



CANADA

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foreign trade

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COVER A giant hammer-head crane deposits another plank on a pile of Canadian Douglas fir lumber awaiting export. Some of it will go to New England, where Douglas fir and hemlock are moving up in price. For a report on the New England market for both softwoods and hardwoods, see page 11.

—NFB Photo.

Delmar Chemicals for Export

Are you hesitating about launching out into the export market? The experience of this small manufacturer of pharmaceutical chemicals who finds export profitable may prove encouraging to other firms.

H. LESLIE BROWN, *Director, Information Branch.*

ABOUT THIRTEEN YEARS AGO a new Canadian, G. S. Delmar, opened a plant at Lachine, Quebec, and began producing chemicals for the pharmaceutical industry—chemicals used in compounding various finished products. The new company, Delmar Chemicals Limited, then had only two employees; today it has 22. Talk to Mr. Delmar about this achievement and you will discover that he gives much of the credit for this to his cultivation of foreign markets.

From the outset, Mr. Delmar, as a trained chemical engineer, recognized that he could not hope either to make a wide range of chemicals or to sell in large volume, because either would call for too heavy an outlay on plant and equipment. He therefore decided to concentrate on chemicals used in small quantities and relatively high-priced. This course permitted a modest investment in equipment. He continues to manufacture and sell chemicals alone and has made no attempt to enter the field of processing chemicals to the point of final pharmaceutical products.

Sales Problem

Mr. Delmar carefully examined the problem of sales because the outlets for his products in Canada were limited. The implications of this were clear: he would have to keep adding new products to his list, and he would have to look for markets outside Canada.

The restrictions and shortages of the war years made progress difficult and by 1945, employees numbered only four. Then came the turn in Delmar's fortunes. In 1946 the company was incorporated, facilities were expanded, and efforts were renewed to build up business in Canada and abroad. The pattern of operations did not change but volume was on the increase and has continued to expand. Sales in Canada rose steadily and export sales grew at the same pace. In fact, exports throughout these years have been maintained consistently at about 50 per cent of total sales.

On the subject of exports, Mr. Delmar is frank. "Our experience was obtained the hard way—as we went along. You can build up an export business even without previous experience as long as you do not mind the additional and unavoidable bother and complications.

"Our efforts to build up exports to the United Kingdom and the United States," he says, "were practically hopeless. The former remains closed because of foreign exchange difficulties and the latter as a result of the rates of import duty. The duty on most of our products entering the United States was 45 per cent up to about two years ago, when it was reduced to 25 per cent. Even that is still heavy enough to make our competitive situation practically hopeless."

Where are the export markets found? "In other countries we were able to compete. Initially it was mostly the Central and South American countries which proved to be good markets. South America was the obvious choice as an export market because, after the war ended, countries in South America had dollars available for imports. Of course any countries with little or no pharmaceutical industry would not be a promising market for us because they import the finished product. Obviously we looked for markets with a fairly well developed pharmaceutical industry but with relatively little manufacturing of basic chemicals.

"As time went on we extended our operations to a few countries in Europe and recently to the Far East, including the Philippines and Japan. In some cases, the resurgence of chemical production in Europe, and especially in Germany, has brought some dropping away of business."

Agents Abroad

Mr. Delmar states explicitly that he considers export operations a vitally important part of his business activities. "We feel that export also has its compensations beyond the value which can be expressed in dollars and cents. We are working in other countries through agents whom we consider as members of our firm. We give them as much information as we possibly can, not only on our products but also on our plans for new items."

Because its sales efforts consist largely of technical information and service, Delmar expects its agents to be in constant touch with all customers and to offer them commercial and technical advice in the same way that the company serves its customers in

Canada. With a specialized product, Delmar finds that many Canadian and foreign customers seek assistance whenever they are in need of an item which they feel the firm might be interested in producing.

Unexpected Benefits

This means that the Lachine firm is provided with a continuous flow of information on new developments in other countries and is kept informed about new trends. Because pharmaceutical and medical practice are undergoing continual change and products useful yesterday are discarded for better ones today, the stimulus of having not mere salesmen but a kind of intelligence service is more than satisfactory. "Quite frequently we have been able to be of service to a customer—for example, in Mexico—by having previously received information on some new products, perhaps from Italy, and vice versa."

With the continually changing pattern of drugs being used, the Canadian firm must always carry on research and development work. As a corollary, it has constantly to drop items from its list in favour of new products. "The reports received from our agents are exceedingly helpful in making decisions about which new products to add to our list."

Assistance from Trade Commissioners

"It is obvious that the choice of our agents is of crucial importance," said Mr. Delmar. "It is at this point that I will have to discuss at some length the service which we obtain from the Canadian Trade Commissioners. Practically all our agents have been engaged following recommendations from the Canadian Trade Commissioners in their respective countries. When we first started our export operations, we approached the Trade Commissioners explaining our activities, describing the type of agent which we felt would be best for our purposes, and requesting their recommendations. In most cases these recommendations proved to be excellent and in the odd case when the agent did not come up to our expectations, it was again with the help of the Canadian Trade Commissioners that we were able to find the right person.

"We used every opportunity to meet the Canadian Trade Commissioners when they came to Canada for a tour. These personal conversations were also very helpful because they gave us a better insight into conditions in the various countries. I am always much impressed by the length to which the Canadian Trade Commissioners are prepared to go to be of service.

"There was one extreme case, for instance, when we suddenly found ourselves with not one but two agents. Each of them claimed that he had our exclusive agency even though we felt that, based on the correspondence we had with them, neither had the right to assume that we expected him to act in such a capacity. What a situation! When one is conducting business by cor-

respondence, such misunderstandings can arise. When they do, they can be exceedingly troublesome. Naturally we did not want to hurt either the company's reputation or that of Canada, which should be cultivated by every exporter and which is very high. With the help of the Canadian Trade Commissioner on the spot, who was able to discuss these matters directly with the agents, we got the somewhat confused situation under control.

"In another case, one of our customers in South America wanted to contract for a rather large quantity of a chemical which at that time we did not produce. In fact, we were reluctant to begin making it because we did not expect to have other outlets for it. To buy the necessary equipment and begin production for this single customer seemed risky. The country had rather stringent import regulations at that time and there seemed to be no guarantee that the import licence would be forthcoming for the quantity which this customer wanted. We did not mistrust our agent, who assured us that things would run smoothly, but we were still reluctant to go along with the plan. Instead we explained the whole business to the Canadian Trade Commissioner there. By that time we were prepared to rely on the Canadian Trade Commissioner to do practically everything that a member of our firm would do. But we were surprised to see that he investigated the whole proposition from every angle, discussed it with our agent, with the customer and with the authorities. Then he gave us a lengthy report which enabled us to make the right decision.

Canada's Reputation High

"I think I should also say a few words about the stature of Canadian manufacturers abroad, because we have found that the excellent reputation which Canada enjoys is a real help in promoting Canadian goods for export. It is not unusual for us to obtain orders at equal, and sometimes even at a slightly higher, price in the face of competition simply because our products are Canadian. In my somewhat infrequent trips abroad I have also found that it is not only the quality of the Canadian goods but also the economic and political stability of this country which arouses the envy and admiration of business men all over the world. Naturally such a reputation makes export activities easier."

Standard of Quality

In conclusion Mr. Delmar added a final important comment: "It perhaps goes without saying that a continuous export business and repeat orders can be anticipated only if the proper technical service is forthcoming from the manufacturer and if the goods supplied are quality products, meeting all reasonable specifications. A large part of our success in building and maintaining our export markets is undoubtedly the fact that we are always very jealous of the quality of our products."●

Trends in Switzerland's Foreign Trade

Since 1948, Swiss exports have risen consistently, reaching a new high in 1953 and turning the traditional foreign trade deficit into a surplus.

YVES LAMONTAGNE, *Commercial Counsellor, Berne.*

THE OUTSTANDING FEATURE of Switzerland's foreign trade is that imports usually exceed exports. At the beginning of 1954, however, the Swiss found themselves in the exceptional position of possessing a favourable balance of trade. This in itself indicates that normal trading conditions have not yet been re-established following the changes brought by the Korean war. The war checked a down-trend in the economy which began about mid-1948 and heralded a new prosperity, when world rearmament sharpened the demand for Swiss products. Exports reached their peak in 1953, with the value 50 per cent higher than in 1949.

Effects of Korean War

When the war in Korea broke out in 1950, the Swiss immediately began to accumulate stocks of raw materials and foodstuffs, fearing that the war might spread to Europe or other parts of the world. Switzerland, because of its geographical position, is particularly vulnerable to the effects of war because it depends so largely on imports of commodities which it cannot produce. Rising prices also contributed to the increase in imports in 1950. Imports reached their peak in 1951 and this resulted in the largest unfavourable balance of trade since 1948.

During 1951 the upward trend in prices on the international market—and particularly for a number of raw materials—was reversed. This downtrend continued in 1952 and buyers became more cautious. Switzerland reduced its imports considerably in 1952 and drew upon the stocks accumulated since 1950. Imports dropped again in 1953 but not as steeply as in 1952

because a number of branches of Swiss industry (textiles and chemicals, for instance) resumed purchasing on a larger scale. The 1953 imports of a number of products, however—such as coal, structural steel, raw iron and steel, steel sheets, and raw copper—fell considerably below what might be considered normal. The decrease in imports during 1953 seemed to stem from the fall in prices of a series of commodities rather than from a decrease in volume.

It is likely that imports will rise in 1954 and that exports will fall—with a return to the traditional unfavourable balance of trade.

Switzerland's balance of trade for 1953 was favourable by approximately \$21 million; in 1952 the unfavourable balance totalled about \$105 million.

Switzerland has a trade per capita which is exceeded by few countries. With a population close to five million, imports in 1953 amounted to \$233 per capita and exports to \$237.

Nature of Swiss Foreign Trade

More than 50 per cent of Switzerland's exports by value consist of manufactured goods, with the emphasis on machinery and apparatus. In this category, watches, clocks and parts come first (21.4 per cent of total exports), closely followed by machinery, 20.1 per cent of the total. The next in importance are chemicals and textiles.

Principal category of imports is animal and vegetable products, primarily foodstuffs and feedstuffs, and the

Evolution of Switzerland's Foreign Trade

Year	Imports	Exports	Balance
	<i>(in thousand Swiss francs)</i>		
1953	5,070,685	5,164,609	+ 93,724
1952	5,205,683	4,748,932	— 456,751
1951	5,915,529	4,690,879	—1,224,650
1950	4,535,927	3,910,903	— 625,024
1949	3,791,033	3,456,733	— 334,300
1948	4,998,895	3,434,360	—1,564,535
1947	4,820,015	3,267,566	—1,552,449

Swiss Trade by Main Categories, 1953

	Imports	Exports
	\$	\$
Animal and vegetable products ...	338,543,139	80,373,011
Wood, paper and products	44,889,857	21,914,872
Textiles, rubber and products ...	170,264,371	195,971,041
Minerals, metals and products...	256,088,855	88,077,231
Machinery and apparatus	206,806,030	582,413,055
Chemicals and products	117,091,672	201,154,233
Tobacco and products	17,668,688	12,762,215
Products not specified elsewhere	14,905,046	5,194,482
Total	1,166,257,658	1,187,860,140

PRINCIPAL ITEMS in SWITZERLAND'S TRADE, 1953

Imports

PRODUCTS	\$	PRODUCTS	\$
<i>Raw materials for the metallurgical industry</i>		<i>Foodstuffs, beverages and feedstuffs</i>	
Iron and steel, unworked	4,272,700	Wheat	32,419,650
Structural iron and steel	20,045,420	Feed barley	14,628,230
Copper, raw	9,923,580	Oats	7,384,380
Lead, raw	3,031,630	Corn	6,905,750
Zinc, raw	2,283,900	Oilseeds and fruits	14,557,794
Aluminum, raw	1,967,880	Edible oils	4,589,650
Aluminum, calcined	3,837,320	Meats, fresh or preserved	5,675,994
<i>Raw materials for other industries</i>		Poultry, fresh or frozen	3,744,327
Hides and skins, raw	5,061,650	Meat extracts	6,529,485
Leather, sole and upper	5,403,390	Fish, fresh or preserved	6,277,729
Rubber, crude, and waste	4,800,550	Eggs	8,790,830
Wood for building, etc.	10,843,810	Butter	6,875,160
Pulp for making paper	3,580,410	<i>Fuels</i>	
Oleaginous fruits	14,568,200	Coal	46,815,120
Tobacco, raw	17,041,620	Oil for heating and gas	26,740,490
Chemical products, raw	7,881,180	Gasoline	21,688,770
<i>Semi-manufactures and finished products</i>		Lubricating oils	3,931,620
Cotton fabrics	5,232,960	<i>Raw materials for the textile industry</i>	
Fabrics, wool, etc.	9,838,250	Cotton, raw	32,309,710
Rubber products	13,846,410	Cellulose for artificial silk	4,162,310
Machinery	86,568,939	Silk, raw	4,390,000
Iron and steel sheets	27,931,200	Wool, raw	18,143,550
Automobiles	63,539,110	Wool, combed	14,531,270
Instruments, apparatus	30,064,293		

Exports

PRODUCTS	\$	PRODUCTS	\$
<i>Metallurgical industry</i>		<i>Miscellaneous</i>	
Watches, clocks and parts	254,532,430	Straw braid for hats	8,848,560
Machinery and parts	239,211,230	Hides and skins, raw	3,844,257
Instruments and apparatus	76,920,860	Boots and shoes	6,904,830
Copper, rolled or drawn	5,548,041	Rubber products	7,041,220
Copper, brass, manufactured	2,575,770	Jewellery, real	2,289,140
Precision tools	4,098,820	Jewels, for watches, etc.	5,498,610
Aluminum bars, sheets, etc.	8,335,297	Arms	8,679,034
Aluminum manufactures	10,208,063	Tobacco, manufactured	12,713,940
Ball and roller bearings	2,096,910	<i>Foodstuffs</i>	
Automobile parts, truck chassis	3,308,780	Cheese	23,393,760
<i>Textile industry</i>		Chocolate	4,445,210
Cotton yarn and thread	12,403,440	Condensed milk	1,360,110
Cotton fabrics	37,330,840	Livestock	1,685,570
Embroideries	22,702,610	<i>Chemical and pharmaceutical industries</i>	
Natural silk	2,688,000	Pharmaceutical products	73,729,490
Silk and artificial silk yarns	16,918,800	Perfumery	7,353,100
Natural and artificial silk fabrics	24,061,220	Industrial chemicals	22,907,080
Ribbons, silk	2,458,340	Aniline, indigo dyes	53,016,420
Stockings, knitted goods	9,930,000		
Clothing	10,734,100		

NOTE: The figures for all dollar-value tables have been converted from Swiss francs at the rate of one franc equals 23 cents Canadian. Import values are c.i.f. Swiss frontier. Export values are f.o.b. Swiss frontier.

Venezuela Continues Its Progress

With oil sales abroad holding up well, Venezuela's trade figures are in the black and revenues permit spending on public works and on projects for diversifying industry.

J. A. STILES, *Commercial Secretary, Caracas.*

THE VENEZUELAN ECONOMY is today continuing its steady development and is making significant progress in many fields. Oil production—which accounts directly or indirectly for approximately 65 per cent of national income—is at a record level. The foreign trade and exchange positions are very favourable and the growth of secondary industries continues apace. The completion of an extensive \$265 million program of public works at the end of 1953 has engendered a new spirit of optimism about the future in Venezuelan government circles, and plans have now been completed for the construction of additional important projects. All signs indicate that the present prosperous conditions will continue, at least throughout 1954.

Foreign Trade

Venezuela's foreign trade in 1953 was valued at \$2,196 million, the highest in the nation's history. Exports at \$1,452 million were only \$5 million less than a year ago; imports at \$743 million exceeded the previous year's by \$17 million. Following the pattern of the past ten years, Venezuela ended 1953 with an excess of exports over imports and a satisfactory gold and dollar reserve.

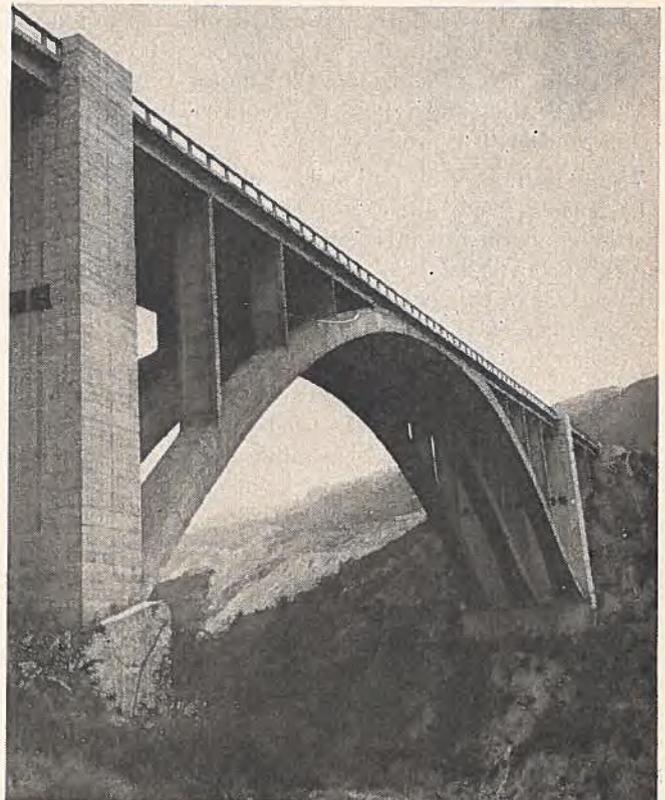
Trade with Canada

Canada's share of Venezuela's trade again increased in 1953. Our exports to Venezuela were \$800 thousand above the 1952 level and reached a total of \$36.5 million. This compares with a total of \$17 million for 1948 and \$1 to \$1.25 million in 1938, a typical prewar trade year. Canadian imports from Venezuela—99 per cent petroleum products—were valued at \$155 million, an increase of nearly \$20 million over 1952. Official year-end statistics show that Germany replaced Canada as Venezuela's third supplier in 1953 and that the final standing, by value, of supplying countries was: United States, 66.2 per cent;

United Kingdom, 7.7 per cent; Germany, 4.7 per cent; Canada, 4.2 per cent; France, 2.5 per cent; Holland, 2.1 per cent, others, 12.6 per cent.

Oil Production High

The all-important oil industry continues to be the mainstay of the Venezuelan economy. Crude oil production last year averaged 1,765,000 barrels a day, just slightly under the 1952 rate of 1,803,000 barrels a day. During the first three months of 1954, output averaged 1,875,000 barrels a day, reflecting the stronger demand for fuel oils in the United States and Canada during the winter months. The three major oil companies in Venezuela have announced plans to spend \$252 million in 1954 for the expansion of their refining and production capacity and also for the establishment of a new petro-chemical industry.



Last December saw the opening of Venezuela's breathtaking "Autopista" highway from Caracas to La Guaira, built at a cost of \$71 million. Photo shows a 1,000 ft. bridge, one of three prestressed concrete bridges along the ten-mile route.

Iron ore exports are becoming increasingly important to Venezuela. Ore shipments in 1953 to the United States by the Bethlehem Steel subsidiary amounted to two million tons, and in January 1954, the U.S. Steel Company affiliate in Venezuela made its first ore shipment to the company's plant in Pennsylvania. Total exports of iron ore from this country to the United States in 1954 are expected to reach six million tons, and by 1957 an annual rate of ten million tons.

Construction Active

Last year was a banner one for the Federal Government in the construction field. More than 450 public works with a value of \$265 million were completed, including new hotels, hospitals, highways, public buildings, and schools. Special inauguration ceremonies held during the week of November 24th-December 2nd featured the formal opening of the new \$71 million super-highway linking Caracas with the seaport of La Guaira. Numerous additional projects are under way, many of them scheduled for completion in 1954.

Industrial Output Increasing

Statistics released by the Central Bank of Venezuela show encouraging results during recent years from the official program to industrialize and diversify the economy. Using the index figure for 1948 as 100, the production level of selected industries at the end of 1952 was as follows: powdered milk, 149; refined sugar, 244; rayon textiles, 642; cigarettes, 228; cement, 392; matches, 495; paints, 486; motor vehicle assembly, 558; tires and tubes, 397; construction materials, 302, and leather products, 383.

The question of a national steel industry continues to receive much attention. Technicians are currently striving to obtain an economical method of reducing Venezuelan iron ore, and if this problem can be solved, steel will be produced in Venezuela within the next five years. Offers of technical and financial assistance have already been received from foreign firms.

Electric power capacity is developing rapidly. Output in 1945 amounted to 212 million kwh. and by 1953 had reached 841 million kwh. The Venezuelan Development Corporation, a government entity, has been sponsoring a rural electrification project which will increase power production still further during the next few years. Included in the program is the hydro development of the Caroni Falls in the State of Bolivar. Electrical energy from this source is slated to be ready by 1958 to tie in with industrial developments projected for the area.

Venezuelan retail merchants report increasingly keen competition during the past few months and, as a

result, credit terms have been relaxed somewhat and profit margins reduced. However, the volume of sales does not appear to be declining, judging by the 1953 retail sales of 75 leading Caracas commercial houses which totalled \$151 million, some \$1.2 million above the 1952 level and higher than any postwar year with the exception of 1948.

Outlook

The 1954-55 budget for the fiscal year beginning July 1, 1954, has just been proposed to the National Congress, with revenue and expenditures estimated at \$714 million, an increase of 1 per cent over last year. The departmental allocations clearly indicate the Government's plan to diversify the economy in order to lessen its present dependence on the oil industry. The development of new secondary industries, the improvements planned in the field of transportation—particularly railway, port and shipping services—plus the country's normal import needs should provide interesting opportunities for Canadian suppliers able and prepared to contend with the keen competition.

Peru Pushes Ahead

Both foreign and domestic capital is being used to finance Peru's industrial and agricultural expansion which the Government is encouraging by various means, including protective duties, government irrigation projects, and financial assistance.

Since the first of the year two factories have been established to produce small diameter welded steel pipe, a second rubber tire company has been formed and an explosives company incorporated. In addition, the Government Salt Monopoly has bought equipment worth \$400 thousand to \$500 thousand, with a capacity of 24 tons of refined salt daily, which will be in operation by August. A new cement factory in northern Peru has increased its capital and probably will be assisted by an International Bank loan. Many plants have been modernized and have expanded their capacity.

In April, the International Bank for Reconstruction and Development announced a further loan of \$1.7 million (1952, \$1.3 million) for the purchase of heavy agricultural machinery and equipment which will be used to reclaim old and open new areas to cultivation, and to improve present production methods. Most of this machinery will be operated from machinery pools which are strategically located throughout the country.

Nearly 50,000 hectares (1 hectare=2.47 acres) were put under irrigation in the north of Peru by a single government project completed in 1953. Other plans call for a second phase of this project and a further 150 thousand hectare project in the south.

commodity notes

Argentina

POTATOES—Argentina has announced an additional export quota of 30,000 metric tons of potatoes, making a total of 36,000 tons authorized for export from the 1953-54 crop. This step has been taken because of the surplus which is not likely to be absorbed locally and it affords the producer a potential alternative market for his stock—Buenos Aires, May 4.

TIMBER—In addition to the timber bought recently from Yugoslavia and Czechoslovakia, IAPI has made further purchases of spruce timber from Romania, valued at 13.5 million pesos and from Poland, valued at 5.3 million pesos. The value of these timber purchases to date totals about 65 million pesos—Buenos Aires, May 4.

Belgium

CEMENT—Despite increased competition, Belgian manufacturers sold 1.9 million tons of cement in world markets in 1953—475 thousand tons more than the record 1952 export sales of 1,425,000 tons. Because of its relatively large productive capacity, foreign sales are particularly important to this industry. Although many former markets are now closed or curtailed as a result of the development of the industry in countries formerly customers, Belgian firms have succeeded in finding new markets. They have been helped by world consumption which increased from 103 million tons in 1948 to about 160 million tons in 1952. The Netherlands was the best customer in 1953 with 721 thousand tons, followed by Great Britain, 213 thousand tons; the Belgian Congo, 188 thousand tons, and New Zealand, 76,000 tons. Canada ranked after New Zealand with 66,640 tons—Brussels, May 14.

Brazil

COCOA—According to the Bahia Cocoa Commission, 1,761,052 bags of cocoa from the 1953-54 Bahia crop entered the market between last May and December 31st. Assuming that another 200 thousand bags were put on the market in January and February, the 1953-54 crop will reach a total of more than 1.9 million bags, the largest crop in recent years. The volume of the mid-year 1954-55 crop is still uncertain. Inadequate November rains were compensated by higher rainfall in December. However,

the mid-year crop will depend upon weather conditions in January and February. Cocoa exports last December through the ports of Salvador and Ilheus amounted to 185 thousand bags of 60 kilos, valued at over 166 million cruzeiros, an all-time monthly record—Rio de Janeiro, May 6.

Chile

HEAVY TRACTORS—The "Corporacion de Fomento de Produccion," the government body for stimulating all economic activity in Chile, has been granted permission by the Chilean Foreign Exchange Board to purchase on credit terms up to US\$1.2 million worth of heavy tractors. These tractors will form part of the equipment of the travelling teams offering mechanical aid and guidance to farmers—Santiago, May 8.

COPPER—The Chilean Minister of Mines declared to the press recently that, apart from the 100 thousand tons of accumulated copper stocks sold a short time ago to the United States, Chile had sold, in the past four months, 92,500 tons of copper. Of this amount, 57,000 tons were shipped to the United States market, 20,500 tons to Great Britain (paid for in sterling), and 10,150 tons to other European countries, with settlement in dollars. Some 432 tons of semi-elaborated copper were shipped to the Argentine and 4,430 tons absorbed by the local industry. Unofficial sources are of the opinion that, notwithstanding, Chile's current unsold copper stocks stand at about 100 thousand tons.

The Minister of Mines confirmed that no concrete offers for copper had been received from Russia—Santiago, May 3.

Denmark

CHEESE—Total cheese production in Denmark during 1953 was 86.8 million kilograms, 1.9 million more than in 1952. Exports in 1953 amounted to 59 million kilograms; 23 million kilograms were consumed at home. Largest foreign purchasers were the United Kingdom, 12.4 million kilos; Italy, 11.7 million; the United States, two million and Sweden 1.2 million. Exports to all other countries totalled 5.6 million kilos. These exports were 10 per cent higher than those in 1952. Home consumption dropped by about one million kilograms. Production in March was about 20 per cent below March 1953—Oslo, May 7.

Finland

TIMBER—Finnish exports of timber are still far below the prewar level of about one million standards. The 1953 figure is expected to total about 650 thousand standards, including the 60,000 standards delivered to Soviet Russia under the trade agreement with that country—Stockholm, May 3.

France

MOTOR VEHICLES—French production of motor vehicles in 1953 dropped as compared with 1952. In 1953, production totalled 497 thousand units, about 2,000 less than in 1952, a record year. Last year's total was made up of 371 thousand cars and 126 thousand commercial vehicles. The decrease is mainly the result of smaller production of commercial vehicles.

Export of French vehicles also decreased; 82,000 cars and 53,000 commercial vehicles were exported in 1953, a total of 135 thousand compared with 137 thousand in 1952.

No substantial change is expected in the near future in France's production and export of motor vehicles, except in the production of all types of motor and autocyclus, which reached a new record of 782 thousand last year and is still rising—Paris, May 12.

Guatemala

BATTERIES—Since the tariff was raised last year to 45 cents (U.S.) per kilogram gross weight, few batteries have been imported into Guatemala. The replacement batteries required by the country's 18,000 vehicles now come from small shops turning out an average of ten units a day. A new firm is investing \$30,000 in a plant to produce 50 batteries a day, using American patents for special features designed to guarantee a battery life of six years or more. This Guatemalan enterprise hopes to open small battery plants in El Salvador and other Central American countries within the next two years—Guatemala, May 4.

Israel

CITRUS FRUIT—Israel citrus growers are enjoying a good season this year with higher foreign currency earnings. Demand for Israel citrus fruit increased following a severe frost in Spain estimated to have spoiled over 50 per cent of that country's citrus crop. Higher sales to Sweden, Norway, Denmark, the Netherlands and the United Kingdom are anticipated. To meet this unexpected demand, the Israel Citrus Market Board is said to have decided to export larger-sized fruit this year (120 instead of the normal 150 to a crate), and also to allow the export of lower quality fruit. Exports this year are expected to exceed by 20 per cent the record 5.3 million cases

sold during 1952-53, with a possibility of earning up to \$20 million in foreign exchange—Athens, May 3.

Morocco

SARDINES—Exports of sardines from Morocco were higher during 1953 than for any year since 1950. Last year, 2,002,000 cases were exported, compared with 1,678,000 in 1952, 1,769,000 in 1951 and 2,466,000 cases in 1950. Of the two million cases which left Morocco, 120 thousand went to foreign countries (other than the French Union)—Paris, May 11.

Norway

NITROGEN FERTILIZER—Norsk Hydroelektrisk Kvaestofaktieselskab's exports of nitrogen fertilizer had a total value of Kr.300 million during 1953—Kr.38 million more than in 1952 and a record for the company. Trading profit for the year amounted to Kr.114.7 million, about one million kroner less than in the previous year. However, despite this record export, the demand has risen so sharply that the company is unable to satisfy all orders received from its old customers and intends to increase its annual production of nitrate of lime by 220 thousand tons. The company's experiments with the production of potassium from seawater are said to be progressing very satisfactorily—Oslo, April 27.

HERRING—Herring fishing off the West Coast of Norway changed officially from winter herring fishing on February 17th. By that date a record catch had been taken of 9.7 million hectolitres (902,100 metric tons). As a result, Norwegian herring oil production in 1954 is also expected to set a new record, exceeding the 82,000 tons produced in 1951—Oslo, May 6.

St. Lucia

ARROWROOT—This year's crop is expected to be good and reaping is well under way. Acreage has increased at the expense of cotton—Port-of-Spain, May 5.

South Africa

DIAMONDS—World diamond sales through the Central Selling Organization during 1953 amounted to £61.1 million, comprising gem stones, £43.3 million and industrial diamonds, £17.8 million. Although sales are 12 per cent below the 1952 record level of £69.7 million (gems, £45.8 and industrials, £23.9), disposals during the fourth quarter of 1953 were well above estimates—Johannesburg, May 8.

New England as a Market for Lumber

With the rate of construction in the New England states holding up well, lumber sales should remain strong, particularly for some softwoods, but competition among suppliers is increasing.

D. H. CHENEY, *Vice-Consul and Trade Commissioner, Boston.*

PRESENT ESTIMATES are that 1954 will be one of the New England construction industry's busiest years, although not all branches are expected to share the profits. Regional construction awards for 1953 amounted to approximately \$1.1 billion and all contracts are for work which will be put in place this year. Some of the larger projects will extend over a year or more.

Replacement building and expansion were given new incentive by the proposed allowances for faster depreciation and a levelling-off in costs. Highway construction should have a banner year, with Massachusetts, Maine and New Hampshire continuing major building projects. Potential value of contracts is put at about \$165 million. The two New England telephone companies plan to spend some \$112 million on expansion and improvements this year. School building is expected to produce plenty of activity as many communities attempt to provide for the rapidly expanding school-age population. The market for low and moderate-cost housing remains substantial.

Construction Market Varies

The power companies will continue their large expansion projects which are in varying stages of completion. Some \$17 million in defence funds is being spent on three large research centres in New England and expenditures on the two enormous Air Force bases at Limestone, Maine, and Portsmouth, New Hampshire, will run into many millions of dollars.

For the nation as a whole, the U.S. Department of Labour estimates expenditure for new building this year will amount to about \$34 billion, some two per cent below last year. Although some declines are anticipated in private housing, industrial plant, farm construction and defence facilities, the strong pressure for utilities, stores, schools, churches, recreational facilities and roads should balance the scale in favour of the builders.

Outlook for Softwood Sales

The early months are customarily quiet for lumber sales in New England because severe winter weather slows up most outdoor building. However, remarkably

mild weather over most of southern New England during February and extending into March provided an unexpected stimulus to a normally dull market. The early spring got the demand for all types of lumber off to a good start although frequent heavy rains, causing muddy conditions in some districts along the seaboard, have retarded operations considerably. Nevertheless dealers generally feel that February dealt more kindly with them than usual.

The outlook for most softwoods is good. West Coast lumbers are in a strong position, with hemlock coming up particularly well. The trade is not anticipating any particular business recession. The number of housing starts is expected to be about the same as last year and though most mills are fairly quiet at the moment, the remainder of the year is potentially busy.

The prospects for eastern spruce look weak. Eastern shippers are up against severe price competition from western white spruce which continues to make inroads into the New England market. A factor which eastern shippers should ponder is the willingness of their western counterparts to ship in even lengths. New England buyers complain that only a mere handful of eastern Canadian suppliers will offer even lengths and unless they meet the preferences of the market soon, they can expect an increasingly heavy loss of business to their western competitors.

Most dealers are not buying heavily now because they have plenty of good lumber coming along from earlier orders. Stocks have been kept fairly stable and no changes are anticipated. Prices are expected to remain steady in coming months. The market is competitive and increasing emphasis will be placed on selling. Such conditions, of course, reflect those in most other U.S. industries today.

Fir and Hemlock

According to recent market bulletins, cargo Douglas fir and hemlock dimension are moving up in price as the market took on more strength during the first week of March. It is said here that British Columbia shippers are now limited to what they can offer (except on No. 3 dimension and boards) in view of the sharp

upswing in their overseas business with Australia, South Africa and the United Kingdom. Added strength has been given to prices by talk of a West Coast strike. The rail market is reported to be firm, with minimum quotations on 2 x 4 No. 1 fir at \$95 and higher for good length random. No. 1 fir dimension mill shipment on dock is ranging from \$94 up. Hemlock ranges from \$87 to \$90 with expectation of \$90 quotes and up for May-June loading.

Selected quotations to the retail trade on fir and hemlock as at March 6th and May 1st on dock East Coast were as follows:

	March 6	May 1
Fir boards No. 3 and better, spot or transit	\$79.50 to \$83.50	\$77.50 to \$80.50
Fir dimension No. 1 and 2	\$93.50 to \$95.50 March-April loading	\$95.00 to \$97.00 May-June loading
Fir dimension No. 1 and 2, spot or transit	\$91.50 to \$96.50	\$92.50 to \$95.50
Hemlock dimension No. 1 and 2	\$87.00 to \$90.50 March-April loading	\$89.50 to \$91.50 May-June loading
Hemlock dimension No. 1 and 2, spot or transit	\$85.50 to \$90.50	\$87.00 to \$90.00

Eastern white pine in No. 3 common and better is steady, with some improvement noted; quotes for eastern spruce are low except for good shipments of even lengths, which are rare. In March cars of 4/4 x 6, 7 and 8 heavy in 16-foot lengths were ranging from \$89 to \$110, and are now \$95.00 to \$104.00. There is little change in the position for western white spruce although demand in New England is reported to be below that in other areas.

Prospects for Hardwoods

According to Boston dealers, business in March was off about 15 per cent compared with last year but they were not unduly concerned. The market is much more competitive than it has been for some years and greater emphasis will have to be put on salesmanship. With expectations that housing starts will total about a million again this year, suppliers are reasonably optimistic. Furniture manufacturers have done well at recent trade shows, some of them receiving orders sufficient to keep them going for six months ahead. Jewellery and other luxury sales, another criterion of the hardwoods market, have been good.

Dealers report that the unusually mild winter weather has definitely helped the demand for hardwoods. Interior work on most residential housing has continued throughout the winter. Stocks have been kept fairly fluid, although cutting operations are now in full swing and heavy supplies from current production are expected within the next few months. The market is expected to remain competitive and no significant price changes are anticipated.

March market bulletins showed No. 1 common and better grades of birch holding steady, with quotes up \$5 to \$10 from 1953 lows. Prices for maple had subsided \$2 to \$5 from former high levels. Current quotes on No. 1 New England and Canadian common yellow in 4/4 are \$125. Native is cheaper but Canadian is longer. On selects and better in 4/4 the current range is \$240 to \$280. Oak flooring is in a strong position with a high rate of sales; maple continues steady. Selected quotations on birch and maple in March and in May are given below; prices noted are for northeast U.S. and Canadian including wholesale commission, rough, air-dried f.o.b. mill.

	March	May
Birch 4-4 FAS	\$245.00 to 275.00	\$240.00 to 270.00
Birch 4-4 Selects	220.00 to 255.00	215.00 to 250.00
Birch 5-4 No. 1	140.00 to 155.00	140.00 to 155.00
Birch 4/4 (Select and better) FAS	270.00 to 295.00	240.00 to 280.00
Birch 4/4 (Select and better) Selects	255.00 to 275.00	220.00 to 260.00
Maple 4-4 FAS	170.00 to 190.00	170.00 to 190.00
Maple 4-4 Selects	150.00 to 170.00	150.00 to 170.00
Maple 4-4 No. 1	90.00 to 125.00	100.00 to 125.00
Maple 9-4 planks FAS	180.00 to 190.00	180.00 to 190.00
Maple 9-4 planks Selects	160.00 to 170.00	160.00 to 170.00
Maple 9-4 planks No. 1	150.00 to 163.00	150.00 to 163.00

Competition Increases

A note of caution was struck recently at the annual convention of the Associated Contractors of America, where many delegates confessed that the capacity of their industry is now considerably above jobs available. A tremendous increase in competition among contractors for each project is evident, and unsound bidding by many of the smaller firms desperate for orders to keep them in business is causing anxiety. Resultant cuts in bid prices on public and private construction have led a number of responsible authorities to announce the return of a buyers' market for the first time since the war.

On the other hand, for the 37 eastern states, construction contract awards in February hit \$1.2 billion. This was the highest February figure on record and 20 per cent above the same month last year. The January-February total, at \$2.2 billion, was 13 per cent above the same period in 1953 and nine per cent above the record January-February period of 1951. February awards were also six per cent greater than for January, contrary to usual tendencies.

Reports just coming in reveal that this rise continues; construction contract awards in March were far and away the highest ever reported. In addition, the first quarter of 1954 set a new record. The Federal Reserve Bank of Boston reports that the \$266.6 million value of all construction contracts awarded in the New England states during the first quarter of 1954 represented an 8 per cent rise over the corresponding period of 1953. Award values in the field of public and private utilities in New England were more than three

times those of a year ago. Public works awards were 159 per cent higher. However, awards for residential building were down 20 per cent. In spite of a drop of 30 per cent below the level of the first quarter of 1953 in the value of awards for manufacturing buildings, the value of contracts for all types of non-residential buildings was slightly higher than it was last year.

Though the present outlook for lumber sales in New England is generally satisfactory and possibilities for 1954 are considered second only to last year, increased competition will become more and more important. However, if the heartening trend of the early months is projected into the later period of peak activity, 1954 holds good promise.

Southern Forests and Their Products

Extensive areas of second or third-growth forests in the South furnish the raw material for important Southern industries, whose products figure in Canada-U.S. trade.

G. A. NEWMAN, *Consul and Trade Commissioner, New Orleans.*

THOSE WHO STILL THINK of the Southern States in terms of cotton and plantations may learn with some surprise that almost 60 per cent of the land area in the South is wooded and less than 30 per cent is under cultivation. Southern commercial forests, in fact, comprise 40·3 per cent of the U.S. commercial forest area and hold about 28 per cent of its standing timber or 20·9 per cent of its saw timber.

These Southern forests, however, have been cut intensively and for long periods and peak production was reached as far back as 1909. Most of the virgin forest has therefore been cleared and close to 99 per cent of Southern saw timber acreage is now in second or third-growth trees. Many of the large mills disappeared with the virgin woods and thousands of small "Peckerwood" mills now maintain the production. The combination of second-growth woods and small sawmills make it difficult to keep to standard grade or continuous quality.

Uses of Southern Woods

Apart from sawmilling, the Southern forests sustain a wide variety of other industries, with the production of pulp and paper and of furniture in the lead. In 1952, the three biggest users of wood were:

Industry	No. of Plants	No. of Workers	Output in \$ million
Lumber mills	27,200	375,000	2,483
Paper and allied products	900	127,000	2,355
Furniture	2,500	124,000	1,061

Other industries in the South absorbing smaller quantities of wood include (in order of importance) mill-work and plywood, wooden containers, naval stores, wood preserving, cooperage stock mills, and veneer mills.

Lumber Production

Since 1945, the Southern States have produced an average of 13·2 billion board feet of lumber a year. Most of this is southern pine, production of which has ranged from 8·7 to 9·9 billion board feet; the remainder, 3 to 4·9 billion board feet, is hardwoods.

The Southern mills employ negro labour at lower wages than prevail on the west coast, but 32·2 man-hours are required to produce and distribute 1,000 board feet of Southern pine yard lumber compared with 25·3 man-hours for western pine. This differential, plus reasonable freight rates and an increasing need for well-graded woods for industrializing the South, has led to keen competition between Western and Southern woods in Southern markets.

In spite of this competition, the Southern mills have prospered in recent years. It is estimated that the value of increased output of lumber between 1939 and 1952 totalled \$1,752 million. This was exceeded only by textiles, 6,360 million, food manufactures, \$5,674 million and chemicals, \$2,973 million.

Paper and Allied Products

The most spectacular development in Southern forestry in recent years has been in paper and its products. By

any yardstick, the making of paper and paper products has become a major industry in the South. This subject will be dealt with more fully in a separate article and it is sufficient to note here that in 1952 the South consumed 14.8 million cords of pulpwood—or 55.9 per cent of U.S. consumption—and produced 9.05 million short tons of wood pulp (54.9 per cent of U.S. production). Sales of the Southern pulp and paper industry in 1951 totalled over \$2 billion, compared with \$2.9 billion for the Southern cotton crop.

Furniture-Making

Furniture ranks after lumber and paper as a major user of Southern wood. This industry is centered mainly in North Carolina and Virginia, with important plants in Tennessee, Texas, Georgia, Florida and Arkansas, and produces about 40 per cent of all the furniture manufactured in the United States. Some 95 per cent of the wood used for this purpose is in hardwoods in the form of lumber, plywood and veneer. Roughly 60 per cent of the hardwood consists of yellow poplar and gums.

Other End-Uses

Other products of Southern forests such as naval stores (turpentine and resin), cooperage stock, plywood and veneers, vary in importance from state to state but contribute much both in employment and general value of forest output. Millwood and plywood are concentrated in North Carolina and Texas; wood containers in Florida, North Carolina and Georgia; naval stores in Georgia and Mississippi; wood preserving in Texas; cooperage stock in Tennessee; veneer mills in North Carolina.

Important in Canadian Trade

These Southern forests and their products have considerable significance in Canada-United States trade. They supply a large part of Canada's imports from the United States of wood and wood products which, in 1952, totalled more than \$12.3 million and included such identifiable products as railway ties, \$2.1 million; oakwood, \$3.6 million; hardwood flooring, \$1.6 million; hardwood lumber, \$1.3 million; furniture, \$2.8 million; resin, \$1.6 million, plus a wide variety of paper and paper products and cooperage products.

The vital question is whether or not the Southern forests can continue to meet this heavy continuing drain on their timber. The best available answer appears in a 1945 forestry survey, which estimated the current annual growth of all timber (i.e., trees five inches D.B.H. and larger) at 6,150 million cubic feet—i.e., growth and drain almost in balance. It was reported, however, that the depletion of saw timber stands exceeded growth by 16 to 20 per cent and these facts give some cause for concern. ●

U.S. Lumber Picture

IN 1953, for the fourth consecutive year, the production of lumber in the United States exceeded 38 billion board feet. The actual output—39,222 million board feet—was the highest in the 25 years that comparable records have been maintained, according to the Lumber Survey Committee's recent report to the Secretary of Commerce. The fourth quarter of 1953 saw a seasonable decline in lumber production, but supply continued to exceed demand.

Lumber shipments were down by 2 per cent compared with production, and new orders lagged 3 per cent behind production. As a result, unfilled order files at the mills were slowly reduced through 1953, and gross mill stocks of lumber gradually increased in the last half to an estimated 8,967 million board feet on December 31—the approximate level before World War II.

Total 1953 consumption, allowing for exports and imports and changes in inventories, is estimated at 40,758 million board feet, one per cent above 1952.

Imports and Exports

Imports of lumber in 1953 totalled 2,770 million board feet, 11 per cent above 1952. Exports reached 643 million board feet, or 12 per cent below 1952. Detailed figures showing sources of supply for imports and countries of destination for exports will be available later.

Unfilled orders at the end of 1953 equalled 19 per cent of gross mill stocks, compared with 23 per cent at the end of the third quarter and 28 per cent on December 31, 1952.

In the fourth quarter of 1953, lumber production fell 2 per cent below the final quarter of 1952; shipments and new orders were 7 per cent and 9 per cent, respectively, below output.

Wholesale prices, according to the Bureau of Labor Statistics, reflected a gradual decline on the average through the last three quarters of 1953, and this trend, except for a levelling-off in December, continued into January 1954.

Production of lumber during the first two months of 1954 fell below the unusually high output of the early weeks of 1953. For softwoods, both shipments and new orders have this year topped production; in hardwoods, orders and shipments have fallen below output.

—A. E. BRYAN

Consul and Trade Commissioner, Detroit

CUBA Buys Lumber and Plywood

Difficulty in getting the type of lumber needed makes Cuba a market which Canadian producers might well investigate; Cuban plywood imports are rising.

J. E. O'NEILL, *Office of the Commercial Secretary, Havana.*

WHEN CUBA became an independent republic at the beginning of this century, the country was heavily forested with such valuable timber as mahogany, lignum vitae and cedar. Up to fifteen years ago, these woods were still being exported. Now, however, with the continued cutting of the forests and the lack of organized reforestation, the country is becoming more dependent from year to year on outside sources for its lumber. Because of these dwindling supplies, the Government now requires permits for all forestry operations and prohibits the export of most hardwoods and cedar.

Buying Trend Changes

Imports of lumber and logs during 1953 totalled approximately 55 million board feet, of which more than 90 per cent was pine from the southern United States, Honduras and Nicaragua. Up to a few years ago, the United States was by far the largest supplier, but today imports are about equally divided between that country and Honduras, with a small percentage coming from Nicaragua.

The principal reasons for the increase in imports from the Central American countries are their lower selling prices and the inability of the United States mills to supply the larger specifications, particularly the wide boards which the Cuban market demands. Supplies from the United States are composed entirely of rough lumber; imports from Central America consist largely of logs which are sawn in Cuba. This method is not entirely satisfactory because the exports are not properly supervised by the selling countries and, in the absence of authentic certificates of measurement, disputes and claims frequently arise between the shipper and buyer and the settlement reached is seldom satisfactory to both parties.

Opportunities for Canadian Lumber

Central American pine is much more resinous and does not have the durability of the United States species, but it will continue to replace the latter unless the Cuban buyer finds it advantageous to buy elsewhere. Because of the difficulty Cuban purchasers are encountering in getting the type of lumber they want,

the time seems opportune for Canadian lumber exporters to make a stronger bid for this market. If they are in a position to supply lumber of the quality and specifications required here, there is reason to believe that Cuban importers are prepared to pay a premium over the present cost of United States and Central American pine.

Because dressed lumber is dutiable and rough lumber is exempt from all import levies, the latter only is of interest to Cuban importers.

Plywood Imports Higher

Cuba's imports of plywood have increased sharply during the past few years and, judging from the varied sources shipping into this market, no particular type is preferred. Following are the plywood import statistics for the first ten months of 1953, the latest available:

<i>Country of Origin</i>	<i>Quantity in sq. ft.</i>
Dutch Guiana	2,880,000
Japan	2,645,000
British Guiana	1,660,000
United States	550,000
France	523,000
Spain	392,000
CANADA	304,000
Costa Rica	256,000
Guatemala	222,000
British Honduras	200,000
Africa	135,000
Germany	120,000
Netherlands	93,000
Mexico	50,000
Finland	34,000

There is every indication that the consumption of plywood will continue to increase as new ways are found to use it as a substitute for ordinary lumber. At present it is employed principally for interior installations, but contractors are now experimenting with the thicker board in cement construction work. Although this board is more expensive than lumber, it has the advantage of greater strength and durability and this means that the same board can be used several times. With lumber, only a small proportion can be used again.

Although Cuba's imports of Canadian plywood have been comparatively small, it seems probable that sales can be boosted substantially if prices are in line with the competition. ●

MONTREAL: *Canada's Leading Port*

A trading and shipping centre since 1642, the port of Montreal, one thousand miles from the sea, now heads the list of Canadian ports in volume of traffic handled.

H. A. HADSKIS, *Transportation and Trade Services Division.*

CARTIER, CHAMPLAIN AND THEIR COMPATRIOTS, exploring the St. Lawrence River that led into a new continent, recognized the strategic location of the Indian village, Hochelaga, on an island in the river. Cartier climbed the mountain on the island and named it Mount Royal. Champlain laid out the site for a town and called it Place Royale. Although it was not yet a permanent settlement, Place Royale became every summer a gathering place for traders. In 1642, Maisonneuve established the mission village of St. Marie de Montreal on this island, and during the century that followed a rich trade, principally in furs, moved through Montreal to Europe.

That was the beginning. Today Montreal is a major port for large ocean vessels—farther inland than any other such port. Situated at the head of deep water navigation on the St. Lawrence, 1,000 miles inland from the Atlantic, the port is a point of interchange between lake, river, ocean, railway and highway traffic.

Early Development

Formidable natural handicaps had to be overcome in the early years of Montreal's development. Shallow waters in the river above Lake St. Peter and powerful river currents made it difficult, if not impossible, for the sailing ships of the early 1800's to make their way up the river as far as Montreal. Most goods destined for Montreal and beyond were trans-shipped at Quebec. In 1818, one writer described the port this way: "Above (Place Royale of today), there was a low narrow wooden wharf which ran up to Port Street a few hundred feet, Common Street being supported by a wooden revetment with gaps for sloping roadway to the river; except for this, the beach and river bank were in their natural state".

With the advent of steam navigation in 1809, enterprising Montreal businessmen saw that the port could be made accessible to ocean-going ships. They founded an association known as the Committee of Trade (later the Board of Trade) to promote development of the harbour. Much credit is due to this group and its successors for the improvements that have been made through the years in navigation and harbour facilities.

Deepening of the river channel did not begin until 1850 when the Harbour Commissioners of Montreal under-

took the job. Some 40 years later this responsibility was taken over by the Federal Department of Transport. Dredging through the years has produced a ship channel 35 feet deep and with a minimum width of 550 feet. The opening of the port to ocean vessels began an era of extensive development within the harbour. Today large ocean ships like the 26,000-ton *Empress of Scotland* can berth safely in Montreal's harbour. Montreal's geographic advantage on world trade routes is not always realized because it lies 1,000 miles inland. It is, however, closer than New York to Liverpool, Antwerp, Bordeaux, Bombay, Calcutta, Colombo and Singapore, and only a little farther than New York from South America, South Africa and the Mediterranean. On an average day, some 40 to 50 ships are

Port of Montreal

Minimum depth of approach channel	35 feet
Harbour railway	62 miles
Piers, wharves, jetties, etc.	112
Length of berthing	53,060 feet
Transit shed floor space	2,225,000 square feet
Cold storage warehouse capacity	2,909,200 cubic feet
Grain elevators	
Capacity	15,162,000 bushels
Installed loading capacity	445,000 " per hour
Floating crane capacity	75 tons
Coal dock storage capacity	1,380,000 "
Oil tank storage capacity	68,000,000 gallons

berthed in the harbour, the majority of them ocean vessels. Some are unloading coal, machinery, automobiles, textiles and other manufactured articles from the United Kingdom; tea, rubber and jute from India and the Far East; oil from South America and Arabia; granite, wines, marble and cork from Italy, Spain and Portugal; vegetable oils, mahogany logs and cotton from South Africa. Others have brought manganese and chrome ores from West Africa; raw sugar and molasses from the West Indies; iron ore, steel and manufactures from Scandinavia; wool, canned fruits, raisins and wines from Australia and New Zealand; a variety of manufactures and products from European countries and South America. For the return voyage these ships load the products of Canadian industry—

grain, flour and foodstuffs of all descriptions, machinery, railway locomotives and many others—brought to this seaboard port on the St. Lawrence by rail, road or water from all parts of the country.

Cargo Facilities

Montreal has extensive facilities for handling this great variety of traffic. All the wharves, piers and permanent transit sheds within the harbour are government-owned and administered by the National Harbours Board. Approximately ten miles of wharves, piers and jetties provide berths for 112 vessels and most of these are for ocean vessels. Transit sheds on 27 of the berths provide a total of about 2.2 million square feet of usable floor space. Nineteen of these transit sheds are the two-storey type which permits goods to be discharged from the ship onto the upper floor while, at the same time, outgoing shipments are being accumulated for loading on the first floor.

There are special berths for handling coal, cement and other bulk commodities, and open berths for general purposes. Oil, gasoline and other petroleum products are moved in bulk over specially designed and equipped wharves.

Grain Handling

Millions of bushels of grain from the Prairie Provinces flow through the port each year; during 1952 and 1953 receipts and deliveries averaged about 165 million bushels. The port's four grain elevators have a total storage capacity of over 15 million bushels. There are six unloading berths with ten marine legs, and six mechanical shakers and three dumpers for unloading railway cars. The grain is delivered to ships at 27 different berths. Transit sheds are located on 22 of these berths and a liner can load grain and other cargo without changing berths—a service provided in few ports throughout the world.

For perishable goods, the port maintains a cold storage warehouse with a capacity of approximately three million cubic feet. Actually most of the goods stored in this warehouse are for the account of local merchants, but it is available for perishable imports and exports when needed.

Sixty-two miles of railway, operated by the National Harbours Board, connect the ocean berths along the ten miles of wharves with the CNR and CPR railway yards. As many as 233 thousand cars have been switched to and from berths in a year and as many as 1,550 in a day. The Board also has a fleet of three tugs and two floating derricks, and a number of flat and dump scows used for maintenance dredging and the handling of ships' ballast.

In addition to NHB installations, the port has a floating drydock of 25,000-ton capacity, graving docks, and excellent ship repair facilities operated by private com-



—Spartan Air Services, Ltd.

This aerial view of Montreal Harbour is taken looking downstream. In left foreground is entrance to Lachine Canal, with Windmill Point Basin in centre foreground, and main piers and sawtooth wharves beyond.

panies. Tow-boat services are always available from one firm operating six tugs during the navigation season. Coal and oil bunkering is carried out direct to vessel at wharveside; oil can be delivered by barge or tanker at any berth in the harbour.

Stevedoring is efficiently performed by private companies with modern cargo-handling equipment. For heavy materials requiring special equipment not in everyday use by the stevedoring companies, NHB has for hire ten locomotive cranes, a 30-ton diesel caterpillar crane, and a heavy-lift floating crane.

Navigation Season

Montreal is not a year-round port because the St. Lawrence River is closed to navigation for four months—the last ship usually departs in late November or early in December. As spring and the opening of navigation approach there is a feeling of excitement in the air. The race is on for the honour of being the first ship in. The port makes this a special occasion and presents the master of the ship with a gold-headed cane. This ceremony has been held every spring for over 125 years. The cane most frequently goes to the master of a ship on the run to the United Kingdom or the European continent because he has a better opportunity to position his vessel as the opening of navigation approaches, but competition is keen.

From Canada's earliest days, Montreal has been a trading and shipping centre and the port has grown with the country. Back in 1818, the one harbour facility was a low, narrow wooden wharf. In 1953, some 1,750 vessels, flying the flags of 33 nations, discharged over four million tons of cargo from overseas there and loaded about five and a half million tons of goods for markets abroad. Statistics like these confirm Montreal's rank as Canada's leading port. ●

GUADELOUPE and Its Trade Pattern

Shortage of foreign exchange has limited most of Guadeloupe's buying to France and the French Union and Canadian exports have suffered—despite the relative prosperity of the island in the past year.

G. A. BOYD, *Honorary Commercial Agent, Pointe-à-Pitre.*

GUADELOUPE, one of the two islands of the French West Indies, achieved the status of a Department of France in 1948, a vital change politically for this former colony. With a population of about 300 thousand, approximately 2 per cent of whom are white, it is a small but important island of the Lesser Antilles group. Guadeloupe's economy is based exclusively upon the production of primary and secondary agricultural products. The volume and value of sales of these products during 1953, in order of their importance, were as follows:

Agricultural Exports

Product	Volume	Value in French Francs
Bananas	80,000 metric tons	6,400,000,000
Sugar	87,000 " "	5,300,000,000
Rum	8,000,000 litres	880,000,000
Coffee	400 metric tons	240,000,000
Cocoa	300 " "	90,000,000
Vanilla	5 " "	10,500,000
Total Value		12,920,500,000

The values shown are the average price c.i.f. French metropolitan port and carrying and other charges estimated at 30 per cent must be deducted from this total to determine the net value to Guadeloupe of these exports. Invisible receipts from investments abroad are practically nil and with the exception of vanilla, which is sold in New York, all exports find their way to France. The value of exports in 1953 was one billion French francs less than that of imports although, at the beginning of the year, a trade surplus of 2½ billion French francs was forecast.

Imports Severely Restricted

Severe exchange restrictions have made it difficult, if not impossible, for local importers to buy outside France and the French Union. Consequently, North American products which up to three years ago sold in limited quantities in the territory no longer find their way to this market. For example, flour, which used to be obtained chiefly from the United States and, to a lesser degree, from Canada is now largely brought in from France. However, in order to supply the quality

to which the Island is accustomed, French millers must blend their wheat with a substantial proportion of wheat imported from North America. This, of course, means that the Guadeloupe consumer pays the wheat carrying charges from North America to France, the cost of blending, and the carrying charges from France to Guadeloupe. A similar additional cost appears to apply to other products formerly bought elsewhere and now imported from France. The only exceptions to the rule of buying in France or the French Union are the following:

Product	Source	Percentage of Imports
Agricultural machinery (including tractors)	United Kingdom, United States	80
Motor vehicles (including trucks)	United Kingdom, Belgium, Switzerland, United States	10
Sugar mill machinery	United Kingdom, United States	5
Diesel motors for electrical generating plants	United Kingdom	15
Radios, refrigerators (including freezers), optical and precision instruments, small machine tools, watches, etc..	Netherlands, United States, Switzerland	35
Matches	Belgium, Sweden	50
Butter	Netherlands, Denmark	30
Beer	Belgium, Denmark	20
Rice	Dutch Guiana	10
Lumber	British Honduras	30
Gasoline, fuel and lubricating oil	Trinidad, United States	100
Dress goods and wearing apparel	United Kingdom, United States	5

Sugar and Its Products

Sugar production in Guadeloupe in 1953 fell below the hoped-for 100 thousand tons because of a marked decline in yield and unsatisfactory output by local labour; this year, the figure will probably remain the same. Absenteeism made it impossible for some mills to work three shifts and this meant waste in processing. In addition, the mills were forced to operate beyond the normal grinding period and sugar production was adversely affected. Usually about 1,000 labourers have

to be recruited from Dominica, St. Lucia, Antigua and St. Kitts to help with the sugar crop but for the 1954 season, it seems to be easier to find local labour.

Demand for rum fell off in 1953 compared with 1952 and only $\frac{1}{10}$ of the quota of 12 thousand litres was marketed by the end of the "rum year," March 31, 1954. Prices were better than in 1952—about 105 francs per litre 110 proof f.o.b. unpackaged.

Molasses Market

Guadeloupe factories sold about 12,000 tons of black-strap molasses at 7½ cents per American gallon; originally they had expected to receive only three cents a gallon. According to latest reports, local producers have contracted to sell 14,000 tons of the 1954 production at 7.65 cents per American gallon. The total value of this contract will be approximately US\$300 thousand. Altogether, during the year Guadeloupe sugar producers were able to meet their financial commitments and realize a small return on their investment.

Other Agricultural Products

Banana production in Guadeloupe increased by 4,000 tons over 1952 to a total of 80,000 tons, and 1954 production is now estimated at 85,000 tons. Prices were, on the average, ten francs higher and producers had a good year. Returns from exports totalled about 6,400,000,000 French francs. The ravages of spot leaf disease have become milder but it is still a menace and spraying is being undertaken in the most severely affected regions. Results, however, have been disappointing. The plans for the construction of a banana port at Riviere Sens, Guadeloupe, have been abandoned because of lack of capital.

The 1953 coffee crop totalled 400 tons, approximately the same as in 1952, and prices remained unchanged at an average of 600 French francs per kilo. c.i.f. French port, which is satisfactory to the planters. The cocoa crop was substantially the same as in 1952 at 300 tons, with prices steady at 300 French francs per kilo c.i.f. France. Returns to the planters at this price were considered to be satisfactory.

Living Conditions

The cost of living in Guadeloupe remains among the highest in the Caribbean area. Its continued rise is attributed largely to the successive devaluations of the franc since 1945—from 50 francs to the US\$1.00 to the present rate of 350 francs to the US\$1.00. Another factor, mentioned earlier, is the severe exchange restrictions which have made it necessary for Guadeloupe importers to purchase from the French Union rather than from the nearest or cheapest source of supply. The change in political status from a colony to a department has also contributed to the rise because the application of French metropolitan fiscal laws and the institution of social security benefits have placed

a heavier burden on the local taxpayer. These higher charges are, of course, passed on, with the result that the cost of consumer products is now higher.

Despite all this, in recent years living conditions in Guadeloupe have improved considerably. More and better homes are being built and facilities are being provided to care for the under-privileged. The most important items in this overall improvement are better medical care, increased child welfare activities, the installation of good water supply systems and sanitation facilities and adequate school accommodation.

Communications

The entrance to the Point-à-Pitre harbour has been straightened out and ships of over 18,000 tons can now enter; additional berths to accommodate two ships will soon be completed and warehouses are being built. Many new roads have been made in the last five or six years and existing ones have been improved. Raizet airport, about three miles from Pointe-à-Pitre, is one of the best in the Lesser Antilles. It is now a port of call for Air France, B.W.I.A., KLM and Pan American Airways.

The Outlook

Until foreign exchange restrictions are relaxed, there does not appear to be much possibility of an increase in Canadian exports to the Island. However, with the improvement in the trading position of the non-dollar areas, within the next few years products such as foodstuffs and canvas shoes (which were once imported from Canada) may again find a ready market in Guadeloupe.

Data for Exporters

The International Trade Relations Branch of the Department of Trade and Commerce has prepared bulletins covering shipping documents and customs regulations of the following countries: Austria, Belgium, Belgian Congo, Bolivia, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, Egypt, Finland, France, Western Germany, Greece, Guatemala, Haiti, Iceland, Indonesia, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela.

If you wish copies, write to the Branch. Data on other countries will be compiled from time to time and will be added to this list.

ITALY Imports Less Fish

Italy's foreign purchases of fish fell off during 1953, though Canadian shipments of codfish to that market doubled and sales of canned salmon rose slightly.

M. S. STRONG, *Commercial Secretary (Fisheries), Rome.*

DURING 1953, imports of fish into Italy were approximately 24 per cent less than in 1952 and the lowest since 1946. The reason for this reduction was mainly the over-stocked market at the beginning of the year. Stocks of salted codfish in particular were very heavy as a result of strong competitive bidding, during the latter months of 1952, by two rival groups of importers for Icelandic and, to a lesser degree, Danish wet-salted cod. This bidding brought abnormal purchases at prices considerably higher than usual. The arrival of several large shipments of dried salted cod from Canada within a short period during the height of the Christmas trade also contributed to the overloading of the market. Importers, after experiencing heavy financial losses at the beginning of the year, exercised caution in contracting for new supplies. By the end of the year, however, the market had regained its stability.

Production of the Italian fishing industry in 1953 totalled 153,979 metric tons, 4,872 tons of which were landed by the deep-sea trawlers. This was a slight decrease compared with the 161,913 metric tons of 1952, 5,351 tons of which were the product of ocean fisheries. No substantial increase is anticipated during the present year.

Codfish Leads Imports

In 1953, Italy bought abroad the following types of fish:

Type	1952 (metric tons)	1953 (metric tons)
Salted codfish	58,266	37,003
Stockfish	9,922	6,548
Fresh and frozen fish	24,420	22,543
Herring, salted and smoked	5,443	4,507
Pilchards, salted	1,664	793
Anchovies and sardines, salted	679	947
Crustaceans and molluscs	1,232	1,561
Other fish: fresh, salted or smoked	110	94
Salmon, canned	1,002	1,200
Sardines and anchovies, canned	11,744	11,705
Tuna	9,821	6,794
Other fish, canned	3,449	3,225
Total fish imports	127,752	96,920

Combined exports and re-exports of fish from Italy totalled approximately 1,000 metric tons both in 1952 and 1953.

Consumption of fish in Italy has never been as high per capita as in most other European countries. During the early postwar years the demand for fish rose because of the scarcity of other high-protein foods; this demand waned as supplies of meat improved. During the past two years, pork meat has been selling at low prices in the rural areas and consequently the consumption of salted cod, prices of which have remained high in comparison with pork, has fallen; during 1953, sales remained somewhat below 1952. In the early months of 1954 sales to rural districts were further hampered because heavy snowfalls blocked the roads.

Salt Codfish Imports

Italy obtained her salt codfish mainly from the following sources:

	1952 (metric tons)	1953
Denmark	23,992	8,466
Iceland	15,891	12,104
Canada	5,505	6,719
France	4,392	4,073
Other countries*	8,485	1,827
National deep-sea fisheries .....	.....	3,814
Total	58,265	37,003

* In 1952 includes landings from Italian deep-sea trawlers.

Canadian Sales Up

The statistics above reveal that, though imports of salted codfish in 1953 dropped by over 36 per cent compared with the previous year, Canada supplied 18 per cent of the market's requirements compared with 9.4 per cent in 1952. These figures testify to the Italian demand for the type of dried salted cod produced in Canada; in certain parts of the country, consumers prefer it because of its taste and keeping qualities, particularly in areas where refrigeration is non-existent or limited. The continuance of this demand will depend in no small part on the Canadian producer and exporter because the Italian market requires a large percentage of the top grades of dried salted cod.

The most important change in supplying countries during 1953 was the emergence of Iceland as the

largest individual supplier. For some years previously, Denmark held this position but during the past year was unable to supply the percentage of large wet-salted cod which the market required.

Total imports of canned salmon into this market during the year under review amounted to 1,200 metric tons, compared with 1,002 metric tons in 1952. Of this, Canada supplied 1,156 metric tons, an increase of approximately 21 per cent over the previous year. Towards the end of the year, when difficulties arose over the release of dollar exchange for Canadian fish, importers bought large quantities fearing that imports of this commodity might be discontinued. Consequently, stocks available at the present time are considered heavy and until these are substantially reduced, demand for further quantities will probably be slow.

Future Market Prospects

Stocks of codfish at the end of 1953 were considered fairly large but because no heavy shipments arrived in the first quarter of this year, there is not likely to be

a large amount carried over the summer. This is particularly true of the Canadian product.

Demand for canned salmon is expected to be slow until later in the year. Purchases of the "Pink" variety during 1953 were higher than usual, and as a result, when the market for salmon strengthens there will probably be more interest in canned "Chum" salmon.

In considering prospects for the marketing of salt codfish in Italy during the present year, while it must be remembered that the 36 per cent reduction in imports in 1953 stemmed largely from over-buying in 1952, it cannot be expected that the demand will be as great as in 1950 and 1951, when 51,626 and 55,620 metric tons were imported and consumption was at its zenith. Regardless of the demand, sales of the Canadian product will depend on the ability and willingness of the Italian authorities to grant dollar exchange for this commodity. The same will, of course, also apply to sales of canned salmon.

Italy and Its Foreign Markets

Trade deficit increased in 1952; United States became the leading supplier, and Germany the principal customer. Italian interest in the Canadian market is growing.

A. A. CARON, Assistant Commercial Secretary, Rome.

RECENT TRENDS in Italy's foreign trade are illustrated by the figures for 1952, the most complete available. The deficit trade balance at the end of 1952 was 581,600 million lire, compared with 305,800 million lire in 1951. The United States was Italy's chief supplier although its percentage of total Italian imports dropped to 21 per cent, compared with 37 per cent in 1951. On the other hand, Germany increased its sales and advanced to second place. The United Kingdom, France, Switzerland and Belgium were the other principal suppliers, and all four countries made larger sales to Italy in 1952.

Germany Leading Buyer

On the export side, in 1952 Germany was once again Italy's principal customer, as it was before the war. The United States was second and the United Kingdom, the leading market in 1951, was third. Italy's exports to nearly all countries were smaller than in 1951. These reductions, particularly marked in the

case of EPU countries, were largely the result of the restrictions adopted by the sterling and French franc areas.

Italy's Foreign Trade in 1952

Country	Value	
	Imports	Exports
	(in billion lire)	
United States	303.4	87.0
Germany	133.4	87.6
United Kingdom and Ireland	80.2	71.3
Australia	59.1	16.1
France	57.5	56.6
Switzerland	54.2	56.2
Australia	41.9	24.0
Belgium	41.8	21.5
India and Pakistan	31.7	27.2
CANADA	30.4	5.8
Sweden	25.8	20.4
Brazil	23.7	19.9
South Africa	23.1	10.2
Denmark	21.4	8.7
Yugoslavia	19.8	18.3
Argentina	12.9	10.6
Czechoslovakia	7.6	7.1
Greece	6.7	26.3

The increase in the Italian trade deficit was not reflected in Italy's balance of payments because the deficit was reduced by increased receipts of invisibles, such as income from the tourist trade and remittances from emigrants.

Imports and Exports

Italian imports consist mainly of foodstuffs and raw materials; exports are predominantly agricultural and finished industrial products. The increase in imports in 1952 was mostly in some food products and in raw materials for the textile and steel industries. The main imports showing a decrease were wheat, because of a record wheat harvest, and coal, because of the development of industries producing electrical energy and natural gases.

Sales of by-products of the oil refineries increased markedly, the result of expansion in the refineries to which foreign capital made an important contribution. However, exports of textiles, prepared foodstuffs, motor vehicles and sulphur decreased.

The following tables list the principal 1952 imports and exports showing an increase over the 1951 figures:

Italian Imports

Commodity	Volume (metric tons)	
	1951	1952
Fresh and frozen meat	41,169	50,481
Prepared fish	17,750	26,017
Coffee	53,345	60,961
Edible olive oil	6,783	12,483
Oils and fats for industrial use	83,638	114,735
Raw cotton in bales	189,053	203,898
Unwashed wool	47,885	64,977
Iron ores	402,006	709,613
Other ferrous minerals	176,736	337,517
Rolled iron and steel sheets	289,781	345,682
Raw petroleum oils	7,332,928	9,881,219
Chemical products	71,129	88,783
Skins	39,057	60,486

Italian Exports

Commodity	Volume (metric tons)	
	1951	1952
Cheese	10,243	14,042
Rice	230,825	273,485
Wines (hectolitres)	814,646	962,659
Iron and iron alloys	16,968	27,546
Steel products	66,803	87,272
Machine tools for metals	10,077	15,689
Ball bearings	2,987	4,541
Petrol	454,968	785,819
Gas oils	383,762	665,395
Petroleum by-products	372,684	1,086,809
Chemical fertilizers	64,963	293,794

Italo-Canadian trade in 1952 followed about the same pattern as in 1951, as can be seen from the following figures published by the Italian Institute of Statistics:

	1951 (thousands of lire)	1952
Imports	30,382,850	30,401,933
Exports	5,983,161	5,824,971
Italy's deficit	24,399,689	24,576,962

In 1952, Canada found in Italy a good market for wheat and flour but these sales have now fallen because of a bumper Italian wheat crop and a greater use of domestic milling facilities. Imports of Canadian codfish from Newfoundland and the Gaspé Peninsula were valued at 1,322,766,000 lire in 1952; preliminary figures indicate that imports of this commodity rose during 1953. British Columbia fisheries also were able to export larger quantities of Chum salmon to Italy in 1953. The other products imported from Canada included base metals, sulphite pulp, drugs, medicinals and chemicals.

Italy has increased her sales to Canada of textiles, precision instruments, calculating machines, textile machinery and some foodstuffs, such as cheese, tomato paste and olive oil. Italian industrialists and businessmen are showing more interest in developing their sales in the Canadian market and this should help Italy to reduce her trade deficit with this country.

Scandinavian Project

A bridge-tunnel highway across the Sound to connect Copenhagen, Denmark, with Malmö in Sweden has been discussed for many years in Scandinavia. Should the two Governments approve the present scheme submitted to them by three Swedish and three Danish contractors, the tunnel, estimated to cost about \$60 million, could be a reality by 1962.

The total length of the new highway, which is planned for motor vehicles only, would be 11¼ miles. From the centre of Copenhagen it would take about 40 minutes to drive to the centre of Malmö; now, with the ferry connection, it takes over two hours, not counting the queuing time at the ferry terminals. The new road would run along a causeway over half a mile long, built out from the east coast of the Danish island, Amager. From the island the highway would continue down to a 1¼ mile tunnel under Drogden, the principal shipping channel in the Sound. From the tunnel the road would run up to another causeway over the Danish island of Saltholm and thence by a four-mile bridge to the west coast of Skåne in Sweden. The largest span of the bridge would be 1,000 feet long and about 150 feet high. The road would have two separate highways 24 feet wide, each divided into two traffic files. The total capacity is estimated at 10-15 million vehicles a year, and the maximum traffic volume at 2,000-3,000 vehicles an hour.

Business in the American Midwest

First quarter of 1954 saw Midwest industrial production, retail sales and payrolls slip below the 1953 figures, but firm wholesale prices, the active construction industry, and rising common stock prices are heartening signs.

ROBERT GORDON, *Vice-Consul and Trade Commissioner, Chicago.*

IN THE CHICAGO AREA, the current recession shows few signs of having run its course. Business activity continued to move downward steadily during the first quarter of this year, but there are indications that the curve is beginning to flatten out and that the rate of decline is slackening. So far, the drop in industrial production is about equal to that of the 1948-49 adjustment and wage and salary receipts have also moved down gradually. However, wholesale prices, contrary to other periods of business decline, have held firm and common stock prices have actually risen.

Although there are frequent and confident expressions in the local press and in national publications that the worst of the decline is over, it has not yet been demonstrated statistically and reports of adverse results in the business field continue to be received. However, despite lower sales, a large number of important Midwestern companies have been showing excellent financial results in the early months of the year because of the elimination of the excess profits tax on January 1st.

This is undoubtedly one of the chief reasons for the continued strength of the stock market.

Steel Production Sets Record

A new record was set in Chicago in 1953 for the production of steel and total tonnage amounted to 20.7 million, exceeding Pittsburgh's output for the first time. The gain in steel capacity, however, is still not sufficient to supply Chicago's needs and the area continues to consume more steel than it produces. Steel production was cut back rather sharply towards the latter part of 1953, and first quarter production for 1954 is considerably down from the same period last year. Even if production for the last half of 1954 should rise, it is doubtful whether the record figures of 1953 will be reached.

Construction Picture

One of the bright spots in the Midwestern picture is construction. Although public construction is running below the 1953 figure, private housing and industrial



—Chicago Assoc. of Commerce and Industry
A mile-long promenade parallels the Chicago lakefront; in the background loom the skyscrapers of the business district with the Stevens, the world's biggest hotel, on the left; in the foreground, Grant Park and its famous band-shell.

construction are ahead of the same period last year. This augurs well for the extensive lumber trade which Canada carries on with the Midwest.

During 1953 industrial projects announced in the Chicago metropolitan area were down from 1952 and from the \$400 million record total of 1951. But in spite of the decline of the past two years, the Chicago area has invested about \$1.7 billion in industry during the eight postwar years—the largest investment in any metropolitan area in the United States. Although industrial construction was down in 1953, private and public housing made new records and the gain over the previous year was some 20 per cent.

Department Store Sales Down

Department store inventories in the large Midwestern cities at the end of 1953 were 4 per cent higher than a year earlier. This was in the face of very cautious buying throughout the autumn in an attempt to maintain satisfactory stock-sales ratios. Sales were not seriously affected up to the end of the year, but first-quarter reports show a sharp drop for most of Chicago's larger mail order houses and department stores.

The maintenance of wholesale prices at a time when production and sales are dropping is an unusual feature of 1954. In February 1954 the index of prices for all commodities was virtually the same as in July 1953, considered the peak month. This is in sharp contrast with earlier periods of business decline, when price levels were more sensitive to reductions in demand. Various types of informal price concessions—discounts from list prices, special sales, absorption of delivery charges and other costs—have undoubtedly become much more common in recent months in wholesale as well as in retail markets. There is no evidence, however, that such concessions are more prevalent than in earlier down-turns, and their translation into lower formal prices has been successfully resisted so far.

Balanced Labour Supply

Unemployment has not been a serious problem in the Chicago area so far in 1954. There has been a decline in labour employed in manufacturing but the service industries have largely taken up the surplus manpower. Unemployment figures, however, are coming close to those of 1949 and during the week ended April 17th there were 172,711 persons seeking benefit payments in the state of Illinois. This compares with 189,878 compensation claims, the high point during the 1948-49 adjustment, which was reached in August 1949. The present unemployment figures are not considered excessive and Chicago is the only large metropolitan area in the United States classified by the Department of Labour as having a balanced labour supply. All others have some labour surplus.

On the whole, the 1954 outlook for Canadian exports to the Midwest is reasonably good. Although there has been some unemployment, the volume of consumer purchasing has held up well and this situation is expected to continue in the next quarter. The strength in the construction industry should maintain our large lumber and plywood shipments at approximately the 1953 level.

Introducing Canadian Products

Several Canadian companies were successful in introducing consumer products to Chicago stores in the early part of this year, despite the conservative buying. There still are (and will be for some time to come) excellent opportunities in the consumer field for Canadian firms whose products are competitive and who will make the effort to sell the Midwestern market.

Casein in France

French casein production reached a peak of 15,000 tons in 1951, influenced by the high international prices. With the lower returns in 1952, production fell to 10,000 tons; other factors were the dry summer and the foot and mouth epidemic. The situation subsequently improved and with record milk production expected this summer, 1954 casein output will probably revert to 15,000 to 20,000 tons.

French production is almost all lactic and is centered for the most part in the Charentes area of southwest France, with a smaller output in the Anjou district. Normandy is not an important producer because it concentrates on butter and cheese and it is said that the soil does not produce a good casein; most of the skimmed milk is fed to calves and hogs. However, some of the surplus production in Normandy from May to July goes into casein.

French consumption totals about 3,000 to 4,000 tons; the remainder is exported. The principal market is the United States, followed by Germany and the United Kingdom. Italy is becoming a more important market because it uses casein for synthetic wool.

The minimum domestic price at which casein could be produced economically as against milk powder has been 65 francs per kilo (360 francs=\$1.00 Can.) but producers feel that this year, with the expected heavy milk production, this may be reduced to 55 francs. This is because demand for butter and cheese within France is fairly stable and exporting is difficult because of the high prices.

V. F. WIGHTMAN,
Office of the Commercial Counsellor, Paris.



Chicago's Merchandise Mart

R. V. N. GORDON, *Vice Consul and Trade Commissioner, Chicago.*

TOWERING INTO THE AIR on Chicago's famous Wacker Drive stands the Merchandise Mart, for many years the biggest building in the world and out-ranked today only by the Pentagon in Washington. Its walls enclose a net rentable area of over three million square feet and in this and other attributes, the Mart deserves the Hollywood adjective "colossal". It was built on what is regarded as the site which LaSalle, the first explorer of the Great Lakes Region, christened "the gateway to an empire".

Centre for Wholesale Trade

As one of the world's largest wholesale traders, Chicago had long felt the need for a great merchandising market which would help the city to achieve the same leadership in the wholesale field as Detroit in the automotive or New York in the financial field. In 1930 this need was met when Marshall Field and Company, the owners, officially opened the Mart. Fifteen years later, the ownership passed to Joseph P. Kennedy, former United States Ambassador to the United Kingdom.

The occupancy and activity of the building have grown from year to year as manufacturers and wholesalers realized its many advantages and as retailers found it quick and convenient to make a periodic visit and do all their buying under one roof. With this consistent growth, the Merchandise Mart has become recognized as the world's largest buying centre.

Construction and Facilities

The Mart is constructed on "air rights" and owns only the ground into which 458 supporting caissons are sunk, 100 feet below street level. Included in the material for construction were nearly four million cubic

feet of concrete and twenty million bricks. Eighty per cent of the building is air conditioned, and the air-conditioning plant, containing 7,000 tons of equipment, is the largest in any commercial building.

The Mart is unique in that it can be served by water, air, railroad and truck. Six railroad tracks run under the building at ground level and deliver coal and other freight to the elevators. Five bus lines also serve the Mart directly, one of which is a shuttle service providing transportation to Chicago's famous State Street retail district and many of the hotels in the Loop. The roof has a helicopter landing field.

Markets and Permanent Displays

Buyers make more than 500 thousand buying visits a year to this building and, although it is open 52 weeks of the year, there are a number of special markets. The chief of these are the semi-annual home furnishing markets which run for two weeks. The market for spring and summer merchandise is held in January and for fall and winter merchandise in June. An average of 27,000 buyers register for each home furnishings market.

Approximately 1,209,000 separate items of merchandise are included in the wholesale lines permanently displayed in the building by more than 3,200 manufacturers. Hundreds of firms maintain and staff their own elaborate display rooms but many of the tenants are manufacturers' agents who exhibit merchandise from many countries, including, occasionally, some products from Canada. Of the goods displayed at the present time there are:

- 209 furniture lines
- 134 floor covering lines

174 curtain and drapery lines
476 housewares, appliances, radio and TV lines
250 toys, games and wheel goods lines
205 men's and boys' wear lines
948 china, glass, pottery, and gift lines
224 lamps, shades, and lighting fixture lines
817 women's, children's and infants' wear lines
161 linen, bedding, and domestic lines

Canadian firms in the home furnishings or apparel field who wish to sell in the Midwestern States would be well advised to check the possibility of obtaining display space at the Merchandise Mart. Many buyers from Canada visit the building each year, but so far few Canadian manufactures have been on display. The Canadian Trade Commissioner in Chicago will be glad to help Canadian companies anxious to obtain more information about the facilities offered by the Mart. ●

trade and tariff regulations

Belgium

CHANGE IN SALES TAX SYSTEM—Two Belgian decrees, effective April 13 and 23 respectively, revise the sales tax applicable to some goods imported into Belgium or produced in that country.

Among these changes, the tax on the following commodities, payable only once, has been reduced from 9 to 4½ per cent of their value: building bricks and blocks of earthenware or cement, not ornamental; floors, roofing and staircases of earthenware, concrete or asbestos cement; slates, bricks, paving bricks and guttering of concrete or cement.

Further, the 4½ per cent sales tax on the goods listed below is now payable only at the time of importation or sale by the Belgian manufacturer, and shall cover all subsequent transactions until the goods reach the actual consumer or are submitted for a further manufacturing process: oleaginous seeds and fruit other than flaxseed; fixed vegetable oils except cocoa butter; linseed oil; oils and fats from fish and other marine animals; acid oils and fatty acids obtained from the refining of fats and oils from fish, from vegetable oils or linseed oil. The transformation of seeds into oils, purification, refining, hydrogenating of oils and similar processes are not considered as manufacturing operations and thus do not subject the goods to a further payment of the tax—Brussels, April 23.

Brazil

NEW LIST OF IMPORTS UNDER "ARANHA PLAN"—On March 20, 1954, the list of imports according to exchange auction categories under the "Aranha Plan" was modified extensively. Since October 1953, Brazilian import and exchange control regulations have implemented the control system

introduced by Senhor Aranha, the Brazilian Minister of Finance. Under this system all imports are divided into five categories according to essentiality, and are granted import licences only after purchase of the necessary exchange certificates from the Bank of Brazil. A circular concerning the details of this new list is available from the International Trade Relations Branch.

France

TEMPORARY COMPENSATION TAX—Effective April 21, 1954, the French Government has imposed a special temporary compensation tax of 10 or 15 per cent ad valorem on certain imports from all countries. (This tax is intended to compensate for the disparity between French prices and foreign prices of these products.)

In conjunction with this tax, France has made a further liberalization of imports from OEEC countries with the result that the list of goods free from import control when imported from OEEC countries will be expanded from the present level of 18 per cent to approximately 53 per cent of 1948 imports. (Canadian goods are not subject to this liberalization.)

Among the Canadian products affected by this new tax and the respective rates are: lead ore (10 per cent); zinc oxide (10 per cent); copper (15 per cent); lead (10 per cent), zinc (15 per cent) and cobalt (10 per cent) in primary form; semi-fabricated lead (10 per cent); construction machinery (15 per cent); machine and apparatus for dairy industry (15 per cent).

For details about products affected, write to the International Trade Relations Branch of the Department.

Greece

CURRENCY REFORM—A Greek law of April 20 provides for new currency in various denominations omitting three zeros from the former equivalent notes. For example, old 10,000 drachma notes are being replaced by 10 drachma notes, and coinage for smaller denominations is to be provided shortly. The old currency will be withdrawn gradually.

The currency reform does not alter the domestic or exchange value of the Greek currency, it merely provides for its expression in smaller denominations. The parity of the drachma to the dollar thus remains unchanged, but will be expressed in drachmas of the new issue, i.e., 30 drachmas instead of 30,000 to one United States dollar. Similarly, specific customs duties will be expressed in the new currency.

Effective May 1, transactions and existing accounts in drachmas and prices of commodities in Greece must be expressed in new drachmas—Athens, May 6.

Japan

IMPORTS UNDER FOREIGN EXCHANGE FUND ALLOCATION SYSTEM—The Japanese Ministry of International Trade and Industry has issued three Import Notices announcing that licences will be issued to applicants for the import of specified commodities under the Foreign Exchange Fund Allocation System during the period April 1 to September 30, 1954.

Under this import procedure, a quota is established for each commodity under the Budget. The importer must first obtain an allocation of foreign exchange before making application for import licence. Application for import licences may be submitted to the foreign exchange bank up to September 30, 1954. According to the notices, licences will be considered for imports of the following goods from the dollar area: iron ore; iron and steel scrap (including ships for scrap); petroleum coke; pulp for synthetic fibre; raw wool; raw cotton; other textile materials; salt; asbestos; non-ferrous ores; non-ferrous metals; coal; beef tallow; agricultural chemicals.

Licences will also be considered for the following goods from the dollar area for exhibition at the Japanese International Trade Fair: machinery, medical instruments, medicines, woollen fabrics, nylon products, watches, musical instruments, foodstuffs (except staple food), beverages, linoleum, cosmetics, leathers, hardboard and coreboard.

IMPORTS UNDER AUTOMATIC APPROVAL SYSTEM—The Japanese Government has issued a list of goods which may be imported under the Automatic Approval System during the period April 1 to September 30, 1954.

Under this import procedure an overall quota is established under the Budget for scheduled goods. Until the limit is reached, importers may present applications for import licences to the foreign exchange bank and automatically receive licences. Applications will be accepted up to September 30, 1954.

Some 79 items of scheduled commodities may be imported from the dollar area under the Automatic Approval System. Many of these items are of interest to Canada, such as: frozen meat; linseed; mica; iron ore; copper, chrome, manganese and other non-ferrous ores; polyethylene, polystyrene and styrenemonomer; cobalt and chrome metal; specified drugs, medicines and chemicals.

Imports under this procedure are in addition to those imported under other licensing methods established under the Foreign Exchange Budget.

Further details may be obtained, on request, from the International Trade Relations Branch, Department of Trade and Commerce.

Montserrat

OPEN GENERAL LICENCE—The Supply Officer of Montserrat announced on March 9th that the following goods may be imported from any country provided that they are wholly produced in the country of origin, that payment is made to that country and that a certificate of origin is provided:

Tinplate, terneplate or black plate
Semi-manufactured copper
Semi-manufactured zinc
Semi-manufactured nickel
Borax
Boric acid
Newsprint
Jute goods
Onions
Dried, smoked, pickled and salted fish
Potatoes
Animal feeding stuffs, excluding coconut meal, cotton seed meal, wheat and wheat flour
Finished steel (excluding fabricated steel) as under:
(a) heavy steel products including rails, sleepers, etc., and heavy and medium plate
(b) light rolled products including bars, rods, hoops and strips
(c) steel sheets
(d) wire plain or barbed other than insulated wire
(e) wire rods
(f) tubes and pipes including tube fittings
(g) tires, wheels and axles
(h) steel forgings
(i) nails, screws, nuts and bolts
Kraft paper
Cheese
Fish, canned
Meat
Split peas
Milk, powdered and canned

United States

PROCLAMATION ON IMPORTS OF RYE—On March 31, 1954, the President issued a Proclamation stating, under authority of section 22 of the Agricultural Adjustment Act, that, (1), the total aggregate quantity of rye, rye flour, and rye meal which may be entered, or withdrawn from warehouse, for consumption in the period April 1 to June 30, 1954, shall not exceed 31 million pounds, of which not more than 2,500 pounds may be in the form of rye flour or rye meal; and (2), the total aggregate quantity of rye, rye flour, and rye meal which may be entered, or withdrawn from warehouse, for consumption in the 12-month period beginning July 1, 1954, shall not exceed 186 million pounds, of which not more than 15,000 pounds may be in the form of rye flour or rye meal.

Furthermore, it is stated that the provisions of this Proclamation shall not apply to certified or registered seed rye for use for seeding and crop-improvement purposes, in bags tagged and sealed by an officially recognized seed-certifying agency of the country of production, if (a), the individual shipment amounts to 100 bushels or less, or (b), the individual shipment amounts to more than 100 bushels and the written approval of the Secretary of Agriculture is presented at the time of entry, or bond is furnished conditional upon the production of such written approval within six months from the date of entry.

DUTY ON ALUMINUM ROOFING AND SIDING SHEETS—An abstract of U.S. Customs decisions, T.D. 53480, published in weekly *Treasury Decisions*

of April 29, 1954, states that aluminum roofing and siding sheets, corrugated and of standard dimensions, are classifiable as "aluminum in sheets" at the rate of three cents per pound under tariff paragraph 374; rather than as "articles, not specially provided for," composed of aluminum, at the rate of 22½ per cent ad valorem under tariff paragraph 397.

TARIFF CLASSIFICATION OF FILAMENTS OF SYNTHETIC TEXTILE—An abstract of U.S. Customs decisions, T.D. 53480, published in weekly *Treasury Decisions* of April 29, 1954, states that the provision for filaments of synthetic textile in tariff paragraph 1301 relates to such filaments which are in a material status, i.e., filament suitable for many purposes. When such filaments are cut to specified lengths and wound on spools under circumstances which dedicate them to a particular commercial use, such as retail spools of nylon fishing line, they are classifiable as manufactures of a synthetic textile under tariff paragraph 1312, unless more specifically provided for elsewhere.

DUTY ON CANNED BEEF STEW—A decision of the United States Customs Court, C.D. 1607, published in weekly *Treasury Decisions* of April 22, 1954, holds that canned beef stew, composed of meat, vegetables, and gravy or sauce, is dutiable at 20 per cent ad valorem under tariff paragraph 1558 as a non-enumerated manufactured article, rather than under tariff paragraph 775 either at 25 per cent ad valorem under the item for "hash" or at 17½ per cent ad valorem under the item for "soups".

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.

W. D. WALLACE, Commercial Secretary in Djakarta, Indonesia, began his Canadian tour in Ottawa on March 3rd and completes it in Winnipeg, June 17th and Vancouver, June 22nd to 30th.

Businessmen in these centres may get in touch with Mr. Wallace through the Canadian Manufacturers Association in Winnipeg and the Department of Trade and Commerce in Vancouver (355 Burrard Street).

M. R. M. DALE, Commercial Secretary in Santiago, Chile, began his Canadian tour in Windsor on March 30th and completes it in Toronto, June 14-25, where businessmen may get in touch with him through the Canadian Manufacturers Association.

On completion of his tour, Mr. Dale will be posted to Cairo, Egypt.

foreign trade service abroad

* No Foreign Trade Officer at this post.

Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bissett, Commercial Counsellor W. F. Hillhouse, Agricultural Secretary	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	C. M. Croft, Commercial Counsellor for Canada C. M. Forsyth-Smith, Assistant Commercial Secretary	City Mutual Life Building, 60 Hunter Street, SYDNEY	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Tel.:</i> BW 9351
Australia (Victoria, South Australia, Western Australia, Tasmania)	R. W. Blake, Commercial Secretary for Canada and Agricultural Secretary	83 William Street, MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
Belgian Congo Angola, French Equatorial Africa	A. B. Brodle, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	<i>Mail:</i> B6ite Postale 373 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
Belgium Luxembourg	T. J. Monty, Commercial Secretary K. G. Ramsay, Assistant Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 11-33-88
Brazil	C. J. Van Tighem, Commercial Secretary H. M. Maddick, Assistant Commercial Secretary	Canadian Embassy, Edificio Metropole, Av. Presidente Wilson 165, RIO DE JANEIRO	<i>Mail:</i> Caixa Postal 2164 <i>Cable:</i> CANADIAN <i>Tel.:</i> 42-4140
Brazil	M. P. Carson, Vice Consul and Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-6301
*Ceylon	Office of the High Commissioner for Canada	6 Gregory's Road, Cinnamon Garden, COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> DOMCANADA <i>Tel.:</i> 91341
Chile	R. E. Gravel, Commercial Secretary	Canadian Embassy, 6th Floor, Av. General Bulnes, 129, SANTIAGO	<i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Tel.:</i> 64189
Colombia Ecuador	W. J. Millyard, Commercial Secretary J. P. Lancaster, Assistant Commercial Secretary	Canadian Embassy, Avenida Jimenez No. 7-25, Office 613, BOGOTA	<i>Mail:</i> Apartado 1618 <i>Airmail:</i> Apartado Aereo 3562 <i>Cable:</i> CANADIAN <i>Tel.:</i> 12-251
Cuba	G. A. Browne, Commercial Secretary W. R. Van, Assistant Commercial Secretary	Canadian Embassy, Edificio Motor Centre, Calle Infanta 16, HAVANA	<i>Mail:</i> Apartado 1945 <i>Cable:</i> CANADIAN <i>Tel.:</i> UO-9457
Dominican Republic Haiti, Puerto Rico	Canadian Government Trade Commissioner	Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	<i>Mail:</i> Apartado 451 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5318
Dominican Republic Haiti, Puerto Rico Jamaica	E. M. Gosse, Canadian Trade Commissioner (Fisheries)		

Territory	Officer	City Address	Mail and Cables, Office Telephone
Egypt Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia	A. G. Kniewasser, Acting Canadian Government Trade Commissioner	Osiris Building, Sharia Walda, Kasr-el-Doubara, CAIRO	<i>Mail:</i> P.O. Box 1770 <i>Cable:</i> CANADIAN <i>Tel.:</i> 23110
France Algeria, French Morocco, French West Africa, Tunisia	B. C. Butler, Commercial Counsellor for Canada Assistant Commercial Secretary J. H. Stone, Assistant Commercial Secretary	3 rue Scribe, PARIS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> OPEra 42-30
Germany Federal Republic	B. A. Macdonald, Commercial Counsellor I. V. Macdonald, Assistant Commercial Secretary	Canadian Embassy, 31 Zitelmannstrasse, BONN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Bonn 21971
Germany	Wm. Van Vliet, Agricultural Secretary		
Greece Israel, Turkey	H. W. Richardson, Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 72-853
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	J. C. Depocas, Canadian Government Trade Commissioner Assistant Trade Commissioner	5a Avenida Sud, 10-68 GUATEMALA CITY	<i>Mail:</i> P.O. Box 444 <i>Airmail:</i> P.O. Box 400 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5590
Hong Kong China, Indo-China, Macao, Taiwan	T. R. G. Fletcher, Canadian Government Trade Commissioner M. B. Blackwood, Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg., HONG KONG	<i>Mail:</i> P.O. Box 126 <i>Cable:</i> CANADIAN <i>Tel.:</i> 28336
India	Richard Grew, Commercial Counsellor	Office of the High Commissioner for Canada, 4 Aurangzeb Road, NEW DELHI	<i>Mail:</i> P.O. Box 11 <i>Cable:</i> CANADIAN <i>Tel.:</i> 40191
India	D. M. Holton, Canadian Government Trade Commissioner W. P. Birmingham, Assistant Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Tel.:</i> 20672
Indonesia	W. D. Wallace, Commercial Secretary	Canadian Embassy, Tanah Abang Timur 2, DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Gambir 499
Ireland	T. G. Major, Commercial Counsellor for Canada	66 Upper O'Connell St., DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 44251
Italy Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor A. A. Caron, Assistant Commercial Secretary	Canadian Embassy, Via Saverio Mercadante 15, ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 846-842
Italy	C. F. Wilson, Agricultural Counsellor		
Italy	M. S. Strong, Commercial Secretary (Fisheries)		

Territory	Officer	City Address	Mail and Cables, Office Telephone
Jamaica Bahamas, British Honduras	M. B. Palmer, Canadian Government Trade Commissioner	Canadian Bank of Commerce Chambers, KINGSTON	<i>Mail:</i> P.O. Box 225 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2858
Japan Korea	J. C. Britton, Commercial Counsellor	Canadian Embassy, TOKYO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
	R. F. Renwick, Assistant Commercial Secretary		
Japan	Paul Sykes, Canadian Government Trade Commissioner	7th Floor, Crescent Bldg., 72 Kyomachi, Ikutaku, KOBE	<i>Mail:</i> P.O. Box 513 <i>Cable:</i> CANADIAN <i>Tel.:</i> 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	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN
Mexico	M. T. Stewart, Commercial Counsellor	Canadian Embassy, Edificio Internacional, Paseo de la Reforma, MEXICO, D. F.	<i>Mail:</i> Apartado 126-Bis <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-27-90
	S. G. Tregaskes, Assistant Commercial Secretary		
Netherlands	V. L. Chapin, Commercial Secretary	Canadian Embassy, Sophialaan 1-A, THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 18-51-06
Netherlands Belgium, Denmark, Luxembourg	C. J. Small, Acting Agricultural Secretary		
New Zealand Fiji, Western Samoa	L. S. Glass, Commercial Counsellor	Office of the High Commissioner for Canada, Government Life Insurance Bldg., WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Tel.:</i> 70-644
Norway Denmark, Greenland	J. L. Mutter, Commercial Counsellor	Canadian Legation, Fridtjof Nansens Plass 5, OSLO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
Pakistan Afghanistan, Iran	R. K. Thomson, Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5826
Peru Bolivia	H. J. Horne, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 71150
Philippines	F. H. Palmer, Consul General and Trade Commissioner	Canadian Consulate General, Ayala Building, Juan Luna Street, MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Tel.:</i> 3-33-35
	H. E. Lemieux, Vice Consul and Assistant Trade Commissioner		
Portugal Azores, Madeira	L. M. Cosgrave, Commercial Counsellor	Canadian Legation, Avenida de Praia da Vitoria, 48-1°D., LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 53117
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	D. S. Armstrong, Canadian Government Trade Commissioner	Room D-5, Union Building, SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Tel.:</i> 7739
South Africa (Natal, Transvaal) Federation of Rhodesia and Nyasaland, Mozambique, Kenya, Tanganyika, Uganda, Zansibar	K. F. Noble, Canadian Government Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 33-2628
	H. E. Campbell, Assistant Trade Commissioner		

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	Commercial Secretary	Canadian Embassy, Edificio España, Avenida de Jose Antonio 88, MADRID	Mail: Apartado 117 Cable: CANADIAN Tel.: 22-28-10
Sweden Finland	F. W. Fraser, Commercial Counsellor L. A. Campeau, Assistant Commercial Secretary	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, Acting 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 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 E. H. Maguire, Commercial Secretary	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	S. V. Allen, Consul and Senior 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)	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. Loughton, 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 1.01458.

foreign exchange rates

Country	Unit	Type of Exchange	Canadian dollar equiv. May 14	Notes (See below)
Argentina	Peso	Preferential buying .....	.1314	(1)
		Basic buying .....	.1971	
		Preferential selling .....	.1971	
		Basic selling .....	.1314	
		Free .....	.07095	
Austria	Schilling ..	.....	.03791	
Australia	Pound .....	.....	2.2230	
Belgium Luxem- bourg & Belgian Dependencies ...	Franc .....	.....	.01962	
Bolivia	Boliviano ...	Official .....	.00519	
British West Indies	Dollar .....	.....	.5789	(3)
	Pound .....	.....	2.7788	(4)
Brazil	Cruzeiro ...	Brit. Honduras .....	.6947	tax 8%
		Official selling .....	.05237	
		Effective buying .....	.03475	
Burma	Kyat	Coffee buying .....	.04219	(2)
		.....	.2070	(5)
		.....	.2084	
Ceylon	Rupee .....	.....	.00896	(1)
Chile	Peso	Official .....	.3943	
Colombia	Peso	Basic .....	.1755	(6)
Costa Rica	Colon	Official .....	.1484	
		Controlled free .....	.9856	tax 2%
Cuba	Peso .....	.....	.1369	
Czechoslovakia ...	Koruna .....	.....	.1427	
Denmark	Krone .....	.....	.....
Dominican Republic	Peso .....	.....	.9856	
Ecuador	Sucre	Official .....	.06571	
		Free .....	.05697	
Egypt	Pound .....	.....	2.8303	
Fiji	Pound .....	.....	2.5034	
Finland	Markka .....	.....	.00428	
France	Franc .....	.....	.00282	(7)
French Africa	Franc .....	.....	.00564	(8)
French Pacific	Franc .....	.....	.01550	(9)
Germany	D Mark .....	.....	.2347	
Greece	Drachma .....	.....	.03285	
Guatemala	Quetzal .....	.....	.9856	
Haiti	Gourde .....	.....	.1971	
Honduras	Lempira .....	.....	.4928	
Hong Kong	Dollar	Free .....	.1711	*April 30
		Official .....	.06052	
Iceland	Krona	Special buying .....	.04660	
		Special selling .....	.03755	
		.....	.2084	
India	Rupee .....	.....	.08646	(10)
Indonesia	Rupiah	Basic .....	.01092	
Iran	Rial	Certificate .....	.....
Iraq	Dinar .....	.....	2.7598	

* Latest available quotation date.

Country	Unit	Type of Exchange	Canadian dollar equiv. May 14	(See below) Notes
Ireland	Pound		2.7788	
Israel	Pound	Effective basic	.9856	
		Premium	.5476	
Italy	Lira		.00158	
Japan	Yen		.00274	
Lebanon	Pound	Free	.3085	
Mexico	Peso		.07885	
Netherlands	Guilder		.2604	
Netherlands Antilles	Guilder		.5226	
New Zealand	Pound		2.7788	
Nicaragua	Cordoba	Effective buying	.1493	(11)
		Official selling	.1398	
		With Surcharge I	.1224	
		With Surcharge II	.09807	
Norway	Krone		.1380	
Pakistan	Rupee		.2979	
Panama	Balboa		.9856	
Paraguay	Guarani	Basic	.06571	(1)
		With Surcharge I	.04693	
		With Surcharge II	.03285	(12)
Peru	Sol	Certificate	.05102	
Philippines	Peso		.4928	tax 17% (2)
Portugal	Escudo		.03440	(13)
El Salvador	Colon		.3943	
Singapore & Malaya	Straits dollar		.3242	
South Africa (Union of)	Pound		2.7788	
Spain & Dependencies	Peseta	Basic buying	.04501	
		Basic selling	.08784	
		Basic commercial selling	.06001	(1)
		Free	.02530	
Sweden	Krona		.1905	
Switzerland	Franc		.2300	
Syria	Pound	Free	.2739	*April 9 (1)
Thailand	Baht	Official	.07885	
		Free	.04517	*March 5
Turkey	Lira		.3520	
United Kingdom	Pound		2.7788	
United States	Dollar		.9856	
Uruguay	Peso	Official	.6489	
		Basic buying	.5537	(1)
		Special buying	.4194	
		Basic selling	.5187	
		Special selling	.4023	
Venezuela	Bolivar		.2942	(14)
Yugoslavia	Dinar		.00328	

* 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 33½ 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.

General notes



Australia

SNOWY MOUNTAINS CONTRACTS AWARDED—Several contracts have been let during the past month for work on the Snowy Mountains scheme. The largest contract, worth £25 million, went to the American Kaiser group for the 14-mile Adaminaby-Tumut tunnel, the Tumut Pond dam and the T.I. pressure dam. A tender worth £3,895,000 has been awarded to a group of French contractors, and contracts worth £1 million have been awarded to a British and a Swedish company. Several Canadian companies tendered for the supply of generators and turbines for these projects but none was successful. Further tenders are not expected to be called in the near future—Sydney, May 1.

Brazil

TRACTOR PRODUCTION—Tratores Continental S.A., a subsidiary of the French Etablissements Richard Frères de Lyon, are organizing a Brazilian company, Intramag S.A., with an initial capital of Cr.\$50 million to manufacture "Continental" tractors in São Paulo. These tractors have been on the Brazilian market for eight years—São Paulo, May 7.

Peru

TARGET FOR TRADE MISSIONS—Since the New Year, Peru has been visited by a number of economic and trade missions interested in increasing trade with this free economy country which has no import or currency controls or restrictions.

The United States sent two groups: the first, 34 financiers whose visit was privately sponsored; the second, a ten-man government advisory body, designated as the Foreign Agriculture Trade Mission which is exploring the immediate possibilities of expanding U.S. agricultural trade with Peru and other South American countries. France sent a ten-man Economic Mission composed principally of businessmen, and Belgium a Commercial Mission consisting of 16 prominent representatives of finance, commerce and industry.

Probably the most powerful group was the five-man West German Government team headed by Minister of Economy Dr. Ludwig Ehrhard. As well as aiming at the stimulation of trade, they also negotiated, successfully, for the restoration to the original owners of certain German assets which have been held by the Peruvian Government since World War II.

The object of all these missions was to increase their sales and services to Peru, as well as the other Latin American countries they visited. Undoubtedly they have assisted their countries' export trade—Lima, May 4.

United Kingdom

GOLD AND DOLLAR RESERVES—The United Kingdom Treasury has announced that the sterling area's gold and dollar reserves increased by \$135 million during April; at the end of the month the reserves stood at \$2,820 million or £1,007 million. This is the highest monthly increase since the Treasury began to issue monthly figures nearly two years ago. It is evident that some of the April surplus has been accounted for by ordinary commercial transactions. The Treasury, however, indicates that the recent relaxations on the use of sterling in international payments have been an important factor in the April reserve increase. These relaxations have created a genuine need for overseas holders of sterling to increase their working balances in London—London, May 11.

PRIVATE IMPORTS OF BUTTER AND CHEESE

With the derationing of butter and cheddar cheese on May 8, 1954, private imports of these foods will be resumed on May 9th. They will be admitted under Open General Licence from certain countries, not including Canada. Arrangements for imports of cheese from dollar sources will be announced later. Before the war, Britain imported a total of 475.8 thousand long tons of butter. Between 1950 and 1952, imports fell from 335.2 to 259.2 thousand long tons, but 1953 shipments showed a slight improvement to 281.9 thousand. Home production of butter was only 10.3 thousand long tons in 1953, compared with 21 thousand in 1939.

Imports of cheddar in 1953 were 115.5 thousand long tons, compared with 129.8 before the war, but home production was more than double prewar at 87.9 thousand long tons.

Since the beginning of the war, the Ministry of Food has bulk purchased butter and cheese; the main overseas suppliers of butter last year were New Zealand, Australia, Denmark and Holland, and of cheddar cheese were New Zealand, Australia and Canada—London, May 12.