid in gold or dollars—London, Feb. 18.

FATS DERATIONING—Rationing of butter, cheese, margarine and cooking fats in the U.K. will end on May 8, 1954. At the same time branded margarine will be reintroduced. The subsidized retail cost of butter is at present 3/4d. per lb. (46 cents), with the ration 3 oz. weekly. The unsubsidized free market cost may rise to 4/- per lb. (55 cents), but the reintroduction of higher-quality branded margarine may prevent any rise greatly in excess of that figure. Margarine at present is unsubsidized at

1/6d. per lb. (21 cents) and though the "standard" quality will continue to be available, it is expected that improved products costing approximately 1/10d. or 2/- per lb. (25 or 28 cents) will be put on the market. Margarine and cooking fats are now sold freely to anyone after rationing commitments have been met. Cheddar cheese is similarly available off ration at the controlled subsidized price of 2/2d. per lb. (30 cents)—London, Feb. 18.

United States

CONSUMER CREDIT DECLINES—Recent figures indicate that the expansion in consumer credit in the United States is showing a marked decline. Expansion in the month of December 1953 was only \$221 million, about one-third as much as the increase in the same month in 1952. Perhaps the most interesting change in this picture was the decline in automobile financing. Normally the credit for the purchase of automobiles makes up about one-half of all instalment credits; in December, for the first time in 21 months, there was an actual decline of \$69 million in this type of credit compared with a gain of \$243 million for the same month in 1952. For 1953, consumer credit rose by \$3,069 million, bringing the total up to \$28,896 million. With total disposable personal income at the end of 1953 standing at about \$250 billion, the consumer credit stands at about 11.5 per cent, only a very slight gain over the position at the end of 1952—Washington, Feb. 19.

Venezuela

MILK PROCESSING PLANTS PLANNED—It has been widely reported in the Caracas press that two milk powdering plants will soon be constructed in Venezuela. It is claimed that a milk producers' association in the State of Zulia and a dairy product firm in The Netherlands will combine, possibly with Venezuelan Government financial aid, to establish a plant in the Maracaibo area with a processing capacity of 18,000 gallons of fresh milk daily. The other factory is planned for the Carora area of the State of Lara, again in conjunction with local milk producers. According to reports, the machinery for this installation will arrive from Britain within weeks and initial production could begin in October.

Venezuelan powdered milk production from the one plant currently operating has been increasing rapidly and now provides some 10 per cent of the country's consumption, estimated to be 70 million pounds a year, including bulk skim milk powder. In the first 10 months of 1953, Canada exported to Venezuela 6.6 million pounds of whole powdered milk and 1.2 million pounds of skim powdered milk—Caracas, Feb. 3.

INDIA Plans Steel Expansion

When the new steel mill to be built by a German combine for the Indian Government is operating at capacity, India may become the world's cheapest producer of quality steel.

RICHARD GREW, *Commercial Counsellor, New Delhi.*

INDIA IS PLANNING for the day when Indian mills will be able to supply most of the country's steel needs. After prolonged negotiations in Bonn and New Delhi, the Government of India, on December 22, 1953, signed an agreement with the German combine of Krupp and Demag A.G. for the installation of a new steel plant. With the signing of this agreement, the Indian Government has embarked on what is undoubtedly its greatest industrial venture.

Financing the Project

The memorandum and articles of association for a private limited company under the name "Hindustan Steel Limited", with an authorized capital of Rs.1,000 million, have also been signed. The Government will hold 80 per cent of the shares and the German combine the remainder. The chairman and managing director will be government nominees and the German combine will have 20 per cent representation on the board of directors.

The company's initial capital issue is Rs.500 thousand, of which Rs.400 thousand is to be contributed by India and Rs.100 thousand jointly by Messrs. Krupp and Demag A.G. Subsequent issues of share capital will be made as expenditure mounts, preserving the ratio of four to one. A substantial portion of the capital investment (which is not expected to exceed Rs.700 million) will be raised through an internal loan, although it is quite likely that the World Bank may also be approached.

Technical Consultation Agreement

The agreement requires that orders for equipment must be placed in West Germany at least to the extent of one-quarter of the capital invested. But there is an important safeguard in the stipulation that world tenders will be invited for plant, equipment and supplies. Quality, price and delivery will be determining factors in the choice, subject to the exclusion of government-subsidized tenders.

The financial partnership is fixed for ten years, with option to either party to extend it by another ten. Messrs. Krupp and Demag will be responsible for the

design, layout and erection of the plant and they have undertaken to bring it into commission within four years. The technical management will be provided by the German firms but they will train Indians in its operation in India and Germany. As far as possible, Indian personnel will be employed even in the erection of the plant. The German technical consultants will advise on the township but the work of constructing houses and the financial outlay lie outside the scope of the present agreement.

The technical consultation agreement appears to be far wider in range than any similar arrangement entered into by the Government of India. The consultation fee has been fixed at Rs.21 million, but the German combine will continue to act as consultants for a further three years after the commissioning of the plant without additional charge. An unusual clause states that, if the performance falls short in any way, the Germans will pay a penalty to the full extent of their consultation fee. The German combine will receive no bonuses or royalties nor will it be entitled to any relaxation in taxation rules.

Production Problems

It is intended that production shall begin even before the plant installation is completed. The plant will have an initial capacity of 500 thousand tons a year but within three years of its being fully commissioned, it will be expanded to double its capacity. This expansion will cost nearly 50 per cent of the total investment. It has been finally decided that a single million-ton plant is the most economic unit, although until recently the Government was known to favour two half-million ton plants. Costs of production are expected to compare favourably with those of any other Indian plant.

No site has yet been chosen although a team of German experts have inspected several, including Durgapur in West Bengal, Bilhai in Madhya Bharat, Roukilla in Orissa and Sindri in Bihar. A final recommendation will be made shortly, bearing in mind the availability of iron ore and raw materials, labour conditions and transport facilities.

The new plant forms part of an integrated plan for steel production under which India's three big plants

will complement each other. It will produce largely plates and "flat" products to meet the needs of the growing automotive, shipbuilding and rolling stock industries. The plant will produce only finished goods and will not supply pig iron to other industries. It will be among the most modern steel plants in the world and, in view of India's ample resources of high-grade ore, may well become the world's cheapest producer of quality steel. India's present steel output is about 1.07 million tons, as against an annual demand of about 2.5 million tons. This means that the whole production of the new plant can undoubtedly be consumed within the country.

Imports from United States

India's immediate requirements of imported steel are likely to be met through an operational agreement entered into on January 5 between the Governments

of India and the United States. Under this agreement, 200 thousand tons of steel will be made available to India during the period July 1953 to June 1954, as American assistance under the Technical Co-operation Program. It is proposed to import the following types of steel: black plain, galvanized plain and galvanized corrugated sheets, 80,000 tons; plates, 50,000 tons; rails, 50,000 tons; sleeper bars, 20,000 tons.

The steel acquired will be used by the Indian Government for development projects in agriculture, industry and the railways and in river valley schemes. The United States contribution for this project, some \$25.5 million, will be used to buy steel outside India through an appropriate United States Government agency. A rupee expenditure of 15 million will be used by the Ministry of Commerce and Industry for handling and distribution. ●



trade commissioners on tour

FROM TIME TO TIME Canadian Trade Commissioners return to Canada to bring themselves up-to-date on conditions in this country and to renew their contacts with businessmen here. Details of their itineraries appear regularly under this heading as a service to exporters and importers who would like to discuss trading problems with them.

W. D. WALLACE, Commercial Secretary in Djakarta, Indonesia, begins his Canadian tour in Ottawa on March 3rd or 4th. His itinerary is:

Ottawa: March 3 or 4-10

Montreal: March 11-19 (incl.)

Windsor: March 22

Sarnia: March 23

Kincardine: March 24

Hamilton-Brantford: March 25

St. Catharines-Welland: March 26

Toronto: March 29-April 2

Brockville: April 5

Ottawa: April 6

Businessmen in the various centres may get in touch with these officers through the following organizations:

Board of Trade—Brantford, Montreal.

Chamber of Commerce—Brockville, Hamilton, Kincardine, St. Catharines, Sarnia, Welland, Windsor.

Canadian Manufacturers Association—Toronto.

Department of Trade and Commerce—Ottawa.

trade and tariff regulations

Colombia

CERTAIN IMPORT PROHIBITIONS ABOLISHED—Effective February 19, 1954, the Colombian Government has abolished certain prohibitions on imports by Decree No. 513. These prohibitions, introduced in March 1951, affected a wide range of semi-essential and luxury goods and those goods similar to Colombian products including foodstuffs, beverages, leather goods, certain wood and paper manufactures, some textiles and clothing articles, and toys.

Goods which were previously prohibited are now permitted importation but only from countries having a trade agreement or maintaining an approximately even trade with Colombia. Canada is included among these countries.

A few goods, however, will not be permitted importation until customs duties have been adjusted, among which are inner tubes; certain rayon, woollen and cotton fabrics; silk, rayon and cotton hosiery; and aluminum kitchenware.

New Zealand

IMPORT RESTRICTIONS ON SKI EQUIPMENT RELAXED—The New Zealand Department of Customs announced on January 29 that applications will be considered for licences to import ski equipment from dollar sources during 1954.

Pakistan

IMPORT LICENCES EXCLUDE INSURANCE—In Public Notice No. 54 (53)/1 of December 26, 1953, the Chief Controller of Imports and Exports of Pakistan announced that, until further notice, import licences will be issued on a c. and f. basis instead of a c.i.f. basis. The goods covered by import licences, the notice explains, will therefore have to be insured with insurance companies registered in Pakistan.

Philippines

EXCHANGE QUOTAS FOR FLOUR IMPORTS—On December 8, 1953, the Philippine Central Bank issued exchange quotas for imports of IWA wheat flour equivalent to 20 per cent of total allocations for the first half of 1954. The Central Bank has now released the remaining 80 per cent of IWA wheat

flour allocations for the first six months of this year, to be used under the following conditions:

<i>Period (1954)</i>	<i>Percentage of total allocation</i>	<i>Deadline for shipment</i>
Jan. 28 to Feb. 28	32	March 31, 1954
Mar. 1 to Mar. 31	16	April 30, 1954
Apr. 1 to Apr. 30	16	May 31, 1954
May 1 to May 30	16	June 30, 1954
	80	

The relevant Bank memorandum also provides that where any one importer holds a quota of one thousand 50-lb. bags or less he may, at his discretion, use his foreign exchange quota in full on any one shipment.

Under the new resolution all quotas granted to flour associations are cancelled, but importers not holding quotas as individuals, or firms who opened letters of credit against flour association quotas, are allowed to open letters of credit for an amount equal to that used in the second half of last year, which amount shall be considered as their quota for the first six months of the current year. Unused or cancelled quotas will revert to the Central Bank. This arrangement should permit more regular delivery of wheat flour to the Philippine market—Manila, Jan. 30.

Trinidad

IMPORT LICENSING ANNOUNCEMENT—The Controller of Imports and Exports, Trinidad, announced on February 8th that importers in that colony do not require licences to import the following items:

- Onions
- Potatoes
- Split peas
- Dried, smoked, pickled and salted fish
- Canned fish
- Meat
- Powdered and canned milk
- Cheese
- Animal feeding stuffs
- Newsprint
- Kraft paper
- Jute goods
- Boric acid
- Semi-manufactured copper
- Semi-manufactured zinc
- Semi-manufactured nickel

Tinplate, terneplate or black plate
Finished steel (excluding fabricated steel) as follows:

- (a) heavy steel products including heavy rail, sleepers, etc., 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 fittings
- (g) tires, wheels and axles
- (h) steel forgings
- (i) nails, screws, nuts and bolts

To qualify for entry without the production of an import licence, the goods must be wholly produced in the country from which they are exported, they must be accompanied by a certificate of origin, and payment must be made to the country of origin.

West Germany frees some dollar imports

QUANTITATIVE RESTRICTIONS have been removed, effective February 17, from an extensive list of commodities imported into West Germany from Canada and from other dollar countries.

Licences are still required for the import of goods on the liberalized list but they will be granted freely. Some commodities on the free list, however, remain subject to special conditions, and importers of such goods must obtain a certificate from the competent authorities before concluding an import contract and applying for a licence. Goods in this category are indicated below by an asterisk.

The liberalization applies to goods for consumption in Germany. Re-export may only be permitted when payment is made in freely convertible currency, or when the goods have been further processed or manufactured in Western Germany. The list does not as yet apply to Berlin.

About 9 per cent of Canadian exports to Germany have been liberalized by this measure. Wheat and other grains remain restricted. Most of the goods freed are raw or semi-processed materials and industrial equipment for which licences have usually been granted in the past. Nevertheless, the measure is the first important step taken by Germany since the war towards the restoration of freer trade with the dollar area. The German Minister of Economics has indicated that further liberalization of dollar imports may become possible later, provided the present measure does not adversely affect the German economy.

Among the liberalized commodities the following appear to be of interest to Canadian exporters: whisky; raw tobacco*; pyrites for sulphur production*; raw hair and bristles; sausage casings, animal; balsam; lard and tallow for technical purposes*.

Asbestos, crude and fibres*; syenite; roasted iron pyrites containing less than $\frac{1}{2}$ per cent of copper; lead, copper and zinc in ore*; ashes and residues containing aluminum, lead, copper and zinc*.

Amyl and butyl alcohol; antibiotics excluding penicillin, streptomycin and chloramphenicol; disinfectants, insecticides and pesticides; vinyl polymerisates; foils and films of cellulose acetate*.

Raw hides of cattle and calf skins*; round wood*; pit props; pulpwood of softwood*; planks and boards*; high quality sulphite wood pulp*; books and certain other printed matter.

Ferro-silicon*; copper matte and scrap*; nickel matte, crude nickel and scrap*; aluminum, lead and zinc scrap*.

Circular saw blades; various tools and machine tools for working metals and plastics; locks for safes; gasoline engines*; pumps*; refrigerators; farm implements and machinery*; parts of farm machinery; many types of industrial machinery*; parts for such machinery; typewriters and office machines*.

Electric generators and motors; accumulators; parts for washing machines; electric ignition apparatus excluding spark plugs; electric industrial ovens; electric switches and wiring devices; insulated electric wire.

Agricultural tractors*; road tractors; buses and other vehicles, excluding normal types of passenger automobiles or trucks; parts of automobile bodies; spectacles and spectacle lenses; scientific apparatus; gas, liquid and electricity meters; watches*.

A substantial number of products from the chemical, machinery, industrial equipment, business equipment and transportation group are thus on the free list. It is not believed, however, that Canadian exports to Germany of these items will greatly benefit from this liberalization.

Information as to individual goods on the German free list for dollar imports may be obtained from the International Trade Relations Branch of the Department.—B. A. MACDONALD, *Commercial Counsellor, Bonn.*

foreign trade service abroad

* No Foreign Trade Officer at this post.
Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bissett, Commercial Counsellor W. F. Hillhouse, Agricultural Secretary	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	C. M. Croft, Commercial Counsellor for Canada C. M. Forsyth-Smith, Assistant Commercial Secretary	City Mutual Life Building, 60 Hunter Street, SYDNEY	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Tel.:</i> BW 9351
Australia (Victoria, South Australia, Western Australia, Tasmania)	R. W. Blake, Commercial Secretary for Canada and Agricultural Secretary	33 William Street, MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
Belgian Congo Angola, French Equatorial Africa	A. B. Brodie, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	<i>Mail:</i> Boîte Postale 373 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
Belgium Luxembourg	T. J. Monty, Commercial Secretary K. G. Ramsay, Assistant Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 11-33-88
Brazil	C. J. Van Tighem, Commercial Secretary T. F. Harris, Assistant Commercial Secretary	Canadian Embassy, Edificio Metropole, Av. Presidente Wilson 165, RIO DE JANEIRO	<i>Mail:</i> Caixa Postal 2104 <i>Cable:</i> CANADIAN <i>Tel.:</i> 42-4140
Brazil	M. P. Carson, Vice Consul and Acting Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-6301
*Ceylon	Office of the High Commissioner for Canada	6 Gregory's Road, Cinnamon Garden, COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> DOMCAN <i>Tel.:</i> 5876
Chile	Commercial Secretary	Canadian Embassy, 6th Floor, Av. General Bulnes, 129, SANTIAGO	<i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Tel.:</i> 64189
Colombia Ecuador	W. J. Millyard, Commercial Secretary J. P. Lancaster, Assistant Commercial Secretary	Canadian Embassy, Avenida Jimenez No. 7-25, Office 613, BOGOTA	<i>Mail:</i> Apartado 1618 <i>Airmail:</i> Apartado Aereo 3562 <i>Cable:</i> CANADIAN <i>Tel.:</i> 12-251
Cuba	G. A. Browne, Commercial Secretary W. R. Van, Assistant Commercial Secretary	Canadian Embassy, Edificio Motor Centre, Calle Infanta 16, HAVANA	<i>Mail:</i> Apartado 1945 <i>Cable:</i> CANADIAN <i>Tel.:</i> UO-9457
Dominican Republic Haiti, Puerto Rico	R. E. Gravel, Canadian Government Trade Commissioner	Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	<i>Mail:</i> Apartado 451 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5318
Dominican Republic Haiti, Puerto Rico Jamaica	E. M. Gosse, Canadian Trade Commissioner (Fisheries)		

Territory	Officer	City Address	Mail and Cables, Office Telephone
Egypt Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia	A. G. Kniewasser, Acting Canadian Government Trade Commissioner	Osiris Building, Sharia Walda, Kasr-el-Doubara, CAIRO	<i>Mail:</i> P.O. Box 1770 <i>Cable:</i> CANADIAN <i>Tel.:</i> 23110
France Algeria, French Morocco, French West Africa, Tunisia	B. C. Butler, Commercial Counsellor for Canada L. A. Campeau, Assistant Commercial Secretary J. H. Stone, Assistant Commercial Secretary	3 rue Scribe, PARIS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> OPEra 42-30
Germany Federal Republic	B. A. Macdonald, Commercial Counsellor I. V. Macdonald, Assistant Commercial Secretary	Canadian Embassy, 22 Zitellmannstrasse, BONN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Bonn 21971
Germany	Wm. Van Vliet, Agricultural Secretary		
Greece Israel, Turkey	H. W. Richardson, Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 72-853
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	J. C. Depocas, Canadian Government Trade Commissioner G. A. Cooper, Assistant Trade Commissioner	28, 5a Avenida Sud, GUATEMALA CITY	<i>Mail:</i> P.O. Box 444 <i>Airmail:</i> P.O. Box 400 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5590
Hong Kong China, Indo-China, Macao, Taiwan	T. R. G. Fletcher, Canadian Government Trade Commissioner M. B. Blackwood, Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg., HONG KONG	<i>Mail:</i> P.O. Box 126 <i>Cable:</i> CANADIAN <i>Tel.:</i> 28336
India	Richard Grew, Commercial Counsellor	Office of the High Commissioner for Canada, 4 Aurangzeb Road, NEW DELHI	<i>Mail:</i> P.O. Box 11 <i>Cable:</i> CANADIAN <i>Tel.:</i> 40191
India	D. M. Holton, Canadian Government Trade Commissioner W. P. Birmingham, Assistant Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Tel.:</i> 20672
Indonesia	W. D. Wallace, Commercial Secretary	Canadian Embassy, Tanah Abang Timur 2, DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Gambir 499
Ireland	T. G. Major, Commercial Counsellor for Canada	66 Upper O'Connell St., DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 44251
Italy Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor A. A. Caron, Assistant Commercial Secretary	Canadian Embassy, Via Saverio Mercadante 15, ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 846-842
Italy	C. F. Wilson, Agricultural Counsellor		
Italy	M. S. Strong, Commercial Secretary (Fisheries)		

Territory	Officer	City Address	Mail and Cables, Office Telephone
Jamaica Bahamas, British Honduras	M. B. Palmer, Canadian Government Trade Commissioner	Canadian Bank of Commerce Chambers, KINGSTON	<i>Mail:</i> P.O. Box 225 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2858
Japan Korea	J. C. Britton, Commercial Counsellor	Canadian Embassy, TOKYO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
	R. F. Renwick, Assistant Commercial Secretary		
Japan	Paul Sykes, Canadian Government Trade Commissioner	7th Floor, Crescent Bldg., 72 Kyomachi, Ikutaku, KOBE	<i>Mail:</i> P.O. Box 513 <i>Cable:</i> CANADIAN <i>Tel.:</i> 43966
Lebanon Iraq, Jordan, Syria	G. F. G. Hughes Canadian Government Trade Commissioner	Centre Urbain Emir Beshir, Bâtiment A1, Rue Emir Beshir, L'Azarieh, BEIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN
Mexico	M. T. Stewart, Commercial Counsellor	Canadian Embassy, Edificio Internacional, Paseo de la Reforma, MEXICO, D. F.	<i>Mail:</i> Apartado 126-Bis <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-27-90
	S. G. Tregaskes, Assistant Commercial Secretary		
Netherlands	V. L. Chapin, Commercial Secretary	Canadian Embassy, Sophialaan 1-A, THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 18-51-06
	W. G. Pybus, Assistant Commercial Secretary		
Netherlands Belgium, Denmark, Luxembourg	C. J. Small Acting Agricultural Secretary		
New Zealand Fiji, Western Samoa	L. S. Glass, Commercial Counsellor	Office of the High Commissioner for Canada, Government Life Insurance Bldg., WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Tel.:</i> 70-644
Norway Denmark, Greenland	J. L. Mutter, Commercial Secretary	Canadian Legation, Fridtjof Nansens Plass 5, OSLO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
Pakistan Afghanistan, Iran	R. K. Thomson, Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5826
Peru Bolivia	H. J. Horne, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 71150
Philippines	F. H. Palmer, Consul General and Trade Commissioner	Canadian Consulate General, Ayala Building, Juan Luna Street, MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Tel.:</i> 3-33-35
	H. E. Lemieux, Vice Consul and Assistant Trade Commissioner		
Portugal Azores, Madeira	L. M. Cosgrave, Commercial Counsellor	Canadian Legation, Avenida de Praia da Vitoria, 48-1°D., LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 53117
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	D. S. Armstrong, Canadian Government Trade Commissioner	Room D-5, Union Building, SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Tel.:</i> 7739

Territory	Officer	City Address	Mail and Cables, Office Telephone
South Africa (Natal, Transvaal) Federation of Rhodesia and Nyassaland, Mozambique, Kenya, Tanganyika, Uganda, Zanzibar	K. F. Noble, Canadian Government Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 33-2628
South Africa (Cape Province, Orange Free State), Southwest Africa, Mauritius, Madagascar	A. W. Evans, Canadian Government Trade Commissioner	Grand Parade Centre Bldg., Adderley Street, CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 2-5134/5
Spain Balearic Islands, Canary Islands, Gibraltar, Rio de Oro, Spanish Morocco, Tangier	E. H. Maguire, Commercial Secretary	Canadian Embassy, Edificio España, Avenida de Jose Antonio 88, MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Tel.:</i> 22-28-10
Sweden Finland	F. W. Fraser, Commercial Counsellor	Canadian Legation, Strandvagen, 7-C, STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Tel.:</i> 67-92-15
Switzerland Austria, Czechoslovakia, Hungary	Yves Lamontagne, Commercial Counsellor	Canadian Embassy, Kirchenfeldstrasse 88, BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 4-63-81
Trinidad Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, French West Indies	P. V. McLane, Canadian Government Trade Commissioner	Colonial Building, 72 South Quay, PORT-OF-SPAIN	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Tel.:</i> 34787
United Kingdom (South of England, East Anglia, Scotland), Iceland, British West Africa (Gambia, Gold Coast, Nigeria, Sierra Leone)	R. P. Bower, Commercial Counsellor	Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701
United Kingdom	R. Campbell Smith, Commercial Secretary		
United Kingdom	T. M. Burns, Assistant Commercial Secretary		
United Kingdom	D. A. B. Marshall, Commercial Secretary (Agricultural)		
United Kingdom	G. H. Rochester, Commercial Secretary (Timber)		<i>Cable:</i> TIMCOM
United Kingdom (Midlands, North England, Wales)	M. J. Vechsler, Canadian Government Trade Commissioner	Martins Bank Building, Water Street, LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Central 0625
United Kingdom (Northern Ireland)	T. G. Major, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
United States Delaware, Maryland, Virginia, West Virginia	R. G. C. Smith, Commercial Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W. WASHINGTON, 6. D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEcatur 2-1011
United States	S. V. Allen, Commercial Counsellor		
United States	Dr. W. C. Hopper, Agricultural Counsellor		
	W. L. Porteous, Assistant Agricultural Secretary		

Territory	Officer	City Address	Mail and Cables, Office Telephone
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda	Deputy Consul General and Trade Commissioner C. R. Gallow, Consul and Trade Commissioner C. E. Butterworth, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY 20	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUdson 6-2400
United States	M. B. Bursey, Consul and Trade Commissioner (Fisheries)	Canadian Consulate General, 620 Fifth Ave., NEW YORK 20, N.Y.	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUdson 6-2400
United States (Massachusetts, Main, Rhode Island, Vermont, New Hampshire)	D. H. Cheney, Trade Commissioner	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> HANcock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. V. N. Gordon, Trade Commissioner	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> STate 2-7312
United States (Michigan, Ohio)	A. E. Bryan, Consul and Trade Commissioner J. H. Bailey, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT 26	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> WOODward 5-2811
*United States (City of Los Angeles, Southern California, Arizona)	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> VANDike 2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	G. A. Newman, Consul and Trade Commissioner C.O.R. Rousseau, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 215-217 International Trade Mart, NEW ORLEANS 12	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RAYmond 2136
*United States (Northern California, Wyoming, Nevada, Utah, Colorado, New Mexico), Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> SUTter 1-3030
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General, The Tower Building Seventh Avenue at Olive Way, SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MUTual 3515
Uruguay Paraguay	W. Gibson-Smith, Commercial Secretary	Canadian Embassy, MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN
Venezuela Netherlands Antilles	J. A. Stiles, Commercial Secretary F. B. Clark, Assistant Commercial Secretary	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	<i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel.:</i> 55818
Venezuela Colombia	D. B. Laughton, Acting Agricultural Secretary		

The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversions into Canadian dollars have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are not included in the table.

For conversion to United States dollar equivalents multiply by 1.03492.

foreign exchange rates

Country	Unit	Type of Exchange	Canadian dollar equiv. Feb. 19	Notes (See below)
Argentina	Peso	Preferential buying .....	.1288	(1)
		Basic buying .....	.1932	
		Preferential selling .....	.1932	
		Basic selling .....	.1288	
		Free .....	.06955	
Austria	Schilling ..	.....	.03716	
Australia	Pound .....	.....	2.1750	
Belgium Luxem- bourg & Belgian Dependencies ..	Franc .....	.....	.01938	
Bolivia	Boliviano ..	Official .....	.00509	(3)
British West Indies	Dollar .....	.....	.5664	(4)
	Pound .....	.....	2.7187	
	Dollar	Brit. Honduras .....	.6796	
Brazil	Cruzeiro ..	Official selling .....	.05134	tax 8% (2)
		Effective buying .....	.03407	(5)
		Coffee buying .....	.04136	
		.....	.2029	
Burma	Kyat .....	.....	.2039	
Ceylon	Rupee .....	.....	.00878	(1)
Chile	Peso	Official .....	.3865	(6)
Colombia	Peso	Basic .....	.1721	
Costa Rica	Colon	Official .....	.1455	
Cuba	Peso	Controlled free .....	.9662	tax 2%
Czechoslovakia ..	Koruna .....	.....	.1342	
Denmark	Krone .....	.....	.1399	
Dominican Republic	Peso .....	.....	.9662	
Ecuador	Sucre	Official .....	.06442	
		Free .....	.05563	
		.....	2.7746	
Egypt	Pound .....	.....	2.4493	
Fiji	Pound .....	.....	.00420	
Finland	Markka .....	.....	.00276	
France	Franc .....	.....	.00553	
French Africa	Franc .....	.....	.01520	
French Pacific	Franc .....	.....	.2301	
Germany	D Mark .....	.....	.000032	
Greece	Drachma .....	.....	.9662	
Guatemala	Quetzal .....	.....	.1932	
Haiti	Gourde .....	.....	.4831	
Honduras	Lempira .....	.....	.1654	*Feb. 12
Hong Kong	Dollar	Free .....	.05933	
Iceland	Krona	Official .....	.04568	
		Special buying .....	.03680	
		Special selling .....	.2039	
India	Rupee .....	.....	.08476	(7)
Indonesia	Rupiah	Basic .....	.02996	
Iran	Rial	Official .....	.01071	
		Certificate	2.7055	
Iraq	Dinar .....	.....	

* Latest available quotation date.

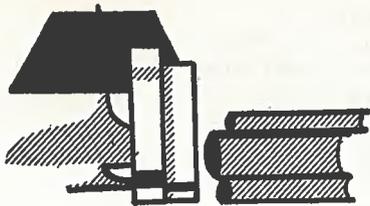
Country	Unit	Type of Exchange	Canadian dollar equiv. Feb. 19	Notes (See below)
Ireland	Pound		2.7187	
Israel	Pound	Effective basic	.9662	
		Premium	.5368	
Italy	Lira		.00155	
Japan	Yen		.00268	
Lebanon	Pound	Free	.3027	
Mexico	Peso		.1117	
Netherlands	Guilder		.2553	
Netherlands Antilles	Guilder		.5124	
New Zealand	Pound		2.7187	
Nicaragua	Cordoba	Effective buying	.1464	(8)
		Official selling	.1370	
		With Surcharge I	.1200	
		With Surcharge II	.09614	
Norway	Krone		.1353	
Pakistan	Rupee		.2920	
Panama	Balboa		.9662	
Paraguay	Guarani	Basic	.06442	(1)
		With Surcharge I	.04601	
		With Surcharge II	.03220	(9)
Peru	Sol	Certificate	.04467	
Philippines	Peso		.4831	tax 17% (2)
Portugal	Escudo		.03372	
El Salvador	Colon		.3865	
Singapore & Malaya	Straits dollar		.3172	
South Africa (Union of)	Pound		2.7187	
Spain & Dependencies	Peseta	Basic buying	.04412	
		Basic selling	.08611	
		Basic commercial selling	.05882	(1)
		Free	.02481	
Sweden	Krona		.1868	
Switzerland	Franc		.2254	
Syria	Pound	Free	.2720	*Jan. 15
Thailand	Baht	Official	.07730	(1)
		Free	.04623	*Dec. 30
Turkey	Lira		.3451	
United Kingdom	Pound		2.7187	
United States	Dollar		.9662	
Uruguay	Peso	Official	.6361	
		Basic buying	.5428	
		Special buying	.4111	(1)
		Basic selling	.5085	
		Special selling	.3943	
Venezuela	Bolivar		.2884	(10)
Yugoslavia	Dinar		.00322	

* Latest available quotation date.

notes

1. Additional rates are in effect for specified goods.
2. Tax affects selling (import) rates only.
3. Barbados, Trinidad, Tobago, Leeward and Windward Is., Brit. Guiana.
4. Bahamas, Bermuda, Jamaica.
5. Brazil: Effective import rate is official rate plus free certificate rate. Certificate rate varies according to commodity.
6. Costa Rica: Official rate applies to all Costa Rican exports.
7. Indonesia: Basic rate applies to all exports and essential imports. Rupiah value for other than essential imports is reduced by 33½ per cent, 100 per cent or 200 per cent depending on product.
8. Nicaragua: Effective buying rate applies to all Nicaraguan exports.
9. Paraguay: Basic rate applies to most Paraguayan exports.
10. Venezuela: There are special rates for exports of petroleum, cocoa and coffee.

For additional explanatory notes see *Foreign Trade* of October 11, 1952.



businessman's bookshelf

Boston Conference on Distribution

Report of 25th Annual Conference. 104 pages. \$4.00.

EVER SINCE 1929, the Boston Conference on Distribution has annually brought together executives versed in distribution techniques. The sponsors describe the Conference as a "national forum and annual appraisal, by outstanding authorities, of the economic forces and trends affecting the business of distribution of goods and commodities". The theme for this particular conference was "Guideposts to the Future of Distribution".

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Order from: Retail Trade Board, Boston Chamber of Commerce, 80 Federal Street, Boston 10, Mass.

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Commonwealth Economic Committee. 29 pages. 30 cents.

THIS "MEMORANDUM prepared in the Intelligence Branch of the Commonwealth Economic Committee", as it is sub-titled, summarizes the trade of the self-governing members of the Commonwealth and of the colonial territories during 1952-53. Most of the information is conveyed in statistical tables, with brief accompanying comment on significant trends. Part I reviews the trade of the Commonwealth as a whole, and succeeding sections cover

the self-governing members one by one; the colonial territories are treated as a unit. The final pages discuss Commonwealth markets by areas.

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THIS "HANDY REFERENCE BOOKLET for international traders", produced by the *Exporters' Digest*, contains a variety of information. Although the booklet was prepared for United States businessmen, a great deal of the material in it should prove useful to Canadians. It includes export sales terms, a directory of international air services, overseas import control regulations, suggestions for proper packing to cut down cargo losses, cautionary markings in Spanish, Portuguese and French and a table of conversion factors for weights and measures in various countries.

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