CANADA

foreign trade

Established in 1904
Published fortnightly by the Department of Trade and Commerce.
The Right Honourable C. D. HOWE, Minister,
WM. FREDERICK BULL, Deputy Minister.

OTTAWA, AUGUST 21, 1954, Vol. 102, No. 4

Please forward all subscriptions and orders to:
The Queen's Printer, Government Printing Bureau, Ottawa.
Price: $2.00 a year in Canada; $3.50 abroad.
Single copies: 20 cents each.

Authorized as second class mail by the Post Office Department, Ottawa.

cover This flock of sheep photographed under a wintry sky in New South Wales symbolizes Australia's main source of wealth, wool. With world demand for wool high and prices good, export income remains satisfactory. For a report on wool and on other factors in Australian prosperity, turn to page two.

—Australian Official Photograph

Australia : *Economic Expansion Continues*

R. W. BLAKE
Commercial and Agricultural Secretary, Melbourne.

Australia has succeeded in maintaining its export income this past year, despite increasing competition in overseas markets, but agriculture and industry face problem of production costs.

THE AUSTRALIAN ECONOMY TODAY rests on a sounder basis than it has at any time since the end of the war. In the words of the Prime Minister, "Australia's finances have never been so solid, her prosperity never so notable, and her treasury never more solvent".

The volume of production has improved during the past year and practically full employment is accompanied by a nearly stable price level. The supply of goods has been reinforced by increased imports as a result of the progressive removal of import restrictions. Despite this increase, Australia during the fiscal year of 1953-54 had a favourable trade balance of £A150 million. Although this is considerably lower than the £A357 million for 1952-53, nevertheless it is a useful credit and international reserves remain high.

Exports totalled £A830 million, compared with £A871 million in 1952-53; imports rose from £A514 million in 1952-53 to £A680 million this year.

Wool is still the major factor in maintaining export income and general prosperity and there is no indication that the wool market will fall substantially. Exports of meat, dairy products, dried fruits and sugar have also contributed largely to the export income, but primary products are meeting increasing competition in overseas markets which may reduce future earnings.

Dollar Trade Improved

The dollar balance improved mainly because of a reduction in the value of imports from £A86·3 million for the first nine months of 1952-53 to £A66·4 million for the same period of the current season. Exports remained about the same, at £A53·9 million and the result was a deficit of £A12·5 million compared with £A32·9 million last year.

Although a critical eye still scrutinizes all applications for the import of goods from the dollar area, each case is judged on its merits and considered in the light of Australia's needs and alternative sources of supply.

With fairly large supplies of salmon coming in from Russia and Japan, and with a generation growing up who have never tasted Canadian salmon, the door has been opened wide enough to allow what amounts to a token shipment of salmon from Canada this year.

Manufacturing under Licence

Capital continues to flow in from the United States and the United Kingdom, in about equal amounts, for investment in manufacturing industries. The biggest projects have been in the engineering, chemical, petroleum and textile fields. Programs of the petroleum companies are receiving the greatest publicity but American and local firms are producing transport vehicles of all kinds, tractors, agricultural machinery and earth-moving equipment.

The types of agricultural machinery required are similar to those manufactured in Canada and the United States, where conditions are somewhat like those in Australia. British manufacturers are gradually altering the design of their machines to suit the extensive areas of Australia, but American firms manufacturing in Australia, and Australian firms, produce the machines best adapted to the large-scale farming methods of the Commonwealth.

One Canadian farm implement company is contemplating the manufacture in Australia under licence of tractors and a full range of agricultural implements. Taking a long-term view, the potentially large markets of nearby Asian countries could easily be supplied with agricultural machinery from Australia.

Production and Exports

The dark spot in the present bright outlook is the high cost of production. This is causing concern among the leaders of Australian commerce because it threatens exports of primary products which are facing increasing competition overseas. The Tariff Board is busy studying applications from firms asking for protection against goods imported from lower-cost countries. The Board has a critical task to perform in deciding which industries are basic to the expanding economy and need to be protected from well-established companies in older manufacturing countries.

If secondary industries are protected indiscriminately and internal costs rise, the effect will be to jeopardize Australia's export industries. These are mainly primary industries which are already finding intense competition in overseas markets, thanks to the freeing of trade from government control and the building-up of world supplies of foodstuffs.

Production and exports of most primary products, with the exception of wheat, have been well maintained this year, following an excellent season last year.

With another almost record wheat crop of 199 million bushels harvested this year and with sales lagging, Australia expects to have a carryover of nearly 100 million bushels of wheat, compared with the normal carryover of 20 million bushels, and the 36 million bushels of last year. To take care of the emergency storage problem presented by this huge surplus the Commonwealth Government has provided £A3·5 million for building additional storage space.

Although the depressed wheat market has caused some talk of reducing the acreage sown to wheat, the present intentions of farmers indicate that the area sown to wheat in the coming season will be about the same as last year's 10·7 million acres.

The cost of production for wheat in Australia has been estimated by the Commonwealth Bureau of Agricultural Economics to be 12/7 per bushel, basis f.o.r. ports, so prices could fall much lower before Australian farmers ceased to have a margin of profit. However, the quality of most Australian wheats is not high and they compete with European and Argentine as well as with the lower grades of North American wheat.

Marketing the Wheat Crop

At present Australian wheat is marketed under a Wheat Marketing Plan which will operate for the three crop years 1953-54 to 1955-56. This is a continuation of orderly marketing on lines almost identical with the system operating under the Australian Wheat Board during the last five seasons, but without stabilization provisions. The home consumption price has been fixed at 14/– per bushel bulk f.o.r. ports, or the ruling IWA export price at the beginning of the year, if it is less than 14/– per bushel but not less than the cost of production.

As the cost of production of wheat for the 1953-54 season has been determined at 12/7 per bushel and the ruling IWA price at the beginning of the year was over 14/– per bushel, the selling price for home consumption for 1953-54 is 14/– per bushel.

The five-year Wheat Stabilization Plan proposed by the Commonwealth Government and rejected by the State of Victoria offered to guarantee a return of cost of production on 100 million bushels of wheat exported in each of the five years covered by the Plan. A stabilization fund would be established up to a maximum of £20 million by means of an export tax of 1/6d. per bushel. This fund would be used to make up the difference when the average export realizations fell below cost of production. When the fund was used up, the Federal Treasury would meet the guarantee. The home consumption price of wheat would not be less than the cost of production determined for each season. This Plan required the agreement of all States and of the Commonwealth Government, but at the time of writing Victoria was still holding out. However, the general election has now been held and decided in favour of the Government and this fact, coupled with lower prices for wheat on the world market, may bring about a change of heart in Victoria.

Meat production in Australia reached a record in 1953 and exports of meat in various forms also rose. Here workers in a Melbourne cannery bone meat as one step in its preparation.

Exports of wheat last year were valued at £A90 million, an important item in Australia's overseas earnings.

Wool Returns Rise

Australia's overseas earnings have become dangerously dependent on wool. Fortunately, world consumption of this commodity is increasing faster than the supply, and the present trend is for this situation to continue.

Receipts for wool during the ten months to April 30, 1954, totalled £335,232,138—or over £A7 million more than for the corresponding period in 1952-53. The prospect looks good for 1954-55 with the sheep population now probably over 124 million, with 74 per cent merino flocks.

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The threat of synthetic fibres to the wool trade is not being taken lightly and the Australian Wool Bureau is engaged in an active wool promotion scheme in co-operation with New Zealand and South Africa. To finance the scheme, a levy of 4/– a bale is imposed on all wool produced in Australia.

The world consumption of wool is increasing every year despite the inroads being made by synthetic fibre manufacturers. Blended materials, using wool with a percentage of synthetic fibres, are now considered to produce a textile better than either fibre alone. As long as the price of wool is kept within reasonable limits future demand seems assured.

Meat and Dairy Products

Cattle numbers, at 15·2 million, are the highest recorded and meat production reached record proportions in 1953. Exports of meat during the first nine months of 1953-54 totalled 150,864 tons, compared with 129,931 tons during the same period a year earlier. Smaller exports of lamb and mutton were more than made up by larger amounts of beef, and the value of exports in this period increased by £6·75 million over last year. Meat rationing in the United Kingdom ended a few weeks ago and bulk purchasing arrangements between Australia and the Ministry of Food ceased at the end of June for mutton and lamb, and will terminate on September 30th for beef, veal and pork.

The 15-year (1952-67) meat agreement between the two countries provides that when bulk purchase ends, Australian beef, veal, mutton and lamb can be sold on the United Kingdom market without quantitative restrictions for the remainder of the agreement. A minimum price system also comes into force under which the United Kingdom Government will make a deficiency payment to the Australian Government if the average prices realized in the United Kingdom for beef, mutton and lamb over the year beginning October 1, 1954, fall short of an agreed minimum price schedule.

Australia, in agreement with the United Kingdom, will restrict the quantities of meat that may be shipped to other than the United Kingdom and Colonial markets. Provided an improvement in quality is achieved, Australia should have a good market for all of her meat surplus for a long time ahead.

Dairy products are also feeling the chill wind of competition. Although butter and cheese still find a substantial market in the United Kingdom, it is becoming increasingly difficult to market surplus condensed and dried milk products overseas. Wheat and meat are industries producing at relatively low cost and are better able to meet world competition, but the dairy industry has high production costs and exports are already heavily subsidized.

Production of margarine, although controlled, has risen to about 10,000 tons yearly, the rise being mainly in Queensland and dairying interests are asking for protection against imports of ingredients used to make this butter substitute.

Eggs and dried fruits are other export products that, with the freeing of trade, are finding it difficult to meet the competition from low-cost European countries.

The production of sugar in 1953 touched a record 1,254,165 tons. Under the Commonwealth Sugar Agreement, Australia is guaranteed a market for 618 thousand tons for at least eight years but only 314 thousand are covered by a guaranteed price; the remainder is sold at world prices, with, however, the tariff benefits of imperial preference. Here again costs are working against expansion of the industry, as free world prices are unprofitable to Australian producers. Already some fear that if Australian yields increase in future, plantings may have to be cut back to supply only the local and British markets.

A Look Ahead

The population of Australia is increasing at the rate of nearly 3 per cent a year and it is estimated that it will reach 12 million by 1970. Primary production is not keeping pace with this increase in population, which means that a greater percentage of total production will be consumed at home, leaving less for export.

However, there are great potentialities for increasing production of the main items entering into the export trade. Greater mechanization and improved cultural practices are raising yields per acre. Total production is also being increased by a reduction of the rabbit population through myxomatosis, and the bringing into production, by the application of trace elements, of large areas of land previously considered infertile. The area of improved pastures is increasing, enabling more sheep and cattle to be carried per acre.

With the return of the export trade in foodstuffs to private hands, and with stocks of most primary products building up, the emphasis will be on quality, especially for wheat and meat. This fact is engaging the attention of those concerned in these industries.

Although temporary business recessions overseas would affect Australia's economy adversely, taking the long view Australia is fortunate in being an important producer of foodstuffs and raw materials which are likely to be needed in increasing quantities. The discovery of uranium and oil, although reserves are not yet proven, will add to the nation's wealth and reduce dependence on overseas sources.

If the problem of rising costs is tackled resolutely and overcome, both imports and exports should increase and Australia's economy should continue to expand. ●

The Corporation and the Exporter

Unique in North America is the insurance against risks in overseas sales offered to Canadian traders by the Export Credits Insurance Corporation. The experience of nine years has proved its value to the exporter.

A. W. THOMAS, *Assistant General Manager, Export Credits Insurance Corporation.*

LATE IN 1944, something new appeared on the Canadian business scene—an organization designed to help the exporter regain and expand his foreign markets. Established by Act of Parliament in July 1944, the Export Credits Insurance Corporation began the following year to offer the only form of export credits insurance in North America, covering both credit and political risks. In the ensuing nine years, the Corporation has issued 1,377 policies valued at $455,565,890 and covering shipments to more than 100 countries.

Capital Increased

At the session of Parliament recently ended, the Corporation and its operations were under review. The occasion was an amendment to the Act, mainly to increase the Corporation's capital from $5 million to $15 million. Previously, it had been working with a capital of $5 million and a capital surplus of $5 million. Because it is permitted to take on liabilities not exceeding ten times its capital and surplus, the limit was $100 million; with the passage of the amended bill, this rose to $200 million. The chief reason for seeking this amendment, says the 1953 Annual Report of the Corporation, was to "enable it to consider insuring export sales to individual countries which sales, in the aggregate, were considered to be too substantial with respect to any one country in relation to the Corporation's initial capital".

Insures against Many Risks

Various forms of credit insurance have been operating since the late 19th century and insurance against credit risks in foreign sales is a newer but fast-growing member of that larger family. In North America, private insurance companies insure domestic accounts only; in Europe, they insure exporters only against the insolvency of the foreign buyer.

The Corporation's coverage goes beyond mere insolvency, embracing many of the hazards, political or financial, that beset trade in these days—such as cancellation of an import licence in the country of destination, war or revolution in the buyer's country, and blockage of funds or transfer difficulties. For example, some countries have, in the last few years, run short of dollars and their governments have been forced to take steps to conserve the dollar supply. The exporter, under his policy with the Corporation, is insured against the resulting delays in collection or against any developments that prevent him from receiving payment in the currency agreed upon when the sale was made.

An analysis of claims paid shows that the great majority of them arise out of such exchange transfer difficulties. Devaluation of a currency is not covered. If, however, a buyer in Mexico (to take an example at random) has agreed to take goods from a Canadian exporter and pay for them in dollars within thirty days and a devaluation makes him insolvent, then the corporation would pay the resulting claim.

Quality of Goods Not Covered

Sometimes the buyer refuses to pay for goods which he has ordered on the grounds that they do not live up to his expectations in either quality or quantity. The Corporation's policies do not cover repudiation of this type: the protection offered extends only to the accounts receivable and has nothing to do with the goods themselves. If, however, the exporter were to secure a court judgment against the buyer and this judgment could not be satisfied, then the Corporation would pay the exporter.

Export credits insurance does not *subsidize* the exporter; he still must compete in world markets on the basis of price, quality, credit terms, and services rendered. In addition, he must pay a premium for his policy. But, by shielding him from the main forms of loss in overseas trade not covered by ordinary insurance, the Corporation stimulates the businessman to expand his foreign markets. Because one of his most important liquid assets is insured, he finds it easier to obtain financial assistance from his bankers. Then too he receives advice and assistance from the Corporation in obtaining recoveries if the buyer defaults.

Types of Policy

The Corporation divides the policies it issues into two principal classes—those covering general commodities and those covering capital goods. The first insures general commodities sold under short-term credit arrangements, extending from sight draft to, say, six months. The exporter may choose under this class a "shipments" policy, covering him from the time the goods are shipped until he receives payment; this policy covers twelve months' shipments and carries renewal privileges. Or he may choose a "contracts" policy, tailored to meet the needs of the businessman producing goods to the specifications of the foreign buyer. This policy covers him from the time the order is booked until final payment is received and the premium rates are slightly higher. From the time of its inception up to July 1, 1954, the Corporation had issued 1,322 policies covering general commodities.

The second class of policy is intended to cover capital goods, where the manufacturing process takes some time and the exporter sells either on sight draft or under credit arrangements ranging from six months to two years. One type in this category insures an individual contract of sale between a Canadian exporter and a foreign government buyer; the other covers a contract with a non-government buyer.

Normally, to obtain coverage from the Corporation an exporter must insure his total business with all countries, with the exception of sales made against irrevocable letters of credit. Sales made to the United States are also excluded, as a rule. Liability is limited to 85 per cent of the contract price; the policyholder must bear the remaining 15 per cent of any loss.

When an exporter, for some reason, does not wish to insure all his export sales under a shipments or a contract policy, the nature of his business may justify the Corporation in insuring specific contracts of sale. In such cases, the exporter should approach the Corporation at an early stage of his negotiations with the foreign buyer because, as a general rule, the Corporation will not consider insuring a contract entered into some time previously.

Setting Premiums

Because the Corporation is not in the business of subsidizing exports, it takes into account its own operating expenses and probable losses in setting the premium rates. Naturally, in a world-wide business of this kind, appraising the extent of the risk presents something of a problem. The Corporation's experience so far has proved encouraging and the rates charged appear to have been fair both to the insurer and the insured. The rates are strictly confidential, vary with each policy, and are decided upon after duly weighing and considering the goods sold, the countries to which they are going, and the credit terms involved. The rate has averaged $0·93 per $100 on all exports covered to date, including capital goods, or less than 1 per cent of the selling price. Premiums are paid monthly on the exporter's declaration of total sales to each country and are deductible from taxable income.

Many Businesses Included

Those who feel that exporting is an in-and-out business or that only big companies can undertake foreign sales will find certain aspects of the Corporation's experience enlightening. Of some 1,300 policies written, more than half were with companies whose annual export sales averaged less than $100 thousand; only 70 policies covered exports of over $1 million a year. More than 65 per cent of the policyholders had been in business over 15 years, and a number of them from 50 to 100 years. One company had a record of export sales for the past 115 years. About 75 per cent of the policyholders were manufacturers.

Special Cases

The Export Credits Insurance Act contains one section that covers exports of a special type. The relevant section reads this way:

"Where the Minister reports to the Governor in Council that

(*a*) the Board, having regard to the limitations imposed by section 14,* is of opinion that a proposed contract of insurance will impose upon the Corporation a liability for a term or in an amount in excess of that which the Corporation would normally undertake in relation to any one contract, exporter, commodity, or country; and

(*b*) in the opinion of the Minister it is in the national interest that the proposed contract be entered into:

"the Governor in Council may approve of and authorize the Corporation to enter into the proposed contract of insurance".

Under this section, 44 policies totalling about $38 million have been issued and the liability assumed by the Crown.

* Section 14 limits liability to ten times the aggregate of the amount of the paid-up capital and the surplus.

The following table sets out the loss experience of the Corporation since it began business in 1945:

Nature of Claim	*Claims Paid*	*Recoveries*	*Irre-coverable Losses*	*Net Out-standing*
Insolvency	$ 88,520	$ 20,349	$ 7,816	$ 60,355
Overdue accounts	212,829	77,149	124,991	10,689
Exchange transfer difficulties	3,915,766	2,705,075	25,775	1,184,916
Other	27,593	7,734	5,557	14,302
	$4,244,708	$2,810,307	$164,139	$1,270,262

Claims and Recoveries

The claims listed were paid on losses arising in 27 different countries, with exchange transfer difficulties by far the leading cause. However, thanks to their policies with the Corporation, the exporters were able to recoup their working capital by claiming under blocked accounts receivable and to continue exporting on competitive terms.

The net outstanding claims paid at June 30, 1954, amounted to $1·3 million, of which the major portion will probably be recovered. The total premiums received have more than covered the operating expenses and net claims paid and after taking into account interest on investments, the Corporation had a balance at the credit of the underwriting reserve of about $2·4 million. An analysis of the underwriting reserve at June 30, 1954, discloses the following:

Premiums			$2,388,645
Deduct:			
Operating expenses		$ 741,407	
Claims paid	$4,244,708		
Less: Recoveries	2,810,308	1,434,400	2,175,807
Profit on operations before interest on investments			212,838
Interest on investments			2,162,121
Balance at credit of underwriting reserve as at June 30, 1954			$2,374,959

The largest number of risks underwritten were, in order of value, to the United Kingdom, South Africa, Brazil, Argentina, Venezuela, and Turkey. Smallest volume of shipments insured went to Reunion Island ($98), Malta ($391.20), Aden ($450), and Gibraltar ($716.62).

Advice from Business

In carrying out its functions, the Corporation relies upon the advice and assistance of an Advisory Council, composed of businessmen drawn from banking, manufacturing, and from the primary industries of farming, fishing, lumbering and mining. These men, who serve without pay, meet from time to time with the Board of Directors, composed of government officials, and with the officers of the Corporation. ●

Spain's Fish Exports

THE DEPRESSED SPANISH FISHING INDUSTRY hopes to improve its position by increasing exports, but certain problems have to be faced first. A recent article in a well-known Spanish trade journal discusses these problems and possible solutions.

Spanish exports of tuna to most markets have gradually diminished, the article points out. However, there are opportunities for expanding sales of the white meat variety to the American market, provided Spanish prices can be brought closer in line with those of Japan and Peru, the principal suppliers to the United States.

The anchovy catch is an important source of revenue for Spanish fishermen, particularly in Galicia, where the best-quality anchovies are put up for export. The U.S. market is the only one capable of absorbing the Galician production and Galician exports of anchovies to that country have increased from 430 metric tons in 1950 to 960 metric tons in 1952. Anchovies caught in the Cantabrian region are salted and packed in bulk in barrels or tins, and 70 to 80 per cent of production is exported. The principal market is Italy, where the fish are filleted and re-exported to compete in some measure with the Galician anchovy. Portugal is Spain's keenest competitor in the anchovy export markets, even though Portuguese prices are similar or a little higher.

Sardines have been scarce along Spain's northern coasts during the past few years, and this has meant the loss of the American market to Portuguese and French Moroccan producers. Spanish exporters are now quoting $14 to $15 per case of 100 tins; comparative French Moroccan and Portuguese prices are $9.25 and $9.10 per case, respectively. Good catches of sardines are still being brought in along Spain's southern coasts.

Unfortunately, Spanish sardine canning plants are situated along the north coasts and it is necessary to transport the sardines by truck nearly 1,000 miles. This results in Spanish canners paying more than twice as much for their sardines as the Portuguese canners and the quality deteriorates during the long trip. Before 1936, exports of sardines averaged 14,000 metric tons a year, but in recent years have averaged no more than 5,400 tons. This indicates the decline in Spain's sardine canning industry.

—E. H. MAGUIRE
Commercial Secretary, Madrid.

New England in Transition

Postwar years have seen the older New England industries giving place to new ones—a trend which continued during past twelve months, though prospects brightened at the same time for some of the traditional group.

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

FOR SOME YEARS PAST, the old order in New England has been changing. The basic industries like textiles, fishing and agriculture have given ground as new ones based on research—such as plastics, electronics, chemicals, and transportation equipment—have forged ahead. Industries have been moving into the region and older ones have been modernized and expanded.

This process gathered momentum during 1953, a year that will probably be remembered as one of the most prosperous in New England's history. With a few exceptions such as textile manufacturing and fisheries, business and industry began 1953 in good form and expansion continued until after mid-year. Production, employment, income and retail sales established post-war records. Prices held firm and real income increased. Defence spending was less of a factor than for several years back but the reduction in defence contracts had a less serious effect than some persons had predicted.

During the first half of the year inventories increased rapidly, but later manufacturers reduced purchases of raw materials and components in the face of shrinking orders and sales. Despite the year-end down-turn, however, business activity continued brisk and the outlook moderately optimistic.

Textiles Now Recovering

Among the industries which did not share in these favourable conditions was textiles. After expanding their operations towards the end of 1952, the textile plants again experienced difficulty by the end of the first quarter of 1953. The decline in activity continued after mid-year and in the late months the industry was operating at levels below those of 1952. In October employment fell to the lowest point in many years. Woollens and worsteds were the first to suffer but by the last quarter most sectors of the textile industry were affected, and the unusually mild fall and winter aggravated the situation. The closing of a number of New England mills added to the trouble. However, similar trends appeared in other textile areas, principally in the South.

Apparently the shift of the textile industry from New England to the South has now halted. Mill managements in the cotton and synthetics industry have announced their intention of staying in the area, which now contains 20 per cent of the nation's big cotton and synthetics business.

The industry also turned its attention to tariffs, with vigorous pronouncements against any reduction which would permit lower-wage countries to compete in the domestic market.

Fisheries Picture Improves

Fisheries, the oldest of New England's industries, was faced with declining production during 1953 though costs continued to rise. Fishermen, who once found enormous quantities of high-quality fish close to their shores, now must travel great distances and remain at sea for long periods to obtain satisfactory cargoes. This not only affects adversely the quality of the catch but increases costs for crews, boats and gear. Rates of insurance for boats and crews also have gone up.

The Maine sardine run was a partial failure last year and the resultant pack was the smallest in sixteen years. However, stocks were extremely low and prices firm during most of the year. The run began early this spring and the outlook is now good, with most plants working.

Cold storage holdings of groundfish fillets—particularly cod—which had been heavy and were depressing prices, were progressively reduced during the year. Prices have now improved and the outlook is brighter. Stocks of shellfish, chiefly scallops, were heavy and prices fairly low, with demand light to moderate.

The strongest factor in the fisheries outlook was the appearance on the market of precooked, breaded fish sticks. Made principally from cod, this product has taken the fancy of the American public and sales have grown enormously. Up to the present Canada and other foreign countries have not entered this market, although Canadian shipments of frozen blocks or slabs to New England processors to manufacture into sticks have increased substantially. Boston, Gloucester, Rockland and Portland have developed into centres of the fish stick industry. Employment has increased, plants have been expanded and the industry is more optimistic now than it has been for many years. Production of sticks for 1954 is expected to be over four times that for 1953. At the present time New England accounts for approximately 80 per cent of the domestic production of packaged and frozen seafood.

Agricultural Income Fell

Farm income in 1953 fell below that of the previous year. Livestock and milk prices were lower but better prices for poultry compensated for the drop to some extent. Crop receipts were also smaller in 1953, principally because of much lower potato prices. Prices at year-end for Maine potatoes were running at approximately 75 to 80 cents per barrel, compared with almost six times that amount in 1952. A record crop of cranberries—some 710 thousand barrels—was harvested in New England last year.

Pulp and Paper, Shoes

The manufacture of pulp and paper, one of New England's basic industries, enjoyed an excellent year in 1953. Since 1945 over $80 million has been spent on production facilities by seven of the region's pulp and paper firms.

In 1953 this industry, with a total investment of a billion dollars, employed 43,600 and paid out approximately $123 million in wages. It produced 50 per cent of U.S.-made newsprint, more than 40 per cent of the country's special industrial papers, over 30 per cent of the groundwood and specialty papers, 29 per cent of absorbent papers, and 18 per cent of book papers. The region accounted for 16·5 per cent of the U.S. pulp and paper sales and 15·5 per cent of the national payroll for the industry.

New England also held her traditional place as the nation's leading producer of footwear, turning out in 1953 approximately 168 million pairs, one-third of the U.S. total, valued at $580 million. This was just a shade below 1952 production figures although employment was slightly ahead of the previous year.

Metalworking Industries

To turn now to the later arrivals on the New England scene, the metal-using industries continued their spectacular growth; they have now become the region's largest employer, with 655 thousand workers. Important gains were registered by the transportation equipment and electrical machinery makers. These two sectors of the metal-using industries alone accounted for a rise of 22,000 in the numbers employed and pointed up strongly the significant shift in the New England industrial scene from non-durable goods to the production of durables. One-quarter of U.S. requirements of tools, cutlery and general hardware are now supplied by New England factories.

In the non-electrical machinery group, production, employment and sales continued to be satisfactory, with the single exception of textile machinery. Machine tool makers enjoyed a busy year although new orders decreased and order backlogs were reduced substantially. As defence contracts diminished, manufacturers looked with growing interest at the large replacement and modernization market. The textile machinery makers, faced with the worst order slump in 35 years and with output running at only about one-third of capacity, began a drive to diversify their production. Primary and fabricated metal plants experienced a slackening in business after the middle of the year.

New Industries Prosper

One of New England's most promising answers to the prophets of doom, the electronics industry, went on to further expansion. As the year progressed, the possibility of declining defence orders was causing some concern but the eyes of the industry are now turning to an increase in television receiver sales (including the new colour sets) and to opportunities in the industrial application of electronics.

Plastics manufacturing continued to progress, with production valued at $500 million in 1953, one-third of the U.S. total. Production of raw materials for the industry amounted to between 15 and 20 per cent of the country's output, a gain of 30 per cent over 1952. The New England Council reports that the region, while producing approximately one-third of all U.S. plastics products, boosted sales by 30 per cent over the previous year. New England, with her wealth of research facilities, also continued to lead in the development of new plastics materials.

Other Industries

Business in the rubber and rubber products industry was generally slow throughout most of the year following months of expansion. The jewellery industry with its tremendous concentration in Providence, Rhode Island, the jewellery centre of the world, experienced an excellent year, ending with a brisk Christmas trade. Lumber producers and dealers had a generally active market in the first half of the year though demand slackened and prices for both hardwood and softwood lumber declined in the later months. In the furniture industry, retail sales held up well, although increased competition and more aggressive selling became evident by the year's close.

Production of electric power reached a record 4·6 million kilowatts, about five per cent of total U.S. capacity. Large expansion in production facilities are under way or planned in New Hampshire, Maine and Connecticut to keep ahead of the demands for power.

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Of tremendous importance to the New England economy during this period of transition from basic soft goods production to high value durable products are the more than 400 research laboratories set up in this region, including large private laboratories, industrial operations, government projects and those established by universities.

Business Indicators

The Federal Reserve Bank of Boston reports that total non-agricultural employment remained stable throughout 1953 despite a slight downturn at the end of the first quarter. Total volume of production exceeded that of any postwar year. The volume of new orders to manufacturers decreased slowly from April on but most industries kept production ahead of sales.

Construction activity attained record levels during the first quarter of the year, hesitated at mid-year, and then climbed rapidly in the final quarter. Residential building was below 1952 levels but the total value of construction contracts awarded rose 4 per cent above the previous year. The value of non-residential contract awards was also well above 1952.

Unemployment was actually the lowest in the postwar period. Average hourly earnings continued at a record high and total personal income was higher than in 1952. Liquid savings increased steadily throughout 1953 and at a faster rate than in 1952. Total retail sales in the large metropolitan areas also rose over 1952, with the largest gains in automobile and truck sales. Total department store sales were equal to or slightly above those of 1952 and consumers were granted larger volumes of credit by banks and loan companies.

Outlook for 1954

During the late months of the year and continuing into the first quarter of 1954, the New England region experienced a recession paralleling that in other parts of the country. In certain cases, notably textiles and textile machinery, the outlook was gloomy but by the end of April or early May a growing optimism appeared.

Among the most encouraging factors were early indications that construction was running at levels equal to or ahead of those of 1953. Improved conditions in the fishing industry, primarily because of the expansion in demand for fish sticks and reduction in freezer stocks of fillets, also brightened the outlook. Signs that the textile industry's flight to the South was abating gave added encouragement; so did the realization that cutbacks in defence contracts would not prove as depressing as some had prophesied. It is now apparent that increased effort in the development of new products and more aggressive selling are the order of the day.

For enterprising and aggressive Canadian exporters, opportunities for development of business in New England remain good, though the selling job will have to be done more persistently and skilfully than in the past.

It is worth pondering, however, that this region, with only 2·2 per cent of the U.S. land area and 6·1 per cent of the population, includes about 10 per cent of the total number employed in all U.S. manufacturing. In addition, many of the large insurance companies, banks and investment trusts have their headquarters in New England, and per capita incomes there have recently averaged \$110 above the national level. The Boston area is the third largest population centre in the western hemisphere and the focal point of five metropolitan districts, with a combined population of 4·3 million persons. Within a 500-mile radius reside 38 per cent of the entire population of the United States. The market potential needs no comment.

Jamaica Frees the Flour Trade

The system of government bulk purchases of flour, which began in Jamaica in the early days of the war, came to an end during July. Now importers may buy flour freely from any source and at any price. However, the Government will still continue to control the retail price of counter flour (currently 5 pence per pound) and the retail price of a loaf of bread.

Early indications are that there will be keen rivalry between the numerous Canadian and United States brands on the Jamaica market. Many agents are allowing terms of 1 per cent for cash, net thirty days. Advertisements for brands have already appeared in the daily newspapers. Established bakeries plan to import higher grades of flour than were available under bulk purchase and an estimated dozen new bakeries have been awaiting the return of free flour to begin business.

It appears likely that the various Canadian brands will hold their market for baking flour. United States millers are obtaining much of the business for counter flour and one mill in the United Kingdom is offering counter flour. Australia, which in prewar days held a dominant position in the market, is now unable to meet competition from Canadian exporters.

The change-over from bulk purchase to free trading was accomplished smoothly and as soon as government stocks were used the decontrolled shipments, which had been held in Customs, were released for distribution. Adequate supplies of flour are reaching the Colony, although no large inventories are being accumulated. Rice now remains the only food imported by government bulk purchase.

general notes

Argentina

HYDRO-ELECTRIC DEVELOPMENT—Only some 2 per cent of Argentina's electric power is produced by hydro-electric stations. A new hydro-electric plant is being erected at Batiruana on the Marapa River in the province of Tucuman with an estimated potential of 24,000 kw. and an annual production of 48 million kwh.

The Escaba dam now under construction will be 88 metres high with a capacity of 126 million cubic metres of water covering 700 hectares. The water will be led to the plant by an underground tunnel and after passing through, will be returned to a holding dam 13 metres high with a capacity of 500 thousand cubic metres. This water will be used to irrigate 22,000 hectares through a canal system of 113 kilometres. The respective costs are, for the hydro-electric station, 63 million pesos; the Escaba dam, 40 million pesos; the holding dam, 14 million pesos and the canal system, 34 million pesos—Buenos Aires, July 20.

Australia

URANIUM DISCOVERY—Geologists of the South Australian Mines Department and local men have discovered a vast new uranium field in the northeast of South Australia. Experimental drilling, which began three months ago, shows promise of many millions of tons of uranium ore.

The new area is in rocky country, 75 miles north-west of Radium Hill, and comprises dozens of out-crops of radioactive minerals. The field is spread over 500 miles. The first find was made at a point known as Crocker's Well in 1954 by aerial prospecting. It is believed that a recent discovery near Mt. Victoria, about 12 miles from Crocker's Well, will become the State's third uranium-producing field. The lode matter is of good grade and of a quality which can be treated at Port Pirie—Melbourne, July 27.

PAYMENT ON ADELAIDE EARTHQUAKE—It is estimated that insurance companies will be called on to pay between £2 and £3 million on the recent earthquake in Adelaide, the Chairman of Bankers Traders' Insurance Co. Ltd. has stated. He added that this was the first time that an earthquake in Australia had caused widespread damage to property. The company's increase in losses in Australia for the year resulted entirely from the earthquake—Melbourne, July 30.

Benelux

AGREEMENT ON FREE CAPITAL MOVEMENT—A new Benelux agreement restoring free capital movement between the Netherlands and the Belgo-Luxembourg Economic Union as from July 16, 1954, was signed in Brussels early in July. The agreement mainly provides for the opportunity to convert capital invested in one country in the other Benelux countries, to repatriate it, to invest new capital, to allow free arbitrage, and to transfer national movables. Moreover, provided the competent authorities approve, share issues can be made on the capital market of a partner country. One important result of the application of the treaty is that Belgian capital in the Netherlands which could not be repatriated can now be transferred—Brussels, July 24.

Brazil

PAPER FROM BAGASSE—For the first time, writing and printing papers will be manufactured in Brazil. A plant connected with Refinadora Paulista S.A., in Monte Alegre, Piracicaba, near São Paulo, submitted samples of its products to a meeting of the directors of the Federacao das Industrias of the State of São Paulo. The plant uses cellulose made from sugar-cane bagasse—São Paulo, July 23.

Chile

AGRICULTURAL EQUIPMENT—The Central Bank of Chile recently approved a "barter" deal exchanging US$500 thousand worth of German "Man" and "Lantz" trucks and US$4 million worth of German agricultural tractors for American-mined Chilean copper. The distribution of the trucks and tractors will be undertaken by the government-controlled enterprise, Chilean Trade Development Corporation, "CORFO". A Government decree dated May 5, 1954, authorized "CORFO" to obtain a credit of US$1·2 million from the International Harvester Company of the U.S. for the purchase of heavy tractors—Santiago, July 15.

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ANTIBIOTIC PLANT—The Chilean Government has approved an application submitted by a North American firm proposing to erect in Chile a factory to make antibiotics, at an estimated cost of US$1·6 million. A press report indicates that the new factory will be able to supply not only domestic demand but will also provide a surplus for export—Santiago, July 15.

Egypt

NEW TELEPHONE AND TELEGRAPH PROJECTS—The Egyptian National Production Council has approved a credit of £E.18,994,000 for new telephone projects and £E.1,400,000 for telegraph services. The project provides for 130,740 new telephone lines and is scheduled to be completed in 1960—Cairo, July 15.

India

TROMBAY REFINERY—The $50 million Burmah-Shell Oil Refinery at Trombay near Bombay will go into operation in early 1955—one year ahead of schedule. The capacity of the refinery will be two million tons of crude oil a year. In full production, the refinery will produce 156 million gallons of motor spirit, 72 million gallons of kerosene, 37 million gallons of high-speed diesel oil, 33 million gallons of light diesel oil, 150 million gallons of furnace oil and 150 thousand tons of bitumen a year. The refinery will enable India to save foreign exchange to the extent of Rs.43 to Rs.60 million a year—New Delhi, July 19.

Israel

FISHING FLEET TO BE DOUBLED—Eight 50-ton and three 80-ton trawlers, complete with auxiliary equipment and spare parts, to cost two million D Marks, have been ordered from Western Germany and paid through the Jewish Reparations Agreement. Payment includes construction plans for five more 50-ton trawlers which a local company is to build at a cost of Is.£90,000 each. When the trawlers are received, Israel's deep-sea fishing fleet will have double the capacity of the present 17 vessels—Athens, July 20.

South Africa

AGRICULTURAL PROSPERITY—Gross value of South African agricultural production during the 1953-54 season is an all-time record at almost £350 million. A wool cheque of £65 million is assured from the season's clip of 900 thousand bales; the total weight of wool amounted to 270 million pounds, the highest in 20 years. Running the wool-growers a close second, the mealie farmers have established a new income record of about £62 million based on a crop of 40 million bags (of 200 lb.). The value of wool, cattle, sheep and pigs is not yet available but will certainly equal, and probably exceed, last year's when sales returns included cattle, £28·8 million; sheep, £18·8 million, and swine, £6·5 million—Johannesburg, July 26.

STANDARDS FOR TINNED FOODS—According to published reports, plans are under way to enforce rigid standards for the canning of fruits and vegetables, as was done recently in the canned fish industry. Such a scheme should assist materially in increasing exports of these products—Johannesburg, August 2.

United Kingdom

EXPORTS UP—The volume of British exports in the first six months of 1954 was about 8 per cent higher than in the same period of 1953—as high as any previous half-year since the war. Exports and re-exports to the dollar area averaged £31·1m. a month, compared with £33·5m. during the first half of 1953, or a drop of over 7 per cent. Two-thirds of the drop was in exports to Canada. Shipments to the sterling area were up nearly 12 per cent.

The decline in imports from the dollar area exceeded the decline in dollar exports, resulting in a fall in the trade deficit with the dollar area of £1·5m. a month. Shipments of engineering products averaged £86·5m. a month, £6m. a month more than in 1953 despite increasing competition from Germany and a shrinking North American market. The recovery in textile exports which took place in the second half of 1953 was maintained; the monthly average rate was £28m., or £2m. a month above the level in the first half of 1954. Metal and metal manufactures fell by £1·5m. a month. Total imports were up 3 per cent over the first half of 1953. Import and export prices were respectively 4 and 1 per cent lower—London, August 2.

INDUSTRIAL PRODUCTION—The United Kingdom Central Statistical Office has provisionally estimated that the index of industrial production in May was 131 (1948=100). At this level the index is seven points higher than in April and only two points below the all-time record achieved in November 1953. Compared with May 1953, the index is eight points, or 6½ per cent, higher.

Output by British industry in the first five months of 1954 has been running just over 6 per cent above that in the same period of 1953. This rate of increase is higher than the average rise in 1953 of 5·3 per cent, but is still below the 7 per cent increase established in the last three months of 1953—London, August 2.

A Look at the Japanese Market

Japanese demand for Canadian foodstuffs and raw materials is rising steadily, but dwindling foreign exchange reserves and drop in U.S. spending in Japan hint at future problems which will face the economy.

J. C. BRITTON, *Commercial Counsellor, Tokyo.*

THE AGREEMENT ON COMMERCE recently ratified by the Governments of Canada and Japan should, it is felt here in Tokyo, lead to the expansion of direct commercial relationships between trading firms in the two countries. The Japanese do not suggest that the present imbalance in visible trade—a ratio of 7-1 in favour of Canada—will be immediately adjusted but they hope that the wide disparity in trading will be gradually rectified.

Third Market for Canada

Japan ranked as Canada's third export market in 1953, when imports into Japan from Canada totalled $104,924,000 (Bank of Japan statistics), compared with $103,385,514 in 1952. Japan's purchases of Canadian products, notably grains and industrial raw materials, have risen sharply in recent years. The demand for most of the commodities now coming forward from Canada is continually rising with the steady rise in population—85 million today and increasing at the rate of about a million a year. Japan is deficient in foodstuffs by 20 per cent, and also in most other raw materials required by a modern industrial nation. Canada is recognized as an important competitive source of supply for many of these raw materials and foodstuffs which the country requires. The Agreement on Commerce ensures to Canadian exporters an opportunity to compete on an equal basis with other suppliers in the dollar area. The record of the past three years suggests that Canada can compete successfully on this basis.

Principal Canadian Exports

Japan now constitutes a substantial market for Canadian wheat and barley, with prospects for increased future business in these two commodities. Canadian wheat imports into Japan in the calendar year 1953 were valued at $45,360,000 (Japanese Government statistics), a substantial rise over $32,234,000 in 1952. Barley imports from Canada amounted to $13,625,000 and $47,529,000 in the same two years. Other leading imports into Japan from Canada in 1953 included the following:

Product	*Imports 1953*	*Imports 1952*
Iron ore	$12,034,000	$7,176,000
Pulp (mainly dissolving)	7,039,000	6,453,000
Other metals	6,675,000	2,418,000
Flour (clear)	3,093,000	3,560,000
Asbestos	2,832,000	1,209,000
Newsprint	1,498,000	nil
Linseeds	1,275,000	34,000

Because Japan produces a wide range of manufactured products of all types, there appears to be little scope for developing a continuing and substantial market there for Canadian manufactured goods. This does not mean that business in specialized, high-quality manufactured products is not possible. There are now, and will be in the future, frequent opportunities for selling Canadian manufactures to Japan. The Canadian commodities (other than those already moving to Japan in substantial quantities) on which volume business is possible include lumber, still being imported from British Columbia at well below prewar levels, and petro-chemicals, petroleum products, chemical raw materials, metals and ores.

Export Trade Sluggish

The sluggish condition of the Japanese economy, the dwindling foreign exchange holdings, and the unsatisfactory export trade are basic factors affecting Japanese purchases of Canadian and other products. Japan had a deficit in foreign trade of $1·3 billion (Japanese Ministry of Finance figures) for the fiscal year 1953-54, with imports valued at $2·6 billion and exports at $1·3 billion. Imports rose 23·5 per cent over fiscal 1952-53 and exports were up 11·7 per cent because of record shipments in March. Japan's foreign exchange holdings were estimated at $780 million at the end of March but this total does not take into account her outstanding trading accounts of $160 million with Indonesia and Thailand. Special procurement orders and revenue from armed forces expenditures were at a high level during the fiscal year 1953-54, about $900 million, but there was still a deficit of $313 million in trading for the fiscal year.

With the prospect of a decline in U.S. spending in Japan in fiscal 1954-55, Japan's serious economic problems will probably be accentuated. Special U.S.

procurement is slated to decline by 20 per cent from 1953-54, and will no doubt mean a corresponding decrease in spending by U.S. military personnel and their dependents. This will make necessary either increased earnings through exports or a curtailment of imports. The Japanese Government has already announced an overall curtailment in imports of 10 per cent for the next six months. The prospects for expanded exports, particularly of textiles, to sterling areas are more favourable than in 1953 but there is little ground for optimism over exports to markets in the "dollar" and "open account" areas. Prices of Japanese steel, machinery and chemicals, important export commodities, are generally well above world levels and these three account for an important percentage in Japan's export trade. Unless there is an improvement in the competitive position of Japanese steel, it is unlikely that textile exports alone can raise the overall level of Japan's export trade.

Japan's export dilemma stems in part from a high domestic price level created by a sustained domestic demand. The trend in Japan has been directly opposite to world trends and the Japanese Government has moved to tighten credit drastically in an effort to check consumption and reduce prices. The tight money policy has led to an increase in the number of dishonoured bills and in the number of bankruptcies among trading and small industrial firms. Further austerity measures are expected, with the object of improving production methods in key industries, reducing consumption, and bettering Japan's international trading position.

Marketing British Machine Tools

To keep up deliveries and maintain its competitive position in the world market for machine tools, the United Kingdom is turning to imports to supplement local production. Canada is participating in this two-way trade.

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

MACHINE TOOLS have been a symbol of British engineering genius for so long that the two terms are virtually synonymous. This fact has been brought to the attention of Canadians through impressive displays at a number of the Canadian International Trade Fairs. The exhibits have underlined the quality and ingenuity of British design and workmanship, but they could not demonstrate the important part the machine tool industry has played in the United Kingdom economy for the past twenty years.

About 350 firms in the United Kingdom are substantially and steadily engaged in the manufacture of machine tools. Some of these companies are quite small and 90 per cent of total production is in the hands of not more than 150 firms, less than 10 of which employ as many as 750 men.

Long Period of Full Activity

As early as 1934 the British machine tool business began to pull out of the depression, largely because the home industry took advantage of low costs to replace much of its obsolete plant. Industrial recovery was followed by the demands of rearmament, the greater demands of wartime and postwar rehabilitation, and by rearmament again. Order books are still full, though below the peak of 1952. In that year they totalled £104 million, made up of £37·5 million for export and £66·5 million for home requirements. At the end of 1953, the figures approximated £21 million and £74 million respectively. The last United Kingdom Budget, by providing more generous depreciation allowances, is expected to stimulate the demand again.

Delays Discourage Sales

The strong demand for British machine tools is a tribute to their excellence, but the long delivery that this entails frequently acts as a deterrent to sales, particularly in dollar markets. The reputation of the United Kingdom as a source of supply often suffered from failure to deliver as quickly as competitors did, or even as quickly as promised. In an attempt to correct this situation every effort was made to shorten order books and to meet meticulously every delivery promise. The advent of war in Korea, with the consequent expansion of demand for defence purposes, threatened to undermine again the ability of the United Kingdom industry to meet its delivery dates. Capacity operation was the order of the day, but it was not enough. Deliveries could only be made for defence purposes at the expense of commercial customers.

Rather than sacrifice their hard-won reputation, the machine tool manufacturers decided to make up the deficiency as far as possible by imports from abroad. In consequence, somewhat more than half of the defence requirements of machine tools at this time were brought into the country from abroad. Normally a net exporter, Britain became a heavy net importer of machine tools in 1951. In 1952 these imports rose by 400 per cent and though they fell substantially in 1953, they were still greater than total exports. The defence requirements of the United Kingdom called for 36,000 machine tools of which about 18,000 were imported at a cost of £104 million.

Canada Shares in Business

Canada shared in this business. The accompanying photograph shows a shipment of Canadian-made machine tools arriving at a West Coast United Kingdom port for delivery to a jet engine plant—a perfect illustration of two-way trade and of "taking 'tools' to Newcastle".

This policy of maintaining delivery commitments irrespective of cost has built up the British reputation for dependability which should be a valuable asset in the competitive days ahead. German production is now back to the prewar level; production in France, Italy, Belgium and Switzerland is higher than before the war. At the present time British order books are longer, but prices are generally lower than those of their principal European competitors.

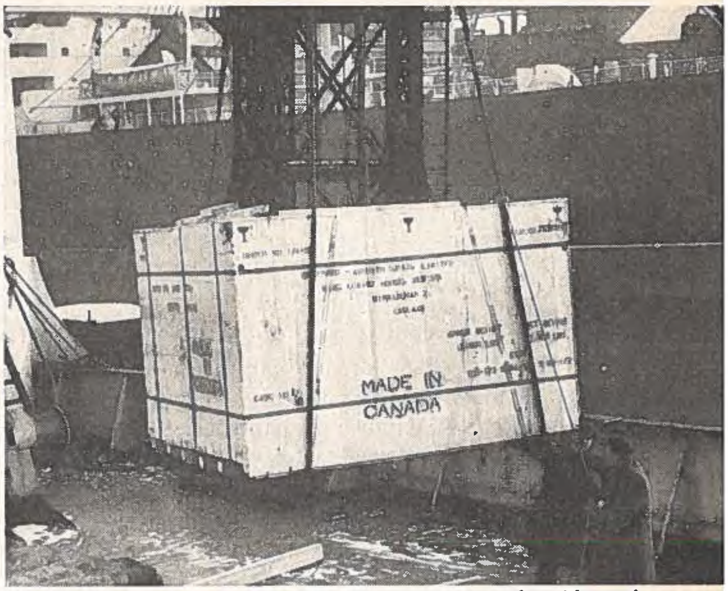
Production and Exports

Total production of British machine tool makers at the end of 1946 was at the rate of £24 million a year; actual production in the year 1953 was £70 million. Figures for tonnage output were not compiled before 1949, in which year the figure was 121,800 long tons. In 1953 it had jumped to 154 thousand long tons.

A shortage of labour has, at times, been a problem and has restricted output. During the whole of the postwar period the industry has been short of skilled men, even though the number of operatives has increased from 35,000 in 1947 to 43,000 by the end of 1953.

The average wage for men in the machine tool trade in the United Kingdom is 72 cents an hour, by the time overtime and production benefits are paid. This is about 45 per cent of the wages paid to similar operatives in Canadian plants.

The industry has always had a good export market, with approximately 40 per cent of total production



Machine tools made in Canada are swung over the side and landed on a British dock. Their destination: a jet engine plant in the United Kingdom. Britain in 1953 actually imported more machine tools than it exported.

destined for overseas customers. The pattern of British exports has changed considerably since prewar for balance of payments and political reasons. Certain South American Republics as well as France are taking considerably less now than prewar and trade with Iron Curtain countries has practically ceased. On the other hand, trade with Canada has been built up from £350 thousand in 1949 to £3·5 million in 1953. The CITF was used by the industry to good advantage; special exhibits were staged in 1950 and 1951 and smaller showings in other years.

Exports to the United States have also risen and by 1953 amounted to £1·6 million, compared with negligible prewar shipments. The United Kingdom industry is confident that this market can be expanded.

Australia is the leading outlet for British machine tools, followed by Canada, South Africa and the United States. The demand from Iron Curtain countries is considerable though shipments have been insignificant because of security restrictions. It has just been announced, however, that most types of woodworking machines may now be exported to China which should open up new sales possibilities.

Competition is becoming keener in world markets and Germany and Japan are beginning to make an impression in the machine tool field. Long-term credits and prompt deliveries are being used as sales aids to an extent unknown since before the war. The United Kingdom industry looks to the future with confidence but it is well aware of the difficulties it faces. It believes that it has a technological lead over many of its competitors and is not afraid of quality comparisons. ●

West Germany's Photographic Industry

New developments in cameras and photographic equipment illustrate the continuing technological progress in this important West German industry.

I. V. MACDONALD, *Assistant Commercial Secretary, Bonn.*

THE GERMAN CAMERA AND PHOTOGRAPHIC INDUSTRY, which already exports over 50 per cent of its production, recently unveiled important new developments that may mean further success in world markets. The quality of the camera lenses has reached a postwar peak and other features, such as a revolutionary new-type shutter, new designs to simplify operation, and stereoscopic attachments have been introduced.

At the "Photokina"

Some of these innovations made their appearance at the "Photokina", West Germany's photographic industries fair, held every two years on a site on the banks of the Rhine just opposite Cologne cathedral. Probably the largest fair of its type, it attracted 400 exhibitors of cameras and associated equipment. About 100 of them came from foreign countries, including some from the United States, thanks to the recent liberalization of imports of many types of photographic products from dollar countries. France sent 48 exhibitors, the United Kingdom twelve, and for the first time there were displays by Soviet manufacturers.

Attendance records set during the nine days of the fair demonstrated the interest of buyers in these products. Some 25,000 non-German business visitors registered at the Fair. They were attracted by the cameras and accessories shown but also by the wide range of technical apparatus—chemicals, developers, enlargers, lighting and sound systems, and other professional equipment.

New-Type Shutter Displayed

Among the new inventions receiving attention at the fair was the revolutionary Synchro-Compur shutter. This device eliminates the need to adjust aperture and shutter speed separately by coupling the two and basing the whole operation on a scale of light intensities which is numbered from 2 to 18. Once the correct number is selected by reference to a chart or exposure meter, the speed desired may be set and the diaphragm opens or closes automatically to maintain correct exposure. Exposure meters also are being adapted to the new system and the prospects are that the old-type exposure meters will soon be offered at lower prices while dealers make room for the new stocks.

Cameras which are slated to adopt the new shutter are the Zeiss Contessa, Contina, Ikonta and Super Ikonta, Kodak Retina I and II, Agfa Karat, Voigtlaender and many others. Already prices for these cameras with the present shutters and in the lower price range are being slashed throughout Germany. The higher-priced cameras such as the Leica (Ernst Leitz G.m.b.H.), the Contax (Zeiss-Ikon) and the Exacta (Ihagee Kamerawerke) are not affected because they are fitted with a focal plane shutter for higher speeds and the Synchro-Compur provides speed up to one five-hundredths of a second only. Because of the higher cost of the new shutter it will also not affect the cheaper lines of cameras, although the Prontor, a less expensive shutter, will be converted to the new system.

New Cameras Introduced

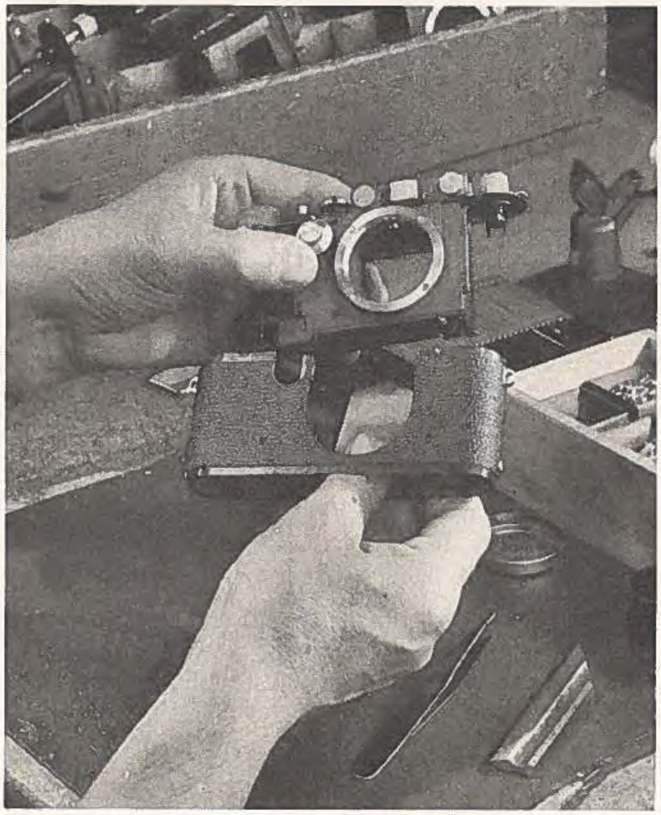
New cameras shown at the Fair include the new Leica Model M3, which is similar in appearance to the IIIf but contains many refinements. It is expected that the M3 will become the leading camera in the Leica line but it is not intended to replace the models currently on the market, which will still be produced. A Duesseldorf maker has also brought out an automatic model which may be adapted, with the use of accessories supplied by the firm, to under-water photography and to many other specialized uses. Because of the automatic feature which enables up to ten photos to be taken per second, this type of camera has been purchased for installation in military equipment where a continuous photographic record is required.

From the Soviet Zone, the Ihagee Kamerawerke brought its new model Exacta reflex camera which incorporates many of the characteristics of the well-known Varex—a camera similar to the Leica and Contax. Its film cassette is interchangeable, it has speeds up to 1/1,000 of a second, and both viewing and photographing is done through a single lens. Reliable sources have indicated that the lenses produced in the East Zone and supplied with such cameras as the Varex and Practica are of high quality. The leading manufacturer is the former Carl Zeiss works at Jena.

In the field of lower-priced cameras many "luxuries" have been introduced which were, until recently, only available in the higher-priced models. These include quick-winding devices, range finders, coated lenses, and good-quality shutters. Although they are not so well known internationally as the more expensive German makes, these medium-priced cameras offer good results and are considered adequate for most amateurs.

Improved Colour Process

Agfa, one of the largest German producers of cameras and photo-chemicals, has invented an improved colour process which enables colour films to be developed and "fixed" in much the same way as black and white film. The German firm is counting on the new development to have a considerable effect on the market for colour films because of its simplicity and because it largely eliminates the delay in processing colour films. Another innovation in the field of photo-chemicals is the Neodyn developer, which permits a reduction in exposure times for low-sensitive films. This developer will open up further possibilities for the miniature camera and also improve the results obtained from the cheaper models.



West German Camera Exports, 1950-1953

(thousands of D Marks)

(Cdn. $1.00=DM 4·27)

Special Cameras for Technical and Scientific Purposes.

	1950	1951	1952	1953
Canada	38	100	91	280
United States	305	456	1,233	1,043
Australia	29	106	n.a.	276
Belgium	15	32	85	98
Brazil	112	125	68	9
Denmark	51	11	n.a.	88
France	75	134	n.a.	59
Italy	36	56	92	86
New Zealand	6	63	53	141
Netherlands	46	95	64	78
Norway	41	44	84	56
Sweden	59	113	181	299
Switzerland	35	75	151	279
United Kingdom	5	96	89	54
Venezuela	48	38	n.a.	75
Others	155	605	928	927
Total	1,056	2,149	3,119	3,848

The advances in technology are paralleled by the rise in Germany's exports of cameras and photographic supplies. Photo-chemicals have also enjoyed markedly improved sales during 1953 and the total value approached DM36 million, compared with DM24 million in 1952. Chief articles in this export trade are photographic paper and films and the most important markets are Argentina, Brazil, the Netherlands, Italy, Sweden, and Switzerland. Germany also imports film, largely from Belgium.

Exports Are Rising

In all categories of cameras and accessories, exports were higher in 1953 than in 1952. The export value of special cameras for scientific purposes rose from DM3 million to almost DM4 million, and that of other cameras from DM124 million to DM126 million. Other photo equipment, including projectors and movie cameras, rose in export value by over one-third, almost to DM56 million. Germany's leading customers in 1953, in order of importance, were the United States, Sweden, Switzerland, Canada, Great Britain and Japan. The United States is easily the largest market for German cameras and last year imported cameras and equipment to the value of DM74 million. Export prospects appear good.

Canada's purchases of German cameras have increased steadily since 1950 and of the total imports worth $3·5 million in 1953 Germany supplied almost one-third.

The camera mechanism is introduced into the camera body in one of Germany's photographic equipment plants. The United States is the largest foreign market for German cameras and for allied equipment.

The table below points to the steady rise in imports of cameras and photo equipment from Germany over the past four years and shows the position of Germany relative to other leading suppliers.

Canadian Imports of Cameras and Parts, 1950-1953

(*Cdn. $*)

	1950	1951	1952	1953
Germany, West } Germany, East }	412,039	512,009	735,205	1,118,552
			30,817	69,340
United Kingdom	136,927	77,196	131,059	175,890
United States	1,989,096	1,747,143	2,226,484	2,381,195
Others	145,917	142,109	131,722	211,932
Total	2,683,979	2,478,457	3,255,287	3,956,879

(December 1953 imports of camera parts unfinished, class No. 9135, and of cinematograph cameras, class No. 9149, not included.)

Canadian Imports of Photographic Accessories, 1950-1953

	1950	1951	1952	1953
Germany, West } Germany, East }	not available }	65,741	163,028	231,818
	" "		9,544	2,314
United Kingdom	" "	14,281	30,647	29,199
United States	" "	575,344	1,369,254	2,208,758
Others	" "	14,299	10,474	52,316
Total		669,665	1,582,947	2,524,405

(December 1953 imports of photoflash lamps, class No. 9127, not included.)
Source: D.B.S. Trade of Canada Statistics.

The 250 thousand employees of Germany's present-day photographic industry have inherited a background of experience which is one of the oldest in the world. Special skills are passed on from father to son and new production techniques are continually being developed and put into practice. This foundation of highly skilled technicians is the most important factor in Germany's leading position in the world's photo industry. The postwar period has brought difficulties, particularly the political division of the country. Pre-war, about 40 per cent of the camera industry was situated in what is now Deutsche Demokratische Republik, or the East Zone. After partition, several former East Zone firms re-established in the Federal Republic—the Western Zone. However, in the case of the Zeiss company, production was continued also in the former plants at Jena and Dresden under the Zeiss name.

Up to the present, the chief concern of the industry in trying to step up its exports has been the currency difficulties which have restricted sales in certain European and overseas markets. However, with continued technological progress and the gradual removal of restrictions, the outlook for the industry is generally favourable.●

Canada Buys Mexican Peanuts

THE MEXICAN PEANUT INDUSTRY has developed in recent years almost entirely because growers have found a steady market in Canada, which today absorbs 95 per cent of exports. National production has risen from 35,000 metric tons in 1948, to 67,825 tons in 1951 and an estimated 80,000 tons this year. Canadian purchases of peanuts from Mexico were valued at a mere $79,000 in 1948; in 1950 this figure rose to nearly $3 million and it has averaged about $4 million a year since then.

Varieties Grown

Between 80 and 85 per cent of the normal crop is of Virginia Criollo Mexicano peanuts for export, and the average crop of 70,000 metric tons is composed of:

8 per cent	Salvatierra (small for domestic crushers)	5,600 metric tons
5 " "	Rojo (domestic market)	3,500 " "
5 " "	Espanol (domestic market)	3,500 " "
82 " "	Virginia Criollo Mexicano	57,400 " "

The Secretariat of Agriculture estimates that the average yield in Mexico varies from 1·2 to 1·5 metric tons of nuts per hectare (2·2 acres). The crop is harvested in the states of Oaxaca and San Luis Potosi in August but for the bulk of it—in Puebla, Jalisco, Guanajuato and Nayarit—the harvesting season extends from November to January.

Mexico has increased in importance as a source of supply for Canadian users of peanuts as the United States and China have declined, and exports to Canada, which totalled only 0·6 million pounds in 1948, should this year approximate those of 1952 (38·6 million pounds) and 1953 (42·8 million pounds).

By and large, the industry in Mexico is not anxious to increase the area which is currently sown to peanuts; it considers it more practical to try to increase yields by the use of improved seed. The National Bank of Foreign Trade, a government agency, has emphasized that the Canadian market could fluctuate and that no other firm markets have been established abroad. It is likely, therefore, that Mexico will make a determined effort to find more constant markets in Europe.

—M. T. STEWART
Commercial Counsellor, Mexico, D.F.

Peru: Production and Exports

Falling world prices of her main exports brought Peru a trade deficit in 1953, but trend so far in '54 is towards improvement and a smaller trade deficit.

H. J. HORNE, *Commercial Secretary, Lima.*

THE DECLINE IN WORLD PRICES of lead, zinc, cotton and sugar, Peru's chief exports, together with an increase in imports despite already high inventories, brought the country a trade deficit of $72 million in 1953. Though invisible dollar income was high, foreign exchange reserves fell, weakening the sol-dollar rate. To reduce the pressure on exchange reserves, several deflationary policies were effected. Public works expenditures were reduced, the budget was readjusted, the expansion of currency halted, and banking and commercial credits restricted. In keeping with his free trade principles, the President did not apply import controls.

The first four months of 1954 show a smaller deficit compared with the corresponding period of the previous year. Exports are up both in volume and value, and a downward trend in imports is indicated by collection and foreign trade statistics. These developments, plus a $30 million currency stabilization loan, should moderate fluctuations in foreign exchange rates.

Agricultural Exports Rise

Agriculture, a mainstay of the Peruvian economy, brings in one-half the export income. Cotton is the most important crop: in 1953, 404 thousand bales of 500 pounds were produced and 345,200 bales exported. Principal customers were the United Kingdom, 71,400 bales; Chile, 60,100; Belgium, 42,800; Colombia, 42,400; Germany, 40,800; France, 24,600; Holland, 16,150, and the United States, 11,800.

Sugar production established a record in 1953, with the crop totalling 623,373 metric tons, 408,486 tons of which were exported. Principal customers were Chile, 154,542 metric tons; Japan, 91,826; United States, 50,564; Bolivia, 39,775; Uruguay, 18,962, and Germany, 17,589. Rice was again exported to Japan, carrying on a trade begun in 1952.

The Government has encouraged, through loans and technical assistance, an increase in livestock production in the hope of cutting down on the large amounts of foreign exchange spent annually on meat imports from the Argentine, Nicaragua, and recently from Mexico. Machinery pools and large-scale government irrigation projects have also helped to stabilize and increase agricultural production. Good yields are expected in 1954, with above-average crops in cotton, sugar and rice.

Mining and Manufacturing

Despite uncertain marketing conditions, mineral production has held up well. The following figures supplied by the National Mining Association give the 1953 output of base metals, the principal minerals found in Peru:

Zinc	144,488	metric tons fine
Lead	87,768	" " "
Copper	37,734	" " "

Exports of iron ore from the Marcona deposits have now reached 150 thousand tons a month. Crude oil production rose in 1953 to 15,998,943 barrels of 42 gallons and 1954 is expected to see about the same output. Initial drilling operations in the Sechura desert region recently opened for exploitation have so far proved unsuccessful. There is some expectation that new oil fields will be discovered.

General manufacturing activity was brisk although slackness appeared in the textile field. The imposition of protective duties has stimulated the development of national industry and during the past year many plants have expanded and several important new industries have been established. The cost-of-living index rose 11 per cent in 1953. Although there were some minor strikes, the labour front was relatively quiet; small wage increases were granted in some fields.

Trade with Canada

Canadian exports to Peru in 1953 totalled $15,107,628 (1952, $16,404,770) and imports from Peru to Canada were valued at $2,928,207 (1952, $8,050,129) a drop largely explained by smaller purchases of metal ores. Final Peruvian trade figures are not yet available but it is expected Canada will retain its position of third largest supplier to Peru.

Canadian exporters not already doing Peruvian business might well explore this small, interesting and unrestricted market in a country with good long-term prospects. ●

commodity notes

Argentina

OFFSET PAPER—The *Boletin Argentino Forestal* states that a new machine for the manufacture of offset paper was installed and began operating recently for Messrs. Hurlingham S.A. This will bring this firm's annual production up to 1,800 metric tons. A second firm began on April 1st to produce this item at an annual rate of 1,500 metric tons—Buenos Aires, July 20.

Australia

ELECTRICAL APPLIANCES—Production of domestic electrical appliances in Australia increased notably in 1953, compared with the previous year. Output of washing machines was up by 33,500, of radios by 271,100, of mixers by 59,800, and of irons by 40,300. Toasters and hot water jugs showed smaller gains, and output of fans and vacuum cleaners decreased slightly. Retail expenditure on electrical goods and radios reached £68·1 million, £6½ million more than in 1952. Most of this increase occurred in the last half of the year—Melbourne, July 24.

Brazil

SUGAR—With a current crop of almost 11·7 million sacks of sugar, the Paulista sugar mills have doubled the State of São Paulo's production over a period of five years. The increase in consumption over the same period was 78 per cent. Stocks held on January 15, 1954, were higher than at similar dates during the past five years—São Paulo, July 26.

Chile

COPPER—The Chilean Government has approached the Chilean copper mining companies, Anaconda and Kennecott, asking them to increase their production to 360 thousand tons a year to meet present increased world demand—Santiago, July 29.

Cuba

SUGAR—The Cuban Sugar Institute reports that for the period January 1 to May 15, 1954, sugar exports to all countries amounted to 1,613,802 Spanish long tons. This is a substantial decrease over the same period the previous year when exports were 2,127,341 Spanish long tons—Havana, July 23.

Gold Coast

DIAMONDS—The Gold Coast Government diamond market opened for business on July 12th. Diamond producers in the Gold Coast are able through this market to sell their output direct to diamond dealers licensed by the Government. Not more than three dealers are being licensed to trade in diamonds for the first year but others may be added later—London, July 30.

New Zealand

SALT—A postwar industry launched jointly by the Government and private enterprise for the solar evaporation of salt appears to be developing soundly. Dominion Salt Limited produced last season 1,500 tons of salt—Wellington, July 27.

Norway

REFRIGERATION VEHICLE—A firm in Kristiansund, one of Norway's main fishing centres, has built a semi-trailer-type road vehicle, powered by a British traction unit, for the transport of deep-frozen fish. The vehicle's own plant retains the temperature inside the trailer at minus 22°F., and the trailer itself has a capacity of about 780 cubic feet. It is to be used for transport between Kristiansund, Oslo and Sweden and, if successful, the firm intends to increase its fleet of vehicles as well as its area of operation—Oslo, July 30.

Pakistan

PAPER—The Karnaphuli Paper Mill in East Bengal has produced more than 8,000 tons of paper since the beginning of operations in October 1953. Imported pulp has been used so far but the mill's pulp-making machine is being put into operation and it is expected that local pulp may be used shortly.

The mill is currently operating with a production of 55 to 60 tons per day and it is expected that capacity production of about 100 tons per day will be reached next month. At full production, there will be an exportable surplus of approximately 5,000 to 7,000 tons per year and the Pakistan Government is taking steps to introduce the paper produced in the mill to foreign markets—Karachi, July 26.

Philippines

SUGAR—Revised estimates place Philippine production of sugar for the 1953-54 crop year at 1·5 million short tons, the largest in postwar years. Quotas for domestic consumption and for export to the United States total about 1·3 million tons. An extra quota of 30,000 short tons for domestic consumption was recently allotted to mills and planters by the Sugar Quota Administration. In addition, slightly more than 38,000 short tons were exported towards the end of last year. This leaves a surplus of 123,700 tons which will presumably be kept in reserve for emergencies—Manila, July 17.

Rhodesia and Nyasaland Federation

MINERALS—For the tenth consecutive year Northern Rhodesian mineral output established a record. In 1953, total value of minerals won was £95 million, almost 18 per cent above the previous year. Contributing to the output were 210 thousand tons of blister copper valued at £51·7 million; 152,520 tons of electrolytic copper, £38·3 million; 11,510 tons lead, £1 million; 25,330 tons zinc, £1·9 million, and cobalt alloy, 30,575 tons, £1·9 million—Johannesburg, July 27.

South Africa

WOOL—A larger wool clip combined with higher prices brought South Africa an increased income of £4·6 million for the first nine months of the present season. From July 1, 1953, to the end of March this year, more than 226 million pounds of wool were sold, an increase of 10 million pounds over the same period of 1952-53. The average price was 59·2d per lb., compared with 56·9d the previous year—Cape Town, July 29.

Sweden

PREFABRICATED HOUSES—Prefabricated wooden houses of a new type are being designed by Swedish architects. Fifty of these Nivis houses, designed for one family, will be erected in various parts of the country. The Nivis house consists of four rooms and kitchen and is built on a concrete base without a cellar and heated by warm air circulated through channels in the floor. An outhouse is provided instead of the cellar and attic customary in Sweden—Stockholm, August 1.

Turkey

OPIUM—Since June 15 the Turkish State Soil Products Office (Toprak) has been carrying on its annual purchase of all the 1954 opium crop. After the end of September the possession of opium by farmers or unauthorized agents will be considered illegal. Prices paid range from the equivalent of $15 per kilo for 13 per cent and over morphine content, to $13.20 per kilo for 11 to 13 per cent morphine content and $12 per kilo for under 11 per cent morphine content. A bonus of 10 per cent is allowed for qualities of special colour and smell.

The cultivation of poppies and opium in Turkey is controlled by the State through the Soil Products Office. The area growing opium totals about 65 thousand acres and the average yearly production is probably about 250 tons. Opium is an export staple; exports in 1953 amounted to 150 tons and the United Kingdom, Italy, Belgium, and France were the principal buyers—Athens, August 1.

MARGARINE—Under the provisions of the new Turkish law on foreign capital investment the British Unilever Company has been allowed to import £1·3 million worth of machinery and equipment for the expansion of margarine production in Turkey—Athens, July 29.

United Kingdom

FISH—Foreign landings of fish, other than shellfish, dropped to 67,861 tons in the twelve months ending March 31, 1954, from 98,541 tons in the previous year. Landings in the twelve-month period ending March 31, 1952, totalled 152,825 tons. Total landings—British and foreign—were worth £42·5m. last year compared with £47·5m. in 1952-53. The weight of fish landed by British vessels was down by 4·3 per cent—London, August 4.

United States

ALUMINUM—The Kaiser Aluminum Plant at Chalmette, Louisiana, reached a significant milestone recently when its 500 millionth pound of primary aluminum was poured. With the eighth and final reduction line placed in operation last fall, Chalmette's production rate is at near capacity, which is 400 million pounds of primary aluminum per year—New Orleans, August 4.

SALT—U.S. salt production reached an estimated 20 million tons in 1953, an increase of 2½ times prewar output, reports the Salt Institute. Most of the increase is attributed to the growth of the chemical, petrochemical and petroleum industries which now use 68 per cent of the total production. Salt brine accounted for 58 per cent of production, rock salt about 23 per cent, and evaporated salt, 19 per cent. Salt is used chemically in processing high-octane aviation gasoline, explosives, synthetic rubber and fibres, plastics, textile bleaches and dyestuffs, paints, sugar, pulp and paper, metals, pharmaceuticals, cosmetics, and insecticides—Chicago, August 10.

Egypt's Foreign Trade: an Analysis

Egypt has now achieved a sound balance of payments position but generally poor business conditions, plus large stocks of wheat and flour, do not augur well for greater purchases from Canada this year.

A. G. KNIEWASSER, *Acting Trade Commissioner, Cairo.*

CANADA'S SALES TO EGYPT put her in sixth place among the country's suppliers during the calendar year 1953, according to trade figures released in Cairo recently. Total imports from Canada reached a value of £E8,803,176* or 5 per cent of Egypt's total imports, by value, from all countries during that year. Wheat and flour shipments alone amounted to £E8,636,143.

Trade Declines

Egypt's imports during 1953 totalled £E174,696,638, a 20 per cent reduction from the 1952 figure of £E218,771,496. This decrease resulted mainly from new import restrictions on luxury and semi-luxury goods and from the bumper cereal harvest which enabled the country to supply a greater proportion of her own requirements. Purchases from Canada consequently fell from the 1952 total of £E18,366,433 to £E8,803,176. Other countries with smaller Egyptian sales included the United Kingdom, down £E12,-111,680, and the United States, down £E8,173,539. Imports from Western Germany, however, continued to increase, reaching a total of £E18,381,059, some 50 per cent over the 1952 figures.

The following tables outline Egypt's principal sources of supply and principal imports for the years 1952-53:

	1953		1952	
Country	*Value £E*	*% of total imports*	*Value £E*	*% of total imports*
United States	27,668,400	16	35,841,939	16
Germany	18,381,059	11	12,194,056	6
United Kingdom	17,380,177	10	29,491,797	14
France	15,440,336	9	14,065,012	6
Italy	12,508,592	7	12,236,088	6
CANADA	8,803,176	5	18,366,433	8
Total all countries	174,696,638		218,771,496	

An analysis of these figures on a commodity basis reveals the sharp reduction in wheat and flour imports. Imports of lumber, iron and steel increased moderately.

Commodity	1953 *Value £E.*	1952 *Value £E.*
Wheat	22,234,980	32,597,215
Fertilizers	11,450,574	13,638,964
Tea	7,724,187	6,480,588
Kerosene	7,000,393	6,619,750
Lumber	6,447,287	5,263,079
Medical and pharmaceutical products	4,980,687	4,304,890
Tobacco and products	4,708,640	4,855,570
Lubricating oils	4,144,056	5,472,485
Flour	3,185,398	7,150,675
Iron and steel bars	2,878,941	2,525,276
Sugar	1,777,791	16,947
Woollen goods	2,072,876	3,637,675
Fruit	2,781,407	3,347,231
Trucks, buses, etc.	2,538,371	5,991,767

Exports to all countries amounted to £E135,863,122 compared with £E142,851,388 in 1952. Raw cotton sales totalling £E116,347,650 were the most important single item; other sizable exports were onions, cottonseed oil and cotton yarn. Principal markets were France, £E17,980,047; India, £E15,942,959, the United Kingdom, £E14,785,619; and Italy, £E10,154,126. Exports to Canada, mainly raw cotton, reached a record £E1,890,354. Additional quantities of cotton are believed to have entered Canada from the United States but these do not appear in the Egyptian statistics.

Balance of Payments Position

Merchandise imports as usual exceeded exports, but the greater relative decline in imports led to important reductions in the trading deficit. The deficit amounted to £E38,833,516, compared with £E75,920,108 in 1952. This improvement was associated with, and offset by, net gains on capital account and as a consequence exchange reserves reached a sounder position than for many years. At the year's end, holdings of United States dollars were £E20 million and free sterling £E18 million. The advisability of removing some of the more restrictive import regulations is now receiving serious consideration. The Minister of Finance has announced that the timing of such relaxations will depend upon the United Kingdom's decision on the release of £10 million sterling balances due

* 1£E. equals $2·8141 Canadian (official rate).

to Egypt some time this year. It is, however, unlikely that the regulations affecting imports of dollar goods will be altered to any important extent.

Import Entitlement Account

Except for government transactions, Canadian goods entering Egypt through private commercial channels have to be financed through the Import Entitlement Account (see *Foreign Trade* of May 9, 1953). Premiums up to 15 per cent have, in the past, been required for dollars under this method of trading and Canadian prices have frequently been uncompetitive with quotations from countries who are able to finance their shipments at official rates of exchange. Because of the improved balance of payments situation and also the business recession within the country, premiums have fallen over the past few months and recent quotations are as low as 3 per cent for American dollars.

Despite the fall in exchange premiums required for Import Entitlement Account transactions, prospects for the maintenance of last year's level of trade with Egypt are not promising. Approximately 90 per cent of Canadian exports to this country over the past three years have consisted of wheat and flour and the likelihood of another bumper cereal crop, plus large stocks on hand, have put an end to the wheat and flour business for the present at least. The Ministry of Supply has, in fact, stated that no imports of cereals will be required for the rest of this year.

The more favourable exchange position is, however, leading to some interest in other Canadian goods such as newsprint, farm machinery and implements, asbestos products, lumber, butane stoves, aluminum products and professional and scientific equipment. Efforts are also being made to supply the Egyptian State Railways with diesel locomotives, rolling stock, and railway ties required in connection with the railways' extensive modernization and replacement program. The fact remains, however, that the climate of domestic business is unfavourable for the development of new trade. Retail sales are estimated at less than half those of a year ago and stocks of finished goods are high at both retail and wholesale levels. Under the circumstances, importers feel reluctant to tie up large sums of money or to take chances on unfamiliar products from new sources of supply. Factors of strength, on the other hand, are the sound financial position which Egypt has achieved and the 30 per cent increase in acreage sown to cotton this year. None the less, the fundamental basis of any substantial improvement in the general business situation, and hence the demand for Canadian goods, rests mainly on a number of non-economic factors.●

trade and tariff regulations

Australia

CONTROL OF JUTE TO END—Controls on buying and distribution of jute which were established 14 years ago to ensure sufficient supplies to users are to be lifted early in 1955. The controls on wool sacks will end on January 1, 1955, and on corn sacks on February 1, 1955. Arrangements will be made with the trade for the dates for decontrol of chaff bags and raw jute. To ensure a smooth change-over, the trade will be permitted to start buying six months ahead of the decontrol dates, but sales from privately imported stocks will not be permitted before these dates—Sydney, July 30.

New Zealand

IMPORT RESTRICTIONS RELAXED—Cabled advice has been received that the New Zealand Government announced, on July 29, the import licensing schedule which will be effective in the calendar year 1955.

A number of products have been added to those which may be imported from any country without licence. The principal ones, some of which may be of interest to Canadian exporters, are as follows:

Crawler tractors
Spare parts for tractors
Spare parts for motor vehicles
Artificers' tools
Sewing and knitting machines
Adding and computing machines
Surgical and dental appliances, instruments and supplies
Aircraft
Cocoa butter
Canned fish
Dried prunes (effective February 1, 1955)
Rubber tires for motor vehicles and tractors of sizes not made in New Zealand
Watch glasses
Cash registers

Engines for cycles, motor vehicles, tractors and aircraft
Sparkplugs
Wire netting
Turpentine and substitutes
Medicinal mineral oil
Carbon black
Plastic moulding powders
Rubber transmission belting
Shoe tacks, binding and beading
Unmounted lenses
Abrasive paper and cloth
Ball and roller bearings
Carbon electrodes
Mica
Steel shafting, perforated and cellular
Metal sheet
Nails, under one inch
Metallic netting, lath and fencing
Soya oil
Timber

Some of the items shown above are currently admitted into New Zealand from Canada under quota.

In addition, it has been announced that the New Zealand Government will adopt a more liberal attitude towards licensing of imports of essential plant and equipment and industrial raw materials from Canada. It is understood that more favourable consideration will be given to imports from Canada of other types of goods, particularly if the price and quality advantages of buying from Canada are shown.

It has also been announced that increased imports of motor vehicles from North America will be permitted.

Further details on these relaxations will be published as they become available.

South Africa

IMPORT CONTROLS—A notice appeared in *Foreign Trade* of August 7 providing some of the details on the new priorities list issued in South Africa on July 23. That notice was based upon cabled advice. Official information has now been received. The following commodities are now on the priorities list in South Africa. These are products in short supply in South Africa for which additional import permits will be issued. With the removal of trade discrimination South African importers may use their permits to import from the dollar area if they wish.

Mustard powder
Carpets (other than coir, sisal and similar hard vegetable fibres), excluding carpets in the piece and rubber mats
Infants' knitted outerwear, not exceeding 16 inches in length
Infants' socks, up to and including size 4
Oil cloth and oil baize, not being floor cloth
Handkerchiefs and handkerchiefs in the piece
Cutlery
Spoons and forks (excluding gold or silver or gold- or silver-plated), but including blanks
Steel unplated carving sets and parts
Kitchen spoons and parts
Kitchen cutlery and parts
Strainers and parts
Sieves and parts
Eggbeaters and whisks and parts
Bacon slicers and parts
Tin graters and parts
Can openers and parts
Basting spoons and parts
Skimmers and parts
Patty pans and parts
Icing sets and parts
Cake makers and parts
Razors, including electric razors, and parts
Razor blades
Barbers' hair clippers, including electric hair clippers and parts
Electric vacuum cleaners and parts
Vacuum cleaners—floor polisher combinations and parts, excluding brushes separately imported
Lawn mowers and parts
Electric flashlights, excluding batteries and bulbs imported as spares
Hedge shears and parts
Pruners and parts
All types of secateurs and parts
Sewing machines exceeding £11 10s. f.o.b. each
Paraffin burning stoves and ovens (excluding pressure stoves and pressure ovens) and parts
Weighing machines and scales, not exceeding £50 f.o.b. each, and parts
Babies dummies, valves and teats
Shaving brushes
Wallpaper
Fountain pens and parts
Ball point pens (excluding gold and silver plate and gold- and silver-plated ware) and parts
Watches and clocks (excluding gold or silver cased watches and clocks exceeding £8 f.o.b. each) and parts
Employees' time recording clocks and parts
Night watchman's detectors
Pigeon flying time recording clocks and parts
Set up mechanisms or movements
Gramophones (excluding electrically-operated) and parts
Gramophone needles
Pianos and parts
Firearms, including barrels but excluding revolvers, pistols and barrels for revolvers and pistols
Gun and rifle furniture
Firearm cartridges
Paraffin and petrol-burning irons and parts
Food mincing machines and parts
Vacuum flasks and parts

United States

COURT RULES ON MARINE ENGINES INSTALLED ON CANADIAN-MADE BOATS—Customs Court decision C.D. 1628, appearing in weekly *Treasury Decisions* of July 8, 1954, is concerned with American-manufactured marine engines shipped to Canada and attached to Canadian-built motorboats and then returned to the United States. The Court held that the engines are entitled to exemption from duty as American Goods Returned.

Furthermore, rulings made by the Customs, relative to the dutiable classification of American goods after having been attached abroad to foreign articles before being returned to the United States, to the effect that the act of assembly constitutes an advance in value or an improvement in condition, are held by the Court to be contrary to the Tariff Act.

foreign trade service abroad

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

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	W. P. Birmingham, Assistant Trade Commissioner		
Indonesia	W. D. Wallace, Commercial Secretary	Canadian Embassy, Tanah Abang Timur 2, DJAKARTA	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Gambir 499
Ireland	T. G. Major, Commercial Counsellor for Canada	66 Upper O'Connell St., DUBLIN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 44251
Italy Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor	Canadian Embassy, Via Saverio Mercadante 15, ROME	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 846-842
	Assistant Commercial Secretary		
Italy	C. F. Wilson, Agricultural Counsellor		
Italy	M. S. Strong, Commercial Secretary (Fisheries)		

Territory	Officer	City Address	Mail and Cables, Office Telephone
Jamaica Bahamas, British Honduras	M. B. Palmer, Canadian Government Trade Commissioner	Canadian Bank of Commerce Chambers, KINGSTON	*Mail:* P.O. Box 225 *Cable:* CANADIAN *Tel.:* 2858
Japan Korea	J. C. Britton, Commercial Counsellor R. F. Renwick, Assistant Commercial Secretary	Canadian Embassy, TOKYO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 48-4116
Japan	Paul Sykes, Canadian Government Trade Commissioner	7th Floor, Crescent Bldg., 72 Kyomachi, Ikutaku, KOBE	*Mail:* P.O. Box 513 *Cable:* CANADIAN *Tel.:* 48966
Lebanon Iraq, Jordan, Syria	G. F. G. Hughes, Canadian Government Trade Commissioner	Centre Urbain Emir Beshir, Bâtiment A1, Rue Emir Beshir, L'Azarieh, BEIRUT	*Mail:* Bôite Postale 2300 *Cable:* CANADIAN *Tel.:* 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.	*Mail:* Apartado 126-Bis *Cable:* CANADIAN *Tel.:* 36-27-90
Netherlands Netherlands Belgium, Denmark, Luxembourg	V. L. Chapin, Commercial Secretary C. J. Small, Acting Agricultural Secretary	Canadian Embassy, Sophialaan 1-A, THE HAGUE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 18-51-06
New Zealand Fiji, Western Samoa	L. S. Glass, Commercial Counsellor	Office of the High Commissioner for Canada, Government Life Insurance Bldg., WELLINGTON	*Mail:* P.O. Box 1660 *Cable:* CANADIAN *Tel.:* 70-644
Norway Denmark, Greenland, Iceland	J. L. Mutter, Commercial Counsellor	Canadian Legation, Fridtjof Nansens Plass 5, OSLO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 33-30-80
Pakistan Afghanistan, Iran	R. K. Thomson, Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	*Mail:* P.O. Box 3703 *Cable:* CANADIAN *Tel.:* 5826
Peru Bolivia	H. J. Horne, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	*Mail:* Casilla 1212 *Cable:* CANADIAN *Tel.:* 71150
Philippines	F. H. Palmer, Consul General and Trade Commissioner H. E. Lemieux, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, Ayala Building, Juan Luna Street, MANILA	*Mail:* P.O. Box 1825 *Cable:* CANADIAN *Tel.:* 3-33-35
Portugal Azores, Madeira	L. M. Cosgrave, Commercial Counsellor	Canadian Legation, Avenida de Praia da Vitoria, 48—1°D., LISBON	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 53117
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	D. S. Armstrong, Canadian Government Trade Commissioner	Room F-3, Union Building, SINGAPORE	*Mail:* P.O. Box 845 *Cable:* CANADIAN *Tel.:* 7739
South Africa (Natal, Transvaal) Federation of Rhodesia and Nyasaland, Mozambique, Kenya, Tanganyika, Uganda, Zanzibar	K. F. Noble, Canadian Government Trade Commissioner H. E. Campbell, Assistant Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	*Mail:* P.O. Box 715 *Cable:* CANTRACOM *Tel.:* 33-2628

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

Territory	Officer	City Address	Mail and Cables, Office Telephone
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen, Consul and Senior Trade Commissioner C. R. Gallow, Consul and Trade Commissioner C. E. Butterworth, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY 20	*Mail:* (City Address) *Cable:* CANTRACOM *Tel.:* JUdson 6-2400
United States	M. B. Bursey, Consul and Trade Commissioner (Fisheries)	Canadian Consulate General, 620 Fifth Ave., NEW YORK 20, N.Y.	*Mail:* (City Address) *Cable:* CANTRACOM *Tel:* JUdson 6-2400
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	D. H. Cheney, Vice Consul and Trade Commissioner	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* HAncock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. V. N. Gordon, Vice Consul and Trade Commissioner	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* STate 2-7312
United States (Michigan, Ohio)	Consul and Trade Commissioner J. H. Bailey, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT 26	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* WOodward 5-2811
*United States (City of Los Angeles, Southern California, Arizona)	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* VAndike 2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	G. A. Newman, Consul and Trade Commissioner A. A. Caron Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 215-217 International Trade Mart, NEW ORLEANS 12	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* RAymond 2136
*United States (Northern California. Wyoming, Nevada, Utah, Colorado, New Mexico), Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* SUtter 1-3039
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Uruguay Paraguay	W. Gibson-Smith, Commercial Secretary	Canadian Embassy, MONTEVIDEO	*Mail:* Casilla Postal 852 *Cable:* CANADIAN
Venezuela Netherlands Antilles	J. A. Stiles, Commercial Secretary F. B. Clark, Assistant Commercial Secretary	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	*Mail:* Apartado 3306 *Cable:* CANADIAN *Tel.:* 55818
Venezuela Colombia	D. B. Laughton, Acting Agricultural Secretary		

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

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

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

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

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

For conversion to United States dollar equivalents multiply by 1·03059.

foreign exchange rates

Country	Unit	Type of Exchange	Canadian dollar equiv. August 6	Notes (See below)
Argentina	Peso	Preferential buying	·1294	
		Basic buying	·1941	
		Preferential selling	·1941	(1)
		Basic selling	·1294	
		Free	·06985	
Austria	Schilling		·03732	
Australia	Pound		2·1870	
Belgium Luxembourg & Belgian Dependencies	Franc		·01943	
Bolivia	Boliviano	Official	·00511	
British West Indies	Dollar		·5695	(3)
	Pound		2·7337	(4)
	Dollar	Brit. Honduras	·6834	
Brazil	Cruzeiro	Official selling	·05156	tax 8%
		Effective buying	·03421	(2)
		Coffee buying	·04154	(5)
Burma	Kyat		·2038	
Ceylon	Rupee		·2050	
Chile	Peso	Official	·00882	(1)
Colombia	Peso	Basic	·3881	
Costa Rica	Colon	Official	·1728	(6)
		Controlled free	·1461	
Cuba	Peso		·9703	tax 2%
Czechoslovakia	Koruna		·1348	
Denmark	Krone		·1405	
Dominican Republic	Peso		·9703	
Ecuador	Sucre	Official	·06469	
		Free	·05602	
Egypt	Pound		2·7863	
Fiji	Pound		2·4626	
Finland	Markka		·00422	
France	Franc		·00277	(7)
French Africa	Franc		·00555	(8)
French Pacific	Franc		·01525	(9)
Germany	D Mark		·2310	
Greece	Drachma		·03234	
Guatemala	Quetzal		·9703	
Haiti	Gourde		·1941	
Honduras	Lempira		·4852	
Hong Kong	Dollar	Free	·1679	*July 23
Iceland	Krona	Official	·05958	
		Special buying	·04588	
		Special selling	·03696	
India	Rupee		·2050	
Indonesia	Rupiah	Basic	·08511	(10)
Iran	Rial	Certificate	·01075	
Iraq	Dinar		2·7169	

* Latest available quotation date.

Country	Unit	Type of Exchange	Canadian dollar equiv. August 6	Notes (See below)
Ireland	Pound		2·7337	
Israel	Pound	Official	·9703	
		Premium	·5391	
Italy	Lira		·00156	
Japan	Yen		·00270	
Lebanon	Pound	Free	·3027	
Mexico	Peso		·07762	
Netherlands	Guilder		·2563	
Netherlands Antilles	Guilder		·5145	
New Zealand	Pound		2·7337	
Nicaragua	Cordoba	Effective buying	·1470	(11)
		Official selling	·1376	
		With Surcharge I	·1205	
		With Surcharge II	·09655	
Norway	Krone		·1358	
Pakistan	Rupee		·2933	
Panama	Balboa		·9703	
Paraguay	Guarani	Basic	·06469	(1)
		With Surcharge I	·04620	
		With Surcharge II	·03234	(12)
Peru	Sol	Certificate	·05001	
Philippines	Peso		·4852	tax 17% (2)
Portugal	Escudo		·03386	(13)
El Salvador	Colon		·3881	
Singapore & Malaya	Straits dollar		·3189	
South Africa (Union of)	Pound		2·7337	
Spain & Dependencies	Peseta	Basic buying	·04431	
		Basic selling	·08648	
		Basic commercial selling	·05907	(1)
		Free	·02491	
Sweden	Krona		·1876	
Switzerland	Franc		·2263	
Syria	Pound	Free	·2722	*July 15
Thailand	Baht	Official	·07762	(1)
		Free	·04655	*July 2
Turkey	Lira		·3465	
United Kingdom	Pound		2·7337	
United States	Dollar		·9703	
Uruguay	Peso	Official	·6388	
		Basic buying	·5451	
		Special buying	·4129	(1)
		Basic selling	·5107	
		Special selling	·3960	
Venezuela	Bolivar		·2896	(14)
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 import rate is official rate plus free certificate rate. Certificate rate varies according to commodity.
6. Costa Rica: Official rate applies to all Costa Rican exports.
7. Metropolitan France, Algeria, Tunisia, Morocco, French Guiana, Guadeloupe, Martinique.
8. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
9. New Caledonia, New Hebrides, Oceania.
10. Indonesia: Basic rate applies to all exports and essential imports. Rupiah value for other than essential imports is reduced by 33⅓ per cent, 100 per cent or 200 per cent depending on product.
11. Nicaragua: Effective buying rate applies to all Nicaraguan exports.
12. Paraguay: Basic rate applies to most Paraguayan exports.
13. Approximately same rate for currencies of Portuguese Territories in Africa.
14. Venezuela: There are special rates for exports of petroleum, cocoa and coffee.

businessman's bookshelf

OEEC at Work for Europe

Organization for European Economic Co-operation. 87 pages. 25 cents.

THE CANADIAN BUSINESSMAN will find in this booklet a clear outline of the structure and aims of OEEC and, within its framework, the European Payments Union. Since it was formed in April 1948, it has helped the 18 participating European nations to develop and modernize their industrial and agricultural equipment, to increase productivity, and to reduce progressively trade barriers. These achievements are analyzed here and the workings of EPU explained. Other chapters deal with the European dollar problem, the liberalization of intra-European trade, and with the work of the technical committees set up to carry out studies and put forward proposals for action.

Order from: Ryerson Press, 299 Queen Street West, Toronto, Ontario.

Introducing the British Caribbean Colonies

Colonial Office, London. 96 pages. 50 cents.

"FASCINATING TO THE HISTORIAN, enchanting to the tourist, these are the fabulous spice and sugar islands of the past"—British Honduras, Jamaica, Leeward Islands, Windward Islands (Grenada, St. Vincent, St. Lucia), Trinidad and Tobago, British Guiana—the British Caribbean Colonies.

Sixth in the "Introducing" series, this attractive and well-illustrated little book describes the land, the people, the social and the commercial way of life in the ten colonies. It touches on history, folklore, methods of government, development and progress, and takes a look at the future. Numerous maps, a list of books about the Caribbean, and a pronunciation guide to some of the more difficult place names add to its value.

The book points out that the term "British West Indies" is apt to be used rather differently in different connections. The Bahamas Islands lie in the general area, but are well to the north, face different problems, and are not generally included in the group. Similarly, some people are apt to think of Bermuda as part of the West Indies, but this colony lies far to the north off the coast of the United States and there is really no reason to consider it with the West Indies.

Order from: United Kingdom Information Office, 275 Albert Street, Ottawa.

Sweden: an Important Market for the Exporter

Federation of Swedish Wholesale Merchants and Importers. 15 pages. Free.

HOW TO SELL IN SWEDEN, with emphasis on the importance of the wholesale trade, is the subject of this booklet addressed to exporters. Its 15 pages contain useful information on the background of Sweden's large import trade, its principal imports, and its transportation facilities. Wholesale trade is discussed and exporters are offered the services of the Foreign Trade Department of the Federation of Swedish Wholesale Merchants and Importers.

Order from: Federation of Swedish Wholesale Merchants and Importers, Sveriges Grossistforbund, Regeringsgatan 5, Stockholm 16, Sweden.

Review of Foreign Trade, Calendar Year, 1953

International Trade Division, Dominion Bureau of Stastics. 85 pages. 75 cents.

INFORMATION on Canadian trade in 1953 for the general reader, plus some analysis of the material included in the trade statistics, is presented in this semi-annual publication. The structure of Canadian foreign trade last year is discussed and trade with the leading countries and the principal trading areas analyzed; some statistical tables are included. In addition, preliminary estimates of the quantitative importance of exports of grains and imports of investment goods in the expansion of trade in recent years appear in this issue.

Order from: Queen's Printer, Ottawa, Canada.