CANADA

foreign trade

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cover These wheel rims being polished and plated will become part of British-made bicycles to be shipped overseas. Last year Britain sold about 400 thousand bicycles to the U.S. and 60 thousand to Canada—a 100 per cent jump over 1952. For a complete analysis of United Kingdom trade during 1953, see pages two to eight.

Photo by U.K. Information Office.

Britain's Foreign Trade in 1953

Last quarter of 1953 saw the highest volume of exports since the war; trade deficit was reduced and a surplus in balance of payments achieved for second successive year.

R. CAMPBELL SMITH, *Commercial Secretary, London*

THE UNITED KINGDOM, which customarily accounts for about 12 per cent of the world's imports and exports, has in the past three years nearly recovered its prewar position in exports but not in imports. Exports to Canada, the United States, and (to a lesser extent) the sterling area, have risen considerably but in imports the British share is down from 19 per cent. Sixteen per cent of Canada's exports in 1953 went to the United Kingdom, compared with 40 per cent in prewar years, but this still represents 40 per cent of total Canadian export trade, excluding trade with the United States. The importance of this market to Canadians remains undiminished in terms of both current and potential trade.

Exports Remain Steady

Since 1950, the annual value of British exports has remained steady. In the last quarter of 1953, the United Kingdom achieved the highest *volume* of exports since the war, having recovered during the first half of the year from a 20 per cent decline in the summer of 1952. In *value,* the last quarter's results were only 5 per cent below the best postwar quarter, January to March 1952.

These results had special significance for the balance of payments, because they included an increase of 14 per cent in dollar exports over 1952. Dollar sales for the year totalled £386 million, the first time they have ever exceeded the one-billion-dollar mark. Exports to Canada and the United States totalled £316 million, 14 per cent higher than for the best previous year, 1952.

United Kingdom Exports to North America
(in millions of pounds)

	United States	*Canada*	*Total*
1950	113	126	239
1951	136	137	273
1952	146	130	276
1953	159	157	316

Invisible earnings are the shock troops that have for over a century come in to fill the breach between Britain's exports and imports. Mid-year results show that they performed well. At that point, invisibles exceeded the deficit on visibles account (£140 million) by £26 million, even in the face of net debits on government defence account of £77 million. These earnings—from shipping, civil aviation, interest, profits, dividends, insurance, tourists, oil and government transactions—have, except for the last two items, been growing steadily since the war, in spite of the wartime liquidation of £1,900 million worth of investments and the accumulation of some £3,000 million in external liabilities. Outgoing payments have watered down these gains; interest on the U.S. and Canadian loans began in 1950; military expenditures abroad have risen since Korea. Oil income fell after the loss of Abadan in 1951.

Except for government expenditures, invisible earnings for the second half of 1953 are expected to be maintained. The import-export gap was narrowed by £96 million during the first half of 1953, providing an extra margin of safety for the overall balance of payments.

Gold and dollar reserves in December stood at $2,518 million, compared with $1,846 at the beginning of the year—the highest since November 1951. Over half the disastrous losses in reserves incurred between September 1951 and April 1952 has now been recouped.

Terms of Trade

The terms of trade (the ratio of import prices to export prices) have turned sharply in Britain's favour in the last six months, contributing to the reduction of the trade deficits: 1951—£1,197 million; 1952—£753 million; 1953—£658 million (net £623 million, allowing for £35 million gift aircraft shipments from Canada). Non-sterling trade accounted for the biggest share of the reduction since 1951 (£705 million); sterling area trade deficits have risen. The former comprises 64 per cent and the latter 36 per cent of the total deficit for 1953.

Dollar imports dropped in value by 12 per cent compared with 1952, reflecting smaller imports of lumber, cotton, and manufactured goods. Tobacco, food and drink imports increased. The trade deficit with dollar countries was £231 million, a striking improvement over 1952's £344 million and 1951's £427 million. Trade with OEEC countries approached balance and this, plus the reduction of the dollar gap, more than offset increased deficits with the sterling area and other non-sterling countries (including eastern Europe and Asiatic countries).

Short-Term Outlook

On the whole, British foreign trade showed some improvement in the year, mainly in the fourth quarter. The trade deficit was reduced and a surplus in the balance of payments achieved for the second consecutive year. Although progress towards equilibrium has not resulted from an overall increase in the value of exports, it is encouraging to note the recent rise in British exports to North America; British authorities are hopeful that this trend will continue. Further relaxation of Australian restrictions announced in December 1953 will mean increased exports, because this is the largest market in the sterling area for United Kingdom goods. Any increase in U.K. exports will depend to a considerable extent on Britain's ability to maintain or improve its competitive position and devote a larger share of industrial production to exporting industries.

The strength of the domestic economy is an important factor and indicators of industrial activity provide some clues to this. Crude steel output is at an all-time high; industrial demand for coal is up; motor vehicle production has increased. Production of certain types of industrial plant and equipment—machine tools, boilers, furnaces, conveyors, elevators—was at a satisfactory level late in the year although production of valves and work trucks lagged. The value of factory buildings under construction reached a two-year high but is still below 1951. Spinning and textile plants are active. Production of sulphuric acid, an indicator for chemical industries, was well up. Most of the rise in general production is attributed to an increase in domestic rather than in export demand.

Industrial activity is closely approaching the 1951 or pre-crisis level. Business leaders for the most part show confidence, except about the U.S. position. The broad relaxation of controls is an incentive to greater enterprise and 1954 should hold promise of a higher level of trade for the United Kingdom.

British Trade: the Export Picture

Gradual easing of import controls in certain traditional markets pushed up exports in '53 and dollar sales rose. But the improvement varied with the product.

R. CAMPBELL SMITH, *Commercial Secretary, London*

AN ANALYSIS of the export trade figures over the last three years reveals that prices and volume tell a different story. For example, a falling-off of four points in average prices last year was offset by a rise of 3 per cent in volume. The volume index of 98·1 in 1953—which was still some distance short of volume exports in 1951 at 101·2—was made possible by a spurt in the final quarter which nearly equalled the peak postwar quarter of January-March, 1952. None the less, the country's achievements in exports, when measured against rising domestic production and the Government's performance targets, have been somewhat disappointing.

United Kingdom Exports

	Value (millions of £)	Index Numbers: Average Value	Index Numbers: Volume
1951	2,614·0	117·3	101·2
1952	2,584·2	123·5	95·0
1953	2,582·0	119·6	98·1

Some of the U.K.'s leading markets: e.g., Australia, New Zealand and Pakistan, imposed severe import restrictions in 1952 which hit exports of British goods such as cars, hardware, textiles, clothing, pottery, glass and paper. As a result, shipments to the sterling area dropped by almost one-fifth between the first and second halves of 1952. Non-sterling markets, particularly South America, Egypt and Finland, were similarly affected.

The gradual easing of import controls in some of these countries was reflected in the improvement in British exports during 1953.

Manufactured Goods Lead

Over 85 per cent of Britain's export trade consists of materials and equipment mainly or wholly manufactured. Volume last year rose 2½ per cent compared with 1952 but was 5 per cent below 1951, showing a slower rate of recovery than the two other groups—food, drink and tobacco, and raw materials.

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U.K. Exports of Manufactured Goods

Index numbers of volume (1950=100)

Period	*Metals and engineering products* *A*	*Textiles* *B*	*Other manufactured goods* *C*	*Total manufactured goods*
1951	99·2	99·2	114·5	102·4
1952	97·9	76·2	105·8	94·7
1953	95·6	83·9	114·8	97·0

The fall in exports of metals and engineering products (Column A) was made up of a 10 per cent decline in machinery, a 3 per cent decline in electrical goods and apparatus, and a 5 per cent decline in cutlery, hardware and implements. The volume of vehicle exports was unchanged; non-ferrous and iron and steel manufactures were up 15 per cent and 2½ per cent respectively. This group as a whole comprised 59 per cent of the manufactured exports last year.

Textiles (Column B) comprised 17 per cent of the volume of all manufactured exports and they rose by 10 per cent compared with 1952, mainly in woollens (14 per cent) and silk and artificial silk (22 per cent).

The other manufactured goods (Column C) rose to the 1951 level, thanks to a 40 per cent increase in refined petroleum shipments.

Raw Materials

The two remaining major classifications—food, drink and tobacco, and raw materials—jointly comprised 12 per cent of export volume. The former nearly reached the 1951 level, and the raw materials volume index (1950=100) jumped to 93·6, compared with 81·9 for 1952 and 66·3 for 1951.

Raw rubber re-exports dropped from the exceptionally high levels of 1951 and 1952, bringing all re-exports down to £105 million, compared with £127 million and £144 million in '51 and '52.

Engineering Exports Rise

The engineering industry provided 22 per cent of all exports in 1952 and 1953. Engineering exports to Canada and the U.S. increased by 20 per cent in each of the last three years, reaching £92 million in 1953. Canada took the lion's share, £55 million (£43 million in 1952); the United States took £36 million (£32 million).

Cars, valued at £11 million (29,000 units), accounted for most of the increase in Canadian imports—(1952: £8 million and 22,000 units). Machinery at £19 million and electrical equipment at £4 million were up. Sales of iron and steel manufactures to both countries were high: Canada £13 million and the United States, £7 million.

A relatively small but nevertheless interesting item was the 100 per cent jump in British bicycle exports to both markets—60,000 units to Canada and 400 thousand to the United States.

Since 1950, Britain's aircraft industry has become a major contributor to engineering products exports. Aircraft and parts shipments in 1953 came to £65 million, or £20 million more than in 1952 and double the 1950 figure.

Ships, Cars, Machinery

Deliveries of ships and boats overseas totalled £39½ million, an improvement over the previous year but 25 per cent below 1951. Shipyard order books have thinned down appreciably and it is doubtful whether the decline in building activity has been only temporarily halted.

Passenger car shipments fell off again last year:

1951	369,000 units	£119 million
1952	310,000 "	£111 "
1953	302,000 "	£104 "

Commercial vehicles lost the ground gained in 1951 and 1952. Agricultural tractors also lost ground at £37 million last year. Motor vehicle spare parts maintained a good level at £39 million.

Machinery sales, at £405 million, were above 1950 and 1951 levels but 4 per cent below 1952. The drop was felt in Australia, New Zealand and India, in other parts of the sterling area, and in Brazil, Turkey, Egypt and the Argentine. Exports to the U.S. and Canada were higher, as we have already noted, as were exports to the Netherlands, France, South Africa and the Middle East. Excavating and earthmoving machinery deliveries doubled over 1950. Machine tool shipments were above 1952, as were business machines exports to the U.S. which have multiplied tenfold since 1950. On the other hand, there was an offsetting drop in agricultural, electrical and textile machinery. Exports of electrical goods and apparatus were 5 per cent below 1952.

In the Textile Field

Textile and clothing exports in 1953, though 10 per cent greater in volume than in 1952, were only up slightly in total value at £383 million. At this level they were still 29 per cent under the figure for 1951. The United Kingdom has suffered the most by the world-wide slump in textiles but all exporting countries were hit except Germany. The easing of import controls resulted in an 11 per cent increase in sales in the second half of the year, mainly to South Africa, Australia and India. United States deliveries also rose.

Textile exports to North America came to £66 million (£56 million in 1952). Canada took £36 million (£27 million in '52), with the increase mainly in wool goods, up £7 million to £24 million, and in cottons, which rose by £1 million. Cotton goods in general were still affected by import restrictions abroad and were down to £133 million from £148 million. Wool goods, on the other hand, were up 13 per cent at £140 million, through increased exports to South Africa, India, Australia and Eire. Shipments of wool tops rose from £25 million in 1952 to £37 million last year, almost to the 1951 level, when wool prices were at their peak. Deliveries to Canada, India, Sweden and China increased.

Other Classifications

The pottery, glass and abrasives group declined further in 1953. Asbestos products were 7 per cent above 1951 because the figures for 1952 were swollen by high prices. Cement was similarly affected by prices and shipments last year were just above 1951.

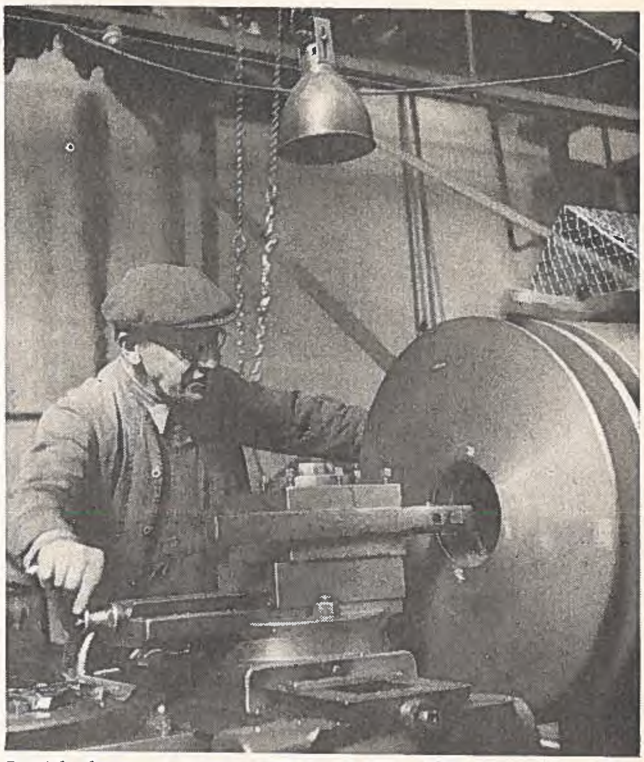
Exports in the chemicals group during the last two years remained below 1951 at £130 million. Sterling area and U.S. sales were primarily responsible for this, though European and Canadian deliveries rose. Plastic materials shipments were high at £16 million and compared favourably with £9 million in 1950.

Food and Raw Materials

Price changes resulted in a drop in refined sugar exports from £34 million in 1952 to £27 million in 1953. The unusually heavy shipments of barley in 1952 (114 thousand tons) were not repeated last year. Manufactured tobacco dropped 13 per cent in volume but higher prices kept earnings the same as in 1952. Vegetable oil deliveries jumped from 4,000 tons to 39,000 tons last year, though in value they increased £1 million to £4 million.

Future of Engineering Exports

A buoyant domestic market has taken the sting out of some of the losses sustained by certain industries in overseas markets. This is particularly true of consumer goods. But it had little bearing on capital equipment, because home investment has not expanded appreciably. Certain sectors of the engineering industry have a healthy export business but many others, whose prices and deliveries have improved, are receiving fewer new orders. A levelling-off in consumer demand abroad has curtailed industrial plant expansion which,



British heavy industry relies on the skill of workers like James Buchanan, 66-year-old turner, as well as on machinery. In 1953, as in 1952, the engineering industry provided 22 per cent of all United Kingdom exports.

in turn, has reduced machinery and equipment purchases. Lower exports of textile machinery and internal combustion engines are undoubtedly a consequence of this trend. In addition, British sales of engineering equipment have been lost to German manufacturers—notably in India, the Middle East and South America. In 1953, some important branches of British industry were still handicapped by shortages of materials.

Removal of Controls May Assist

Britain's export industry as a whole has shown vigour in developing new or difficult markets, the latest being the U.S.S.R. The results of the final quarter last year, which came close to the postwar peak, appear encouraging. More spectacular results are necessary, nevertheless, to improve the U.K.'s balance of payments position and re-accelerate the growth of her gold and dollar reserves.

The Government's policy of rapid elimination of controls over imported raw materials will, it is hoped, assist British industry to improve its competitive position abroad. The effect of recent demands for higher wages in industry, however, has still to be assessed. It will be interesting to see how trade shapes up in the months ahead. ●

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British Trade: the Import Picture

Spending on imports went down by about five per cent in 1953; lower cost of imported raw materials aided British industry. Removal of some import controls late last year had a limited effect.

R. CAMPBELL SMITH, *Commercial Secretary, London.*

DURING 1953, the United Kingdom spent about 5 per cent less on imports than in 1952, and 8 per cent less than in 1951, a record-smashing year. The Import Price Index (average 1952=100) dropped steadily during the year to 85, and the volume of incoming supplies fell only slightly below 1951. The principal changes in imports occurred in the following groups:

		1952	1953	%
		£000,000		
	Decreases:			
Food	Grains and flour	262	239	9
Raw Materials	Non-ferrous ores and scrap	93	65	25
	Raw cotton and waste	128	107	15
	Oil seeds and nuts	405	350	14
	Paper-making materials	111	73	33
	Rubber	103	56	54
Manufactures	Steel and iron and manufactures	125	64	47
	Non-ferrous metals and manufactures	206	168	18
	Machinery and parts	109	93	16
	Textiles and clothing	89	56	60
	Increases:			
Food	Feedstuffs	21	41	95
	Meat	221	263	19
	Dairy produce	146	170	16
	Unrefined sugar	90	117	29
	Tobacco	52	78	50
Raw Materials	Iron ores and scrap	75	82	9
	Raw wool, waste, rags	177	239	35
	Hides and skins (undressed)	41	50	23
Manufactures	Leather and manufactures	13	20	54

Analyzing the Increases

Wheat arrivals in 1953 remained steady at about four million tons but barley arrivals were up 30 per cent, including heavy deliveries from Canada. Canadian flour and wheat bran shipments declined to the 1951 level. Imports of edible oilseed cake and meal doubled and meat, butter, cheese, shell egg and fruit imports rose. The largest increase under the food heading was unrefined sugar, which jumped by 50 per cent to approximately three million tons (£116·9 million) as a result of larger Cuban, B.W.I. and Australian shipments. American tobacco imports (174 million pounds) boosted this year's arrivals by 41 per cent.

The raw materials group showed a greater drop in average import price in 1953 than either food or manufactured goods. The volume of imports is estimated as a tenth more than in 1952 and above 1951, a post-war high.

Iron ore imports were up 15 per cent; so were scrap iron and steel. Softwood lumber rose nearly 50 per cent to 1,453 standards and hardwood by 22 per cent, to 44 million cubic feet. These two items, valued at £140 million, represent over 10 per cent of raw material imports. Canada obtained 20 per cent of this trade (£28 million) compared with 36 per cent in 1952 (£59·5 million). The U.S. had 4½ per cent and 10 per cent respectively. Sweden exceeded her 1951 sales by 13 per cent; Russia recovered hers, but Finland's sales to the U.K. declined by 27 per cent. Declining prices accounted in part for the increased imports of lumber. Wood pulp has fluctuated in price but imports have altered little in four years, either in sources or quantity. Pitprop arrivals fell 45 per cent.

Raw cotton imports went up 25 per cent in volume but were still only half of the 1951-52 norm. Britain came into the wool market in the first half of 1953, buying 63 per cent more than in the second half of 1952. The year's purchases of 828 million pounds were 23 per

Most of the raw wool used by British textile mills in 1953 came from Australia and the Argentine; purchases totalled 828 million pounds, 23 per cent above those for 1952, and prices paid were also up. Majority of the wool buying was in the first half of the year.

cent above those in 1952 and at considerably higher prices. Australia and the Argentine secured most of this business. Imports of cheaper artificial silk waste went up five times.

Incoming crude oil shipments were three times the 1950 level and 10 per cent above 1952, at declining prices. Britain bought 22 per cent less rubber (258 thousand tons) as a result of the decline in re-export trade and the value of rubber imports dropped by 46 per cent.

These details illustrate the extent to which British industry profited from reductions in the cost of raw materials. The effect of world prices on Britain's exports is discussed on page 2.

Manufactured Imports Fall

Including the Canadian gift of £35 million in aircraft, the value of manufactured goods imported reached almost £2 billion last year, 15 per cent below the figure for 1952.

The principal changes are given in the table on page 6. Iron and steel manufactures, at lower prices, dropped 30 per cent in volume. Non-ferrous metals (mainly zinc, aluminum and lead) declined in value by 18 per cent. Arrivals of zinc fell 43 per cent, aluminum 24 per cent, copper 12 per cent, but lead tonnage was up 20 per cent.

The textile group showed a drop of 60 per cent, mainly in cotton piece goods, largely because of reductions in price and in defence requirements. Wool goods came back somewhat but were only two-fifths the volume of 1951. Artificial silk and linen were in much the same case.

Modified defence requirements cut back machine tool imports and, as a consequence, the machinery group fell £16 million in value from the abnormally high figure of £109 million in 1952. Paper and paperboard declined in volume and newsprint declined by 11 per cent, to 254 thousand tons. Plywood shipments were down 45 per cent.

Domestic Production Up

High domestic production accounted for the rise in imports during the last six months. The production index during the first nine months reached 118 (monthly averages: 1948=100) compared with 113 in 1952 and 117 in 1951. Rising textile production (nearly at the high 1951 level) meant increased wool purchases; the expanded steel industry required more iron and manganese ores and increased building activity attracted more lumber.

In comparing last year's imports with 1952, we must remember that the full weight of government restrictions imposed after the 1951 crisis was not felt until the spring of 1952. Imports that year were somewhat higher than the import controls have since permitted. A number of controls were removed last year (see *Foreign Trade*, November 7, 1953) but they had a limited effect on imports, which rose only 5 per cent between the first and second half of the year.

It may be that controls over raw and intermediate materials will be relaxed further during 1954 and imports of these commodities will rise. But prospects for larger purchases of manufactured goods, especially from dollar countries, seem slight.●

The Story of Sterling Rubber

H. LESLIE BROWN, *Director, Information Branch*

EXPORT MARKETS are an extension of the domestic market. If all the wheat and metals and paper which Canada produces could be used within our boundaries, there would be no purpose in seeking export outlets. Many a small industry feels that it has enough scope in Canada and therefore takes no interest in export.

Nevertheless, there are many other factories of moderate size which find good value in sales abroad. They have proved by their own experience that export gives them sales which take up seasonal or other slack. They find too that when production can be expanded beyond normal sales in Canada, unit costs fall. This means that their domestic prices can be lowered and sales at home thus improved. For these manufacturers, export is an essential part of their normal business.

From the time I first went abroad as a Trade Commissioner in 1931, I have found much to interest me in the export story of the Sterling Rubber Company of Guelph. I believe that other small firms can profit in a study of Sterling's export experiences.

Export from the Beginning

The Sterling Rubber Company began business in 1912 with four employees. From that day to this it has manufactured rubber gloves and balloons. Though it produces such a limited range of goods, as early as 1914 it experimented with export. Mr. J. W. Amos, the Sales Manager, states quite simply: "It was the encouragement of sales in the export market in the years 1914 until the outbreak of war in 1939 that built up our volume." Sales, at home and abroad, meant that the number of employees grew to 30 in 1918, to 100 in 1930 and, despite the depression years, to 135 in 1939.

The United Kingdom was the company's first export market. Through the Canadian Trade Commissioner in London an agent was appointed and the first export sale was completed. The export business was steadily built up and extended until, at its peak before the war, the Sterling Rubber Company was exporting 80 per cent of its volume to 50 different countries.

Speaking to the Canadian Exporters' Association on February 5, President S. A. McKay-Smith remarked: "The Canadian economy alone cannot support the industries of Canada and therefore it is of vital importance that we not only maintain, but increase, our export trade . . . This is not a matter that can be solved by our Government alone, but requires the initiative, imagination and courage of not only export managers, but also . . . top management of individual Canadian companies." To encourage would-be exporters, "Foreign Trade" is presenting here the first of a series of reports on the export experience of several Canadian manufacturers. These case histories are drawn from small or moderate-sized companies, which do not possess the financial resources to withstand heavy losses and therefore must sell to advantage or suffer the consequences. We believe that these articles will repay study as examples of Canadian industry at work in the export market.

Trade Commissioners Assist

Through close co-operation with Canadian Trade Commissioners in those countries, by using their on-the-ground experience, sales representatives have always been carefully chosen. The results over the years have been so satisfactory that, in some cases, the agency has been handed down from father to son.

Although Mr. Amos has never been abroad, it is obvious that he has followed foreign affairs with keen interest. He has met some of the agents when they have visited Canada and he knows them all by correspondence. He spoke of what an interesting book could be written about the adventures of their agent in Spain during the civil war, about those of Mr. Audit in Lodz during the German invasion, of Meinhartt in Norway, and of the dreadful experiences of agents in Malaya, Hong Kong and Japan. Through his export sales, Mr. Amos is in touch with the world.

Asked for additional details on selling abroad, he outlined the basic procedure his firm follows: "Samples are always a great help. Naturally the agent is encouraged by receiving as large a commission as possible. So far as credit terms are concerned, we always ask the agent for his ideas because he knows the practice in that particular country."

There are some markets which do not change their ideas of the goods they want. To do business, they have to be supplied with what they want. "We recently had this experience in a South American country where they insist on a black glove. It is necessary, if one wants to do business in a special market, to supply just what the buyer has been accustomed to using over the years".

Export Today

But what of today, a time of restrictions and dollar shortages? The reply was direct—"In spite of lack of dollars and import restrictions, we still export regularly to sixteen different countries; recent orders include one for 36,000 pairs of gloves from one customer and for 115 thousand from another." True, the proportion of business in export has declined because of trading difficulties. But it has also declined proportionately because there has been a good increase in the domestic market. Nevertheless, there is the "cushion" of export to a number of markets which keeps production at economic levels. Even today 20 per cent of sales go to foreign markets and that is business well worth care and cultivation.

Past Problems

About 1932, when Sterling realized that the volume of sales in the domestic market would be seriously curtailed, the company decided to seek connections and outlets in foreign markets where they were not already established. Accordingly they got in touch with the Trade Commissioners in all the countries that might be interested in their products and particularly in surgeons' gloves.

A general survey of the various territories was made, including the approximate volume that might be expected and the prices they would have to meet. "That was all very helpful but it would have been of little use to us without the proper representatives, whom we consider to be the important factor in any transaction. Here again, the Trade Commissioners did a wonderful job for us. Some of those chosen still consider themselves to be our agents and are only awaiting the time when 'a thing called money' will no longer be a barrier and business can be resumed on a normal basis."

In some cases, the original representative chosen to handle the line proved inadequate and had to be replaced. "However, the initiative did not come from us but from the Trade Commissioner, who kept these men under observation and if they were not doing as well as he thought they should, there was no hesitation in recommending another agent. In all cases the change was for the better and, as a result, by 1939 our export shipments developed into a very substantial part of our production."

The company has consistently produced by the dipping process and has concentrated on better-grade seamless gloves for hospitals and surgeons, industry and the home. In the early years it used only rubber but has kept pace with new developments by also using synthetic rubber or neoprene.

Quality of Product

The making of first-grade rubber gloves for surgeons has meant close inspection. Quality has always been stressed. This maintenance of standards has had two interesting results. Over the years Sterling rubber gloves have become well known for high quality to the point where some overseas governments, when issuing tenders for gloves, even mark the tenders to call for "equal to Sterling quality".

To maintain high standards of quality, some gloves are rejected because of small defects which do not reduce the usefulness of the product. These substandard gloves have always found a ready market in countries where price is the first consideration.

The Future

Certainly conditions today are not as good as before the war, in the sense that a number of markets are temporarily limited or even closed. That does not mean that export is gone. Even in the best years, there were fluctuations. At times this or that country was having its troubles and sales fell off. But that happens here in Canada.

"We shall always maintain and even improve our quality," Mr. Amos said to me in parting, "because our business is quality production. So far as exports are concerned, we shall continue to be highly interested and press for all we can get, because it helps when business slows down in Canada and because it gives us more production to help keep down our unit cost."

Exhibit from Indonesia

Among the new exhibitors at the Canadian International Trade Fair in Toronto, May 31-June 11, will be Indonesia. The Indonesian exhibit, in the Institutional and Prestige Section, will include many of the products which Canada buys from that country—indispensables like pepper, spices, black tea, tapioca, nutmegs, rubber, and tobacco. Certain to draw the visitors' attention will be the display of Indonesian handicrafts and artwork and the famous batiks, hand-painted and printed. Last year, Canada's imports from Indonesia totalled about $598 thousand with rubber in the lead, followed by tea and cigar leaf. Canadian exports to Indonesia reached nearly $2 million, with trucks and cars bulking large.

general notes

Australia

TRADE TALKS WITH JAPAN—During the coming trade talks with Australia, the Japanese Government is expected to ask for a substantial improvement in the present balance of trade with that country. Japan's exports to Australia are almost negligible because of the Australian restrictions against Japanese goods. For the period January-November 1953, they were valued at £3,325,000, compared with £71,875,000 for imports from Australia—Sydney, April 5.

SEARCH FOR OIL—An American oil company will start drilling for oil at Maryborough, Queensland, about 300 miles north of Brisbane. This company has a 5,700-square-mile concession along the Mary River, where the geological structure is similar to the Los Angeles oilfields basin. Drilling will take place on land first, because of the high cost of drilling under water. If this proves successful, drilling will also be undertaken off the coast—Sydney, April 10.

Chile

ALUMINUM PLANT—A new plant for the manufacture of aluminum was opened at the end of March under the direction of the largest national copper enterprise in Chile. It is reported that the plant will be able to supply home requirements which, at the moment, are about 2,200 tons a year. Aluminum paper and all kinds of sheets for construction and other purposes will be produced. This new industry, which uses U.S. machinery, will mean an annual foreign exchange saving of approximately US$2 million—Santiago, April 2.

AGRICULTURAL MACHINERY AND EQUIPMENT—The vice-president of the Chilean Development Corporation has notified the Minister of Agriculture that the Corporation proposes to make a survey in the agricultural areas of the country where new agricultural machinery and equipment are urgently required. Imports will be effected through firms established in Italy, Germany, Canada, Britain and the United States. The orders will also include machinery and parts for the new beet-root factory in the south. Distribution will be made through the Chilean Development Corporation—Santiago, March 16.

Denmark

FISH PLANT FOR THE FAROES—It is reported that, with the help of Danish Government funds, a fish refrigeration and salting plant is to be erected at Thorshavn, capital of the Faroe Isles. This will be the first plant of its kind in the Islands and will have modern equipment. The total cost is estimated at D.Kr.700 thousand—Oslo, April 12.

Egypt

OIL EXPLORATION—An agreement has recently been signed in Cairo between the Egyptian Government and a New York petroleum company, granting the company exclusive oil exploration and development rights in the Western Desert for the next thirty years. The agreement covers an area of 185 thousand square kilometres. The company has agreed to spend a minimum of $8 million on exploration within the first six years. This is the first major foreign investment in Egypt in some time and the announcement was greeted with enthusiasm in business quarters—Cairo, April 2.

Greece

CANADIAN AID—The second cargo dispatched by the Canadian Government Earthquake Aid Program to the population of the Ionian Islands arrived at the Port of Piraeus on March 9th. It consisted of 702,528 lb. of corrugated aluminum roofing sheets and was part of an aid-in-kind grant totalling half a million dollars. The Canadian Ambassador and the Commercial Secretary joined Greek Government officials in a simple ceremony aboard the ship when the cargo was turned over to the Minister of Restoration, representing the Greek Government. The Minister in his address expressed the gratitude of the Greeks for Canada's repeated aid whenever Greece was in distress—Athens, March 16.

Indonesia

OVERSEAS BUYING COMMISSIONS ABOLISHED—By order of the Minister of Economic Affairs dated February 19th, all facilities regarding overseas buying commissions have been rescinded. Effective that date, commissions may no longer be calculated on overseas purchases. The former regulations allowed a certain commission in foreign currency on imports from abroad. This meant that, with an annual import of Rp. 6 milliard and an average commission of 2 per cent, a total of Rp. 120 million would have to be paid out in such commissions. These commissions have been abolished because of Indonesia's foreign exchange position and the fact that the import market has become more and more a buyers' market. Measures will be considered for granting facilities to national importers—by means of L.A.A.P.L.N. regulations—to obtain necessary foreign exchange for agencies abroad—Djakarta, March 18.

FLOUR IMPORTS—According to circular No. 7 issued by the Indonesian Central Import Office, all imports of flour must be carried out on the basis of the International Wheat Agreement (IWA) as from February 11th. Indonesia's IWA quota is equivalent to 135 thousand short tons of flour for 1954. Indonesia has planned to import as much as last year—150 thousand short tons—a difference of 15,000 short tons. According to available information, almost all of the 15,000 short tons of flour which have to be obtained outside the IWA have already been imported—Djakarta, March 18.

Jamaica

ADVISER ON STANDARDS—The Secretary of State for the Colonies has recently appointed an Adviser on Standards for Jamaica for a two-year term, to be paid from Colonial Development and Welfare funds. He will assist the Government in the establishment of standards for food products and of an inspectorate to enforce them, advise manufacturers on how to improve their products and achieve desirable standards, and examine the problems of developing new products and setting-up a research service—Kingston, April 5.

Japan

NEW PROCESS FOR STITCHING NYLON—Japanese technicians have succeeded in sewing nylon by an electric high-frequency process which entirely eliminates seams. Practical application of the technique would make possible seamless nylon shirts which would wash free of wrinkles—Tokyo, April 1.

New Zealand

BALANCE OF PAYMENTS FAVOURABLE—New Zealand closed the 1953 books with a surplus of £26,169,000, after wiping out the 1952 deficit of £23,411,000. Receipts were £266,318 million and expenditures £240,149 million—Wellington, April 9.

Rhodesia and Nyasaland Federation

FEDERAL CAPITAL RECOMMENDED—Salisbury has been proposed by the Parliamentary Select Committee as the capital city for the federating Colonies of Nyasaland, Northern Rhodesia and Southern Rhodesia. Sites in Lusaka and Livingstone in Northern Rhodesia and Salisbury in Southern Rhodesia were inspected, and representations from other localities were heard before a recommendation was tabled in favour of Salisbury as the capital for the new Federation—Johannesburg, March 23.

South Africa

RETAIL TRADE BRISK—Retail trade in South Africa was generally brisk during 1953; indices for January-October show a slight increase over 1952 for four out of five large centres. The only decrease was in Cape Town and it was a negligible one—9·98 to 9·95. Preliminary indications are that final indices for 1953 will show an improvement over the previous year—Cape Town, March 19.

United Kingdom

GROSS NATIONAL PRODUCT—The United Kingdom Treasury has just released preliminary estimates of the national income in 1953. The gross national product increased by £1,071 million, or about 8 per cent over 1952. It is estimated that about half this increase came from higher prices, so that in real terms there was an increase of about 4 per cent over 1952. The most striking aspect of the figures was the increase in personal savings. Personal savings rose from £285 million in 1951 to £776 million in 1952, and again in 1953 increased to £928 million. The Treasury statement suggests that this shows a significant change in national savings habits and that the rate of saving by individuals in the United Kingdom may now be about the same as in the United States—London, April 2.

United States

WEATHER DELAYS HOUSING STARTS—Because of an unusually severe January, housing starts in that month went below 1953, and considerably below the last four years' average. Total starts in January of this year were only 66,000 units, compared with 72,100 in January 1953 and an average of about 75,000 over the last four years. Total housing starts in 1953 were below the previous year and also below the previous three years' average—some 1,104,000 units as compared with 1,127,000 in 1952 and 1,205,000 for the previous three years' average—Washington, April 19.

South American Markets . . .

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

IF THE WEATHER in the late potato zone (Rosario) remains favourable, especially during the next few weeks of the critical flowering stage, it is possible that Argentina will set a new record this year for total potato production. In any event a considerable increase is expected over last year's output which has been officially estimated at 1·375 million metric tons. The present record was established in 1951 with 1,558,550 tons; the 1945-53 average is 1·6 million tons.

Bumper Crops Expected

The only official estimate of production available so far is for the early crop which, at 28,970 tons, is 3 per cent higher than the previous year. The semi-early crop has also been harvested and is unofficially estimated as noticeably higher than last year's 258 thousand tons. Harvest of the semi-late crop, which accounts for approximately three-quarters of the total production, is just beginning. In the province of Buenos Aires, which usually raises 80 per cent of this crop, acreage is reportedly 10 per cent higher this year than last. Except for some dry weather in February, growing conditions have been good. If present prospects hold, it seems probable that Argentina will have this year a considerable surplus of potatoes above domestic requirements. Evidence of such a surplus is already apparent in declining prices, the establishment of an export quota of 36,000 tons, and a regulation effective March 15 forbidding the sale of domestic consumption of potatoes weighing less than 80 grams (2·8 ounces) or more than 500 grams (17·6 ounces).

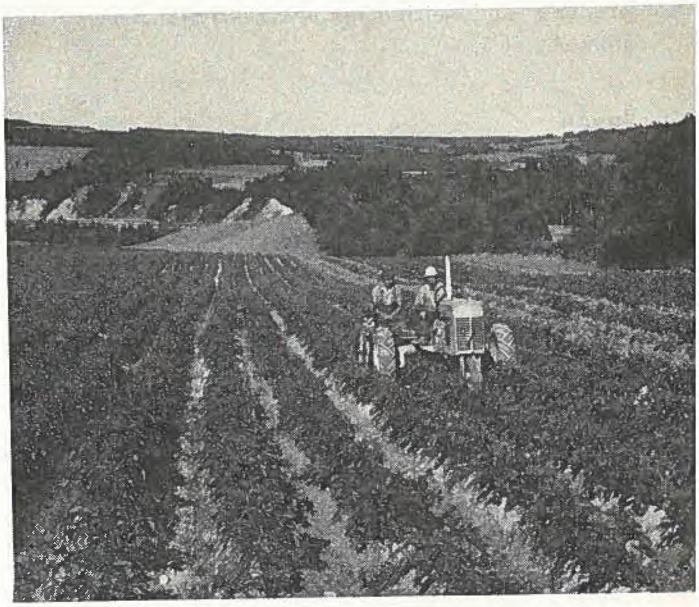
Prices Fluctuate

Wholesale potato prices in Buenos Aires, as those of many other consumer articles, were exceptionally high in January 1953 (approximately 8·5 pesos per 10 kilos). With a good crop and a strong anti-inflationary official policy, potato prices declined seasonally until June. A temporary shortage developed in August and the price climbed almost to its January peak. Imports of 10,000 tons from Europe and the advent of the early crop quickly reduced prices to approximately five pesos in December. The large semi-early crop and the good prospects for the later crops lowered prices still further. In January they averaged a little over 3·5 pesos and are currently 4 pesos wholesale and about 2·5 pesos on the farm. Certified Argentine seed last October sold for between 7·50 and 9·50 pesos. Imported seed reportedly sold at about 9·0 pesos.

Imports from Canada High

In spite of the fact that total potato production last year was officially estimated at 1·375 million tons, or considerably above normal domestic requirements, Argentina had to import approximately 10,000 tons of table stock potatoes in October. These potatoes were purchased from Denmark at a price privately estimated to be approximately US$3.00 per 100 lb., c. & f., Buenos Aires. Because of Argentina's policy of buying only the most essential goods from the dollar area, only the Netherlands and Denmark were designated as potential sources.

After importing less than 22,000 sacks of seed potatoes in 1952 and none in 1951, Argentina in 1953 again became a major importer of seed. A total of more than 269 thousand 50-kilo crates or sacks entered the country. More than 90 per cent of these came from Canada, 20,000 from the United States, and the remainder from Denmark as part of the 1952 order.



. . . for Canadian Seed Potatoes

Last year, Argentina again became major importer of seed potatoes with 90 per cent coming from Canada, but prospects this year are for much smaller purchases. In Uruguay, imports will depend on price and on available foreign exchange; may fall below last year's.

The Canadian exports in 1953, which consisted of 11,000 tons of Katahdin, 1,000 tons of White Rose, 200 tons of Sebago and 50 tons of Sequoia, totalled more than those of all years 1947-52 and represented (as far as is known) the largest percentage of Canadian seed potatoes which Argentina has ever imported.

With very minor exceptions, all shipments of the Canadian seed arrived in Argentina in good condition. Development of this seed reportedly has been satisfactory although there have been comments that parts of the early shipments suffered from immaturity and developed slowly after planting. The sanitary condition of the Canadian seed both on arrival and during growth was very satisfactory. The yield is expected to be normal, but not as good as first anticipated because of a dry February.

Sales Prospects for 1954

The agricultural authorities in Argentina are fairly firmly convinced that, from a technical and scientific standpoint, it would be to their advantage to import reasonable quantities of seed potatoes each year. Canada has an excellent reputation in Argentina as a source of high-quality seed. However, Argentina's foreign trade policy is basically a "barter" or "buy from those who buy from us" policy. Because most surplus Argentine products find a market outside the dollar area, Argentina is chronically short of dollars and uses them to import only essential articles which are unobtainable elsewhere.

This year, reproduction of last year's large quantities of imported seed will supply sufficient first multiplication seed to satisfy all Argentina's seed potato requirements with relatively high-quality seed. This fact makes it difficult to establish the essentiality of seed potato imports this year. This year's high, possibly record, production will mean low potato prices and hence a resistance to high-priced imported seed; it will mean too that an abundance of domestically produced certified seed will be looking for a market. These factors make it difficult to establish the economic and political desirability of importing seed potatoes this year.

On the other hand, Argentina's holdings of gold and foreign exchange increased by 300 per cent during 1953 and if she can sell her surpluses of meat, hides, wool, grains, etc., at reasonable prices, she should be able to maintain her improved balance and permit some relaxation of import restrictions on certain essential items. Whether or not seed potatoes will be included among the favoured articles is difficult to predict. However, in view of the many other pressing requirements, it seems likely that if exchange is granted for seed potatoes this year, imports will be restricted to one-third or one-half of last year's level.

I.A.P.I. Is Buyer

Should Argentina import seed potatoes this year, the business will be handled as usual by I.A.P.I. (Argentine Trade Promotion Institute) on a call for tenders. Last year the tenders were called for August 18th and shipments arrived from Saint John, N.B., between October 23 and November 26.

Although quotations were requested last year for both bagged and crated potatoes, all awards were for the crated product. The producers' familiarity with and acceptance of the wooden crate make the officials reluctant to switch to bags. As Argentina has no particular interest in small-size seed, she normally requests the two grades packed together.

The potato situation in Uruguay at present is somewhat brighter than for the past two years but the country will still be short of both seed and table stock potatoes. Last year excessive rain in January and February caused heavy losses to early plantings of the imported seed and a reduction in the area seeded. Thus the summer crop was not successful. Weather has been good this year in all important sections of the potato-growing area. The plants generally have made excellent growth and are particularly healthy. However, a moderate rainfall is needed shortly to ensure the crop that now seems possible. This summer crop, planted in January and February, consists mainly of newly imported Canadian seed (used to produce seed for the winter crop) and second, third and fourth generation Canadian seed and other imported seed usually of the Up-to-Date variety (used to produce table stock). The winter crop, planted during August-October, is mainly for table stock although some seed is produced for the next summer crop.

Good Demand for Canadian Stock

Uruguay regularly imports both seed and table stock potatoes. In prewar years Argentina supplied most of her requirements. However, in recent years table stock and some seed have been imported, mainly from European countries. Canada has supplied the bulk of certified seed for the production of seed for future plantings. During the past five years imports of table stock have fluctuated between 13,000 and 48,000 metric tons. Imports of European seed for single planting range from 1,500-4,000 tons and imports of Canadian seed (according to Canadian statistics) have averaged approximately 7,400 tons (271 thousand bushels) during the past five years. In 1953 this figure reached 8,750 tons (322 thousand bushels). Thus Uruguay has, for the past few years, provided one of the largest and most reliable outlets for Canadian certified seed potatoes.

Sales Prospects for 1954

Uruguay is expected to import seed potatoes again this fall but probably in smaller quantities than last year. Actual imports will depend on the availability of foreign exchange and the price of seed potatoes. With wool exports to North America proceeding very slowly this year, dollar exchange is likely to be scarce. In any event, seed potato imports are expected to be down by at least 25,000 bags from last year's imports (Canadian) of 175 thousand 50-kilo sacks.

Prices of Canadian seed to the Uruguayan producer last year were one-third below the previous year. This more attractive price, plus good weather at planting time, allowed the increased quantity of seed to be sold without difficulty. Furthermore, the National Food Council has recently raised the ceiling price of table potatoes from ·19 pesos to ·21 pesos per kilo. As usual, seed prices will be an important factor in determining the quantity to be imported.

Katahdin Most Popular

The Katahdin remains the most popular variety for Uruguay and the Pontiac is still favoured in some areas. However, the popularity of the Kennebec seems to be growing. In the original call for tenders in 1952 only 10,000 bags out of a total of 170 thousand were Kennebec, whereas in 1953 20,000 out of 160 thousand were requested. When the 1953 order was later increased, total Kennebec shipments exceeded 28,000 bags. This increased popularity is expected at least to be maintained this year.

Last year for the first time Uruguay purchased both small and large-size seed packed together in each bag. This method was administratively superior to the previous practice of keeping the B size separate. For this reason future imports are also expected to be on the basis of all sizes in each bag.

Seed potato imports will, as usual, be handled by the Official Seed Service on a call for tenders. The date for the submission of tenders is normally during the first week in September. Because all conditions set by the call for tenders must be met precisely for the bid to be considered, it is preferable that each tender be submitted through a local representative to ensure that it meets all legal and technical specifications.

Argentina is expected to have an exportable surplus of potatoes this year and therefore Uruguay will probably obtain as much as possible of her table stock requirements from this source. These requirements are currently estimated at about 20,000 tons, approximately one-half those of last year.

Rural Report

Canada's farms saw many changes in the ten years between 1941 and 1951, to judge by data collected in a recent Department of Agriculture study. For example, farmers have been making increasing use of machinery; in 1951, they had 2½ as many trucks and tractors and five times as many grain combines as in 1941. In the seven years from 1944 to 1951, the number of farm customers furnished with electricity jumped from 117 thousand to 336 thousand. Sales of fertilizers have been rising over the years; in 1927, Canadian farmers used about 170 thousand tons; in 1952, the figure was 769 thousand tons. Purchases of feed and seed now constitute a larger proportion of farm expenses—22·1 per cent in 1950, compared with only 10·3 per cent in 1926.

In the decade between 1941 and 1951, the number of farms dropped from 733 thousand in 1941 to 623 thousand in 1951. Average size of a farm today, the researchers discovered, is 279 acres.

Forward Steps in the Sterling Area

Recently the British Treasury announced the re-opening of the London gold market and the extension of the sterling transferable area. What effect will these moves have on the trading world?

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

TWO IMPORTANT STEPS relating to the sterling area have just been announced by the United Kingdom Treasury. They are:

- The opening of the London gold market after an interval of 15 years.

- An extension of the sterling transferable area.

The last year and a half has witnessed the re-opening of a number of the London commodity markets. Trading in lead, copper and zinc was resumed in 1953 and the decision to open the gold market adds one other important commodity to this list.

Gold Market Re-opened

In prewar days, London was the leading gold market in the world and the new arrangements are aimed at restoring London to its position as an international centre. Doubtless competition will be strong from other international markets, but it may be assumed that the volume of business transacted in London will increase, thereby adding to the United Kingdom's invisible earnings. By offering a further use for sterling, this move makes the pound a more desirable currency and should enhance its prestige as a medium of exchange.

Sterling Transferable Area Extended

The extension of the sterling transferable area means that from the point of view of the British exchange control, the world is to be divided into three main areas. These are:

- The sterling area (the Commonwealth countries, except Canada, and a few former British territories).

- The dollar area (Canada, the United States, and Latin American States in Central America and the northern part of the South American continent).

- The transferable account area (all non-sterling areas outside the dollar area with the current exception of Hungary, Turkey and Persia).

Other Concessions Made

Under the transferable account system it has been permissible for participating countries to use sterling for financing direct transactions between one another without permission of the British exchange control. (Capital transfers were not included.) The effect of the recent decision is to extend transferable account facilities to all non-sterling countries outside the dollar area. With this extension go certain other concessions. Henceforth transferable account countries are not compelled to accept sterling from other transferable account countries in settlement of differences between them. Second, the automatic transferability is no longer confined to current transactions—it will be permissible for capital account deals as well. A further concession allows countries using sterling in the settlement of their trading accounts to employ whatever exchange rate they wish. Previously they were bound theoretically to observe the official rate.

Effect on Canadian Trade

The barrier between transferable accounts and dollar accounts still remains. In other words, countries coming into possession of "transferable account" sterling will not be able to convert this into dollars or into American account sterling, which is the same thing. The step is nevertheless in the right direction and is expected to bring a number of advantages to British and other sterling area traders. It will definitely simplify the exchange and customs procedures which have often been involved in the past when overseas orders have been accepted. By making sterling a more "facile" currency, it should increase its value and thereby its use. The use of sterling in its turn brings income to London and hence adds to the earning capacity of the United Kingdom.●

"Infrastructure" and Canadian Industry

For 1954, NATO has approved the spending of £90 million on the common infrastructure program. This explanation of the how and why of infrastructure may help Canadian companies seeking a share of these contracts.

E. C. THORNE, *Chief, Machinery and Metals Division*

MOST CANADIANS are familiar with the word NATO, the abbreviation for North Atlantic Treaty Organization in common use. Few are familiar with or understand the term "infrastructure". This unfamiliarity needs to be removed because continued lack of interest in infrastructure programs on the part of Canadian industry may result in the loss of business for Canadian engineering know-how and for Canadian manufacturers.

Infrastructure is a French railroading term used to describe the equipment required to operate a railroad in addition to the rails and rolling stock. The term was adopted by NATO as a general one applying to fixed installations needed for the effective operation of military forces. The term includes both facilities which are not specifically military, such as roads and ports, and those which are purely military, such as headquarters, airfields, signals communication facilities, troop accommodation, etc.

Two Types within NATO

In NATO, infrastructure is described either as "national" infrastructure or as "NATO common" infrastructure, depending on how it is financed. National infrastructure facilities are those required primarily or solely for the use of national forces and constructed at the expense of the nation concerned. The main military construction programs of all NATO nations fall within this category.

NATO common infrastructure facilities are those required in addition to installations normally provided by individual countries for their own forces and which have been approved for common financing by the North Atlantic Council. They are constructed for use of the several forces assigned to, or earmarked for, NATO's Supreme Commanders (land and sea), such as signals communications, or for assignments by the Supreme Commanders to the forces of one or more NATO nations, such as airfields. All the NATO nations share the cost of these common infrastructure facilities according to an agreed percentage contribution or cost-sharing formula.

Most of the common infrastructure projects are being built for the use of the forces assigned to Supreme Allied Commander, Europe, and are therefore located for the most part in Continental Europe. In Canada all defence installations would qualify as national infrastructure; no NATO common infrastructure installations have yet been located here.

The NATO common infrastructure program represents a significant development in international co-operation. Member nations have pledged approximately $1·9 billion for the cost of common infrastructure projects to be constructed by the end of 1957; Canada has agreed to contribute approximately $116 million of this amount. It should be pointed out, however, that the total cost of the program, large as it may seem, represents only a small fraction of the total cost of the efforts of member countries for NATO common defence.

How Program Originated

The common infrastructure program originated under the Brussels Treaty Organization, with the five members of the Western Union Defence Organization contributing collectively to the construction of airfields. This program has since become known as the "First Slice" of NATO common infrastructure, although the other NATO countries have not shared the costs. At the Ottawa meeting of the North Atlantic Council in September 1951, NATO in effect took over the Western Union airfields program and agreed to the financing of the "Second Slice" of common infrastructure, which included airfields and signals communications facilities. Agreement on the financing of the "Third Slice" was reached in Lisbon in February 1952 and on the first and second portions of the "Fourth Slice" at Paris in December 1952 and April 1953. Each succeeding "Slice" of the program has been developed to dovetail with its predecessor and to permit future additions and extensions.

Sharing the Costs

In April 1953, to eliminate the practice of negotiating a cost-sharing formula for each "Slice" and to facilitate both financial planning by member governments and military planning by NATO military authorities, the NATO Council adopted a long-term cost-sharing formula for application to the additional "Slices" in

1954, 1955 and 1956. The contributions of member countries are, of course, subject to whatever legislative action is appropriate in each member nation to provide the required funds.

The NATO military authorities are responsible for recommending to the NATO Council for its approval infrastructure projects for common financing. The North Atlantic Council and its infrastructure committee, before approving projects, have to ensure that they are eligible for common financing—that is, that they are not projects which should be financed out of national funds.

Supervising the Projects

They must also ensure that the projects recommended meet the military requirements efficiently and economically and make full use of national facilities. The actual construction of the common infrastructure facilities is the responsibility of the countries in which they are located, which are known as "host countries". Once commitment authority has been granted, the host country can go ahead with construction. For each quarter of the calendar year the host country submits estimates of the expenditures it expects to make during that period. The Payments and Progress Committee examines the estimates and, when it has approved them, requests each country to pay its share directly to the host country. There is no NATO common infrastructure fund or bank account.

It is an established principle that the execution of infrastructure projects is the responsibility of the countries in which they are located—in other words, the host countries. However, in view of the common financing and common use of the facilities, the North Atlantic Council and the NATO Military Commanders have a direct interest in the execution of the programs. To ensure that projects are executed within the financial appropriations approved for them and to promote sound engineering practices, the NATO countries have introduced a procedure for reviewing programs before approval and for a measure of budgetary control during execution. This control is exercised by the International Staff, reinforced by a group of qualified civil engineers and by the Infrastructure Committees of the North Atlantic Council.

The budgetary control requires that host nations, before they commit funds on any infrastructure projects, must obtain authorization from the Infrastructure Payments and Progress Committee of the Council, and from the Council itself. By following in detail the rate of expenditure and method of construction in each country, the International Staff, augmented by specialists in each field of construction, is able to foresee any possibility of cost increases and to recommend ways and means of effecting economies. Along these lines the Committees of the Council, the International Staff, the Military Authority and host nations work in harmony both to avoid waste of time and to obtain full value for the money commonly contributed by NATO nations.

Program for 1954

The North Atlantic Council has approved a £90 million Infrastructure Program for 1954 to provide the NATO defence system with additional airfields, jet fuel pipelines and storage facilities, communications networks, and naval facilities, including radio aids to navigation. A total of £540 million has thus far been designated to specific projects for the NATO Infrastructure Program, which is designed to furnish the basic permanent installations to support NATO's armed forces. About half of the 1954 infrastructure appropriation will be devoted to the completion of the jet fuel pipelines and fuel storage system for the airfields that NATO has been constructing over the past three years. The new program also includes a number of storage bases in the Mediterranean. It makes provision for a further expansion of telecommunication facilities already under construction in earlier programs, particularly in the Mediterranean area. The projected navigation aids will be established in the Eastern Atlantic. When completed, they will be of great peacetime assistance to merchant shipping and civil aviation.

Opportunities for Canadian Industry

All of this information has been made available by the Department of External Affairs through its monthly bulletin and in press releases. In addition, a number of Canadian companies have been given the opportunity to quote on projects up to and including the "Fourth Slice". However, the response to the efforts on the part of the Department of Trade and Commerce—which has gone to some lengths to ensure that Canadian firms have every opportunity to participate in the infrastructure program—has been very disappointing.

To keep up to date on infrastructure developments, the Canadian Government has a Canadian Delegation in the NATO organization in Paris. Its function is to watch Canadian interests. Through this Delegation, the Department of Trade and Commerce in Ottawa receives information on various projects, some of which are in the planning stage, and on the procedure for international competitive bidding. The Department of Trade and Commerce, in turn, is required to issue certificates of eligibility for any Canadian firms to which it has submitted tenders received from our NATO Delegation.

Difficulties in Path

Infrastructure probably offers to Canadian industry a great opportunity for participation. But, without collaboration among Canadian manufacturers, there are bound to be major obstacles in the way. It may well be that Canadian firms are reluctant to tender on these projects because of the feeling that such factors as the transport of heavy equipment from so great a distance make actual Canadian participation difficult. To a certain extent the same considerations influence United States firms, and it is worth noting that American firms have overcome these difficulties and have been awarded contracts. Some Canadian firms may also be at a disadvantage in quoting because of higher wage levels and, perhaps, inexperience in dealing with export inquiries of this kind. Nevertheless, Canadian companies might be well advised to raise their sights a little and look for job opportunities outside of Canada.

How to Proceed

Canadian companies intending to interest themselves in infrastructure must be willing to appoint agents in the host countries. They must also familiarize themselves with the sites involved and be prepared to procure necessary material and labour for an all-inclusive contract. Many manufacturers are apparently not fully aware of the valuable services rendered by Canadian Trade Commissioners, who will be glad to recommend to intending Canadian exporters the names of responsible persons to act as agents or buyers and distributors. Furthermore, exporters requiring more specific information may write to the Trade Commissioners in the territory concerned. These Trade Commissioners are always glad to receive visitors from Canada and to introduce them to possible buyers or agents.

A Canadian firm deciding to go after infrastructure contracts or to enter export markets in general should first obtain as much information as possible from the Foreign Trade Service, Department of Trade and Commerce, Ottawa. Exporters should also secure a listing in the Department's confidential *Exporters' Directory*, an up-to-date copy of which is maintained in the office of every Canadian Trade Commissioner abroad. This Directory furnishes the Trade Commissioner with first-hand information on Canadian exporters and enables him to give immediate and direct assistance to any listed Canadian firms which write to him.

There are, without doubt, difficulties in the way of Canadian firms who wish to participate in the infrastructure program. For this reason, the Foreign Trade Service of the Department of Trade and Commerce in Ottawa will continue to undertake the all-important job of co-ordinating the efforts of Canadian representatives in NATO countries and the NATO Organization in Paris, as well as acting as a liaison between the Department of Trade and Commerce and Canadian industry. But if it is to do this effectively, the Department must have as much information as possible placed at its disposal by Canadian industry. ●

Tin Agreement Studied

FROM MARCH 1st to JUNE 30th Canada, with other member governments of the International Tin Study Group, will give careful consideration to the proposed Tin Agreement drafted at Geneva early in December 1953. Several countries have already said that they intend to support this Agreement, designed to stabilize prices and to prevent depressed conditions in the tin industry.

The United States, which alone accounts for 40-50 per cent of world tin consumption, has officially informed other governments interested in tin that it will not sign the Agreement. The State Department announcement, however, indicated that the United States would not prevent the Agreement from becoming effective nor object to other countries participating in it.

The Tin Agreement now awaiting signature by interested countries is the culmination of a long series of discussions and meetings held by the Tin Study Group and its Working Parties. From its inception in April 1947, the Study Group has kept world production and consumption under constant review. In addition, under its terms of reference, it drafted in June 1948 the framework of an Agreement conforming to the general spirit and principles of the charter of the International Trade Organization. This draft and subsequent redrafts met with very little success. Both producing and consuming countries found it impossible to reach agreement on such important issues as the price range, the size, role and financing of the buffer stock, etc.

The impasse on a Tin Agreement continued until it appeared that burdensome surpluses would develop when U.S. stockpile purchases ended. Consequently, at Geneva in December of last year most producers and consumers were able to settle their differences about the form which an Agreement should take. It provides for a price range from 80 cents to $1.10 a pound U.S. currency, a buffer stock of 25,000 tons to which the producers will contribute only to the extent of 75 per cent in metal and 25 per cent in cash, and for the establishment of export controls when buffer stocks have reached 10,000 tons or when decreed necessary by the Tin Council. In addition, authority is given to the buffer stock manager to buy and sell tin within the limits of 90 cents and $1.00 a pound. Apart from stabilizing prices, this Agreement, if ratified, is expected to stabilize as well the economies of the producing countries, most of which depend upon one or two commodities to maintain employment.

A. M. TEDFORD,
Machinery and Metals Division.

Promoting Canada at the B.I.F.

When the British Industries Fair opens in London and in Birmingham next week, the official Canadian exhibits will focus attention on our trade with Britain and on British investment in Canadian development.

O. MARY HILL, *Editor, "Foreign Trade"*

FOR BRITISH INDUSTRY and for thousands of businessmen from other countries, Maytime is Fair time. Since 1915, when the first British Industries Fair opened its doors on a wartime world, May has brought successive versions of the B.I.F., except for a seven-year interlude from 1940-1947. The 1954 B.I.F., which begins in London and Birmingham on May 3 and will run until May 14, holds fast to the expressed purpose: "To project British industry on the world and be a pageant of the best in British industry".

The first British Industries Fair, held in the Royal Agricultural Hall in London in May 1915, was organized to fill a war-born need. The disappearance of German and Austrian-made goods had left gaps in the market—gaps which, the British Government felt, British and Empire manufacturers could fill. The goods displayed were divided into five categories, with the emphasis on consumer goods. About 17,000 visitors came to see that first Fair and it drew 300 foreign buyers, including 13 from Canada.

Growing Up

Since those days, the B.I.F. has undergone a transformation both in character and in size. One of the major changes came in 1920, when the Birmingham Chamber of Commerce became responsible for organizing the Birmingham section of the Fair. This section now displays, at Castle Bromwich on the outskirts of the city, products of the main metal and engineering industries. The other two sections are in London—one at Earls Court and one at Olympia—and the three sections together cover over a million square feet and run the gamut of British manufacturing.

In a sense, the B.I.F. is not an international Fair, because only goods manufactured or produced mainly within the United Kingdom or the Commonwealth may be displayed. The last few years have seen exhibits confined to United Kingdom commodities and the B.I.F. has become a spearhead of the British drive for export markets. The Commonwealth and Empire section at Earls Court, however, carries general Commonwealth displays.

Many success stories told after last year's Fair indicate how potent a factor the B.I.F. is in building up export trade. Last year Royal Crown Derby took space for the first time to show its world-famous china. The result: the company had to open new premises to take care of the flood of orders; one Canadian firm alone ordered 30,000 cartons of the china. Another exhibitor opened approximately 500 new overseas accounts as a result of the Fair. The prefabricated buildings section, a novelty at the 1953 Fair, did a booming business selling, among other things, a prefabricated hospital to Liberia and a prefab theatre to Jamaica.

A few figures will illustrate the growth in size of the postwar B.I.F. When it re-opened in 1947, it attracted about 16,750 overseas trade buyers from over 108 countries. Last year the number of trade buyers had risen to 58,919, drawn from over 128 countries. It is interesting to note that the largest group in 1953—1,136 trade buyers—came from Australia and the second largest, 667, from the Irish Republic; Canada's contingent numbered 366. The total number of visitors is, of course, far higher; last year the public was admitted every afternoon throughout the Fair.

Canada's Prewar Exhibits

Canada's connection with the B.I.F. dates back to 1915, with one lone Canadian firm exhibiting. But official Canadian participation began in 1929, when the Department of Trade and Commerce reserved space at London and at Birmingham. From then until 1939, the Department was a regular exhibitor. This prewar exhibition pattern differed from the postwar one. Anxious to encourage individual Canadian companies to display their goods, the Department took the lead in organizing small Canadian sections both at London and at Birmingham. These sections were divided into 10 by 10 ft. booths and the Department then leased them to Canadian firms at a nominal charge.

In addition to the commercial displays, the Department presented each year an official exhibit in the Commonwealth and Empire Court, and food products made in Canada were usually featured.

When the British Industries Fair re-opened in 1947, Canada was at once invited to exhibit officially; commercial exhibits were confined to British manufacturers. The official exhibit had a three-part theme—Canada as a producer, Canada as a market, and Canada as an industrial opportunity. The food angle was not entirely overlooked: portions of the exhibit depicted the processing and grading of the principal Canadian food products selling in Britain.

The Postwar Trend

In succeeding years, the main motifs of Canada's displays have continued to be two-way trade and industrial development. But displays alone cannot do the job of "selling" Canada and promoting trade. Throughout the Fair, Trade and Commerce officials are on duty at the Canadian exhibit in London to answer inquiries and to distribute suitable literature and the plan of the stand includes a lounge and a private office for business interviews.

At Castle Bromwich, Birmingham, Canada also maintains a smaller stand and an information booth, staffed by Trade and Commerce officers. This section of the Fair brings these officers into touch with the great engineering and manufacturing industries of the Midlands area, and also gives them contact with industrialists and buyers from many countries.

At each section of the Fair last year, Canadian Trade Commissioners conducted about 150 business interviews with British or foreign business visitors. The majority of these were export or import inquiries, some of them of major importance; others concerned the setting-up of branch plants in Canada. Thus the Canadian exhibits at the B.I.F. serve a dual purpose—they keep Canada and its products before the thousands of Fair-goers, and they also give our Trade Commissioners in the United Kingdom an opportunity of making new and worthwhile contacts.

At the 1954 Fair

This year the Canadian display in the Commonwealth Court will have two features. One half of the exhibit will show, for the first time since the war, Canadian furs; the other half will carry out the theme "Canada Can Supply Basic Needs of British Industry". The fur section will feature 18 garments in the latest styles, fashioned from mutation mink, fox, wild mink, beaver, muskrat and squirrel and displayed against a blue, maroon and silver background.

In the industrial section, a wide range of commodities will be shown—metals and minerals, chemicals and synthetic products, softwoods for construction, food products and fish. The emphasis is being put on these products because they figure in the recent British relaxations on imports. In addition, a doublesided panel will outline the growth of British investment in plant and equipment in Canada since 1946.

Future of the Fair

The 1954 B.I.F. will be the last one to be sponsored by the British Board of Trade. The next and succeeding Fairs will be managed by a public corporation, British Industries Fair, Limited, headed by Sir Arthur Smout as chairman, with members appointed by representative industrial and trade bodies and one member named by the Government. The Birmingham section will, as before, be organized by the Birmingham Chamber of Commerce. Beginning this year, too, domestic business will be emphasized as well as the promotion of export markets. But under its new management the Fair should continue to afford Canada an unequalled opportunity for promoting two-way trade with the United Kingdom.

trade commissioners on tour

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

M. R. M. DALE, Commercial Secretary in Santiago, Chile, began his Canadian tour in Windsor on March 30, and completes it in Quebec May 3-4 and Ottawa, May 5-7. On completion of his tour, Mr. Dale will be posted to Cairo, Egypt.

W. D. WALLACE, Commercial Secretary in Djakarta, Indonesia, began his Canadian tour in Ottawa on March 3rd and completes it in Winnipeg, June 11th and Vancouver, June 22nd to 30th.

Businessmen in the various centres may get in touch with these officers through the following organizations:
Board of Trade—Quebec City.
Canadian Manufacturers Association—Winnipeg.
Department of Trade and Commerce—Ottawa, Vancouver (355 Burrard St.)

commodity notes

Australia

URANIUM—The Federal Government has granted its first uranium lease to a private company—36 square miles in the Northern Territory, a few miles south of the rich Rum Jungle uranium field. The company is Uranium Mines, N.L.—Sydney, March 31.

Barbados

CONFECTIONERY—The first shipment to Canada of confectionery, 5,000 pounds, was recently made by a local confectionery company, one of the island's new industries. Exports have already gone to the British Caribbean and the company hopes to become, after the United Kingdom and the United States, the largest supplier of confectionery to Canada—Port-of-Spain, March 30.

Brazil

COFFEE—Brazil shipped 961,891 bags of coffee during February, of which 944,393 bags were exported abroad, 17,150 bags coastwise and 348 bags consumed on board. Coffee exports in January totalled 1,125,470 bags. As of February 28th, available coffee stocks in the ports amounted to 3,124,947 bags—São Paulo, March 22.

SUGAR—By January 31st, Brazil's sugar production from the present 1953-54 crop totalled 28,340,928 bags of 60 kilos; only 7,159,072 bags under the official crop estimate of 35·5 million bags made by the Sugar and Alcohol Institute. Since the crop year continues until the end of May and many still have considerable stocks on hand, it is expected that production will more than surpass the estimate as well as the record crop of 30,735,117 bags produced last year. São Paulo State was the largest producer, at January 31st supplying 11,691,920 bags of 60 kilos, an increase of more than 2·2 million bags over the previous Paulista crop—São Paulo, March 22.

Chile

DAIRY CALVES—The Chilean Ministry of Agriculture has announced that, under the Milk Development Plan, from three to five thousand dairy calves will be imported into Chile during 1954. The name of the supplying country is not indicated. The Ministry has applied through the Chilean State Bank for a loan of Ch.$40 million to cover the purchase of these calves, construction of barns, and buying of milking machinery. The territory where the machinery will be purchased will be known at a later date—Santiago, March 25.

COPPER—Sale of 10,000 tons of copper, equivalent to approximately one million pounds sterling, has recently been closed with Great Britain at a price quoted on the London metal market, according to an official announcement. It is believed that further quantities have been earmarked and will be shipped to Great Britain once the necessary permit to export has been granted by the Exchange Control Authorities—Santiago, March 21.

Dominica

VANILLA—The vanilla crop is in but is smaller than last year. Prices are climbing, with U.S. buyers offering up to $6.25 per lb. c. and f. New York—Port-of-Spain, March 24.

El Salvador

COFFEE—For the first time in the history of El Salvador's coffee industry, sales have been made in advance of the actual crop. An official announcement says that by early March, 30,000 quintals from the 1954-55 crop year which begins November 1st had been sold at prices higher than $76.00 per quintal—Guatemala City, March 26.

Finland

PITPROPS—Exports of Finnish pitprops so far this year total nearly 760 thousand cubic metres, already greater than last year. Britain has bought 400 thousand and Turkey 300 thousand cubic metres and there are prospects for additional British imports—Stockholm, March 30.

Japan

BICYCLES—During 1953 Japanese exports of bicycles and parts were valued at $6,453,752, compared with $7,313,513 during 1952. Record exports of $10,895,058 were made in 1951—Tokyo, April 10.

NICKEL INGOT—Sumitomo Metal Mining has achieved production of nickel ingot of a purity of 99·9 per cent. Current production is 40 tons a month, roughly one-half of available productive capacity—Tokyo, April 10.

Norway

CANNED FISH—Norway's total exports of canned fish products from January to October 1953 amounted to 19,954 metric tons valued at Kr.91·2 million. Figures for the same period in 1952 were 20,636 metric tons valued at Kr.94 million, and in 1951, 29,727 metric tons valued at Kr.123 million. When the bristling fishing season finished in the first week of December 1953, 640 thousand cases of bristling had been canned, compared with 370 thousand cases in 1952. Norwegian canned bristling and herring may now be freely imported into Great Britain—Oslo, April 4.

SAWN LUMBER—Domestic requirements of sawn lumber have increased so much that little or no export will be allowed from Norway during 1954. The only exception granted to date is some 10,000 railway ties for Germany—Oslo, April 4.

Sarawak

PEPPER—The 1953 crop of Sarawak pepper is expected to be the largest in the country's history and possibly 50 per cent higher than last year's production of 4,000 long tons. Historically, Sarawak is famous for its white pepper, but with the narrowing of the price spread between the white and black varieties, greater emphasis has been placed on the production of black pepper. Pepper is second in importance to rubber in Sarawak's export trade—Singapore, March 15.

Sweden

BUTTER—Total exports of butter in 1953 amounted to about 15,000 tons; it is estimated that 1954 exports will be between 15,000 and 20,000 tons. Chief customers last year were West Germany, Switzerland, the Soviet Union and North Africa. It is hoped to establish new markets in the United Kingdom and Eastern Europe. Exports to the Soviet Union tripled the quantity provided for in the 1953 trade agreement—6,000 tons instead of 2,000. The extra 4,000 tons were mostly paid for in dollars, to a lesser extent in sterling, or by barter transactions—Stockholm, April 2.

Uganda

COPPER AND COBALT—These two metals are likely to become the most important factors in the economy of the country. The Kilembe Mine, which is scheduled to start production in 1956, will produce some 18 million pounds of copper a year which will be converted into blister at the hydro-electric smelter on Lake Victoria. Approximately one million pounds of cobalt will be available as a by-product of the process—Johannesburg, March 16.

United States

COAL—The Geographical Survey has just issued a report on the United States coal reserves which are estimated at about 950 billion tons, more than one-third of the total world supply. Forty per cent of this estimate is bituminous, 24 per cent sub-bituminous, 34 per cent lignite, and 2 per cent anthracite. In spite of the importance of the oil and natural gas reserves of the United States, coal reserves constitute about 84 per cent of the total potential recoverable fuel reserves in the U.S. This estimate may be compared with a production of about 507 million tons in 1952 and a total export of about 53 million tons in 1952 (about 35 million tons for the first eleven months of 1953). Canada is the principal customer for U.S. coal, taking about 47 per cent of total exports in 1952 and about 62 per cent for the first eleven months of 1953—Washington, April 15.

Venezuela

EGGS—Over 20,000 cases of Danish shell eggs arrived in Venezuela during the first two months of 1954, according to published ships' manifests. This probably supplied 40 per cent of the Venezuelan import demand for that period and is more than twice the total of egg shipments from Denmark during 1953. In previous years, the United States has supplied 87 per cent of the market, Canada 10 per cent and Denmark less than 2 per cent—Caracas, March 22.

West Germany

ALUMINUM—Approximately 150 thousand tons of raw and reclaimed aluminum were produced in the Federal Republic of Germany during 1953. Of this quantity, reclaimed aluminum accounted for 29 per cent.

Total imports of raw aluminum from January to November (incl.) 1953 were 20,535 tons, broken down by countries of origin as follows: Denmark, 300; France, 229; Great Britain, 1,070; Yugoslavia, 488; Netherlands, 2,114; Norway, 553; Austria, 6,725; Sweden, 891; Switzerland, 3,166; Kenya-Uganda, 7; Tanganyika, 4; Formosa, 520; Indonesia, 27; United States, 531; Canada, 3,950.

It was recently suggested that an increase of production amounting to another 125 thousand or 130 thousand tons a year was possible. The annual aluminum consumption in West Germany was only 2 kg. per capita in 1953 (based on foundry aluminum); consumption was double, even four times as much, in other aluminum-producing countries. A preliminary condition for increased German production is sufficient power supply at reasonable prices—Bonn, March 30.

Britain Frees Oils and Fats

Next week, all edible oils and fats will come off ration after 15 years—the last step in a gradual process of decontrol. Here is a review of the supply situation.

D. A. B. MARSHALL, *Commercial Secretary (Agriculture), London.*

ALL EDIBLE OILS AND FATS will be derationed in Britain on May 8, 1954, and on June 1st those still under government control will revert to private trade. In the fifteen years during which the Government has been responsible for the acquisition, manufacture and distribution of oils and fats, production of margarine has doubled and consumption has increased two and a half times at the expense of butter, consumption of which is now little over half the prewar figure.

As sole purchaser, the Ministry of Food was responsible for the import of most of the main types of vegetable oils and oilseeds and for marine oils and certain animal fats which constituted the greater part of British consumption. As agents of the Ministry, individual firms processed these imports and sold the products back to the Ministry, which was responsible for the distribution of rationed margarine and cooking fats to retail shops, caterers and manufacturers. In the soap industry, the Ministry sold the oils to individual firms.

Actually, the process of decontrol started in 1947 with tung oil. Other minor oils, including olive oil, were released in 1948; the derationing of soap followed in 1950. Linseed was returned to private trade at the beginning of 1953 and soya beans in January 1954. The latest pronouncement calls for the completion of the process during the first half of 1954.

Sources of Supply

The three main oils and oilseeds imported by the United Kingdom are palm, palm kernel and peanut. In 1953 these, together with coconut, cottonseed, soya bean and sunflower, amounted to 780 thousand long tons (oil equivalent), compared with 854 thousand in 1952.

The principal source of supply of palm kernels and palm oil is Nigeria; the proportion of kernels to oil last year was approximately two to one. Sierra Leone is another important source of kernels; Malaya ships mainly oil.

Nigeria is also by far the largest supplier of peanuts (shelled), exporting to Britain in 1953 some 308 thousand long tons out of the total British import of 349 thousand. Imports of peanut oil are fairly small. Supplies of peanuts have been moving from Nigeria to Britain in increasing quantities over the past few years, thanks to improved rail facilities; nevertheless, the Commonwealth Economic Committee reports that some 120 thousand tons of the previous crop still remain in store. Gambia supplied most of the remaining imports in unshelled form.

Oils and Oilseeds

Imports of coconut palm products into Britain are declining; shipments of copra totalled 92 thousand tons in 1953 and 168 thousand the year before. These were purchased mainly from New Guinea and Papua and Indonesia. Supplies of coconut similarly went down from 47·5 thousand tons in 1952 to 25·3 thousand last year, chiefly because of a heavy drop in shipments from Ceylon. Supplies from Fiji were maintained at 15 thousand tons.

Soya bean imports totalled 39 thousand long tons, of which 26 thousand tons were shipped from the United States and the remainder from Canada. This product has already been decontrolled and was subject to Open Individual Licence from January 1, 1954. Soya bean oil imports were negligible in 1953, however, and are now only allowed in from scheduled territories. Imports of sunflower seed oil in 1953 stood at 2,700 tons, or about one-tenth of the shipments in the previous year.

Long-Term Contracts

Though the general statistics of imports and production indicate a fall in supplies, which would appear to militate against derationing and decontrol of oils and fats in Britain there are a number of long-term arrangements with the main supplying Colonies which give a degree of security for the future.

Long-term contracts for palm oil and kernels lasting until 1955 are maintained with Nigeria, Sierra Leone, Gold Coast and Gambia. Under these contracts the exportable surpluses are purchased by the U.K. The produce of this area, which represents more than half of the world's production, is purchased by local produce marketing boards and sold for export. Similar arrangements apply to peanuts and peanut oil in the same territories.

Long-term contracts which last until 1957 are maintained with Fiji, the Gilbert and Ellice Islands, Cook Islands, Western Samoa, Solomon, Tokelan and Tonga Islands, New Guinea and Papua, for the supply of copra and coconut oil.

Prices Fluctuate

Although prices of oils and fats have been controlled for the last fifteen years, the Ministry of Food changes its selling prices in accordance with trends in the world market. In its last bulletin dated February 17, 1954, there were general increases in most types of £5 to £10 per ton. Palm kernel oil was quoted to manufacturers and primary wholesalers at between £133 to £137 per long ton naked ex works and peanut oil between £147 to £157. Coconut oil was quoted at £134 to £138 per long ton.

At mid-March the current American price for U.S. No. 2 yellow soya beans was £51/10/0 per long ton c.i.f. Europe, but forward quotations for October-November shipment were down to £39/2/6 per long ton.

Soya bean refined deodorized oil, the price of which was still controlled by the Ministry of Food at the time of writing, was quoted at £163 per long ton and for crude at £145 per long ton naked ex mill.

Rapeseed c.i.f. was priced at £60/10/0 per metric ton from Sweden, with the Ethiopian product quoted at £52/10/0 per long ton c.i.f. Crude rapeseed oil dropped from the end of last year by £11 to £154 per long ton naked ex mill.

The market price of British East African sunflower seed was £42 per long ton c.i.f. Europe; the crude oil product was £145 per long ton naked ex mill, and the refined deodorized oil £163 ex mill.

Mustard seed has already been decontrolled and may be imported from any source without separate licences. Manufacturers in the United Kingdom have been purchasing the brown mustard on contract from farmers at £6 per 112 lb., but the black or Trowse seed is replacing the brown variety at £3/10/0 per 112 lb.

Private Import Arrangements

The private trade in these oils and fats will become effective from June 1st. Sunflower seed, soya beans and oil, rapeseed and oil, and margarine and compound cooking fats, together with premier jus and oleo stock, will be admitted into Britain under Open Individual Licences from any source. There will be no restrictions on the use of soya beans. The Ministry will announce arrangements for the import of lard.

Effect of Derationing

Domestic rationing of cheese, butter, margarine and cooking fats will end on May 8, 1954, when branded margarine will reappear. Off-ration sales of margarine and cooking fats have been permitted since January 24th and preparatory to derationing and decontrol, the subsidy on all these products was removed by the end of February.

Reflecting the reduced supplies of oils and fats, U.K. production of margarine in 1953 dropped to 406 thousand tons, compared with the level of 445 thousand tons for the two previous years. Estimated consumption per head went down by one pound in 1953 to 18·2 lb. In the last quarter of 1953, about 11 per cent of the margarine allocated on ration was not taken up, but almost all of the butter allocated was purchased. With the prospect of derationing, there has been considerable speculation about the future trend of the prices of both these products. Several leading manufacturers propose to market a premium-grade spread at approximately 1/10d. to 2/– per lb. (25 to 27 cents) compared with the National unsubsidized product at 1/6d. per lb. (20 cents). One has announced a premium brand at 2/3d. (30 cents). The unsubsidized retail cost of butter is 3/8d. per lb. (50 cents). Some experts believe that twice the price of margarine will provide a ceiling beyond which the price of butter will not rise after decontrol. Others suggest that it may go higher. In trade circles the prospective price of butter has replaced the weather as a subject for "guesstimates".

Television and Banking

A Boston savings bank is installing a television system that promises some significant safety and labour-saving improvements. A television camera passes a picture of the main banking floor to six positions in the building where officials can keep it under observation and, if necessary, flash an emergency alarm. But the system's main purpose is not protection, but the quicker handling of customer transactions. With a microphone, the teller relays the account number upstairs and in a few seconds he has the customer's balance and signature on a television screen at his elbow. As he records the figures on a machine, they are repeated electronically on tape in the accounting department.

SOUTH AFRICA *and Import Controls*

The gradual removal of import controls in 1955, if world economic conditions remain stable, was forecast recently in the speech introducing the Union's current Budget.

A. WORDEN EVANS, *Trade Commissioner, Cape Town*

THE MAIN POINT OF INTEREST to Canadian manufacturers in the South African Budget for 1954-55 was the forecast of the end of import control. Though little change will be made this year, the Minister of Finance stated that he looked forward to the gradual dismantlement of import controls in 1955. The Budget Speech breathed optimism as the Government took advantage of a surplus on current account and a reduction in capital expenditure to make sweeping tax concessions. After allowing for these, revenue and expenditure on current account are expected to balance.

It was stated that foreign exchange receipts from the new gold mines in the Orange Free State and the uranium developments are increasing at a time when the Government's need for foreign exchange is decreasing. Expenditures for the railways and on a new plant to produce oil from coal will be smaller this year and during 1955 there will be a further substantial decrease. The oil-from-coal plant should be in operation towards the end of 1954 so that imports of petroleum will diminish and the railways will receive much of the outstanding equipment on order. As a result, if world economic conditions remain stable, the plan is to remove import controls gradually next year.

Protecting New Industries

This brings to the fore the problem of protecting new industries which have been established in the past few years. This problem will be tackled in three ways:

- One, extra foreign exchange has been allowed this year to permit industry to modernize and re-equip to face increased competition.

- Two, tax relief has been provided to encourage such action; in addition to the previous normal depreciation allowance, a further initial 10 per cent will be allowed.

- Three, some measure of tariff protection will be provided, but the Minister warned that the Government will not consider any claims for protection by uneconomic industries established in the Union as a result of import control. Industrialists were advised to concentrate their efforts on achieving the maximum degree of efficiency to meet competition.

Money in Circulation

The generally prosperous condition of the economy and the increase in the national income led to a small rise of £5 million in the amount of money in circulation. This amount reached £444 million at the end of 1953. There was a rise in bank credit of about £29 million, much of it short-term credit to finance the unusually large agricultural production. The banks' cash reserves during 1953 fell from £80 million to about £63 million and this fall, coupled with the rise in deposits, caused a decline in their cash reserve ratio from 20·1 per cent to 15·4 per cent, the lowest since 1952. This tight money situation has led to the Reserve Bank's discount rate once again becoming an effective instrument of policy. The Minister stated that there was no intention of lowering the discount rate because it was felt that, at its present level, it may be an important stabilizing factor.

Public Debt

As at March 31, 1954, it is expected that the public debt will have increased by £55·6 million to a total of £898 million. Against this amount must be offset £24·6 million held in the sinking fund, giving a net debt of £873·4 million. Overseas loans during the year 1953-54 increased by £23 million to a total of £64 million, constituting 7 per cent of the total public debt.

In assessing the burden imposed by the public debt it was remarked that the rise in the national income should be remembered. For the year ending 30th June, 1953, this reached £1,247 million, or 8·6 per cent above the £1,148 million for the previous year. Agriculture was responsible for £43 million of this increase and private industry for £29 million. Available indices for production, employment and retail sales indicate that this level is being maintained. As a result, the public debt has declined from 90 per cent of the national income in 1946 to only 68 per cent in 1953, even though over £440 million of the total was spent on productive capital works, such as railways, posts and telegraphs and telephones, on the government steel corporation, housing, and so on.

Another aspect of budgetary policy is the reduction of capital expenditure during the year as a result of decreased spending on railways and the oil-from-coal plant already mentioned. This means that the Government will not have to enter the capital market. Thus ESCOM, the government power authority, will be able to obtain the funds necessary to expand electrical power output and the municipalities will be able to borrow more freely to carry out essential public works.

Main Features of Budget

Tax reductions, which include the new depreciation allowance already mentioned, resulted in the lowering of income tax at all levels and the carrying out of the recommendation of a Parliamentary Committee that taxes at the highest level should not amount to more than 12/6d. in the pound. Various types of pensions were increased, death duties were lowered, and certain other deductions allowed on housing for commercial, industrial and farm employees, as well as specified types of farm improvement, retroactive to July 1953.

To assist shipping, the provision for the writing-off of 40 per cent of the value of a ship during the first year of operation is to be changed and the allowance made retroactive so that it can be claimed for the years when shipping companies' earnings were high. Transfer taxes have been lowered substantially to take into account the increased cost of housing under present circumstances. Excise duties on soft drinks, carbon dioxide and tires and tubes have been removed or reduced.

The Budget mirrors the relative prosperity in the Union at the present time and the general consensus is that it is a good conservative Budget. ●

trade and tariff regulations

Brazil

FOREIGN TRADE BUREAU CHECKS PRICES—Prices contained in applications for import licences are subject to check by the Foreign Trade Bureau. If recent information on prices is not available, a delay in granting of import licences may result. To avoid such a delay, Canadian exporters should ensure that their latest price lists and catalogues have been sent to their representatives in Brazil so that the representatives can satisfy the Foreign Trade Bureau that the prices contained in their applications are correct—Rio de Janeiro, March 18.

Dominica, St. Vincent

IMPORT LICENSING ANNOUNCEMENT—The Control authorities in Dominica and Saint Vincent announced on February 16 that importers in those colonies are not required to obtain 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 feedingstuffs
- Newsprint
- Kraft paper.

Greece

CERTIFICATION OF ORIGIN—A circular from the Greek Ministry of Finance of March 12 instructs the Greek customs authorities to accept henceforth certificates of origin issued by the Canadian Exporters' Association for goods imported into Greece from Canada.

Other Canadian organizations recognized by Greece as being competent to issue certificates of origin are Boards of Trade, Chambers of Commerce and the Canadian Manufacturers' Association—Athens, March 31.

Recipients of the leaflet "Greece—Shipping Documents and Customs Regulations," compiled by the International Trade Relations Branch of the Department, may wish to note this provision on page 2 of their leaflet.

ANTI-DUMPING AND COUNTERVAILING DUTIES—A Greek law effective March 12 provides the framework for levying anti-dumping and countervailing duties.

Anti-dumping duties shall be levied when it is found that the price of a commodity imported into Greece is lower than its normal price in the exporting country, and that this is detrimental to Greek production or a threat to its development.

Countervailing duties shall be applied whenever it is established that direct or indirect premium or subsidy payments made in favour of a product imported into Greece in its manufacture, production, export or transportation constitute a threat to a Greek industry or an obstruction to its development. The law also provides measures against disguised dumping which takes place when an imported product is invoiced at the normal price but is sold in Greece below the invoice price as a result of an agreement between exporter and importer.

Anti-dumping and countervailing duties will be levied by Royal decrees to be issued upon proposal by the Minister of Finance. Duties levied under this law are not to exceed the actual margin of dumping or the amount of premium or subsidy paid—Athens, March 31.

New Zealand

MOTOR VEHICLE IMPORTS FROM NORTH AMERICA—The New Zealand Minister of Industry and Commerce announced on April 8 that $2·5 million would be made available to import motor vehicles from Canada and the United States in 1954.

Switzerland

SUPPLEMENTARY CHARGES ON IMPORTED CEREAL PRODUCTS—A Swiss Federal decree effective April 1 increases the supplementary charges payable, in addition to customs duties, on certain cereals and cereal products imported into Switzerland from all sources. Wheat and rye for milling and flour for human consumption are not subject to these supplementary charges.

The following products on which the supplementary charges have been increased appear to be of interest to Canada. The charges shown are in Swiss francs per 100 kilograms (220·5 pounds). The former charges are shown in parentheses:

Feed wheat, 4·50 (3); feed rye, oats and barley, 8 (5); oats and barley for milling, 4 (2·50); barley for technical uses, 1 (nil); unspecified cereals (other than wheat, rye, oats, barley or rice) for human food or technical uses, 3·50 (2·50); unspecified cereals for food, 7 and 8 (5 and 6); feed corn, 5 (4); corn for human food, 2·50 (2); peas for decorticating, 1 (nil); corn flour and middlings for feed, 6 (5); hay, clover and alfalfa meal, 4·50 (3); bran, 3·50 (2); and denatured flour for feed, 5·50 (4)—Berne, April 8.

Information concerning Swiss supplementary charges on other cereal products may be obtained from the International Trade Relations Branch of the Department.

United Kingdom

DUTIES RESTORED ON CERTAIN IRON AND STEEL—Import duties on certain non-Commonwealth iron and steel products which have been temporarily suspended since September 19, 1952, were restored as from March 19, 1954.

The products affected are: blooms, billets, slabs; bars and rods (other than wire rod of prescribed specification); unfabricated girders, beams, joists and pillars; and unfabricated angles, shapes and sections. Commonwealth products of these types continue to be admissible duty-free when conforming with Imperial Preference regulations.

The suspension of duty has been continued for another six months, i.e., to September 18, 1954, on various other non-Commonwealth iron and steel products, including specified types of pig iron, ingots, plates and sheets, hoop, strip, and rod.

More detailed information is available on request from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

BUDGET EXTENDS KEY INDUSTRY DUTIES—The Budget introduced by the Chancellor of the Exchequer on April 6 proposes the extension of Key Industry Duties for another five years.

These duties, which are authorized by the Safeguarding of Industries Act, 1921, had been extended for three years from August 19, 1951, and were therefore due to expire on August 18 next. They apply to a wide range of chemicals, numerous optical and scientific instruments, gauges and precision measuring instruments, arc lamp and other carbons, wireless valves, hosiery latch needles, certain rare metals, and a few other articles. The prevailing rate of duty is 33⅓ per cent, but there are several exceptions, notably 50 per cent on optical instruments (which includes photographic cameras), and 10 per cent, 20 per cent, 25 per cent, 30 per cent or specific rates on various other articles.

Exemption from Key Industry Duty is accorded to Commonwealth products complying with Imperial Preference regulations.

The only other customs duty affected by the Budget is that on chicory, which it is proposed to increase by 5s. 9d. per hundredweight.

Tour of Territory

W. Gibson-Smith, Commercial Secretary for Canada at Montevideo, Uruguay, will be visiting Paraguay from May 10th to 14th. Businessmen interested in this country should either write or cable to Mr. Smith at Montevideo as soon as possible.

CUBA *and its steel imports*

Imports of steel in a normal year total approximately 100 thousand tons. The country is now building its first steel plant, to go into operation by the end of the year.

W. R. VAN, *Assistant Commercial Secretary, Havana.*

CUBA CURRENTLY OBTAINS her requirements of steel from abroad and in a normal year imports approximately 100 thousand tons; the market is distinctly a price one. However, the country is now building its first steel plant at Guanabacoa near Havana and expects to put it into operation by the end of 1954. Production capacity will be comparatively small because equipment and items of manufacture are limited. Cuban scrap will be used and the plant will produce alloy and carbon steel bars, small structural shapes, and some stainless steel goods.

The Local Industry

Cuba has one rolling mill located near Havana which produces concrete reinforcing bars. This company has been in operation for about a year, although spasmodically, because the supply of material—used rails procured from local sources—has been uncertain. The mill's operations were also curtailed by its inability to compete with imported European bars and the fact that local buyers prefer a softer steel. It is now importing billets and will be able to roll a higher-quality product at a lower production cost. The initial production target of this plant is 1,500 tons of reinforcing bars a month; its ultimate aim is to supply the bulk of the country's requirements for concrete reinforcing bars, normally about 40,000 to 50,000 tons a year.

Two large plants are engaged in the final fabrication of structural shapes for buildings, bridges, tanks, etc. The plain structural shapes are now imported, mainly from the United States. Galvanized sheets are made at a plant at Matanzas, some 100 kilometres east of Havana, from plain sheet stock imported from the United States.

Several small factories produce nails and various wire products, including barbed wire and staples. Their output is small and costs are high, and this makes it difficult for them to compete with European and American suppliers.

- The most important steel imports into Cuba are reinforcing bars, galvanized sheets (plain and corrugated), hot rolled sheets, cold rolled sheets, plates, wire products (including barbed wire), staples and nails, structural shapes and merchant bars.

- Another large item in the special category is tinplate. Annual imports of tinplate into Cuba total approximately 20,000 tons. The largest single user is a subsidiary of one of the principal American tin container firms. The demand for tinmill blackplate is very limited, except when tinplate itself is unobtainable. Under normal circumstances, tinmill blackplate imports do not amount to more than 400-500 tons a year.

- Various specialty products, including nuts, bolts, washers, wire rope, and railway accessories, are imported in fairly large quantities. Bolts, nuts and washers are bought chiefly from two or three U.S. manufacturers who have been entrenched in the Cuban market for many years.

- Railway accessories—including track spikes, track bolts, tieplates, frogs and switches—are imported by the two principal Cuban railroads and by the numerous small sugar mill railways, principally from large American producers.

- Wire rope imports usually average 100-200 tons a year. The main supplier has been the United States, although European firms are making inroads into the market.

Customs Tariff and Competition

Generally speaking, the duties on finished steel products, which comprise 99 per cent of the steel imports, run from about 18 to 40 per cent. United States goods are granted a special preferential rate.

All United States steel producers and most big U.S. steel jobbers are represented in Cuba and have been for many years, either by branch offices or by agents. Many local agents represent European suppliers.

Tour of Territory

H. W. Richardson, Commercial Secretary at Athens, Greece, plans to visit Turkey May 14-28. Canadian businessmen interested in business with Turkish firms should write or cable Mr. Richardson in care of the Canadian Embassy, Ankara, Turkey.

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	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	*Mail:* P.O. Box 3952 G.P.O. *Cable:* CANADIAN *Tel.:* BW 9351
Australia (Victoria, South Australia, Western Australia, Tasmania)	R. W. Blake, Commercial Secretary for Canada and Agricultural Secretary	83 William Street, MELBOURNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* MU 4716
Belgian Congo Angola, French Equatorial Africa	A. B. Brodie, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	*Mail:* Bôite Postale 373 *Cable:* CANADIAN *Tel.:* 2706
Belgium Luxembourg	T. J. Monty, Commercial Secretary K. G. Ramsay, Assistant Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	*Mail:* Caixa Postal 2164 *Cable:* CANADIAN *Tel.:* 42-4140
Brazil	M. P. Carson, Vice Consul and Acting Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	*Mail:* Caixa Postal 6034 *Cable:* CANADIAN *Tel.:* 36-6301
***Ceylon**	Office of the High Commissioner for Canada	6 Gregory's Road, Cinnamon Garden, COLOMBO	*Mail:* P.O. Box 1006 *Cable:* DOMCANADA *Tel.:* 91341
Chile	Commercial Secretary	Canadian Embassy, 6th Floor, Av. General Bulnes, 129, SANTIAGO	*Mail:* Casilla 771 *Cable:* CANADIAN *Tel.:* 64189
Colombia Ecuador	W. J. Millyard, Commercial Secretary J. P. Lancaster, Assistant Commercial Secretary	Canadian Embassy, Avenida Jimenez No. 7-25, Office 613, BOGOTA	*Mail:* Apartado 1618 *Airmail:* Apartado Aereo 3562 *Cable:* CANADIAN *Tel.:* 12-251
Cuba	G. A. Browne, Commercial Secretary W. R. Van, Assistant Commercial Secretary	Canadian Embassy, Edificio Motor Centre, Calle Infanta 16, HAVANA	*Mail:* Apartado 1945 *Cable:* CANADIAN *Tel.:* UO-9457
Dominican Republic Haiti, Puerto Rico	R. E. Gravel, Canadian Government Trade Commissioner	Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	*Mail:* Apartado 451 *Cable:* CANADIAN *Tel.:* 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	*Mail:* P.O. Box 1770 *Cable:* CANADIAN *Tel.:* 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, Asssistant Commercial Secretary	3 rue Scribe, PARIS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* OPEra 42-30
Germany Federal Republic	B. A. Macdonald, Commercial Counsellor I. V. Macdonald, Assistant Commercial Secretary	Canadian Embassy, 22 Zitelmannstrasse, BONN	*Mail:* (City Address *Cable:* CANADIAN *Tel.:* Bonn 21971
Germany	Wm. Van Vliet, Agricultural Secretary		
Greece Israel, Turkey	H. W. Richardson, Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	5a Avenida Sud, 10-68 GUATEMALA CITY	*Mail:* P.O. Box 444 *Airmail:* P.O. Box 400 *Cable:* CANADIAN *Tel.:* 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	*Mail:* P.O. Box 126 *Cable:* CANADIAN *Tel.:* 28336
India	Richard Grew, Commercial Counsellor	Office of the High Commissioner for Canada. 4 Aurangzeb Road, NEW DELHI	*Mail:* P.O. Box 11 *Cable:* CANADIAN *Tel.:* 40191
India	D. M. Holton, Canadian Government Trade Commissioner W. P. Birmingham, Assistant Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	*Mail:* P.O. Box 886 *Cable:* CANADIAN *Tel.:* 20672
Indonesia	W. D. Wallace, Commercial Secretary	Canadian Embassy, Tanah Abang Timur 2, DJAKARTA	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Gambir 499
Ireland	T. G. Major, Commercial Counsellor for Canada	66 Upper O'Connell St., DUBLIN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 44251
Italy Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor A. A. Caron, Assistant Commercial Secretary	Canadian Embassy, Via Saverio Mercadante 15, ROME	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	*Mail:* P.O. Box 225 *Cable:* CANADIAN *Tel.:* 2858
Japan Korea	J. C. Britton, Commercial Counsellor	Canadian Embassy, TOKYO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 48-4116
	R. F. Renwick, Assistant Commercial Secretary		
Japan	Paul Sykes, Canadian Government Trade Commissioner	7th Floor, Crescent Bldg., 72 Kyomachi, Ikutaku, KOBE	*Mail:* P.O. Box 513 *Cable:* CANADIAN *Tel.:* 48966
Lebanon Iraq, Jordan, Syria	G. F. G. Hughes, Canadian Government Trade Commissioner	Centre Urbain Emir Beshir, Bâtiment A1, Rue Emir Beshir, L'Azarieh, BEIRUT	*Mail:* Bôite Postale 2300 *Cable:* CANADIAN
Mexico	M. T. Stewart, Commercial Counsellor S. G. Tregaskes, Assistant Commercial Secretary	Canadian Embassy, Edificio Internacional, Paseo de la Reforma, MEXICO, D. F.	*Mail:* Apartado 126-Bis *Cable:* CANADIAN *Tel.:* 36-27-90
Netherlands	V. L. Chapin, Commercial Secretary	Canadian Embassy, Sophialaan 1-A, THE HAGUE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 18-51-06
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	*Mail:* P.O. Box 1660 *Cable:* CANADIAN *Tel.:* 70-644
Norway Denmark, Greenland	J. L. Mutter, Commercial Counsellor	Canadian Legation, Fridtjof Nansens Plass 5, OSLO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 33-30-80
Pakistan Afghanistan, Iran	R. K. Thomson, Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	*Mail:* P.O. Box 3703 *Cable:* CANADIAN *Tel.:* 5826
Peru Bolivia	H. J. Horne, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	*Mail:* Casilla 1212 *Cable:* CANADIAN *Tel.:* 71150
Philippines	F. H. Palmer, Consul General and Trade Commissioner H. E. Lemieux, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, Ayala Building, Juan Luna Street, MANILA	*Mail:* P.O. Box 1825 *Cable:* CANADIAN *Tel.:* 3-33-35
Portugal Azores, Madeira	L. M. Cosgrave, Commercial Counsellor	Canadian Legation, Avenida de Praia da Vitoria, 48—1°D., LISBON	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 53117
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	D. S. Armstrong, Canadian Government Trade Commissioner	Room D-5, Union Building, SINGAPORE	*Mail:* P.O. Box 845 *Cable:* CANADIAN *Tel.:* 7739
South Africa (Natal, Transvaal) Federation of Rhodesia and Nyasaland, Mozambique, Kenya, Tanganyika, Uganda, Zanzibar	K. F. Noble, Canadian Government Trade Commissioner H. E. Campbell, Assistant Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	*Mail:* P.O. Box 715 *Cable:* CANTRACOM *Tel.:* 33-2628

Territory	Officer	City Address	Mail and Cables, Office Telephone
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	*Mail:* P.O. Box 683 *Cable:* CANTRACOM *Tel.:* 2-5134/5
Spain Balearic Islands, Canary Islands, Gibraltar, Rio de Oro, Spanish Morocco, Tangier	E. H. Maguire, Commercial Secretary	Canadian Embassy, Edifico España, Avenida de Jose Antonio 88, MADRID	*Mail:* Apartado 117 *Cable:* CANADIAN *Tel.:* 22-28-10
Sweden Finland	F. W. Fraser, Commercial Counsellor	Canadian Legation, Strandvagen, 7-C, STOCKHOLM	*Mail:* P.O. Box 14042 *Cable:* CANADIAN *Tel.:* 67-92-15
Switzerland Austria, Czechoslovakia, Hungary	Yves Lamontagne, Commercial Counsellor W. R. Hickman, Assistant Commercial Secretary	Canadian Embassy, Kirchenfeldstrasse 88, BERNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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 R. R. Parlour, Assistant Trade Commissioner	Colonial Building, 72 South Quay, PORT-OF-SPAIN	*Mail:* P.O. Box 125 *Cable:* CANADIAN *Tel.:* 34787
United Kingdom (South of England, East Anglia, Scotland), Iceland, British West Africa (Gambia, Gold Coast, Nigeria, Sierra Leone)	R. P. Bower, Commercial Counsellor R. Campbell Smith, Commercial Secretary T. M. Burns, Assistant Commercial Secretary W. G. Pybus, Assistant Commercial Secretary	Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1	*Mail:* (City Address) *Cable:* SLEIGHING *Tel.:* Whitehall 8701
United Kingdom	D. A. B. Marshall, Commercial Secretary (Agricultural)		
United Kingdom	G. H. Rochester, Commercial Secretary (Timber)		*Cable:* TIMCOM
United Kingdom (Midlands, North England, Wales)	M. J. Vechsler, Canadian Government Trade Commissioner	Martins Bank Building, Water Street, LIVERPOOL	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Central 0625
United Kingdom (Northern Ireland)	T. G. Major, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	*Mail:* (City Address) *Tel.:* 21867
United States Delaware, Maryland, Virginia, West Virginia	R. G. C. Smith, Commercial Counsellor S. V. Allen, Commercial Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W. WASHINGTON, 6. D.C.	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* DEcatur 2-1011
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, Liberia	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	*Mail:* (City Address) *Cable:* CANTRACOM *Tel.:* JUdson 6-2400
United States	M. B. Bursey, Consul and Trade Commissioner (Fisheries)	Canadian Consulate General, 620 Fifth Ave., NEW YORK 20, N.Y.	*Mail:* (City Address) *Cable:* CANTRACOM *Tel:* JUdson 6-2400
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	D. H. Cheney, Vice Consul and Trade Commissioner	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* HAncock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. V. N. Gordon, Vice Consul and Trade Commissioner	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* WOodward 5-2811
*United States (City of Los Angeles, Southern California, Arizona)	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 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	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* SUtter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General, The Tower Building Seventh Avenue at Olive Way, SEATTLE 1, Washington	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* MUtual 3515
Uruguay Paraguay	W. Gibson-Smith, Commercial Secretary	Canadian Embassy, MONTEVIDEO	*Mail:* Casilla Postal 852 *Cable:* CANADIAN
Venezuela Netherlands Antilles	J. A. Stiles, Commercial Secretary F. B. Clark, Assistant Commercial Secretary	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	*Mail:* Apartado 3306 *Cable:* CANADIAN *Tel.:* 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 1·01943.

foreign exchange rates

Country	Unit	Type of Exchange	Canadian dollar equiv. April 15	Notes (See below)
Argentina	Peso	Preferential buying	·1307	
		Basic buying	·1962	
		Preferential selling	·1962	(1)
		Basic selling	·1307	
		Free	·07061	
Austria	Schilling		·03773	
Australia	Pound		2·2125	
Belgium Luxembourg & Belgian Dependencies	Franc		·01947	
Bolivia	Boliviano	Official	·00516	
British West Indies	Dollar		·5762	(3)
	Pound		2·7656	(4)
	Dollar	Brit. Honduras	·6914	
Brazil	Cruzeiro	Official selling	·05212	tax 8%
		Effective buying	·03459	(2)
		Coffee buying	·04199	(5)
Burma	Kyat		·2060	
Ceylon	Rupee		·2074	
Chile	Peso	Official	·00892	(1)
Colombia	Peso	Basic	·3924	
Costa Rica	Colon	Official	·1747	(6)
		Controlled free	·1477	
Cuba	Peso		·9809	tax 2%
Czechoslovakia	Koruna		·1362	
Denmark	Krone		·1420	
Dominican Republic	Peso		·9809	
Ecuador	Sucre	Official	·06540	
		Free	·05667	
Egypt	Pound		2·8168	
Fiji	Pound		2·4916	
Finland	Markka		·00426	
France	Franc		·00280	(7)
French Africa	Franc		·00561	(8)
French Pacific	Franc		·01543	(9)
Germany	D Mark		·2336	
Greece	Drachma		·000033	
Guatemala	Quetzal		·9809	
Haiti	Gourde		·1962	
Honduras	Lempira		·4905	
Hong Kong	Dollar	Free	·1688	*April 2
Iceland	Krona	Official	·06023	
		Special buying	·04638	
		Special selling	·03737	
India	Rupee		·2074	
Indonesia	Rupiah	Basic	·08605	(10)
Iran	Rial	Certificate	·01087	
Iraq	Dinar		2·7466	

* Latest available quotation date.

Country	Unit	Type of Exchange	Canadian dollar equiv. April 15	Notes (See below)
Ireland	Pound		2·7656	
Israel	Pound	Effective basic	·9809	
		Premium	·5450	
Italy	Lira		·00157	
Japan	Yen		·00272	
Lebanon	Pound	Free	·3037	
Mexico	Peso		·1134	
Netherlands	Guilder		·2591	
Netherlands Antilles	Guilder		·5202	
New Zealand	Pound		2·7656	
Nicaragua	Cordoba	Effective buying	·1486	(11)
		Official selling	·1391	
		With Surcharge I	·1218	
		With Surcharge II	·09760	
Norway	Krone		·1373	
Pakistan	Rupee		·2965	
Panama	Balboa		·9809	
Paraguay	Guarani	Basic	·06540	(1)
		With Surcharge I	·04671	
		With Surcharge II	·03270	(12)
Peru	Sol	Certificate	·05083	
Philippines	Peso		·4905	tax 17% (2)
Portugal	Escudo		·03423	(13)
El Salvador	Colon		·3924	
Singapore & Malaya	Straits dollar		·3227	
South Africa (Union of)	Pound		2·7656	
Spain & Dependencies	Peseta	Basic buying	·04479	
		Basic selling	·08742	
		Basic commercial selling	·05972	(1)
		Free	·02518	
Sweden	Krona		·1896	
Switzerland	Franc		·2287	
Syria	Pound	Free	·2708	*March 9
Thailand	Baht	Official	·07848	(1)
		Free	·04732	*Feb. 19
Turkey	Lira		·3503	
United Kingdom	Pound		2·7656	
United States	Dollar		·9809	
Uruguay	Peso	Official	·6458	
		Basic buying	·5511	
		Special buying	·4174	(1)
		Basic selling	·5162	
		Special selling	·4004	
Venezuela	Bolivar		·2928	(14)
Yugoslavia	Dinar		·00327	

* Latest available quotation date.

notes

1. Additional rates are in effect for specified goods.
2. Tax affects selling (import) rates only; certain essential imports exempt.
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. Metropolitan France, Algeria, Tunisia, Morocco, French Guiana, Guadeloupe, Martinique.
8. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
9. New Caledonia, New Hebrides, Oceania.
10. Indonesia: Basic rate applies to all exports and essential imports. Rupiah value for other than essential imports is reduced by 33⅓ per cent, 100 per cent or 200 per cent depending on product.
11. Nicaragua: Effective buying rate applies to all Nicaraguan exports.
12. Paraguay: Basic rate applies to most Paraguayan exports.
13. Approximately same rate for currencies of Portuguese Territories in Africa.
14. Venezuela: There are special rates for exports of petroleum, cocoa and coffee.

businessman's bookshelf

The Dollar

By Roy Harrod. 156 pages. $2.00.

THIS MATERIAL first appeared in 1953 in the United Kingdom as a reprint of the Sir George Watson lectures. The first chapter provides a history of the evolution of the United States dollar, the second deals with the Federal Reserve System, the third with the United States dollar as an international currency, and the fourth with the postwar dollar problem. The last chapter will probably be of most interest to Canadian businessmen. It gives a well-rounded summary of the causes of the dollar gap, together with Mr. Harrod's own views about what action might be taken to correct the imbalance. Mr. Harrod argues for a rise in the price of gold and puts forward arguments for the establishment of convertibility with the maintenance of quantitative import restrictions.

Order from: the Macmillan Company of Canada, 70 Bond Street, Toronto.

Trade Mark Laws throughout the World

By P. O. Hereward. 210 pages. $5.75.

IN THIS "SMALL REFERENCE BOOK" on trade mark law the author has drawn largely on his experience as an employee of the Trade Marks Section of the Legal Department of Imperial Chemical Industries, Limited. He discusses the trade mark laws of each country under nine headings: introductory, conventions, documents required for application, classification, office procedure, opposition, maintenance, renewal, and assignment and licensing. Such a brief treatment serves to answer the most common and basic questions but a good deal of information is necessarily omitted. The section on Canada gives no information on symbols that may not be registered, nor does it mention the unfair competition laws. Readers should also note that the sample application form in the book differs from the official Canadian form.

Though the author discusses some aspects of the Act recently passed by the Canadian Parliament (but not yet law) he omits to mention other new sections such as the ability to register services. Judging by the section on Canada, the book provides useful information on the basic regulations governing a country's trade mark laws. But, on the same basis, it is hard to justify the author's suggestion that it be used in the preparation of an application.

Order from: The Carswell Company Ltd., 145 Adelaide Street West, Toronto.

Nigeria Trade Journal

Department of Commerce and Industries, Lagos. Annual subscription $1.00, post free.

TRADERS with a particular interest in British West Africa will find this magazine an excellent way of keeping in touch with developments there. Launched in January 1953, the *Journal* is now issued quarterly. Each number reports on freight rates, trade statistics, newly registered companies, legislation which affects business, market conditions, trade opportunities, and so on. Special articles feature the industries of the territory, development programs, and other pertinent subjects.

Order from: Crown Agents for the Colonies, 1800 K Street, N.W., Washington, D.C.

Commonwealth Stocktaking

By L. St. Clare Grondona. 336 pages. $7.00.

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