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foreign trade

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COVER On a French farm, workers prepare to plant sugarbeets to raise seed for succeeding crops. This year, the sugar-beet quota has been reduced because of accumulated stocks of industrial alcohol. For a report on this development and on other phases of French agriculture, turn to page two.

French Agriculture and Its Problems

Past season saw France reap an all-time record wheat harvest, reduce its agricultural trade deficit, and increase production of feed grains and dairy products. But problems of agricultural surpluses and wine stocks, and of using industrial alcohol supplies, are demanding and receiving attention.

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

DESPITE THE COOL, WET SUMMER which plagued many countries this season, France has reaped bumper grain crops and livestock production has been running 10 to 15 per cent ahead of last year. This represents a continuation of the improved trend over the past two years, reflecting good growing conditions but also better agricultural techniques and higher yields. As a result, the foreign trade position in food-stuffs has come into better balance and has ceased to be a drain on foreign exchange reserves.

Agricultural Trade Improves

During the first six months of the year, French (apart from French Union) foreign trade in agricultural products continued to improve. The agricultural trade deficit which, during the first half of 1953, reached 49 billion francs,* was reduced to 16 billion for the same period of this year. A further comparison of these two periods shows that exports rose from 43.2 to 63.6 billion francs and imports fell from 92.2 to 79.8 billion francs.

Expressed in terms of total trade, agricultural exports moved up from 9.6 to 13.4 per cent and the import share declined from 16.1 to 13.8 per cent.

The export picture has been aided notably by the increase in grain exports from 5.6 to 17.5 billion francs and in meat from 1.4 to 5.9 billion francs; there has been a corresponding reduction in imports of dairy products (down from 10.1 to 3.7 billion francs). Other sizable imports showing little change are tropical produce 20.5 billion, fruits and vegetables 19 billion, and oilseeds 7.4 billion francs.

Wheat Crop a Record

The 1954 wheat crop, currently estimated at 10,056,600 metric tons, is the largest since 1907 and surpasses the record of 9.8 million tons in 1938. This increase was achieved with a seeded area of one million hectares less than in the thirties, thanks to higher yields. The current yield, estimated at 22.5 quintals per hectare, may be compared with the 1948-52 average of 18.3 and the average of 15.4 during the thirties. It is

* 360 French francs=\$1.00 Canadian.

the result of the wider use of fertilizers and improved seed, factors which will continue to have an increasing influence on future crops, particularly in view of the recent gains in relatively backward areas. However, for this season, quality is below normal, with moisture content up to 20 per cent in many instances.

With a wheat crop of upwards of ten million metric tons, France has some two million metric tons over and above domestic baking requirements and supplies for the French Union, compared with 900 thousand last season. In order that larger quantities may be used as feed, the Government recently announced a subsidy of 330 francs per quintal for wheat sold back to livestock producers, or of 1,352 francs against proof of the export of animal products. This is in reply to complaints that exports of French livestock products have had to compete with those of countries which bought French wheat at subsidized prices. The move will also reduce the need for other imported feeds (mainly corn), and lower the cost of financing wheat exports.

Wheat Prices Lowered

The French wheat price to farmers was lowered this year for the first time since the war, from 3,600 to 3,400 francs per quintal (from Can.\$2.71 to \$2.56 per bushel). This is, however, a basic price and is modified by various taxes and a levy on deliveries over 25 quintals to offset export losses. The basic rate for this levy is 196 francs per quintal (15 cents per bushel) and it is graduated upwards on a percentage basis. The actual price therefore ranges from \$2.52 per bushel for small deliveries to \$2.15 for those over 1,000 quintals (3,674 bushels).

On the basis of the above price of 3,400 francs per quintal, French wheat at port averages around 3,800 francs whereas recent sales have been made at 2,150 f.o.b. Strasbourg, with the export subsidy shared equally by government and farmers. The levy on farmers' marketings is expected to yield 11 billion francs (Can.\$30 million) which, matched by the Treasury, should enable the export of 1.2 million metric tons this year. Apart from the domestic use as feed, any further effort to cut down stocks would need additional government financing.

Because of the favourable influence on foreign trade, farm groups have been encouraged to develop an export surplus. Now, however, in the light of higher yields and sharply increasing total production, the problem of financing this surplus is becoming more acute. It is not considered likely that the Government will want to expand its already substantial aid and because producers do not feel able to bear a larger share themselves, their Association has recommended that wheat output be stabilized at 9.5 million metric tons (the goal of certain government plans) which would provide an export surplus of about 1.8 million metric tons. As this will mean cutting back acreage, farm groups have asked for guidance in the matter of growing other crops.

Domestic Feed Picture

Supplies of feed grains show an improvement over previous years. Output of both barley and rye is higher and oats just slightly lower. The corn yield is down because of the cool summer, but production is not much lower as the area seeded was extended. The subsidy on wheat as feed will add further to domestic supplies.

France is gradually cutting down imports of feed grains. Price policies are used to encourage certain crops and this season barley was the only one on which the

official price was raised. Similarly, whereas the wheat price was lowered, that of corn, formerly on a par, was retained. Barley imports last year totalled 247 thousand tons and came mainly from North Africa. Corn imports in 1953, at 357 thousand tons, were down by 11 per cent from the previous year; corn is brought in from the United States and Argentina.

Problem in Livestock Products

Over the past year, both dairy products and meat have moved into surplus position. The meat market was the first to crack last fall, when prices for lower grades fell by as much as 40 per cent. Prompt action in the form of Army purchases, stockpiling and subsidized exports strengthened prices and a marketing board has since been operating effectively, financed by 10 per cent of the tax on meat. Although extra quality steers bring 270 francs per kilo (35 cents a pound), dressed meat basis at Paris, retail prices are high by Canadian standards—rib roast of beef, for example, sells at 95 cents a pound.

The Board has authority to withdraw from the market up to 25,000 tons of meat. Lesser quantities have been bought in the past and frozen; 17,000 tons of these stocks were sold to the USSR. Together with sales by private trade, a total of 60,000 metric tons



In a pastoral corner of France, ears of ripening wheat blow in the breeze. The current wheat crop has proved the largest since 1907 though the seeded area was a million hectares less than in the thirties. Higher yields per hectare explain record crop.

of meat was exported during the first seven months of the year, compared with 7,000 tons in the same period of 1953.

Dairy Products Supported

The increase in milk production over the past year has meant that the main dairy zones have suffered from surpluses and low prices. At the beginning of the year, 1954 output was estimated at 180 million hectolitres, (3,960 million gallons) which is 10 million above 1953. Apart from the dry spring months, pastures have been good with production outstripping present domestic consumption.

The official pricing system has been to set an indicative price varying with the season but with over-production, this price for butter and soft cheese has not been met in many areas. During the summer there was a stockpiling program for butter based on the Paris wholesale price of the previous week (at that time from 48 to 65 cents per pound); the State was to share in any losses or profits on the release of stocks during the winter. A similar program was subsequently extended to cheeses.

In early October, more permanent steps were taken to stabilize prices with the establishment of a fund financed partly by a charge on producers and partly from the proceeds of the tax on meat. At the same time the Government announced an official average price to farmers for milk for the 1954-55 season of 24.50 francs per litre. This action will be backed up by stockpiling and by floor and ceiling prices during the six months of heavy production in order to prevent a spread between prices for fluid consumption and for manufacture. The fund will also assist in the export of surpluses—the butter surplus during the current year is estimated at 10,000 metric tons.

Firm Action on Alcohol Purchases

Recently, a number of measures have been taken to cope with the increasing stocks of industrial alcohol, the result of State purchases of sugarbeet, wine and cider fruits, as a form of price support. All these products are in surplus position. Last fall the Government announced a program of gradually reducing purchase quotas each year to bring production into line with consumption by the end of 1958 and allow time for conversion to other crops.

In view of the present heavy stocks of 4.4 million hectolitres (96.8 million gallons) of alcohol, the sugarbeet quota this season has been reduced by one-third, and two-thirds of the beet normally destined for distillation will be transferred to sugar refineries at

state expense. This will increase the burden on the Treasury, but it will at least avoid piling up further stocks of unsaleable alcohol.

The current crop estimate on sugarbeet, at 11.2 million metric tons, is 10 per cent below last year. Sugar production should cover domestic requirements in view of the above transfer of beet, and sugar will be available for export because some quantities are usually brought in from Cuba under government agreement. Net imports last year totalled 100 thousand tons.

Problem of Surplus Wine

Action to cope with the chronic wine surplus will be underwritten by a new fund fed by 150 francs per hectolitre of the regular taxes on wine. Pending the accumulation of funds, a credit equivalent to Can.\$4 million has been opened with the Ministry of Agriculture to be used for (1) bonuses and indemnities for conversion of French and Algerian vineyards, (2) export assistance for ordinary table wine, and (3) land survey of present vineyards. Conversion in the south is tied in with large-scale plans for irrigation of the Rhone River Valley and tributaries.

This year's wine crop is estimated at 60 million hectolitres (1,320 million gallons), the same as in 1953, but the quality will be inferior because of the cool, wet growing season. This is apart from Algerian production which last year amounted to 18 million hectolitres (396 million gallons), and which moves freely onto the French market. The Government is continuing to withdraw from the market and distill the surplus production which amounted to about 17 million hectolitres (374 million gallons) from the last crop.

Plans for the Future

The French Government is making a serious effort to put its agricultural house in order. Under the current expansion program, this is being speeded up, so that agriculture can contribute its full share both to domestic expansion and to foreign trade. A recent series of government decrees has been giving concrete form to a long-term program of reducing production costs, extending educational and advisory services, and organizing agricultural markets. In this way it is hoped to raise productivity and farm income so that the third of the French working population engaged in agriculture can enjoy a higher standard of living and participate in increasing national revenue.

Paprika—a Correction

In the November 27th issue of "Foreign Trade", the export rate for paprika was incorrectly given as 30.95 Spanish pesetas to the U.S. dollar. The correct figure is 30.425 pesetas to the U.S. dollar.

How to Sell *through* New York

In the second article in this series on selling to third countries through agents in New York, the author turns to organizations which purchase a wide variety of goods for enterprises with large overseas interests. He outlines their method of operation and the types of goods which they purchase—and points out how Canadian exporters might go about getting some of this business.

C. E. BUTTERWORTH, *Vice Consul and Assistant Trade Commissioner, New York.*

OVER THE YEARS, New York City has become the centre of operations for many agents purchasing for foreign organizations. Some of them buy for foreign governments and the first article in this series* discussed this type of purchasing. Others represent United States or foreign companies which carry on large-scale operations abroad and which are in the market for great quantities of dollar goods. They thus offer special opportunities to Canadian exporters.

A Case History

One case history will serve to illustrate how these companies doing business abroad get their start and how their operations grow. It might be called the story of "Gros Michel". It begins back in 1516, when a Spanish priest of the Dominican order arrived in the West Indies. In his baggage he carried a banana plant which he had picked up in the Canary Islands on his voyage over. He hoped that this plant would flourish in the New World. His hope proved well founded, for the "Gros Michel" variety of banana grew in its West Indian habitat, even though no one paid much attention to it for the next two and a half centuries.

Not until the late 1800's did the "Gros Michel" begin to find its way into eastern United States markets. Then, all along the coast, importers went into the banana business and competed keenly with one another. The year 1899 saw a significant step. A sea captain from New Orleans, a Boston financier, and one of the great tropical railroad pioneers joined forces to create a company that undertook banana growing and selling on a big scale. One of the first steps was to buy out many of the competing banana merchants. The new company in 1920 merged with a rival firm, set up by a Bessarabian immigrant who had built a waterfront banana stand into a large and successful enterprise. Together these men developed an organization for raising and selling "Gros Michel"—an organization which today has assets valued at over \$550 million.

It owns more than 600 thousand acres of plantations in Central America, South America and the West Indies; railroads with 1,600 miles of track, 65 freighters with refrigerated space, wharves, radio stations, transport planes, and over 50,000 head of cattle. More than 90,000 people are on its payroll.

Opportunities for Suppliers

Naturally, a company of this size requires huge amounts of dollar goods to service its operations abroad. In 1953 its New York purchasing office (which is staffed by six buyers, twelve assistants, and other workers) bought approximately \$60 million worth of goods of all kinds for shipment to its plantations. Some Canadian firms already are receiving substantial orders from this company. The opportunity is there for other Canadian exporters to make themselves known, have their names placed on the mailing list, and to quote on the organization's requirements. Its New York office sends out all inquiries for goods, either by form letter or calls for tenders, decides on tenders, and pays cash against documents.

Other Large Buyers

This is but one example of the many companies with large enterprises abroad which maintain purchasing offices in New York. There are others who buy for U.S. and foreign-owned or controlled oil companies with their widespread business, or for large mining enterprises which operate in other parts of the world, especially South America. To these should be added large construction firms with international connections and companies with manufacturing plants overseas. Together they form a concentrated and valuable market close to Canada. Sales through such channels avoid some of the problems of foreign trading, such as the securing of import licences, the surmounting of tariff difficulties, and the shortage of dollars. In fact, these purchasing offices present Canadian manufacturers with a large outlet with its own distinctive characteristics. It has its less favourable features too— competi-

* See *Foreign Trade* of November 27th, page 20.

tion is keen, continuity of sales may be more difficult to achieve than in other markets better known to Canadian exporters, and so on.

Paying Agent's Commissions

One of the problems almost certain to arise in such sales is that of paying commission to the Canadian company's agent in the country to which the goods go. The general practice in such cases seems to vary considerably, to judge from the persons in New York with whom I discussed this question. Essentially it is a matter to be decided individually by the manufacturer and his agent. If the agent has had a part in getting the order, or if he provides service for the machinery, etc., after it is installed, he customarily receives the normal commission. On the other hand, some manufacturers regard New York purchasing offices as "home accounts" and either have an understanding with their agent or write a paragraph into the contract stating that they will not pay commission on such business. Others arrange that the agent receive one-half of his ordinary commission or some fraction thereof.

Some Further Examples

One or two other examples may help to point up the scope of purchases made for these overseas enterprises. A mining company operating in South America buys crushers, rollers and flotation machinery; transformers, electrical motors, and electrical fixtures; structural steel; conveyors and transmission belts; pumps; grinding balls; chemical and laboratory supplies, explosives, and lubricants; survey instruments; raincoats and rubber boots. This list doesn't exhaust its needs. In the course of its operations, the company has acquired 200 thousand sheep—so it buys veterinary supplies. For its railroads, it needs locomotives, sleepers, rails, and so on. The housing and care of its 15,000 local employees means that it is in the market for products ranging from hospital and medical supplies to food-stuffs and beverages, lumber and construction equipment. This organization usually pays through the New York office for the products which it buys; with rare exceptions, it prefers cash against documents.

Then there is a construction company which operates utilities in 11 different countries and occupies a 25-storey building in the Wall Street section of New York City. This firm is in the market annually for several million dollars worth of goods for export. It sends out inquiries to firms on its mailing lists, decides on all quotations and usually pays cash against documents, sight draft or date draft, depending upon the type of goods purchased. At present it is engaged in over \$2 billion worth of plant construction throughout the world. It designs and builds pulp and paper mills, chemical and food processing plants, hydro-electric developments, electric transmission lines, pipelines,



On a large Central American plantation, banana stems are lifted off an overhead carrier after being washed, and loaded on a wagon for a trip to railhead. The company which owns this and other large plantations is one of the enterprises which does much of its buying through a New York purchasing office.

dams and tunnels, communications systems, heavy manufacturing plants, and so on. A number of Canadian firms have shared in business created by this organization, selling goods as varied as electrical products, wire and cable, turbines, porcelain insulators, and whisky. Its New York buyers would like to hear from—or better still, meet—officers of other interested Canadian firms.

Method of Operation

As these examples indicate, New York purchasing offices for overseas enterprises generally have freedom of action in canvassing firms for their requirements, selecting the best source of supply, and paying for their purchases. There are times, of course, when the engineers or departments engaged in the operation abroad lay down specifically the type of goods they require. Naturally, there will be varying circumstances with individual cases but on the whole, this type of New York purchasing office can be considered as an individual account in itself.

Together, these numerous and large accounts constitute an interesting outlet for Canadian goods. Canadian suppliers, on the whole, are not well known to these New York purchasing offices for overseas enterprises. It might well be profitable for firms in Canada interested in the export field to make the acquaintance of these purchasing organizations as a first step in getting some of the business. ●

Credit Conditions in Europe

WHEN BUSINESS IS GOOD, credit conditions are invariably more favourable and business in Continental Europe has been definitely good in 1954. Recovery is no longer a relevant description of economic plans and progress there, for without exception the member countries of the European Payments Union have been restored to economic health. Their foreign dependence has become a matter of assistance with defence plans, not economic aid—with the exception of Spain, Turkey and Yugoslavia, which are still receiving considerable economic assistance. The vitality of the area was proved this year by the fact that Europe suffered no reaction from the mild North American recession, but instead moved on to higher levels of production and trade.

Exchange Reserves Growing

The state of gold and foreign exchange reserves is a fundamental criterion of international credit strength. Continental EPU countries increased these reserves by 9 per cent during the first half of 1954 alone. Germany and the Netherlands showed the biggest gains; Austria, Greece, France, Italy, Switzerland, Portugal and Norway also increased their reserves to some degree. The only declines registered in this group were insignificant reductions in the strong reserves of Belgium and Sweden. The gold and dollar holdings of Denmark actually improved in 1954 even though the country's overall net foreign exchange position has weakened.

Turkey is in a somewhat different position; she is experiencing serious exchange difficulties and has for some time been unable to meet her commercial obligations. The other weak spots in Europe are Spain and Yugoslavia, both of which have virtually no exchange reserves. This survey does not cover countries in the Soviet orbit.

Trade Greater and Easier

This stronger European exchange situation developed out of industrial rehabilitation and prospering export trade, which for the first half of 1954 was at a rate about 11 per cent higher than for the first half of 1953. The higher rates of production and business activity generally, supported by higher export earnings, led to a rise in imports of about 8 per cent. Clearly this was a welcome development because 1954 has been marked by an encouraging trend to fewer and easier restrictions on dollar imports. Liberalization of dollar trade is winning its way because European countries like Bel-

gium, the Netherlands, Germany, Sweden and Italy, which have all eased their restrictions, are now strong enough economically and financially to trade more freely. These developments offer convincing proof that European traders have confidence in their own credit strength.

More liberal trade regulations have also been supported by easier exchange controls, marking the gradual disappearance of one of the major political risks in commercial credit. Altogether the political element in credit is receding. Domestic financial stability is apparent in most European countries, with the possible exceptions of Spain, Turkey and Yugoslavia, so foreign financing is now based on a sounder foundation. France too has achieved a degree of political stability that has eased the uncertainty in that country and for Europe in general.

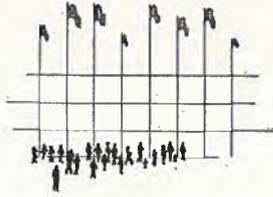
Collection Experience

New York banks and other American foreign credit intelligence sources rate collections from European countries as good, with no delays in payment or conversion in most cases, except for some slight ones in Greece, Ireland and Austria. The experience is not comparable for Spain, Turkey and Yugoslavia, because these more difficult credit regions are usually sold on a letter of credit basis.

The Canadian Export Credits Insurance Corporation confirms these conclusions from its own experience. Significant collection delays are recorded in only a small percentage of the European export accounts insured with the Corporation.

Summary of Conditions

Country	Exchange Position	Business and Credit Conditions
Austria	good	fairly good
Belgium-Luxembourg	strong	good
Denmark	fair	good
Finland	fairly good	good
France	fairly good	good
Germany	strong	good
Greece	fair	fairly good
Iceland	difficult	fairly good
Ireland	good	fairly good
Italy	fairly good	good
Netherlands	strong	good
Norway	good	good
Portugal	good	good
Spain	difficult	fair
Sweden	good	good
Switzerland	strong	very good
Turkey	difficult	fair
Yugoslavia	difficult	fair



fairs and exhibitions

A Dividend in the Showroom

THIS IS DIVIDEND MONTH in the Canadian Showroom. An extra show, planned for dividends in selling opportunities and publicity during this gift-giving time, is attracting the eyes of Christmas shoppers in Rockefeller Center, New York. Hockey sticks and hockey sweaters, the latest in ski suits and swift Canadian skis, sturdy, warm bush coats and sleeping bags for hunter and fishermen—these and many other essentials for the sports lover are on display throughout this month. Twenty-one firms are represented and many of their products complement each other: in one section of the Showroom a model poised to deliver one firm's curling stone is wearing a Balmoral bonnet made by another; in a hockey scene the stick carries one company's label, the sweater another's.

Most of the firms co-operating in the display have exhibited their products before in the Showroom and the majority of them are already selling in the United States. This last of the 1954 exhibits should win valuable publicity not only for these Canadian products but for the U.S. retailers who are handling them. Displayed prominently on every product is the name of the manufacturer and of the U.S. retailer.

The opportunities for selling Canadian products to New York export houses also will be tested while the dividend show is on.

Here are the firms taking part and the products they are showing:

Aljean Sportswear Limited, Vancouver, B.C.—tartan sports suits.

Beck Kertis Inc., Montreal, Que.—heavy ski sweaters.

Canada Cycle and Motor Co. Ltd., Weston, Ont.—bicycles, ice skates, hockey sticks and equipment.

Canadian Curling Stones Ltd., Dunham, Que.—curling stones.

The Crown Lumber, Coal and Supply Co. Limited, Woodstock, Ont.—Juvenile ski sets.

Concordia Classics Limited, Winnipeg, Man.—woollen tartan shirts.

Dressler Headwear Ltd., Winnipeg, Man.—tartan tams and caps.

Eagle Toys Ltd., Montreal, Que.—“Pro” hockey game.

Flo-Mado Products, Levis, Que.—hockey sticks.

Harvey E. Dodds Ltd., Montreal, Que.—ski poles.

Hespeler-St. Marys Wood Specialties Ltd., Hespeler, Ont.—hockey sticks.

Holden Mfg. Co., Hull, Que.—hockey gauntlets, shoulder pads, hockey pants, shin pads, goalie gauntlets, sleeping robes, “Yukon” slippers, sleeping bags.

Humphrey Woollen Mills, Moncton, N.B.—Hudson Bay type blankets.

Irving's, Montreal, Que.—skiwear for men, women and children.

Murphy's Ltd., Halifax, N.S.—blanket cloth bush coats.

Peerless Garments Ltd., Winnipeg, Man.—blanket cloth sports coats.

Peterborough Canoe Co. Ltd., Peterborough, Ont.—toboggans, children's skis, adults' skis and ski harness.

Rice Sportswear Inc., Winnipeg, Man.—curling sweaters.

S. E. Woods Limited, Hull, Que.—sleeping bags; fishing and hunting vests, jackets and slacks.

Tyrol Shoe Company, Montreal, Que.—ski boots and moccasins.

Wellinger and Dunn Leather Goods Ltd., Toronto, Ont.—hockey gauntlets and shinguards.

Next Year in the Showroom

TWO NEW TYPES of products will join the Showroom program next year—wallpaper, and aluminum products, including heavy gauge kitchenware and aluminum ladders. Pottery and wrought iron furniture will appear with other handicrafts, and meat and fish products, textiles, footwear, scientific instruments will play a return engagement. The exhibits in 1955 will be more concentrated; because fewer manufacturers will take part in any one exhibit, each of them will be able to show a fuller range of his products. The new entry, aluminum products, will lead off in the Showroom in January 1955, and another dividend show is planned for the end of that year.

Japan Trade Fair, 1955

TOKYO WILL BE THE HOST in 1955 to the Second Japan International Trade Fair; the first Japanese Trade Fair was held this year in Osaka. The Fair will open on May 5th and close on the 18th and applications for space will be accepted until December 31, 1954. The number of booths has been increased from 798 to 1,000 (each 100 feet square); 200 of them will be outdoors. Japanese export products will receive more emphasis and most of the extra exhibit space will be allotted to Japanese exhibitors.

The exhibits will be grouped in seven categories: textiles; machinery and tools; metals; chemical goods; provisions, agricultural and fishery products; general sundry goods, and tourist industry and other promotions. The Fair has been timed to coincide with a congress of the International Chamber of Commerce scheduled to be held in Tokyo in the spring.

Report on the CITF

● WELDING and metal fabrication industries will exhibit at the Canadian International Trade Fair for the first time in 1955. Organized in co-operation with the Canadian Welding Society, the new section will display a wide variety of the equipment and materials used in these industries. The Society is holding its first National Convention during the Trade Fair and will present for the benefit of its members and others

interested a series of lectures on new welding alloys, methods, equipment and standards.

● A first-time event this year, the aircraft section and National Air Show will return to the 1955 Fair. The flying display will be held at the end of the first week instead of the second.

Definite space bookings for the 1955 CITF totalled 67,000 square feet in October, and an additional 70,000 square feet were tentatively booked. Czechoslovakia, an exhibitor in earlier Fairs but absent for the past two years, returns in 1955 and has definitely reserved a larger area.

Toy Town in Harrogate

VICTORIA WAS QUEEN when Britain held its first toy fair, known then as the Manchester Fortnight, for just the reasons that the name implies. Now, nearly a century later, the Toy Fair has added international to its name and opened its doors to playthings from all over the world.

Relocated in Harrogate, Yorkshire, since 1950, the 1955 International Toy Fair will be held from January 8-14. The Fair's management feels that the January timing enables buyers to shop for the year and gives ample time for filling and shipment of orders. For information, write to George Wilkinson, Secretary, Harrogate International Toy Fair, 26 City Road, London, E.C. 1, England.

Canada and Austria Exchange Visits

AUSTRIA CAME TO CANADA early this month in the person of Chancellor Raab, and Canada is visiting Austria in a Canadian Government exhibition which opened in Vienna on December 5th and runs until the 30th. Planned to coincide with Chancellor Raab's visit to Ottawa, the exhibit in Vienna illustrates both "the look of Canada" and "the Canadian way of life".

Pakistan Invites

AN INVITATION to Canadian manufacturers and producers to attend the Third Pakistan International Industries Fair has been received by the Canadian Government from the Government of Pakistan.

The Industries Fair will take place in Karachi from March 5 to April 10, 1955. The office of the High Commissioner for Pakistan, 505 Wilbrod Street, Ottawa, will be glad to supply details.



The fisheries exhibition in the Canadian Showroom in Rockefeller Centre in October and November featured a wide range of Canadian fisheries products displayed against well-designed backgrounds. Above, one section of the exhibit.

UNITED STATES

Customs Simplification and Canadian Business

Certain sections of the Customs Simplification Act 1954, passed during the last session of the U.S. Congress have particular importance for Canadian companies. Some of the sections are clarified here.

R. G. C. SMITH, *Commercial Counsellor, Washington.*

THE ONE POSITIVE PART of the Administration's original foreign trade policy enacted by the 83rd Congress of the United States was "The Customs Simplification Act of 1954". This Act in its final form was considerably emasculated and emerged different from the robust Bill that first challenged the lists of Congress. Nevertheless, it does provide for a review of the system of classification for customs purposes—a system that has remained virtually unchanged since 1930. The final Act did not go as far as the original Bill and provides no continuing machinery for the enactment of the recommendations that will arise out of it. Nevertheless, the Act is important because it represents an attempt to draw up customs classifications that will take into account new developments and new products. It should make it easier for appraisers at different ports of entry to arrive at uniform decisions on the same product.

Because principal attention has been focused on the provisions for the simplification and re-writing of nomenclature, the other parts of the Act dealing with important changes in the current method of classifying unenumerated articles, anti-dumping procedures, and the treatment of certain United States goods returned after further manufacture abroad have not been given much attention. Yet these additional provisions that are immediately operative are important and could affect some imports to a vital degree.

Original Bill and Amendments

Originally the Bill recommended that the Tariff Commission draw up a completely new tariff schedule that would re-classify items to bring them up-to-date with modern technological development and nomenclature and eliminate existing anomalies and illogical results. The Commission was also to be charged with recommending rates of duties to be applied to each of the new items, under the broad limitation that the rates should be generally similar to those in current use but, where changes were necessary because of re-grouping, the overall revenue should be substantially the same as that collected from customs in 1952 and 1953.

However, when the Act emerged from Congress, the request for the Tariff Commission to recommend tariff rates was deleted and the Commission will now recommend changes in nomenclature only. Nevertheless where, as a result of regrouping, changes in rates become inevitable, the Commission shall specify the changes in rates that are necessary.

The Commission is given two years to submit the result of its work to the President, to the chairman of the House of Representatives' Committee on Ways and Means, and to the chairman of the Senate Committee on Finance. By March 15, 1955, it will supply an interim report outlining progress, pointing out any complexities that the study has developed, and recommending methods to be adopted for the simplification of existing schedules without significant changes in tariff levels.

Revision of Nomenclature

This is a long-range project but it has developed as a result of demands for simplification of the classification of imported goods. Because the nomenclature has not been changed since 1930, modern technological development has made it difficult to classify some of the items not specifically enumerated. There is, for example, no specific provision for a great number of products which at that time were unknown, or nearly so. This applies particularly in the chemical field, and to plastics, synthetic fibres, and textiles. A new system of nomenclature should remove some of the difficulties, thereby cutting down on the number of items not specifically enumerated and removing some uncertainties or inconsistencies in dealing with certain types of goods.

Important as this may be, it will have no immediate effect on current trading. Nevertheless the report could eventually form a basis for enacting legislation.

"Similitude" Redefined

As mentioned on page 29 of *Foreign Trade* of October 30, 1954, the Customs Simplification Act also amended the "similitude" provision of the tariff. A brief note

on what this amendment means and how the similitude provision is applied to imports may be in order. When an article is not specifically enumerated, it is classified first in a "basket" item belonging to its material group—for example, "manufactures wholly or in chief value of cotton, not elsewhere specified". Not all of the material groupings have such a basket item and in these cases the article generally goes under the "similitude" item. This is paragraph 1559, which makes unenumerated articles similar to other items in the schedule dutiable at the rate of duty applicable to the article it resembles. It is only when first, the basket treatment, and second, the similitude test, fails that items go into the general catch-all (not specially provided for—n.s.p.f.) of 1558 (where the rate of duty is low, 5-20 per cent). However, because of the broad scope of the first two types of general classification, the items that enter under 1558 are few and far between. *It is important to note the order of priority, first, the basket items, second, similitude, and finally, n.s.p.f.*

The new Act clarifies the test of similitude. Previously in testing for similitude there were a number of criteria, none of which was given specific priority—material, quality, texture or use. Now the criteria to be used in judging the similarity of one item to another are clearly defined as, first, use. Second, if equally resembling two or more articles in its use, it will be dutiable at the rate applicable to that article which it most clearly resembles in its material. Finally also, when use and material are found to be equally similar to those of one or more articles, it will be dutiable under the similar article carrying the highest rate.

Although this amendment does not promise any lowering or changing of rates of duty, it could result in reclassifications and should mean more uniform and consistent judging of the similarity (for Customs purposes) of an unenumerated item to another enumerated item.

Further Manufacture Abroad

A description of another amendment on metal articles of United States manufacture which may now be further manufactured abroad appears in *Foreign Trade* of November 13, page 32. Under the 1930 Tariff Act, United States articles could be sent out of the U.S. for repair and alteration only and still be entitled to duty-free re-entry upon payment of duties on the value of repairs or alterations. The new Act provides for *metal manufactures* (except those of precious metals) to be further processed abroad, and still re-enter the United States free of duty, upon the payment of duties on the cost of further manufacture, alteration or repair outside of the United States, provided the articles are to be further processed in the United States.

This amendment should prove of considerable importance to several Canadian metal-working industries—

particularly those which are subsidiaries or affiliates of United States corporations. It should encourage the use of Canadian factory capacity that is temporarily idle for further processing of parts of machinery or equipment required by parent companies in the United States. The extent to which this new amendment will lead to increased trade across the border will depend, to some degree at least, on how it is interpreted by the United States Customs. It could mean much or little, but there seems to be no doubt that it is the intention of the Customs authorities to see that it is put to real and effective use. To begin with, and until some "case histories" have been built up, Canadian firms wishing to explore business possibilities under this amendment are invited to submit their proposals to the Commercial Counsellor's office at the Canadian Embassy in Washington. In this way a definite ruling will be obtained on whether or not the proposed processing would be judged to come within the new amendment.

Anti-Dumping Regulations Amended

Finally, an important change in the anti-dumping regulations is incorporated in the Act. A description of this amendment was given on page 32 of *Foreign Trade* of October 16, 1954.

As before, the penalty for dumping (if injury is established by the Tariff Commission) remains the difference between the exporter's sale price and the foreign market value (or cost of production if no foreign value can be established). These changes do not lessen the penalty for such injury dumping, but they do give interested parties an opportunity to have their case heard publicly and limit their past liability to 120 days before the complaint was originally made. Such a limitation could be important because importers who have challenged Customs decisions, or for other reasons have not been able to liquidate the costs (they may, of course, clear their goods on the posting of a bond) may be assured that they cannot be charged dumping duties beyond the last 120 days.

Coal Washer Developed

The washing cyclone, an apparatus developed by the Netherlands State Coal Mines which separates coal from stone, has proved successful and is now in use in many countries. Fifteen cyclone washers today are operating in mines in Belgium, France, Germany, Yugoslavia, Italy and the United Kingdom. It is said to be possible to wash about 1,150 tons of coal per hour by the new process. In the United States the Netherlands washers were used for the first time for washing ores in the Mesabi iron range, Minnesota. A third application was found in the palm nut industry—separating husks from kernels.

Developments in U.S. Agricultural Policy

The last session of the United States Congress saw a good deal of agricultural legislation passed. Three of these new laws have special interest for Canada; here is useful analysis of them and of other developments in the field.

W. L. PORTEOUS, *Assistant Agricultural Secretary, Washington.*

THE SECOND SESSION of the 83rd Congress of the United States passed 135 laws directly affecting or of interest to agriculture in that country. Three of these are of special interest to Canada—the Agricultural Act of 1954, Public Law 690; the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, and the Mutual Security Act of 1954, Public Law 665.

Agricultural Act of 1954

The first of these, the Agricultural Act of 1954, makes mandatory price support levels between 82½ and 90 per cent of parity for the basic crops—wheat, cotton, corn, rice and peanuts—for the 1955 crop when producers do not disapprove marketing quotas. (Tobacco will continue to be supported at 90 per cent of parity if producers approve marketing quotas.) After that, the level of support will range from 75 to 90 per cent of parity, depending on supply. To ease the transition to the new program, provision is made for a “set-aside” of specified commodities with an aggregate value of not over \$2.5 billion. Commodities which may be included within specified limits are wheat, cotton, cottonseed oil, butter, non-fat dry milk solids, and cheese. Supplies in the “set-aside” will be excluded in computing the carry-over for the purpose of determining the price support level, but will be included for computing total supplies for purposes of acreage allotments and marketing quotas. The Act also includes ways for stimulating the domestic sale of dairy products and a new system for supporting the price of wool.

Agricultural Trade Development and Assistance Act of 1954

Under Title 1 of the Agricultural Trade Development and Assistance Act, surplus agricultural products during the next three years can be sold for the currencies of friendly nations. The Act authorizes appropriations for this purpose up to a value of \$700 million. In negotiating the agreements, the President is required to take precautions to assure that no undue disruptions of world prices and usual marketings of the United States result, that private trade channels are used to

the maximum extent practicable, and that none of the commodities are resold or trans-shipped to other countries without approval of the President.

Foreign currencies which accrue may be used for: (1) development of new markets for United States agricultural commodities; (2) purchase of strategic and critical materials; (3) procurement of military equipment and services; (4) financing the purchase of goods or services for other friendly countries; (5) promotion of international economic development and trade; (6) payment of United States obligations abroad; (7) loans to promote multilateral trade and economic development; (8) financing of international educational exchange activities.

Title II of this Act directs the Commodity Credit Corporation to make available to the President surplus agricultural commodities for transfer as gifts to friendly nations and populations in order to meet famine and other urgent relief needs. Total expenditures for the program, including the Corporation's investment in the commodities and costs of delivery f.o.b. vessel, are not to exceed \$300 million.

Mutual Security Act of 1954

Section 402 of the Mutual Security Act of 1954 specifies that no less than \$350 million of the funds appropriated under the Act shall be earmarked for the purchase and export of surplus agricultural commodities. The commodities will be sold for foreign currency and the currencies which accrue will be spent to promote the objectives of this Act, but with particular emphasis on the uses specified under the Agricultural Trade Development and Assistance Act (Public Law 480). The Act also provides that prices at which commodities are sold will not unduly disrupt world prices and that private channels of trade will be utilized to the maximum extent practicable.

Tariff Investigations

Of interest also in a study of United States agricultural policy are certain of the investigations undertaken by the Tariff Commission. On September 7th, 8th and

9th, the Commission conducted hearings to determine if oats and barley were being imported or were likely to be imported into the United States in quantities that would impair the domestic price support program. On October 4th the President issued a proclamation limiting imports of oats from all sources to 40 million bushels for the crop year 1954-55, beginning October 1st. Canada's share of the quota will be 39.3 million bushels. On October 18th the White House proclaimed that barley imports (including malt) for the crop year were not to exceed 27.5 million bushels, 27.225 million of which may come from Canada.

Total Acreage Allotment Eliminated

One other step which affects U.S. agriculture considerably was taken by Secretary of Agriculture Benson on September 15th. Mr. Benson announced the elimination of the "total acreage allotment" provision of the 1955 crop control program. Under the program as previously announced, compliance with all individual crop allotments was a condition of eligibility for price support on any crop. In addition, for those farms where more than ten acres would be diverted from allotment crops in 1955, the further provision of the "total acreage allotment" was to apply. Total acreage allotment would serve to limit the production of all market crops to the 1955 allotments of allotment crops, plus the 1953 acreage of other crops. This is the provision which was suspended.

Now as before producers, to be eligible for price supports, must comply with all individual crop allotments. However, they can plant some or all of their diverted acres to crops for which no acreage allotments have been announced, with the exception of vegetables, potatoes and sweet potatoes, and dry edible beans. The 1955 harvested acreage of these crops must not exceed the average acreage planted for harvest on the farm in 1952 and 1953. This provision is intended to give added protection to commercial vegetable and potato growers, who are especially vulnerable to possible adverse effects of shifts in production.

A Sales Note

It is interesting to note that consumers in the United States in recent months have continued to spend about a fourth of their income for food and this has been an important factor in maintaining farm prices in the face of heavy supplies. In addition, exports of agricultural products in the fiscal year beginning July 1, 1953, were valued at 4 per cent above the preceding year. Cotton, up 18 per cent, and unmanufactured tobacco, up 5 per cent, accounted for most of this increase. Exports of grain and products were off 17 per cent; wheat, grain and flour exports combined were down by one-third. Prices of all farm products combined were off 2 per cent from a year earlier. ●

CANADIAN SALT CAKE

—for U.S. Consumers

SALT CAKE, a commercial form of sodium sulphate, is produced in Canada both from important natural deposits in the province of Saskatchewan and as a by-product of certain industrial operations. The most important export market is, of course, the United States and recent investigations undertaken by the Chicago office of the Canadian Trade Commissioner Service have turned up some interesting data on the possibilities of expanding these exports.

Some 70 to 80 per cent of all salt cake in the United States is used by one industry—kraft paper manufacturing—and this industry, fortunately, is continuing to expand. There is every reason to believe that its purchases of salt cake will also continue to grow, unless the price increases to the point where the mills feel compelled to convert to the soda ash and sulphur process.

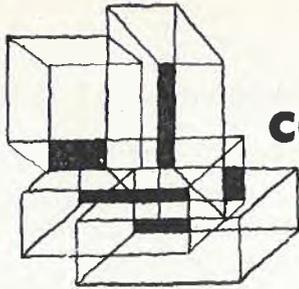
Sources of Supply

Most of the salt cake used in the United States is a by-product of the rayon industry; about 1.1 pounds of salt cake can be recovered for every pound of rayon manufactured. The making of sodium bichromate, a chemical widely employed in the tanning and automobile chrome industries, also yields important quantities. So does the Mannheim process of dropping sulphuric acid onto sodium chloride to produce hydrochloric acid.

In recent months, the U.S. automobile, tanning and rayon industries have been running below capacity and the rayon industry at least shows few signs of recovery in the near future. Unless these three keep pace with the expanding kraft paper industry, the United States may well face a chronic domestic shortage of salt cake. In addition, the Mannheim process for making sulphuric acid is gradually giving place to a new technique which does not turn out salt cake as a by-product.

Natural salt cake in the United States come from California deposits but prices f.o.b. mine are roughly twice as high as the Canadian prices because of higher production and transportation costs. Salt cake is a bulky material and the expense of dispatching it to important consuming areas in the southern, midwestern and northeastern states sends the price shooting up. This means that U.S. users may turn to Canada to make up their shortages, though competition may soon be forthcoming from natural deposits in Mexico, Chile and North Dakota.

—continued on page 28



commodity notes

Argentina

LINSEED OIL—According to official statistics, linseed oil production in 1953 totalled 167,800 metric tons, a 43 per cent increase over the low of 116,900 tons the previous year, but 36 per cent less than production in 1947 which reached a peak of 262,500 tons. Exports of linseed oil in the first nine months of 1954 totalled 199,213 metric tons, compared with 93,339 tons in the same period last year. In the calendar years 1953 and 1952, 121,201 tons and 30,883 tons, respectively, were exported—Buenos Aires, Nov. 17.

Australia

ALUMINUM—The Bell Bay Aluminum Works in Tasmania are expected to begin production of alumina in January 1955 and by July will be ready to produce aluminum in the ingot stage. The expected annual output of about 13,000 tons of ingots has been valued at approximately £2.5 million. The Bell Bay plant is an almost self-contained Australian industry; the only import necessary is cryolite from Greenland—Melbourne, Nov. 18.

Brazil

BANANAS—Banana exports through the port of Santos in September totalled 1,159,599 stems, bringing exports for the first nine months of this year to 9,240,572 stems, as compared with 6,377,327 stems in the same period of 1953—São Paulo, Nov. 25.

COFFEE—According to the Brazilian Coffee Institute, Brazilian coffee exports in the first seven months of this year declined by about 1.5 million bags, as compared with the same period of 1953. However, revenue from these exports totalled Cr.\$12,462,848,986 as compared with Cr.\$9,321,148,267 in the corresponding period of last year—São Paulo, Nov. 23.

Greece

TOBACCO—For the first time in many years all available stocks of exportable tobacco have been sold, leaving only 600 tons of the 1953 crop in the hands of growers. Tobacco is Greece's leading staple export crop; production in 1953 totalled 69,000 tons of which 50,000 tons were for export. Recent exports have gone largely to Western Germany and the

United States. Because of the 1953 drachma devaluation, prices were higher to the Greek grower but also more competitive in foreign markets. Prices and foreign demand for the new crop, estimated at 75,000 tons, are already higher than last year—Athens, Nov. 20.

India

PAPER—The average monthly non-government consumption of paper, exclusive of newsprint, in India is estimated at 10,000 tons. At present, domestic production meets the demand. In 1953, total production was 138,216 tons, compared with 137,508 tons in 1952, 131,916 tons in 1951, and 108,912 tons in 1950. Imports of printing, writing, and art papers, and paperboards are being considerably reduced, but India still depends on foreign countries for newsprint. The government-owned Nepa newsprint factory, which will go into production next year, has received a grant of Rs.9.7 million and the Planning Commission has recommended a further grant of Rs.13 million—New Delhi, Nov. 10.

Italy

MERCURY—About 746 tons of mercury were produced in Italy during the first five months of 1954 as compared with 655 tons in the corresponding period of 1953. Mercury ore production mirrors the increased activity in this mining field, as a total of 100 thousand tons was reached by the end of May, a considerable advance over any comparative period in the postwar years—Rome, Nov. 22.

Japan

CANCER DRUG—Sarcomycin, a new drug for cancer, was placed on sale in Japan at the end of October, at a price of about \$2.70 per gram. This new antibiotic was discovered by Dr. Hamao Umezawa of the National Hygienic Institute in Kamakura in 1952. He separated the actinomycete found in the soil, cultivated this, and extracted the antibiotic. Clinical tests carried out in the universities and public hospitals for the past year have proved the medicine to be effective. Present production in Japan amounts to about 110 kilograms a month, or sufficient for about 5,000 patients—Tokyo, Nov. 12.

Netherlands

CIGARS—The combined associations of Netherlands cigar factories will increase the price of cigars by about 2.5 per cent of the average sales price. The announcement says that cigars are practically the only item that has shown a relative price drop since the end of the war. At the present time the price of cigars averages about 18.7 Dutch cents. The increase is necessary because of the high cost of production and the recent overall 6 per cent wage increase—The Hague, Nov. 23.

GLASS FURNITURE—A Netherlands firm is now putting opaque glass furniture on the market in the Benelux and overseas countries. The glass is seven millimetres thick and the firm claims that it is proof against damp, heat, acids and knocks—The Hague, Nov. 23.

URANIUM—The Amsterdam laboratory for mass separation and analysis of matter collected in 1953 about 1,500 milligrams of uranium 238 and 10 milligrams of uranium 235, by the electro-magnetic method. The first successful fissions were 25 milligrams from zinc, 15 milligrams from magnesium and 1,500 milligrams from uranium. The degree of purity achieved in the fissions was about equal to that achieved in the British atomic centre of Harwell—The Hague, Nov. 23.

New Zealand

PHENOL FORMALDEHYDE—A Christchurch plant has installed equipment to make phenol formaldehyde moulding powder for the first time in New Zealand. Most of the phenol will have to be imported, but all other raw materials will be obtained locally—Wellington, Nov. 15.

Philippines

HEMP—The downward trend in abaca (hemp) prices is worrying Philippine Government authorities. Hemp prices, which reached a peak of 65 pesos per picul (one picul=139.40 lb.) in 1951, have gradually declined to 26 pesos per picul and production costs have increased sharply during that period. The result was a severe drop in hemp production from 997 thousand bales in 1951 to 856 thousand bales in 1953. A further decline of about 120 thousand bales is forecast for this year—Manila, Nov. 9.

South Africa

COFFEE—Some 200 thousand coffee saplings have been planted in the Nelspruit area of the Transvaal in a large scale experiment to produce coffee, and

the first crop is expected to be reaped in 1957. An agreement has been made with one of the biggest coffee importing companies in the Union to buy the entire crop. If coffee can be grown, the benefit to the Union's economy will be substantial because all coffee is now imported at a cost of £9 million a year in foreign exchange—Cape Town, Nov. 15.

TIRES—The largest tire manufacturer in South Africa has decided on a £3 million plant expansion to meet increased demand. About £2 million will be spent during the next two years in modernizing the present factory. When the program has been completed, this will be one of the best-equipped plants of its type in the world—Cape Town, Nov. 15.

Sweden

RYE—The Swedish Agricultural Board states that it will be necessary to import high-class rye to mix with the Swedish product because extensive rain has resulted in an inferior crop this year. In the southernmost part of Sweden about 40 per cent of the rye harvest will have to be used as fodder. So far, a permit has been granted for the import of 10,000 tons from Canada; in 1953 only nine tons of rye were imported—Stockholm, Nov. 15.

United Kingdom

BICYCLES, MOTOR CYCLES—Based on figures to date, British bicycle production is likely to reach 3,156,000 units in 1954, compared with 2,996,000 last year. It is expected that exports will reach a value of £25 million, up £1.8 million from 1953; 18 per cent of total exports are going to North America. This export performance to the dollar area may be affected by the present hearings of the United States Tariff Commission, which is investigating the claims of United States bicycle manufacturers for more protection.

The U.K. continues to be the world's largest motor cycle exporter. In the first nine months of this year, exports amounted to 57,039 units compared with 49,386 in the same period last year. Production for the calendar year is expected to be 189,208 units, an increase of 13,000 over 1953—London, Nov. 23.

VEHICLES—Exports of motor vehicles, parts, accessories and equipment have earned Britain £259 million in the first three quarters of this year. This represents an increase of £35 million over the figure for the comparable period of 1953. In vehicles alone, shipments up to the end of September totalled 463 thousand units worth over £181 million, up £25 million from last year. The United Kingdom industry

is maintaining its substantial lead in exports over other vehicle producing countries. In the first half of 1954, British exports of motor vehicles were running at a rate nearly one-third higher than those of the United States—this country's most important competitor in the industry—London, Nov. 23.

VACUUM FLASKS—The U.K. vacuum flask industry is an example of the new industries contributing to the British export drive. In 1939, 28 vacuum vessels were imported for every one exported; in 1953, 14 vessels were exported for every one imported. Principal export markets are Australia, Canada and South America. In 1953, the five firms in the industry produced 6½ million articles—London, Nov. 23.

United States

STEEL—Steel production in the Pittsburgh region is slated to rise to 74.3 per cent of capacity in this fourth quarter, and a sizable gain is also in prospect for most of the producing areas. With production heading towards the highest level in eight months, it now seems certain that the fourth quarter will be the best of the year, although appreciably below the 1953 level—New York, Nov. 26.

FISH STICKS—The meteoric rise of fish sticks in the U.S. market from an approximate output of 7.5 million pounds last year to a prospective 50 million pounds this year seems to have touched off a pattern for other foods. Now in prospect are a ham stick, a chicken stick, possibly a mixed turkey-chicken stick and a chicken croquette, this last product to be eaten off a wooden stick like a popsicle—New York, Nov. 26.

FURNITURE—September was the best month the furniture industry has had this year; orders received were 14 per cent higher than in the same month of 1953. Business for the first nine months of 1954 is now only eight per cent below 1953, as against a low of 15 per cent earlier in the year—Detroit, Nov. 19.

AUTOMATIC TRANSMISSIONS—Sales of trucks with automatic transmissions are increasing every year. Deliveries in the first ten months of this year amounted to 25 per cent of total deliveries in the light-duty truck line. It took the passenger car industry eleven years to achieve the same sales percentage of its automatic transmissions in cars, compared with three years for the truck lines—Detroit, Nov. 28.

POWER STEERING—Because of lower prices on 1955 models, the upswing in the use of power steering on automobiles is expected to receive a new

impetus. This extra-cost equipment for cars was first introduced in 1951 and its tremendous popularity is shown by the fact that 0.5 per cent of U.S. car production was equipped with power steering in 1951, 5.1 per cent in 1952, 11.7 per cent in 1953, and about 17 per cent in the first nine months of 1954. The device will have been installed on well over 1.7 million automobiles by the end of the year—Detroit, Nov. 25.

MOTOR VEHICLES—Returns issued by the Automobile Manufacturers Association show that motor vehicle factory sales for the first nine months of this year totalled 4,959,297, the fourth highest three-quarter mark in the history of the industry. This figure was exceeded in 1950 when the corresponding total was 5,997,984, in 1953, 5,764,232 and in 1951, 5,407,892. The 1954 nine months' total includes 4,169,518 passenger cars, 786,864 motor trucks and 2,915 buses.

During this period, 298,958 vehicles were exported, approximately 6 per cent of total sales, compared with 4.4 per cent in the same period of 1953—Detroit, Nov. 29.

West Germany

AUTOMOBILES—German automobile production during the first nine months of 1954 amounted to 488,079 units, compared with 490,681 during the whole of 1953. About 42 per cent of total production was exported; Belgium, Sweden, and Switzerland were the main markets. Total exports during January-September 1954 reached 203,700 units, 62 per cent above the corresponding 1953 figure of 126,058 units, and 15 per cent above the 1953 total—Bonn, Nov. 20.

Zanzibar

CLOVES—Clove production during the 1954-55 crop year in Zanzibar and Pemba is estimated by the Growers' Association at 5,500 tons, down considerably from 1953-54's 20,019 tons. Large year-to-year fluctuations in volume are characteristic of East African clove production. The trees appear to require some time to recover from the effects of a large crop and from the accompanying branch-breakage during the harvest. The Zanzibar Department of Agriculture is stressing the need for care in harvesting operations and, in an attempt to meet the long-term problem of tree-ageing, is encouraging the planting of seedling trees.

The trade expects another good sales year and points out that the supply situation is healthy, with present world stocks representing approximately one year's requirements—Johannesburg, Nov. 15.

Cuba's Metallic Mining Industry

Manganese, copper, iron and nickel rank high among metallic minerals found in Cuba. Last year, mines in this category provided 8 per cent of Cuban exports, but output has fallen considerably during the current year.

Office of the Commercial Counsellor, Havana.

CUBA has a variety of rich metallic mineral deposits, particularly chromium, manganese, copper, iron and nickel. Other minerals such as lead, zinc, tungsten, gold and silver are also found, but in less important quantities. The iron ore deposits are relatively large, although not all of them are high-grade and the elements of nickel, cobalt, and chromium found with the iron have considerable strategic importance. Particularly interesting is NICARO, the large nickel-mining operation in the eastern Province of Oriente. It will soon be supplemented by additional development which is expected to increase significantly the free world's supply of nickel in the course of the next two or three years.

The importance of the Cuban mines is indicated by the fact that they produce about half the world's supply of chemical-grade manganese ore, and the Matahambu mine in the western province of Pinar del Rio has produced over a million tons of copper ore since 1950.

Activity Slows Up

The nickel (as oxide) and the copper (in concentrates) are both shipped exclusively to the United States. Iron, chrome and manganese are all exported as ore, chiefly to the U.S. The production and value figures below do not indicate the reduced activity in 1954 which has worried some operators of iron, chrome and manganese mines. At the close of the year, large-scale operations were being carried on in only one copper, one manganese and two chrome mines, and most iron-ore mining ceased in mid-year. Nickel production, however, has been maintained at a steady pace and shipments of iron pyrites from a Matanzas province open-cut operation, going largely to Europe, have held up fairly well at about 20,000 tons a month.

Although the Cuban register of mines lists 19 iron, 31 chrome, 43 manganese, 23 copper, 10 nickel, 2 lead, and 3 gold mines, most of these properties are currently inactive and some are only in the early stages of development. Noteworthy, however, are plans now being considered for a smelter in the main copper-

producing area and a beneficiation plant in the eastern part of the island to treat manganese ores.

Cuban Metallic Mineral Exports—1953

	(Ores in metric tons)	(Value in pesos 1=US\$)
Copper	88,719	8,827,685
Iron	209,186	2,158,706
Chrome	76,280	1,093,116
Nickel	17,280	14,119,099
Manganese	372,414	11,183,952
Other	4,449	26,220
	769,013	37,408,778

The value of the exports from these mines represents nearly 8 per cent of the last ten years' total export average and puts the mining industry in fourth place as an exporter—after sugar, tobacco, and the fruit and vegetable industry.

The position of the mining industry seems certain to improve with the years because the country has large mineral resources which have not yet been developed. When the new mines are producing, Cuban exports should rise further and more industrialization within Cuba itself may also follow.

Machinery and Equipment Sales

Exact figures of Cuban imports of mining machinery and equipment are difficult to obtain because of terminology and all-inclusive customs classification. However, informed students of the industry estimate that probably over 95 per cent has customarily been ordered from U.S. manufacturers. United States export figures show, from 1952 on, shipments to Cuba of a little over \$300 thousand worth of various mining machinery and equipment. Figures for mining explosives are more difficult to come by, but most or all of the explosives used in Cuban mines are believed to be of United States manufacture.

Canadian exports of mining machinery and parts to Cuba from 1945 to 1953 were valued at \$173,513; shipments in the first six months of 1954 totalled \$9,833. ●

Norway *the pace quickens*

J. L. MUTTER,
Commercial Counsellor, Oslo.

First half of 1954 saw Norwegian business picking up; output of most industries rose and herring and whale catches proved large. Lower freight rates, however had an adverse effect on shipping trade and its earnings.

THE GENERAL TREND in Norway's economy during the first half of 1954 has been favourable, thanks to increased industrial production, higher employment, record herring catches, larger whale oil production and a definite improvement in foreign trade. Business generally has been brisk. Industrial production rose 7 per cent above the corresponding period of 1953 and the terms of trade became more favourable. Some 4,000 to 5,000 more persons found employment in industry than last year and in specialized trades a shortage of manpower has developed. In agriculture too the news was good—crops generally were described as average. On the other hand, conditions in the shipping trade, and particularly for the tanker fleet, deteriorated and the freight market was even worse than in 1953.

Balance of Payments Improves

During the first six months of the year, Norway's balance of payments improved somewhat compared with the same period of 1953 and the deficit on the balance of goods and services declined from Norwegian kroner 566 million to 444 million. On June 30, Norway's deficit with the European Payments Union totalled \$122.4 million, of which \$33.2 million has been paid in gold. Of the \$89.2 million balance, \$12.8 million was repaid on July 1, in accordance with the new EPU arrangements which became effective on that date. Norway's EPU deficits for July, August and September were \$4.4, \$5.1 and \$12.1 million respectively, making a total of \$21.6 million for these three months.

Norway has strengthened her trade balance with the dollar area as a whole. The excess of dollar imports over dollar exports, which for the first six months of 1952 represented Norwegian kroner 378.6 million, fell to kroner 236.5 million for the same period of 1953 and to kroner 201.5 million in 1954. This trend is partly due to continued strict government control of all dollar imports.

Exports during the period January-August, exclusive of ships, amounted to kroner 2,602 million—366 million, or 16.4 per cent, above the same period last year. Increased exports of the following commodities mainly accounted for this: fish and canned fish prod-

ucts, up kroner 118 million; wood refining products, by 104 million; animal and vegetable fats and oils by 69 million, and feedingstuffs by 69 million. Exports of ships amounted to kroner 108 million compared with 124 million last year. Imports, excluding ships, totalled kroner 3,824 million—5.1 per cent more than last year. Imports of ships totalled kroner 761 million, an increase of 190 million compared with 1953. The import surplus, exclusive of ships, was reduced by 13 per cent for the eight months—from kroner 1,404 million in 1953 to kroner 1,222 million in 1954. The terms of trade were somewhat more favourable; for the first six months of 1954 the index figure for the terms of trade for visible goods was 102 compared with 97 last year. If shipping services are also included, the level of this index remained about the same as in 1953.

Norway's trade with Canada during the first half of the year showed a slight improvement, with exports to Canada increasing from \$958,463 to \$1,010,793, and imports from Canada from \$20,326,723 to \$21,009,434. Half of the exports comprised fish and fish products; principal imports were, in order of importance, nickel in matte or speiss (53 per cent of the total), wheat, fine copper in ore, drugs and chemicals n.o.p., and flaxseed n.o.p.

Industrial Production

Industrial production up to the end of August was higher than in the corresponding period last year, the figure (1949 equals 100) rising from 124 to 132. The largest increase, 13.6 per cent, was registered in the export industry; output of industries producing for the home market rose by 4.2 per cent. Of the individual branches of industry, the canning factories increased their output by 10.1 per cent but the level of production was extraordinarily low in 1953 because of marketing difficulties. Compared with the same period in 1952, the 1954 index declined by 1.3 per cent. The index for the chemical industry increased by 24.2 per cent. That section of the fisheries which produces herring meal and oil made considerable progress, as the record catches in the winter and spring brought in exceptionally large quantities of herring for processing.

Another important branch of Norwegian industry, the pulp and paper mills, also achieved a record production. Judging by sales to foreign countries, there seems no doubt that this branch will be fully employed for the rest of the year. In the electro-chemical industry, activity has been about 20 per cent higher than last year; the progress in other sections is not so pronounced. In the textile industry, output has been only slightly higher than last year and, in view of increased imports from abroad, conditions are uncertain; the iron and metal industries also have been unable to rise much above the prewar level. A characteristic feature of the Norwegian economy today is the great development of electric power. It is expected that industrial enterprises will be powered by electricity to an increasing extent.

Freight Rates Affect Shipping

The freight rates for dry cargo ships fell below last year for trip charter-parties; time charter rates rose slightly. For tankers, the freight rates fell sharply this year—over 33 per cent from January to July 1954. As a result of these declines, the number of ships laid up increased until the middle of August. On August 1, a total of 55 ships aggregating 264,434 gross registered tons were laid up, including 33 tankers totalling 226,611 gross tons, the highest number since the war. As freight rates gradually improved towards the latter part of August, the number of laid-up ships fell; by October 1, only 35 ships aggregating 163,876 gross tons were idle. The net freight earnings of the Norwegian shipping industry during the first half of the year amounted to kroner 770 million compared with 790 million last year. As the merchant fleet was about 6 per cent larger, the net freight earnings fell.

Whaling and the Fisheries

To check the drain on the stock of whales in Antarctic waters, it was agreed at the meeting of the International Whaling Commission in London last year to reduce the maximum total catch from 16,000 to 15,500 blue-whale units. During the 1953-54 whaling season, which began on January 2 and closed on March 18, Norway participated with nine floating factories (seven in 1952-53) and 100 whalers (95) out of a total of 17 floating factories and 206 whalers. Of the total output of 2,100,879 barrels of oil, Norway's share amounted to 960,212 barrels—929,077 barrels of which were whale oil and the remainder sperm oil. The Norwegian share of the total catch thus increased from 38.4 per cent in 1952-53 to 44.8 per cent in 1953-54. The average export price for Norwegian whale oil dropped from £71.10.0 per ton last year to £68.5.0 per ton this year.

The winter herring catches this year were the largest on record, about 1,088,100 metric tons (670 thousand tons in 1953) valued at kroner 211 million. As a

result of these highly successful fisheries, it is expected that the production of herring oil and meal will also reach a record this year, as over 80 per cent of the catch is processed in this way. Last year 145,095 tons of herring meal and 58,432 tons of oil were produced. Since prices are somewhat higher, it is roughly estimated that exports of herring meal, herring oil and frozen herring in 1954 will bring in about kroner 100 million more in foreign exchange than in 1953.

The cod fisheries, which were considered a failure last year, yielded even poorer results this year, with a total catch of 73,091 tons (93,356 tons). The output



Norwegian fishermen strain to haul in nets bulging with the herring catch. Winter herring harvest in the present year was the largest on record, almost double that of 1953.

of steamed cod liver oil during the first five months of the year totalled 40,600 tons, compared with 47,300 tons in 1953. The Norwegian frozen fish industry is currently undergoing a re-organization which is expected to result in considerably lower prices and greater exports.

Results of Harvest

According to provisional reports, the total agricultural crop in 1954 has been estimated at about 2,124 million "feed units" (the equivalent nutritive value of one kilogram of barley), about 76 million "feed units" less than in 1953. The hay crop is estimated at 2.9 million tons, or 104 per cent of an average year. The total grain crop is expected to reach 443 thousand tons, or 6,441 tons less than last year. The potato and root crops will be slightly below average and it is anticipated that the vegetable crop will be considerably lower than in 1953. For the period January-July the number of slaughtered cattle increased from 97,000 to 106,000 head, but production of pork, mutton and veal declined. For the same period, milk production dropped from 690,448 to 674,562. ●

New England's Electronics Industry

The oldest industrial area in the United States has become the centre for one of the newest industries—electronics. Situated close to Canada and in the market for large quantities of materials and services, these companies might prove good sales outlets for Canadian suppliers.

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

THE OLD SEA DOGS of Boston, Salem and New Bedford would recoil in terror from the witchcraft that permits modern ships to navigate and fish by means of electronic devices. Even at the beginning of World War II, few people had heard of "electronics". Today it has become a synonym of progress. And in New England it is symbolic of the revolution taking place in this oldest industrial region of the United States.

In the United States, electronics are assigned for statistical purposes to a category called "electrical machinery" (in Canada "electrical apparatus"). Specializing in small, high-value components and industrial products, this newest of New England's industries has been growing so rapidly that it has been almost impossible to measure its actual size at any given time. Between 1939 and 1953 it provided over 80 thousand new manufacturing jobs, or approximately 20 per cent of the total expansion in manufacturing employment in the area. Between 1951 and 1953, total employment in 142 electronics firms rose from 38,466 to 58,697, an increase of 53 per cent. A directory published this year lists 219 manufacturers employing 87,800 persons and turning out approximately 620 different products and components. All told, there are some 420 electronics firms in the region. In 1953 alone 10,000 new jobs were created, raising total employment to a record average figure of 137 thousand for the year.

Concentrated in Boston Area

A survey of New England electronics manufacturers undertaken by the Federal Reserve Bank of Boston reveals that approximately half are located within the Greater Boston area. Most of the remainder are situated in other parts of Massachusetts and in Connecticut, with only a handful in the other New England states.

These firms vary widely in size; some have only two or three workers and others, such as Raytheon Manufacturing Company, Sylvania Electric Products Inc., General Electric and C.B.S. Hytron have several thousand. About a third of them employed less than 50 workers at the start of 1953.

Approximately half of the manufacturers covered by the Federal Reserve Bank's survey began operations

after the end of World War II. Ten per cent were established during the war and 12 per cent between 1931 and 1939. About one-third of all the companies reporting were established before 1930, although most of them were not originally in the electronics field.

The industry in the Boston area has grown astonishingly since 1945. Of all the firms in the area, 55 per cent were established after the end of the war; for the rest of New England the figure was 42 per cent. Between 1951 and 1953 firms in the Boston area increased their employment at twice the rate of those situated in other sectors of the region.

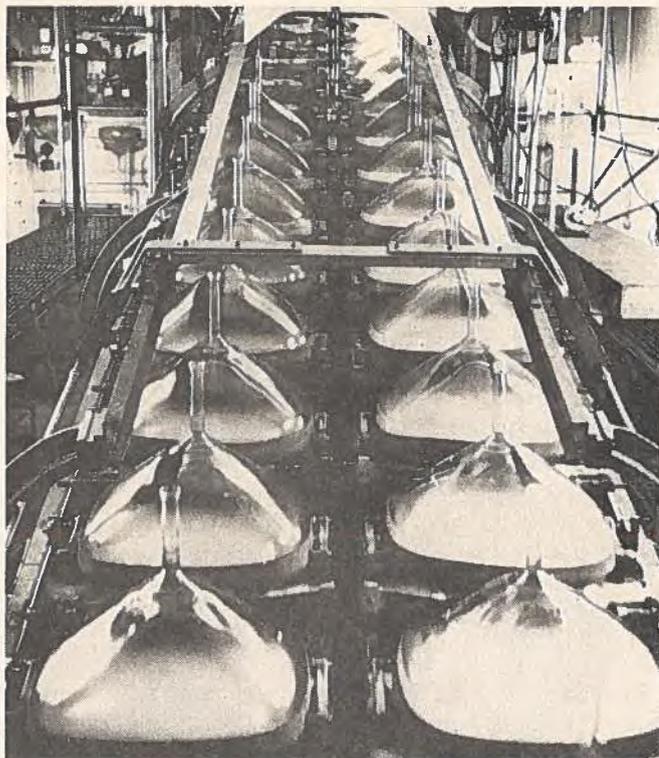
Capitalizes on Natural Advantages

The manufacture of electronics is a natural for New England. With approximately one-third of the nation's entire research facilities within its boundaries, the advantages are obvious. To this must be added the satisfactory supply of skilled labour, the good labour relations prevailing, and the proximity of first-class educational institutions and a plentiful supply of highly trained technical experts attached to consulting organizations. Disadvantages most frequently mentioned include unfavourable state and local tax treatment and high transportation costs to consuming markets.

It is evident that the manufacture of electronics will continue to grow in New England. According to the Federal Reserve Bank of Boston, nearly two-thirds of the firms surveyed indicated expansion plans. Within the next few years they are expected to spend \$23 million, to increase plant space by more than two million square feet, and to provide jobs for an additional 7,800 people.

Marketing Its Products

New England electronics manufacturers specialize in industrial products or component parts for consumer-type products. These products are high in value in relation to size and include transistors, tubes, capacitors, instruments and switches. None of the principal television manufacturers is located in New England although the region supplies a very high proportion of



Uniform, fine-textured television screens are deposited on the face of the bulbs as they travel along this settling and decanting conveyor at the C.B.S. Hytron plant. New England supplies a high proportion of the components for television sets.

the component parts for television sets. Between 35 and 50 per cent of the average firm's sales are against defence orders.

Markets for the products of these New England factories are fairly evenly divided between the north-eastern states and the rest of the country; only about two of every five firms do any exporting and exports account for only about 3 per cent of total sales. The most serious competition apparently comes from firms located in New York, New Jersey, Pennsylvania, Illinois and California and, to a lesser extent, from the Middle West.

Opportunities for Canadians

Are there opportunities for our own manufacturers to increase their sales in New England? Almost certainly there are, though for the most part sales must be diligently sought after. Experience has shown that the majority of New England firms, though they may be anxious to contact alternative suppliers, have never given Canada a thought. It is up to Canadian firms to see that they do. A ready welcome awaits the Canadian salesman who has something to offer in the way of cost saving or a dependable supply of some needed material. Written inquiries are welcomed and given careful and courteous attention. They should be followed up with a personal visit where any interest is indicated.

Obviously there is a definite limit to what the Trade Commissioners can do to produce this kind of business. The highly technical nature of much of today's electronic equipment is beyond us. However, carefully planned promotion, carried forward by qualified sales personnel, could produce surprising results. Naturally, security regulations which surround much of the defence work make it extremely difficult for firms not cleared to handle classified material to obtain sub-contracts. Advice from the American manufacturers themselves regarding procedures to be followed for securing clearances can be most helpful. Here again, personal contacts can be of great value.

Copies of the new electronics directory for New England are in the hands of the Department of Trade and Commerce in Ottawa and the Trade Commissioner in Boston. Names of manufacturers and the products they make will be gladly supplied on request.

It is not possible to provide detailed statistics covering Canadian trade with the United States in electronics. Analysis of the figures for electrical apparatus over the past three years is interesting, however, and reveals a significant trend. The table below indicates that, though our imports from the United States have climbed sharply each year since 1951, our exports to the U.S. more than doubled between 1951 and 1952 and doubled again between 1952 and 1953.

Canada-U.S. Trade in Electrical Apparatus

	(millions of dollars)		
	1951	1952	1953
Canadian imports	103.6	118.8	172.3
Canadian exports	3.5	8.6	17.6

It is rather difficult to provide an accurate picture of the U.S. tariff situation. Duties are in the neighbourhood of 12½ per cent on television and radio apparatus. Certain tubes, however, are in a higher category. In view of the fairly high value of this type of equipment, these tariffs do not appear insurmountable.

Are there circumstances which favour Canadian manufacturers looking to the New England market? Many Canadian factories are located reasonably close to the big producers in Massachusetts, transportation facilities from Canadian points such as Montreal are excellent, and the high value-to-volume ratio of electronics components means that they can stand these transportation costs.

Electronics are the biggest thing in New England since the days of the clipper ships and prospects for the future growth and development of the industry are extremely bright. Salesmen from all parts of the United States are bidding for a share of the sub-contract business. One manufacturer alone issued \$70 million worth of these sub-contracts last year. It is a challenge to Canadian exporters. ●

general notes



Argentina

TRACTOR PRODUCTION—The Ministry of Finance has announced that an agreement has been signed with the manufacturers of Fiat, Deutz, Fahr and Hanomag tractors to open factories in Argentina, financed by both foreign and local capital to the extent of 1,000 million pesos. Together these companies will produce a minimum of 12,800 units a year of different types of tractors which will supply the country's basic needs—Buenos Aires, Nov. 22.

Australia

PLASTIC CAR BODIES—Plans have been announced for the erection of one of the most modern motor bus building plants in the world in South Australia, where it is proposed to pioneer in Australian production of plastic motor bodies. The new plans are additional to those announced early this year for large-scale production of four-wheel-drive vehicles in South Australia.

This venture and the new project are expected to cost £1 million and will be located at Seaton Park where negotiations for a 46-acre factory site are almost completed—Melbourne, Nov. 16.

DEFENCE CONTRACT FOR FORD—It is reported that the Ford Motor Company of Australia is supplying to the Australian defence service 380 vehicles of various types valued at £A750 thousand, and built in the company's plants in the southern and eastern Australian States. The vehicles comprise 254 cargo trucks, 71 tip trucks, 22 special-type ambulances and 33 Customline sedan staff cars.

Bodies of the trucks and ambulances are being specially constructed to Army designs. Existing Army ambulances have high box-like bodies built on truck chassis; the new types being built have a low silhouette with the riding qualities of a passenger car and will maintain high speeds with passenger comfort. Wheelbases are being extended 14 inches and the rear track widened to enable two stretchers to be placed within the wheel arches—Melbourne, Nov. 20.

Belgium

FARM INCOME—Gross farm income in Belgium last year amounted to 43·2 billion francs, compared with 42·7 billion francs in 1952. Net farm income in the same years amounted to 20·4 billion francs and 19·3 billion francs respectively. The relatively greater increase in net compared with gross farm income

last year resulted from decreased production costs, in particular, lower feed prices. Feeding costs last year dropped to 6·5 billion francs from 7·1 billion francs in 1952.

Livestock and livestock products were as usual the major source of farm income. Livestock and egg returns dropped sharply but these losses were more than compensated by gains in dairy product returns; butter was responsible for most of the increase.

Returns from sugar beets and potatoes brought an increase in farm income from plant products, despite losses registered by other crops, and income from horticultural products also increased—The Hague, Nov. 21.

FLUID MILK REGULATIONS—Under new legislation, effective on January 1, 1955, Belgian dairy farmers will be prohibited from supplying fluid milk direct to consumers unless their herds are free from bovine tuberculosis. This implies that producers selling milk direct to consumers must liquidate all reactors before that date. All persons involved in milking and in handling milk must be free from contagious diseases. Detailed standards have also been drawn up governing farm milk storages, cattle barns and dairy factories.

Dairies will be obliged to reject milk which curdles when submitted to a "cooking test". This regulation became effective on October 18, 1954. Sale of loose milk will be banned in towns with a population exceeding 50,000. In future, sales of milk in these centres must be made in bottles of one litre, three-quarter litre, one-half litre and one-quarter litre. Controls over advertising of milk and milk products will be instituted from January 1, 1956—The Hague, Nov. 15.

LIVESTOCK CENSUS—The Belgian livestock census of January 1, 1954, revealed an increase of nearly 3 per cent in the cattle population over the previous year, bringing the total to 2·21 million. Dairy cattle numbers have risen 2½ per cent to 965 thousand and further expansion is anticipated because of the 4·2 per cent increase in heifers of one year and over to 427,600, and the ·5 per cent increase in those under one year to 642 thousand. The hog population declined 9 per cent to 1·26 million; the sharpest decrease was registered by market hogs whose numbers dropped from 196 thousand on January 1, 1953, to 160 thousand on January 1st this year. Gilts and

sows declined to 155 thousand from 160 thousand in the previous year, and young hogs between two and six months of age were down from 66,000 to 62,600—The Hague, Nov. 15.

Brazil

ELECTRIC POWER—Although the municipality of São Paulo reduced its consumption of electric power by more than five million kilowatts in September, power consumption continues to increase in this capital where more than 166 million kilowatts were consumed in the month of September, compared with 156 million in January—São Paulo, Nov. 18.

COST-OF-LIVING—According to São Paulo's index for the working classes, the cost-of-living in the city rose by 19 per cent from the beginning of this year to the end of September—São Paulo, Nov. 10.

Colombia

FERTILIZER PLANT—A contract has been signed by the Colombian Industrial Development Institute with an Italian firm to construct a 30 million peso (US\$12 million) fertilizer plant at the oil refinery city of Barrancabermeja. The new plant will be operated by Industria Colombiana de Fertilizantes, S.A.; financing is being arranged through Colombian banks. The plant will produce ammonia, urea and nitric acid, and according to estimates will save the Colombian economy up to US\$5 million a year on nitrogenous fertilizer imports—Bogotá, Nov. 12.

DEVELOPMENT PLANS—According to a recently promulgated official decree (No. 2674 of September 9th), 4.5 million pesos will be allocated from the 1955 budget to assist development projects in this country. The National Government is authorized to pay up to two million pesos (\$800 thousand) to purchase stock in the new cement plant to be constructed in Boyaca, the department northeast of Bogotá. A further one million pesos will be used to assist in financing a coal-washing plant near the city of Cali in southwest Colombia. The decree also authorizes the expenditure of 1.5 million pesos for investigating primary materials to be used in pulp and paper production—Bogotá, Nov. 12.

Denmark

BUTTER PRICE TO U.K.—Denmark has agreed to prolong its contract for butter with the United Kingdom to September 30, 1955. Under the new contract, the price has been lowered from 345 to 332/6 per long cwt., f.o.b. Danish ports—The Hague, Nov. 23.

Israel

CASTOR TREE SPECIES—A dwarf variety of the castor tree has been developed at the Weizmann Institute of Science in Israel and considerable plantings have already been made in the Samaria area. The plant produces its beans within five months, with yields up to 1,760 lb. per acre—Athens, Nov. 20.

Netherlands

TRADE WITH EAST GERMANY—On September 4, 1954, the Netherlands and East Germany agreed on import and export quotas for a one-year period ending June 30, 1955. Under the agreement, Netherlands quotas of food and agricultural exports to East Germany include vegetables, fruit and fruit products to a value of 5.4 million guilders; fish and fish products up to 3.4 million guilders, of which 3 million guilders are for salted herring; field crop products up to 2.7 million guilders; dairy products up to 800 thousand guilders, and fresh and preserved meat products up to 500 thousand guilders. In addition, an unspecified amount was established for animal fats and oils.

The list of imports from East Germany into the Netherlands includes the following quotas: potassium up to 7.5 million guilders, chloride of potash up to 400 thousand guilders, and one million guilders worth of various farm products—including seeds, dried pulses, nursery products and convallaria flower sprouts—The Hague, Nov. 16.

Philippines

INDUSTRIAL DEVELOPMENT—San Miguel Brewery, the largest and most important in the Philippine Islands, has extended its operations into new fields of industry. During the year it has opened two new plants for the manufacture of vitamin B 12 Meg and B-Meg for poultry and animal feeds, active dry yeast, aluminum collapsible tubes to supply the local toothpaste industry, crown caps from metal sheets, and writing fluid. In addition, the company has signed a contract with a Swiss firm to make tubes and packing containers of plastic material, chiefly polyethylene—Manila, Nov. 8.

South Africa

TIMBER RESERVES—A recent survey of hitherto untouched forests in South West Africa has shown timber reserves valued at an estimated £20 million. Covering an area of 40 thousand square miles, they are composed mostly of valuable hardwoods. Furniture experts who have examined samples have pronounced them to be of first-class quality—Cape Town, Nov. 17.

CHEMICAL PLANT—A £2 million factory to produce plastics and solvents is under construction in Natal; products to be made will range from caustic soda to polyvinyl chloride. The factory is expected to reach full production by the end of 1955—Cape Town, Nov. 27.

WORLD BANK LOANS—South Africa has received four loans from the World Bank since 1951, totalling some \$110 million. The unprecedented expansion of the Union's economy has thrown a heavy load on the transportation and electric power systems and the equipment financed by the loans will help to relieve the strain. Some idea of the position may be gained by the fact that in the two years ending March 1955 an increase in railway traffic of over nine million tons is expected. The Electricity Commission is carrying out a program which will raise its output by 80 per cent between 1952 and 1958—Cape Town, Nov. 18.

Sweden

ENGINEERING INDUSTRY—Recovery in the Swedish engineering industry, which at the end of 1953 was still slow, has been marked since the spring and by August the number of employees had increased 5 per cent as compared with August 1953. The up-turn is partly the result of improvement in the world market, but the main reason is the increased investment being made in machinery in Swedish industries and the rise in building activity throughout the country—Stockholm, Nov. 17.

United Kingdom

TRADE AGREEMENT WITH POLAND—The trade agreement signed on November 11th by the United Kingdom and Poland covers the years 1954-56 and provides for the import of Polish bacon and for annual negotiations on the exchange of other goods. For 1954 (and extending into 1955 if necessary), provision is made for the issue of import licences for the import by the United Kingdom of about £1 million of other Polish goods, and for the purchase by Poland of British goods to the same value, particularly herring, cotton yarn, chemicals and motor vehicles.

The financial agreement provides for the payment by the Polish Government to the United Kingdom of £5,465,000. Of this total, £2,665,000 is to settle claims of British property rights in Poland affected by nationalization, expropriation, etc.; the remainder is in settlement of prewar debts—London, Nov. 24.

FOREIGN TRADE—The recent dock strike has distorted the pattern of United Kingdom foreign trade in October. Total exports at £223.9 million were

up from the September figure of £216.6 million but down 5½ per cent on the comparable figure for October 1953. Seasonal influences normally indicate a sharp upward movement of exports in October, but this rise was slowed up by the dock strike. Imports, which were generally more difficult to divert to strike-free ports, dropped 20 per cent from the figures of September and were worth £228.2 million. The adverse trade balance was almost eliminated, amounting to only £4.3 million against the average of £47.5 million for the earlier months of the year.

British exports to Canada at £10.2 million and to the United States at £12.9 million were the highest since July—London, Nov. 24.

GLUCOSE INDUSTRY—Work has begun at Paisley on Scotland's first glucose refinery. It will have a capacity output of 10,000 tons of glucose a year and, in addition to supplying the entire Scottish market, it will partially take care of demands in England and Northern Ireland. It is hoped the refinery will be in operation by next spring—London, Nov. 24.

United States

TREE FARMING—The need for a continuous wood supply for lumber mills and the growing number of paper mills has forced southern woodlot owners to give serious attention to the orderly growth and cutting of their forest lands. Today most of the virgin woods have disappeared and their place has been taken by second and third growth trees. Some 19 million acres of these trees which, like southern pine, grow rapidly under favourable southern conditions, are now being dealt with under the tree-farm system. Under this system, stripping of wood lots is avoided by the policy of selective cutting; healthy, fast-growing trees are allowed to mature into saw log and pole size and trees of less favourable growth are cut into pulpwood. Woodland owners are now beginning to reap a slow but steady income from tree farming—New Orleans, Nov. 22.

CONSTRUCTION—Through the postwar years, new commercial and industrial construction has been booming in most of the large U.S. cities, except Philadelphia, which has only come into its own this year. Philadelphia has moved up to third spot, measured in dollar volume, and is out-paced only by New York and Los Angeles. The projects include manufacturing plants, hospitals, office buildings, stores, warehouses, workshops, schools, churches, clubs, service stations, depots, etc.—New York, Nov. 29.



H. E. LEMIEUX, *Vice Consul and Assistant Trade Commissioner, Manila.*

THE COMMERCIAL BANKING SYSTEM of the Philippines is regulated by the Central Bank of the Philippines established in June 1948. The Central Bank has a general supervisory role, similar to that of our Bank of Canada, and in addition administers the country's foreign exchange and import licensing regulations.

There are 14 authorized banks in the Philippines, all of which handle foreign transactions. Two of them are British, two are branches of United States organizations, and the other ten are Filipino. Although none of them has a Canadian branch, many have correspondents in Canada. Their size and influence may be gauged by their respective total assets, as of March 31, 1954:

Origin	Name of Bank	Total Assets (in pesos)
United States	National City Bank of New York.....	147,636,000
"	Bank of America.....	49,333,000
British	Hong Kong and Shanghai Banking Corporation	47,805,000
"	Chartered Bank of India, Australia and China.....	32,840,000
Philippine	Philippine National Bank.....	555,620,000
"	China Banking Corporation.....	90,781,000
"	Bank of the Philippine Islands.....	66,703,000
"	Philippine Bank of Commerce.....	55,757,000
"	Philippine Trust Co.	41,181,000
"	Bank of Commerce.....	34,624,000
"	Peoples' Bank and Trust Company.....	29,789,000
"	Equitable Banking Corporation.....	25,617,000
"	Security Bank.....	19,830,000
"	Prudential Bank and Trust Company	17,777,000

Handling Foreign Business

The two United States and the two British banks have their head offices outside of the Philippines and have wide connections abroad. Of the Filipino banks only one—the Philippine National Bank—has a branch overseas, located in New York. All of the local banks handle import items and are equipped to take care of foreign business through correspondent banks abroad. The Philippine National Bank, originally of Spanish capitalization, is the oldest of all the banks operating in the Islands; the Chartered Bank of India, Australia and China, with headquarters in London, is the second oldest, with 83 years of operation within the country. Roughly half of the Filipino banks began business only after the Second World War and naturally do not have as many agents abroad as the older banks.

Banks in the Philippines are anxious to use their services in furthering trade with any other nation, except, of course, the countries in the Soviet and Chinese orbits. Their experience in handling business emanating from foreign trade varies considerably from bank to bank, but in most cases is adequate, and in some extensive.

Operating Regulations

Regulations governing banks operating in the Philippines permit them to handle any type of business that they consider a good banking risk and this business is handled in conformity with normal banking practices. The Philippines have copied much from United States banking legislation but there is nothing equivalent to a law of negotiable instruments like the Bill of Exchange Act in Britain and most Commonwealth countries.

The British and American banks in the Philippines have the facilities to make collections through any of their branches in the country, but the Filipino banks in most cases must effect such business through their main offices in Manila.

Peculiarities of Filipino System

One characteristic of Philippine banking practice is that all payments on imports are made on a letter of credit basis. In other words, no remittance of foreign exchange in payment of imports can be effected outside of the Philippines unless a letter of credit has been established by the importer. Like all good rules, this one has its exceptions. A limited few firms of the highest standing with connections abroad do have a blanket authority from the Central Bank to dispense with the establishment of letters of credit. The general and essential rule, though, is that letters of credit must be established. That custom appears to be peculiar to the Philippines and it is necessary because of the Philippine import control system under which a particular importer is given a fixed allocation of dollars per semester, one allocation being granted in January and the other in July. As credits are opened, they are debited to that particular importer's exchange quota allocations. The requirement of letters of credit assures the exporter abroad that the Philippine importer to whom he is selling has not gone beyond his fixed quota.

For most banks—but again there are exceptions—the usual practice is for documents to be delivered for acceptance to the importer and *immediately* returned to the presenting bank.

Another peculiar requirement of the Central Bank is that invoices must not include miscellaneous charges—e.g., agents' commissions, etc. Freight and insurance are permissible charges but the total invoice cost must not exceed the true c.i.f., c. and f., f.o.b. or f.a.s. value of a shipment.

It is common practice for local private banks to collect interest as well as a number of other charges when an importer opens a letter of credit in payment of imports from abroad.

By way of illustration, here are the charges made by the banks at the opening of a letter of credit:

1. One-half of one per cent commission for the conversion of pesos into dollars at the rate of P.201.50 for each \$100.
2. Cable charges.
3. Documentary stamp charges.
4. One-eighth of one per cent for "banker's committee" fee.
5. One twentieth of one per cent as "confirmation commission".

Once a draft is finally liquidated, the importer must then pay 17 per cent excise tax on exchange, the interest on the draft until it is liquidated by the importer, and the Bank's commission.

Finland Improves Its Trade Position

THE ECONOMIC POSITION in Finland has eased during the last few months, and production has risen to high levels after the considerable decrease which began a year ago. The general state of the Finnish economy depends to a large extent on exports and export prospects have been fairly bright since the end of 1953. Although Finnish exports are generally higher during the latter part of the year, the export industries obtained an increasing number of orders at higher prices during the first six months of 1954. In fact, it is estimated that export income during 1954 will exceed last year's by about 20 per cent.

Foreign Trade Rising

Up to the end of June, the value of exports stood at 63,900 million marks, compared with 54,700 million in the same period last year, an increase of 17 per cent, even though the *volume* of exports is down slightly from 1953. Sales abroad of many of the more important commodities increased—chemical pulp and paper, for example, yielded 45 per cent of the income from exports. The share of sawn wood, however, was 33 per cent less than last year. Three per cent of exports consisted of animal produce and 18 per cent consisted of "other goods", mainly products of the metal industry.

On the other hand, the value of imports during the first six months reached 66,200 million marks,* compared with 60,900 million last year during the same period. Because import prices were lower than in the first half of 1953, the increase in volume of imports was somewhat greater than the increase in value. Because of her foreign exchange problem, Finland

keeps a close watch on imports. In 1954 so far, raw materials, fuel, and semi-finished products have been imported to replenish stocks. Although imports of finished consumer goods have increased to some extent, those of foodstuffs have fallen below last year.

Trading Partners

The Soviet Union continued to be Finland's principal customer during the first half of this year, accounting for 26.7 per cent of the total export trade. Second place was held by the United Kingdom, with 21.1 per cent, followed by the United States with 6.6 per cent and France with 4.9 per cent. On the other hand, 19.4 per cent of Finnish imports for that period came from the United Kingdom, followed by the Soviet Union, with 17.4 per cent. Some of the other supplying countries in order of importance were: Netherlands, 9.3 per cent, France, 5.7 per cent, and Brazil, 4.3 per cent. Imports from Canada for the period totalled 73 million marks (0.1 per cent of the total) and exports totalled 63 million marks (0.1 per cent).

It is expected that, because of seasonal factors, trade with the Soviet Union will not maintain the same pace during the remainder of the year. However, exports of forest products will probably reach their peak during the second half of the year and this will increase the percentage share of western countries.

The high cost of production in Finland remains an unsolved problem. The foreign trade position is still therefore characterized by inability to compete and the consequent need to retain import licensing.

—L. A. CAMPEAU,
Commercial Secretary, Stockholm.

* One Finnish mark—approx. \$0.00422 Canadian.

Selling to the Netherlands Antilles

Canadian producers of foodstuffs, lumber, pharmaceuticals, and other goods might find opportunities in this small dollar market—if they can meet competition.

D. B. LAUGHTON, *Acting Agricultural Secretary, Caracas.*

THE NETHERLANDS ANTILLES consists of six small islands lying in the Caribbean close to the shores of South America, but only two of them—Curaçao and Aruba—have any commercial importance. Curaçao, which contains the capital city, Willemstad, has a population of about 70,000 and an economy based on a huge oil refinery, the tourist trade, a phosphate mine and a small brick and earthenware factory. Aruba, with a population of 50,000, depends entirely on its oil refinery and completely lacks other industry.

None of the islands find it possible to produce even a fraction of their food requirements, because they lack water or fertile soil over the bedrock and coral. Everything must be imported and this results in a demand for a wide variety of products. On the other hand, the average wage is low and with a small population the volume is limited, price is all-important, and style or modern design is a secondary factor.

How Economy Functions

Early in 1954 the Netherlands Antilles became a practically independent unit of the Kingdom of the Netherlands, but commercially this has brought no significant change. Dollar exchange is controlled but is freely available for hard-currency goods and services. The nominal 3 per cent ad valorem duty on most imports, which makes Curaçao a mecca for cruise-ship passengers, has been maintained and no change in the present tax structure is expected. The Government plans to float several loans for utilities and institutions and is considering additions to the telephone system and a credit organization to finance the construction of homes.

The economic life-blood of the Netherlands Antilles is crude oil, which is brought in in tankers from Venezuela and Colombia and is shipped out as refined petroleum products. This flow subsided somewhat in 1953 and early 1954 but has again reached 750 thousand barrels per day. Standard Oil's refinery in Aruba accounts for some 55 per cent of this and the Shell Oil operation in Curaçao for the remainder.

In line with the world-wide trend, numbers of small coastal oil tankers have been replaced by ocean-going giants ranging up to 40,000 tons. This has reduced the Island oil fleet by 30 per cent, but practically maintains the previous carrying capacity. The subsequent loss of crew employment and ship provisioning will be temporarily offset in Curaçao by construction of a \$50 million refining unit and by plant modernization.

Tourist Business Brisk

Estimates place the number of ships handled by Netherlands Antilles ports each week at 150; 75 per cent of these are tankers and the remainder merchant vessels, mainly stopping to refuel, and cruise ships which now arrive almost at the rate of two each week. Plans are under way for the construction of a \$2.5 million seaside luxury hotel in Curaçao to increase the dollar income from tourists, and a management contract is being negotiated with an American group.

The construction business has been quiet because start on several public buildings was postponed. However, the outlook is now much brighter with the new hotel, the refinery addition, and increased home-building in immediate view.

Products in Demand

The combined import account for both Aruba and Curaçao for 1953 is estimated at US\$740 million*, of which approximately \$630 million was for crude oil and oil products for export. The remaining \$110 million worth of imports comprised the following:

Foodstuffs and beverages.....	US\$ 24 million
Textiles and clothing.....	12 "
Machinery.....	13 "
Other.....	61 "
Total.....	US\$110 "

The United States supplied about 55 per cent of imports in these four categories, the Netherlands, 15 per cent, and the United Kingdom, 10 per cent. Canada's contribution was less than 1 per cent of total imports

* At approx. rate one U.S. dollar=1.85 Neth. Antilles guilders.



The huge Lago oil refinery at Aruba, Netherlands Antilles, as seen from the air. The second largest in the world, its production, plus that of a refinery in Curaçao, totals 750 thousand barrels a day.

(excluding oil) amounting to \$1.3 million. The nine products shown below were the principal imports from Canada.

PRINCIPAL CANADIAN EXPORTS TO
NETHERLANDS ANTILLES*

	1952	1953	6 months 1954
Wheat flour	437,200	484,300	358,000
Whisky	67,000	41,000	17,000
Tires†	64,100	36,000	27,000
Canned fish†	172,500	192,600	65,800
Preserved meat†	76,900	85,000	39,100
Preserved milk†	32,400	66,600	39,800
Douglas fir planks	49,400	99,600	45,800
Copper tubing	39,300	17,000	11,100
Medicinal preparations	30,200	30,000	18,000
Other	572,400	255,100	223,900
Total export value	1,541,400	1,307,600	845,500

* Source—DBS, Ottawa, Canada.

† Includes more than one customs item.

Canadian competition for a larger share of the Netherlands Antilles market is hindered by a comparative lack of shipping services. One line has recently resumed a monthly service from Canadian East Coast ports but this compares badly with a weekly service from New Orleans, New York and Western Europe, and a bi-weekly service from Miami (mostly fresh fruits and vegetables) and from the United Kingdom.

Another problem is the greater familiarity of Netherlands Antilles merchants with European goods and services and their direct business association with Europe, either through personal or business relations.

Even though there are certain difficulties in the way, Canadian sales to this area could be considerably improved. For example, United States exports to the Netherlands Antilles of various types of meat and poultry in 1953 amounted to \$1.75 million and Canadian to only \$85,000; United States exports of paper and paper products exceeded \$250 thousand for 1953 and Canadian shipments were valued at only \$30,000. The comparative export volume of other products and lines shows similar ratios.

The Outlook

The Netherlands Antilles offers a small-volume, dollar market for a variety of products that Canada produces at competitive prices. Canadian companies anxious to do export business would be well advised to see that they have active representation to obtain their share of sales. Nothing takes the place of a personal visit by the Canadian exporter—to see the market, encourage his representative, and win the customer's confidence. If such a visit is impossible, the office of the Commercial Counsellor in Caracas, Venezuela, is familiar with the area and will be pleased to assist the interested Canadian company.

Canadian Salt Cake

(continued from page 13)

If Canadian producers of natural salt cake wish to improve their competitive position, they should re-examine transportation costs to U.S. points, which frequently total half of the delivered price of the Canadian product. Improvement of the quality, particularly through bleaching, would also help. So would long-term contracts with U.S. users, especially in Wisconsin, which has an important kraft paper industry and is much closer to Saskatchewan suppliers than are most other American kraft paper manufacturers.

With proper attention paid to these three points, the prospects appear good for substantial increases in Canadian exports of salt cake to the United States. Under present conditions, however, Canadian producers might delay expanding their plants until the future of the rayon, automobile and tanning industries appears brighter and until delivered costs of projected natural supplies from Chile, Mexico and North Dakota are established.

—DAVID M. W. HUMMEL,
Office of the Trade Commissioner, Chicago.

trade and tariff regulations

Barbados

IMPORT LICENSING ANNOUNCEMENT—The Controller of Supplies, Barbados, has advised that kraft paper bags, as well as kraft paper, are admissible into the colony on Open General Licence.

Brazil

EXCHANGE BONUS FOR COFFEE EXPORTS—By Instruction No. 109 of November 12th, the exchange bonus for exports of coffee from Brazil has been fixed at 13.14 cruzeiros per U.S. dollar. This bonus, plus the official rate of 18.36, gives an effective export rate for coffee of 31.5 cruzeiros per U.S. dollar.

Under the previous system, the bonus paid coffee exporters was based, in part, on the free rate of exchange for the cruzeiro. With the recent decline in the value of the cruzeiro on the free market, the bonus had increased from about 13 to 14.5 cruzeiros per dollar.

Chile

DEVALUATION OF PESO—Effective November 11th, the principal exchange rate for the Chilean peso was changed from 110 to 200 pesos to the U.S. dollar. This represents a 45 per cent devaluation. The new rate applies to all imports with the exception of a few essential commodities, notably wheat, raw sugar, petroleum and raw cotton.

Indonesia

SALE OF FLOUR UNDER GOVERNMENT CONTROL—The Ministry of Economic Affairs has announced that effective October 1, 1954, the sale of flour in Indonesia has been placed under government control. Any sale or purchase of flour can only be effected by the importers concerned upon approval of the K.U.P.P. (Stock and Supply Office of the Ministry of Economic Affairs)—Djakarta, Oct. 6.

Singapore

CONTROLS RELAXED ON CERTAIN DOLLAR IMPORTS—A Notice to Importers issued by the Controller and Registrar of Imports and Exports, Singapore, announces that, effective November 1st, licences will be freely issued for the import of certain goods from dollar sources. The commodities affected by this relaxation are as follows:

- Canned fish (all types), fish products; dried fruits, citrus fruits; ginseng; maize, rolled oats.
- Flashlight batteries, bulbs, and cases; brooms and brushes; cigarette paper in bulk (rolls); crown corks, linoleum; locks, padlocks; complete spectacles; and transmission, conveyor and elevator belting.

- Nylon monofilament products; phenolformaldehydes plastic powders and syrups; ureaformaldehyde plastic powders and syrups, and certain other plastic materials.

The dollar area includes Canada, the United States, United States dependencies, Philippine Islands, Liberia, and specified Central and South American countries.

South Africa

REPRESENTATIONS RESPECTING THE TARIFF—It was announced on November 5, 1954, that the South African Board of Trade and Industries had received the following representations respecting the tariff:

Increase in duty on:

1. Pottery of stoneware, earthenware, chinaware and porcelainware, from various rates of duty to 50 per cent ad valorem.
2. Household crockery of earthenware, chinaware and porcelainware, from 5 per cent ad valorem plus a suspended duty of 15 per cent to 50 per cent ad valorem.
3. Thermally insulated tea and coffee pots with metal cosies, from various rates of duty to 20 per cent ad valorem.
4. Vices, including engineering bench and wood-working vices, from free of duty (minimum rate) and 3 per cent ad valorem (intermediate rate) to 15 per cent and 18 per cent ad valorem, respectively.
5. Sliding door gear, from 10 per cent ad valorem to 50 per cent ad valorem.
6. Cloth labels and tabs with woven and printed inscriptions, from 25 per cent ad valorem to 50 per cent ad valorem plus a special suspended duty of 25 per cent ad valorem in terms of section sixty-five bis of the Customs Act.

7. Backed printed aluminum foil, from free of duty to 40 per cent ad valorem or 6d. per lb., whichever duty is the greater.

8. Organs and components therefor, from free of duty to 25 per cent ad valorem.

9. Tricycle saddles, from 5 per cent ad valorem to 5 per cent ad valorem plus a suspended duty of 15 per cent ad valorem.

10. Worm reducer gearboxes, from 3 per cent ad valorem to 20 per cent ad valorem.

11. Cotton fents and cotton manufactures included in item 73 (3) of the tariff from 15 per cent to 30 per cent ad valorem.

12. Fibre wools, wadding and sized or glazed wadding, from 10 per cent to 30 per cent ad valorem.

13. Tinned copper wire, stove wire and synthetic enamel covered wire, from free of duty (minimum rate) and 5 per cent ad valorem (intermediate rate) to 50 per cent and 55 per cent ad valorem, respectively.

Bringing into operation of the suspended duty on:

1. Carpets, carpeting and rugs, to the extent of the whole suspended duty.

The suspended duty, if brought into effect, would be additional to any existing duties.

Interested Canadian firms may wish to have their views on these tariff inquiries placed before the Board of Trade and Industries. The most effective method of making representations would be for such firms to request their representatives in South Africa to act on their behalf before the Board. Since these matters are normally taken under review soon after the announcements are made, it is advisable that interested Canadian firms take action as soon as possible.

IMPORT CONTROLS EASED—A Government Notice effective January 1, 1955, provides for the withdrawal of a number of goods from the so-called "Restricted List". Items removed from the restricted list which may be of interest to Canadian exporters include the following: canned fish; toys; jewellery, including imitation jewellery; textile piece goods; canned meats; canned vegetables and radios.

These goods will become subject to the quota for consumer goods. The 1955 preliminary quota will be 33½ per cent of 1948 imports. This compares with a preliminary quota of 25 per cent on 1954.

Some additions were made to the list of goods which may be imported without an import permit. Of the items mentioned, possibly duplicating machine ink, typewriter erasers, pen nibs, wooden pencils and plastic sheeting of a free-on-board cost not exceeding 5s. per square yard will be of most interest to Canadian exporters.

A few items have been added to the "Priorities List", including propelling pencils, piano accordions, cameras, unprocessed film, school slates and slate pencils.

Complete details of the goods affected by these relaxations may be obtained from the International Trade Relations Branch of the Department.

REPRESENTATIONS RESPECTING THE TARIFF

—It was announced on November 12, 1954, that the South African Board of Trade and Industries has received the following representations respecting the tariff:

Increase in duty on:

1. Chenille piece goods, from 10 per cent to 40 per cent ad valorem.

2. Chalks and crayons, from duty free to 30 per cent ad valorem.

3. (a) (i) Hard-drawn wire, from various rates to 5 per cent ad valorem or 1s. 6d. per 100 lb., whichever is the greater.

(ii) Annealed (baling) wire, from 4d. per 100 lb. to 10 per cent ad valorem or 3s. 6d. per 100 lb., whichever is the greater.

(iii) Galvanized wire, from various rates to 10 per cent ad valorem or 3s. 6d. per 100 lb., whichever is the greater.

(iv) Barbed wire, from free to 15 per cent ad valorem or 6s. per 100 lb., whichever is the greater.

(b) Wire nails, from 2s. per 100 lb. to 15 per cent ad valorem or 5s. per 100 lb., whichever is the greater.

4. Boxes, wooden, empty or in shooks—

(a) for packing fresh fruits, dried fruits, dairy produce, eggs, fresh sausages and condensed milk manufactured in the Union and for packing citrus fruits for export, from free to free plus a suspended duty of 20 per cent ad valorem;

(b) for packing other classes of goods and for other purposes, from 20 per cent ad valorem or £3 per standard, whichever is the greater, to the existing duty plus a suspended duty of 20 per cent ad valorem.

5. Unmanufactured softwoods (coniferous), from free (minimum rate) and 4s. 6d. per 100 cubic feet (intermediate rate) to the existing duty plus a suspended duty of 20 per cent ad valorem.

Bringing into operation of the suspended duty on:

1. The following knitted piece goods, to the extent of the whole suspended duties:

Interlock fabric

Ribbed fabric

Plain webbed fabric

Cellular fabric
Knitted cotton terry cloth
Fancy interlock
Mutton and cheese cloths
Knitted gauze

The suspended duty, if brought into effect, would be additional to any existing duties.

Interested Canadian firms may wish to have their views on these tariff inquiries placed before the Board of Trade and Industries. The most effective method of making representations would be for such firms to request their representatives in South Africa to act on their behalf before the Board. Since these matters are normally taken under review soon after the announcements are made, it is advisable that interested Canadian firms take action as soon as possible.

Sweden

IMPORTS OF VARIOUS CONTROLLED DOLLAR GOODS—The Swedish authorities have issued regulations concerning the admission of various dollar imports which were not freed from quantitative import restrictions on October 1, 1954. Among these provisions, a circular from the Swedish National Commission of Agriculture stipulates that import licences will be granted freely for certain listed agricultural and fishery products from the dollar area, provided payment is made in so-called transit dollars made available by Swedish commercial banks upon direction from the exchange control authorities, or by purchase from a non-dollar country in a currency normally used for payments between Sweden and the country of purchase.

Among these commodities, the following appear to be of interest to Canada: various kinds of salted, dried and smoked fish; certain kinds of crustaceans; intestines; fresh fruits and berries other than apples and pears; flaxseed; fish liver oils; sperm oil; raw linseed oil; and sauces containing more than 20 per cent fat.

Provisions have also been made for imports of some other dollar goods against payment as outlined above. These goods include fresh apples and pears until June 30, 1955; automobiles and assembly parts thereof until June 30, 1955; and certain textile products including some fabrics of synthetic fibre and elastic hosiery of nylon spun rubber thread—Stockholm, Nov. 11.

Information regarding certain other controlled dollar imports into Sweden under this payments scheme was published in "Foreign Trade" of November 13th.

Detailed information on individual commodities may be obtained from the International Trade Relations Branch of the Department.

Trinidad

LICENSING ANNOUNCEMENT—The Competent Authority, Trinidad, advised importers on November 11th that no further licences will be issued for the importation of goods in 1954 except in special circumstances.

All goods subject to import quotas which arrive in the colony after December 31, 1954, or which are paid for after that date, will count against quotas for 1955, notwithstanding the fact that such goods may have been ordered against 1954 quotas. Importers are therefore advised to reserve a sufficient portion of their 1955 quotas to cover expected arrivals in 1955 under 1954 licences.

In order to ensure continuity of supplies, steps are being taken to issue import quotas for 1955 immediately and importers may submit applications for importation in 1955.

With respect to allocations under the Token Import Scheme, the issue of licences against 1954 quotas will be continued up to December 31, 1954, but these licences will be valid for arrival of goods in the colony not later than March 31, 1955.

United Kingdom

CONTROLS ON CERTAIN LIVE ANIMALS—Notice No. 686, issued by the Board of Trade on November 8th, notified importers in the United Kingdom that, effective November 12th, all live animals, including birds, fish and insects, but excluding horses, cattle and bees, may be imported from all sources without an individual import licence.

This relaxation of import licence control does not obviate compliance with regulations under the Diseases of Animals Act 1950, the Protection of Birds Act 1954, or similar legislation.

United States

SHIPMENTS UNDER \$500 EXEMPTED FROM CONSULAR INVOICE—By U.S. Treasury Decision T.D. 53638 of October 21, 1954, all imports into the United States not exceeding \$500 in value will be exempt from the requirements that they be accompanied by a certified Consular Invoice. On shipments not imported for sale, the exemption from the certified invoice requirements has been raised to \$1,000.

(Heretofore the maximum figure was \$250. It is to be noted that the Consular Invoice requirement applies mainly to goods subject to "ad valorem" rates of duty. Goods which are duty-free or which are subject to specific rates (e.g. 3 cents per pound) do not generally require this consular document.)

HEARING ON HARDWOOD PLYWOOD INVESTIGATION—The United States Tariff Commission has announced a public hearing, to begin at 10 A.M. E.S.T., on March 22, 1955, in the Hearing Room of the Tariff Commission, Eighth and E Street N.W., Washington, D.C., in connection with Investigation No. 39 under section 7 of the Trade Agreements Extension Act of 1951, with respect to the tariff on hardwood plywood.

Parties interested will be given an opportunity to be present, to produce evidence and to be heard at this hearing. Those desiring to appear should notify the

Secretary of the Commission, in writing, at least three days in advance of the date of hearing.

TARIFF INVESTIGATION INTO IMPORTS OF FESCUE SEED—The United States Tariff Commission announced on November 23, 1954, that an investigation was instituted, under section 7 of the Trade Agreements Extension Act, to determine whether *Red Fescue Seed (Festuca Rubra)*, including *Chewings Fescue Seed (Festuca Rubra Var, Commutata)*, classifiable under the item *Grass and Forage Crop Seeds, not specially provided for*, in tariff paragraph 763, and on which a concession was granted under the General Agreement on Tariffs and Trade, is, as a result of such concession, being imported into the United States in such increased quantities as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

The present United States duty on grass and forage crop seeds, nspf, is one cent per pound.



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.

J. C. BRITTON, Commercial Counsellor in Tokyo, Japan, began his Canadian tour in Vancouver on November 26th. His itinerary is:

Edmonton—Dec. 13
Saskatoon—Dec. 14

Winnipeg—Dec. 16-17

W. J. MILLYARD, Commercial Secretary in Bogotá, Colombia, began his Canadian tour in Ottawa on September 20th. His itinerary is:

Vancouver—Dec. 13-17
Welland—Jan. 3

Kitchener—Jan. 4
Guelph—Jan. 5

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

Board of Trade—Guelph, Saskatoon.

Chamber of Commerce—Kitchener, Welland.

Canadian Manufacturers Association—Edmonton, Winnipeg.

Department of Trade and Commerce—Vancouver (355 Burrard Street).

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	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Argentina Paraguay, Uruguay	W. F. Hillhouse, Agricultural Secretary		
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	C. M. Croft, Commercial Counsellor for Canada C. M. Forsyth-Smith, 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) †New Zealand	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. P. Brodie, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	<i>Mail:</i> Bôte Postale 373 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
Belgium Luxembourg	T. J. Monty, Commercial Counsellor 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, Consul and Trade Commissioner G. F. Osbaldeston, Vice Consul and Assistant 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
Chlle	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	Canadian Embassy, Edificio Motor Centre, Calle Infanta 16, HAVANA	<i>Mail:</i> Apartado 1945 <i>Cable:</i> CANADIAN <i>Tel.:</i> UO-9457
Denmark Greenland	C. F. Wilson, Commercial Counsellor	Canadian Legation 4 Trondhjems Plads, COPENHAGEN	<i>Mail:</i> (City Address) <i>Cable:</i> <i>Tel.:</i> Tria 1602

Territory	Officer	City Address	Mail and Cables, Office Telephone
Dominican Republic Haiti, Puerto Rico	M. B. Bursey, Commercial Counsellor	Canadian Embassy, Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	<i>Mail:</i> Apartado 451 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5318
Egypt Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia	M. R. M. Dale, Commercial Secretary	Canadian Embassy, 6 Sharia Rouston Pasha, Garden City, CAIRO	<i>Mail:</i> Kasr el Doubara Post Office <i>Cable:</i> CANADIAN <i>Tel.:</i> 23110
France Algeria, French Morocco, French West Africa, Tunisia	B. C. Butler, Commercial Counsellor for Canada R. Campbell Smith, Commercial Secretary J. H. Stone, Assistant Commercial Secretary	3 rue Scribe, PARIS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> OPEra 42-30
Germany Federal Republic	B. A. Macdonald, Commercial Counsellor I. V. Macdonald, Assistant Commercial Secretary	Canadian Embassy, 22 Zitelmannstrasse, BONN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Bonn 21971
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> 74044
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	J. C. Depocas, Canadian Government Trade Commissioner J. R. Midwinter 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, Budi Kemulian No. 6, 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 M. S. Strong, Commercial Secretary (Fisheries) W. R. Van, Assistant Commercial Secretary	Canadian Embassy, Via Saverio Mercadante 15, ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 846-842

Territory	Officer	City Address	Mail and Cables, Office Telephone
Jamaica Bahamas, British Honduras	M. B. Palmer, Canadian Government Trade Commissioner R. R. Parlour, Assistant 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 R. F. Renwick, Assistant Commercial Secretary	Canadian Embassy, TOKYO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
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, Commercial Secretary	Canadian Legation, Alpha Building, Rue Clemenceau, BEIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN <i>Tel.:</i> 30794
Mexico	M. T. Stewart, Commercial Counsellor C. O. R. Rousseau, Assistant Commercial Secretary	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
Netherlands	V. L. Chapin, Commercial Secretary T. F. Harris, Assistant 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, 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 Iceland	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 H. E. Lemieux, Vice Consul and Assistant 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
Portugal Azores, Madeira	L. M. Cosgrave, Commercial Counsellor	Canadian Legation, Avenida de Praia da Vitoria, 48-1º 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 F-3, Union Building, SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Tel.:</i> 7739

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

Territory	Officer	City Address	Mail and Cables, Office Telephone
United States	H. A. Gilbert, Commercial Secretary		
	W. L. Porteous, Assistant Agricultural Secretary		
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen, Consul and Senior Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY 20	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
	C. R. Gallow, Consul and Trade Commissioner		
	C. E. Butterworth, Vice Consul and Assistant Trade Commissioner		
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	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> HANcock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. V. N. Gordon, Vice Consul and Trade Commissioner	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> STate 2-7312
United States (Michigan, Ohio)	M. J. Vechslar, Consul and Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT 26	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> WOODward 5-2811
	J. H. Bailey, Vice Consul and Assistant Trade Commissioner		
*United States (City of Los Angeles, Southern California, Arizona)	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> VANdike 2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	G. A. Newman, Consul and Trade Commissioner	Canadian Consulate, 215-217 International Trade Mart NEW ORLEANS 12	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RAYmond 2136
	A. A. Caron, Vice Consul and Assistant Trade Commissioner		
*United States (Northern California, Wyoming, Nevada, Utah, Colorado, New Mexico), Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> SUTter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General, The Tower Building Seventh Avenue at Olive Way SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MUTual 3515
Uruguay Paraguay	W. Gibson-Smith, Commercial Secretary	Canadian Embassy, Calle Colonia 1013, 7° Piso, MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Tel.:</i> 96096
Venezuela Netherlands Antilles	H. L. Brown, Commercial Counsellor	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	<i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel.:</i> 55818
	F. B. Clark, Asst. Commercial Secretary		
Venezuela Colombia	D. B. Loughton, Acting Agricultural Secretary		

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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 1.03226.

foreign exchange rates

Country	Unit	Type of Exchange	Canadian dollar equiv. Nov. 20	Notes (See below)
Argentina	Peso	Preferential buying .....	.1292	
		Basic buying .....	.1938	
		Preferential selling .....	.1938	
		Basic selling .....	.1292	
		Free .....	.06973	
Austria	Schilling ...	.....	.03726	
Australia	Pound .....	.....	2.1620	
Belgium Luxem- bourg & Belgian Dependencies ...	Franc .....	.....	.01933	
		.....	.00510	
Bolivia	Dollar	Official .....	.5630	(3)
British West Indies	Pound .....	.....	2.7025	(4)
		Dollar .....	.6756	
Brazil	Cruzeiro ...	Brit. Honduras .....	.05147	tax 8%
		Official selling .....	.03075	(2)
		Official buying, coffee ...	.03416	(5)
		Free .....	.01341	
Burma	Kyat .....	.....	.2034	
Ceylon	Rupee .....	.....	.2027	
Chile	Peso	Official .....	.00484	
Colombia	Peso	Basic .....	.3875	
Costa Rica	Colon	Official .....	.1725	(6)
		Controlled free .....	.1459	
Cuba	Peso .....	.....	.9688	tax 2%
Czechoslovakia ...	Koruna .....	.....	.1345	
Denmark	Krone .....	.....	.1403	
Dominican Republic	Peso .....	.....	.9688	
		.....	.06459	
Ecuador	Sucre	Official .....	.05580	
		Free	2.7818	
Egypt	Pound .....	.....	2.4347	
Fiji	Pound .....	.....	.00421	
Finland	Markka .....	.....	.00277	(7)
France	Franc .....	.....	.00554	(8)
French Africa ...	Franc .....	.....	.01522	(9)
French Pacific ...	Franc .....	.....	.2307	
Germany	D Mark .....	.....	.03229	
Greece	Drachma .....	.....	.9688	
Guatemala	Quetzal ...	.....	.1938	
Haiti	Gourde .....	.....	.4844	
Honduras	Lempira ...	.....	.1640	*Nov. 12
Hong Kong	Dollar	Free .....	.05948	
Iceland	Krona	Official .....	.04580	
		Special buying .....	.03690	
		Special selling .....	.2027	
India	Rupee .....	.....	.08498	(10)
Indonesia	Rupiah	Basic .....	.01164	
Iran	Rial	Certificate	2.7125	
Iraq	Dinar .....	.....	

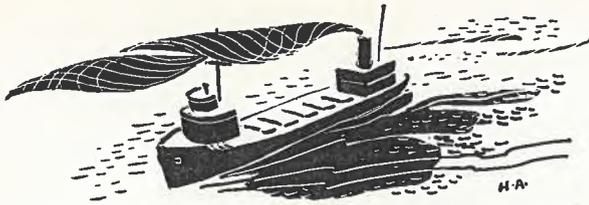
* Latest available quotation date.

Country	Unit	Type of Exchange	Canadian dollar equiv. Nov. 29	Notes (See below)
Ireland	Pound		2.7025	
Israel	Pound	Official	.9688	
		Premium	.5382	
Italy	Lira		.00156	
Japan	Yen		.00269	
Lebanon	Pound	Free	.2999	
Mexico	Peso		.07750	
Netherlands	Guilder		.2550	
Netherlands Antilles	Guilder		.5137	
New Zealand	Pound		2.7025	
Nicaragua	Cordoba	Effective buying	.1468	(11)
		Official selling	.1374	
		With Surcharge I	.1203	
		With Surcharge II	.09639	
Norway	Krone		.1356	
Pakistan	Rupee		.2928	
Panama	Balboa		.9688	
Paraguay	Guarani	Basic	.04613	(1)
		With Surcharge I	.03588	
		With Surcharge II	.02691	(12)
Peru	Sol	Certificate	.05099	
Philippines	Peso		.4844	tax 17% (2)
Portugal	Escudo		.03381	
El Salvador	Colon		.3875	
Singapore & Malaya	Straits dollar		.3153	
South Africa (Union of)	Pound		2.7025	
Spain & Dependancies	Peseta	Basic buying	.04424	
		Basic selling	.08634	
		Basic commercial selling	.05898	(1)
		Free	.02487	
Sweden	Krona		.1873	
Switzerland	Franc		.2260	
Syria	Pound	Free	.2716	*Oct. 12 (1)
Thailand	Baht	Official	.07750	
		Free	.04395	*Sept. 27
Turkey	Lira		.3460	
United Kingdom	Pound		2.7025	
United States	Dollar		.9688	
Uruguay	Peso	Official	.6378	
		Basic buying	.5442	(1)
		Special buying	.4122	
		Basic selling	.5099	
		Special selling	.3954	
Venezuela	Bolivar		.2892	(12)
Yugoslavia	Dinar		.00323	

* 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 selling rate is official rate plus auction price of currency certificates. Effective buying rate for other than coffee is 80 per cent at official rate, 20 per cent at free rate.
6. Costa Rica: Official rate applies to all Costa Rican exports.
7. Metropolitan France, Algeria, Tunisia, Morocco, French Guiana, Guateloque, 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 provisions for special rates for exports of petroleum, cocoa and coffee, not at present in effect for cocoa and coffee.



transportation notes

Brazil

SANTOS-JUNDIAI RAILROAD—President Cafe Filho has approved a Finance Ministry report relating to the concession of a loan to the Santos-Jundiai Railroad for improvements and new purchases, in accordance with Project No. 1 of the former Joint Brazil-United States Economic Development Commission. The Commission recommended a foreign loan of US\$15,856,400 and domestic financing of Cr.\$331,672,550—São Paulo, Nov. 8.

British East Africa

PORT IMPROVEMENT—The new lighterage wharf being built to handle the increasing sisal exports in Tangan, Tanganyika, is nearing completion, and work on the two deepwater berths under construction at Mombasa is proceeding satisfactorily. Farther south at the new port of Mtwara near the Mozambique border two deepwater berths have been completed and are in use—Johannesburg, Nov. 5.

India

SUBMARINE PIPELINES—Three of the seven 20,000 foot steel pipelines which will connect the two new oil refineries at Trombay with the marine oil terminal at Butcher Island in Bombay Harbour have recently been laid by the Bombay Port Trust. The concrete-encased submarine pipelines, which vary from eight to 24 inches in diameter, are designed to carry crude oil to the refineries from the terminal where 30,000 ton super-tankers will discharge, and to carry finished petroleum products to ships for export—Bombay, Nov. 18.

Italy

TANKER FLEET—With the completion by the end of this year of 19 new tankers now under construction, the Italian tanker fleet will be one of the largest among maritime nations, totalling approximately 1.2 million gross tons—Rome, Nov. 15.

Turkey

MERCHANT FLEET EXPANSION—The Turkish Maritime Bank has placed orders this year with foreign shipbuilding yards for seven new passenger ships—three of 5,000 tons, two of 7,000 tons, and two of 10,000 tons, and for three new freighters of

from 3,000-5,000 tons each. Delivery is expected shortly of a new 20,000-ton oil tanker which will augment the Maritime Bank's tanker fleet of three ships of 1,598, 3,993 and 16,628 tons, respectively. The Maritime Bank (not a bank but a private corporation, chartered for 99 years, with a capital of nearly \$177 million) took over in 1951 the administration of that portion of the Turkish merchant fleet which was previously operated by the Government's state shipping lines—Athens, Nov. 8.

United Kingdom

BRITISH PLANES FOR THE U.S.—The Vickers Viscount, the first airscrew turbine aircraft in use on civil airlines, has now met all the requirements of the United States Civil Aeronautics Administration for service in that country. An American airline has already placed an order for 40 of the Viscounts, worth about \$45 million, and has an option for 20 more. It is expected that the 60 aircraft will be in operation in the United States by August 1956. Altogether, 155 Viscounts have been sold to date to airline operators in Britain and overseas. United States action in approving this aircraft should result in further orders from that country—London, Nov. 22.

United States

RUBBER HIGHWAY POSTS—At an intersection in Cuyahoga Falls, Ohio, where several deaths and numerous serious accidents have occurred, rubber highway posts have replaced the usual steel or wood barriers. The hollow rubber posts, of the same dimension approximately as the posts seen along Canadian highways, were manufactured in much the same way as rubber dock fenders used by the port of New York.

Although police know accurately the number of accidents that occurred before the rubber posts were installed, they now have only a rough approximation because motorists who ram the posts are able to back off and pull out under their own power without bothering police. Under a strong impact, the posts bend and allow the automobile to go over them but at the same time they often slow the vehicle up sufficiently to prevent serious damage—Detroit, Nov. 22.