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cover An Argentine gaucho reins in his horse as he talks with the operator of a Canadian-made tractor The picture illustrates the blending of the traditional and the modern in Argentine life—and the determination of the new regime to revitalize agriculture and restore its export earning power. See two reports, pages two to seven.

ARGENTINE

New regime is trying to cure country's economic ills by building up agro-pastoral industries and their exports and by stabilizing the currency. For the moment, import austerity necessary but prospects are expected to improve as greater export trade brings in more dollars.

C. S. BISSETT, *Commercial Counsellor, Buenos Aires.*

THE NEW OFFICIAL POLICY of favouring agro-pastoral production will, it is expected, enable Argentina to climb out of the economic morass in which it has been floundering for several years. Moreover, this change of emphasis from the manufacturing industries to agricultural and pastoral production will probably benefit these industries too as the general situation improves.

The agro-pastoral exports together earn in a normal year about 90 per cent of the foreign exchange required to pay for essential imports. Previously, by a policy of forced sale for export at controlled prices to a government corporation, together with unrealistic export exchange rates, production of the agro-pastoral industries had decreased to a minimum. A comparatively large amount of productive land fell into disuse because of these policies and also because of adverse legislation, a shortage of farm labour, and finally the very high cost, relative to the sales price of the crops, of the machinery and implements necessary to mechanize the land.

Economy Closely Examined

This prime source of earning power was thus being milked to subsidize manufacturing industries which depended mainly on foreign supplies of raw materials and which could not compete in foreign markets because of the unrealistic export exchange rates. This attempt to create an artificial standard of living by trying to build the house from the roof down brought on inflation and seriously dislocated the economy.

On taking over the reins of government last October, the new Administration discarded as soon as possible the economic practices of the old regime. It made a thorough study of the country's remaining assets and of its resources, both actual and potential. Based on that study, new plans were drawn up by Dr. Raul Prebisch, executive secretary of the Economic Commission for Latin America of the United Nations. These, with some amendment, were finally approved by the new Administration and are being followed.

The Recovery Plan

The two legs on which the new policy stands are increased agro-pastoral production and a sound, stable currency. Both are to be achieved by returning commerce to private enterprise as rapidly as possible, by gradually eliminating all state controls and by abandoning national socialism, (including state manufacture and trading in competition with private firms) and by giving up bilateralism in international trading. The hope is that the rebirth of incentive will induce private operators to expand the present agro-pastoral production and that, as a result, the currency will in time become more or less stable. Considerable progress has already been made but the Government has found that the reforms have to be undertaken at a more leisurely pace than at first anticipated to avoid undue economic strain. As an example, the controlled prices on essential goods, which were lifted, recently had to be temporarily re-imposed.

To help the landed interests to increase production, more realistic prices for this season's crops are to be granted. As in past crop years, acceptance of these prices will be compulsory, but in future the guaranteed prices announced will be floor prices only. Producers may either accept them or do their own marketing through private firms which by then should have succeeded in re-establishing their domestic and international marketing organizations.

The Administration will arrange for the construction of grain silos and more country elevators, will improve rural roads, and will provide technical information and instruction on improved farming techniques. Above all, it will rehabilitate the national railway system thoroughly, provided that it can borrow the necessary funds. The cost, over a three-year period, is estimated at $300 million. The greatest immediate need is for 100 locomotives. In addition, certain restrictive laws and customs covering farm labour are to be abrogated and the local production of farm implements and machinery, fertilizers, insecticides,

OUTLOOK BRIGHTENS

pesticides, weed-killers and similar products is to receive official encouragement. However, where local industry cannot provide essential products, their import from abroad will be made easier. Mining production is also to be encouraged as a potential source of foreign exchange and the country's petroleum resources are to be developed as rapidly as possible to save foreign exchange. A substantial increase in the production of electric power is to receive priority; so is the establishment of an efficient basic steel industry.

Financing of Recovery

It is reliably estimated that 1955 imports exceeded exports by about US$200 million. Argentina's external debt—in the form of bilateral treaty credits already used up and commitments for purchase on long terms up to five years—is said to total some US$757 million, or its equivalent in other currencies. Dr. Prebisch lists it as follows, in millions of dollars:—

Credit availments under bilateral trade agreements	US$233 million
Debt in respect of deferred payments imports	409 "
Export-Import Bank	57 "
Sundry items	58 "
Total	US$757 million

He places the immediate minimum need for urgent reconstruction at US$1,200 million, made up as follows:

Materials for gas and oil pipelines	US$ 200 million
Normal oil investments	90 "
Transport material	300 "
Electrical equipment	60 "
Steel plants	150 "
Industrial and agricultural re-equipment	400 "
Total	US$1,200 million

Argentina's exports in 1955 have been estimated at between US$1,100 million and US$1,150 million. In a very good year they reach US$1,250 million. Accordingly, it will take well on to two years of normal exports merely to provide what this country needs immediately, as well as to pay off external debt now due or to create a reserve to pay off what will fall due shortly. This cannot be paid for by normal annual production with the equipment available. Only by installing more modern and more productive equipment and by imposing austerity can the necessary surplus be obtained for ultimately paying off the present cost of rehabilitation. Moreover, only through foreign loans can such a program be currently financed. These loans are being sought in several quarters. Local financing is impossible because the Minister of Finance has explained that the country's total reserves of gold and usable currency were not above the equivalent of US$430 million at the end of 1955.

Steps towards Recovery . . .

- *Change of official emphasis from building up of industry to greater encouragement of agricultural and pastoral production.*
- *Thorough study of Argentine economy undertaken by UN expert.*
- *Granting of more realistic prices for this season's crops; gradual return to private rather than state marketing.*
- *Obtaining of foreign loans to install more productive equipment and increase agricultural exports.*
- *Effort to achieve balanced 1956 budget, to strengthen currency and keep inflation in check.*

A line of credit totalling US$60 million has already been granted by the U.S. Export-Import Bank to help finance the San Nicolás steel mill which will be capable of producing 588 thousand metric tons of steel ingots per year. This sum, however, represents less than a quarter of the financing which will be necessary before the mill can operate.

Financial support for commerce in general has been provided by a number of United States banks in the form of credit totalling a minimum of US$50 million, given to private importers and Government Ministries for essential needs. Negotiations are under way among several European nations, led by the United Kingdom,

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to try to arrange credits totalling about US$150 million.

Monetary Stability

Argentina realizes that a sound currency is a prerequisite to attracting badly needed foreign capital as well as essential foreign loans. One of the prime means of achieving a healthy currency is a balanced budget for 1956, based on increased taxation and more efficient tax collection, plus an intensified campaign against inflation and the ever-increasing cost of living. No new currency is to be printed and the issue of bonds will be carefully studied to prevent any inflationary effect.

Consequent upon the peso devaluation of last October, which increased the peso cost of essential imports, certain inequalities in the current wage and salary scales appeared. To correct these, the Administration decreed a 10 per cent increase in all wages and salaries effective February 1, 1956. Any further increases are to be the subject of negotiation between labour and management. It was expressly stipulated, however, that management is to pay this increase out of current profits, and is forbidden to pass it on to consumers in the form of higher prices. However, this attitude may have to be modified. The possibility of greater production by labour to compensate for the increase was mentioned. No rise in working hours was permitted.

Future Prospects

Argentina is now laying the foundations of an economic structure to be built on orthodox lines. The core of its prosperity and well-being, the agro-pastoral industries, will be aided in every way to regain their outstanding position in the economy. The State will retire from commercial activity and, as far as possible, from undue regulation of trade and industry. Private enterprise will again become dominant. The public has been given an unvarnished picture of the true state of the economy and warned to prepare for several years of austerity. Until debts and loans are paid off, imports are likely to be confined to absolute essentials.

The road back to prosperity is stony but every step taken brings the country nearer to the desired goal of stability and a higher standard of living. The greatest hope for trade lies in an expansion of the number of products which have been exempted from the previous import and exchange permit requirements and can now be imported through the free exchange market. This could result ultimately in the disappearance of all government controls over foreign exchange rates and trade.

The article following discusses the situation of Argentine agriculture in more detail—Ed.

Argentine

Comeback of agriculture, begun in 1954-55, expected to continue this year, though grain crops (with exception of corn) are smaller. Some dairymen and cattle and hog raisers may transfer to crop production because of better prices offered. Future more promising for agriculture in general.

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

ALTHOUGH ARGENTINA'S POPULATION increased by almost 50 per cent between 1939 and 1954, and although during that period new land was brought into intensive production of crops, by 1954 the index of physical volume of agricultural production had risen to only 107 (1935-39=100). Exports of both grains and meats fell by 50 per cent during the period.

By 1951, agricultural production, hit by disastrous droughts and unfavourable government policy, had declined so drastically that the Government realized the necessity of rehabilitating its basic domestic and export industry. Aided by increased producer prices as well as improved weather, crop production responded and in 1953 and 1954 was well above the average for the previous seven or eight years. Livestock production also began the slow process of recuperation but the recovery was less noticeable. Even by 1954, however, inflation had dissipated much of the benefit derived from the higher producer prices. Farm machinery imports had again declined, government regulations were as frustrating and upredictable as ever, substantial wage increases had been granted to labour, freight rates had gone up. Under these circumstances farmers were forced to retrench and production suffered. The 1955 agricultural picture was as follows.

Crop Production and Exports

Total crop production for the crop year 1954-55 and livestock production for 1955 are unofficially estimated to have exceeded that of the previous year by a

Agriculture Looks Ahead

modest but noticeable percentage. By commodity groups the picture was as follows:

• *Grains*—Outstanding yields of wheat, on a reduced area, permitted production of the winter grains—wheat, oats, barley and rye—to rise about 20 per cent above the previous year. Carryovers were noticeably smaller than in the previous year, and Argentina was not such an anxious competitor price-wise. Hence exports of these grains in 1955 were down about 10 per cent from the previous year's 5,114,000 metric tons. Corn production on the other hand, at only 2½ million tons, barely covered domestic requirements so that exports during 1955 totalled only 375 thousand tons compared with almost 2·2 million in 1954.

• *Oilseeds*—Nowhere has the decline in production in recent years been more apparent than in the major oilseed crops—flax and sunflower. Production of these seeds in 1954-55 was down to 414 thousand tons and 280 thousand tons respectively, compared with average production from 1942-46 of over 1·1 million and 800 thousand tons respectively. Exports of linseed oil in 1955 totalled 150 thousand tons but came partly from carryover stocks. Edible oils were in such short supply that 50,000 tons of cottonseed oil were imported from the United States. Production of peanuts suffered from poor weather. The tung nut crop and tung oil exports showed no change, and production of olives reached a new record.

• *Fruits*—The pick of apples, pears, peaches, plums and wine grapes in 1954-55 totalled more than 2·9 million tons, compared with about 1·9 million tons the previous year—thanks mainly to new production records for apples and wine grapes. The larger crops permitted an expansion of exports of all fresh fruits from 70,000 to more than 92,000 tons.

• *Cotton*—Unfavourable weather cut production of raw cotton to 354 thousand tons in 1954-55 from the near record of 422 thousand in the previous year. As a result, exports dropped to less than 11,000 tons from more than 27,000 the previous year and a high in 1953 of 70,000 tons.

• *Miscellaneous Grains*—Millet production increased by almost 20 per cent to more than 123 thousand tons. However, exports declined by 60 per cent to only 9,500 tons. Rice production declined and exports were reduced proportionately from 27,000 to some 22,000 tons.

• *Birdseed*—Production jumped from 6,600 to almost 13,500 tons but exports declined from 25,000 to about 12,000 tons. The larger figure obviously reflects a carry-over from previous years.

The Livestock Situation

• *Cattle and Beef*—Increased cattle sales on the central markets and direct to the packing houses were the outstanding feature of the livestock year. These sales rose by 50 per cent over 1954 to reach 6,150,000 head. The larger supplies of beef resulting from this increased kill—although less than the increase in numbers would suggest—permitted a substantial rise in exports and late in the year allowed the new government to remove restrictions on domestic consumption of beef. Exports of fresh and frozen beef and beef offal rose from about 105 thousand metric tons in 1954 to more than 185 thousand tons in 1955. Furthermore, of the 1955 total, 105 thousand tons were shipped in the valuable, high-quality form of chilled beef, compared with 14,000 in 1954.

• *Sheep and Mutton*—Sales for slaughter and production of lamb and mutton increased slightly over 1954, due to a very active third quarter. This permitted a 25 per cent increase in exports to more than 70,000 tons, mainly in the form of frozen lamb carcasses to the United Kingdom.

• *Hogs and Pork*—Lack of domestic demand and an unfavourable hog-corn price ratio continue to work against any growth in the hog industry in Argentina. A further liquidation of herds resulted in a 25 per cent increase in slaughterings which, however, does not appear to have been reflected in increased pork production. Exports are unofficially reported as only about 3,000 tons compared with 12,000 in 1954.

• *Hides and Wool*—As a result of increased cattle kill, hide production increased very noticeably last year.

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According to trade statistics, exports of cattle and calf hides in 1955 increased by 12 per cent to 7·3 million. Exports of horse hides were doubled in 1955 to reach 169 thousand and shipments of sheepskins rose by 2,000 tons to almost 17,000. The 1954 wool clip has been estimated at 175 thousand tons, about 9 per cent below the previous clip and about 12 per cent below the average for the most recent decade. Exports for the wool season ending September 30, 1955, totalled 126 thousand tons on a greasy basis (113 thousand in 1954) including 15,000 tons shipped on skin.

• *Dairy Products*—Unofficial estimates place milk production about 15 per cent above last year's 4·7 billion litres. Most of the increase went towards swelling the cheese make from 108 thousand to almost 135 thousand tons and providing more fluid milk for the greater Buenos Aires district. Production of butter and casein actually declined. Casein exports increased by 20 per cent to over 39,000 tons. The whole of this increase went to the United States; exports of butter declined by 28 per cent and of cheese by 3 per cent.

New Agricultural Policies

In recent months the new Government has taken the following major steps towards rehabilitating agriculture:

• *Altered Exchange Rates*—Since October 27, 1955, Argentina has had one official exchange rate of 18 pesos per U.S. dollar or equivalent. Thus, with minor exceptions, agricultural exports are negotiated at 18 pesos per dollar compared with the previous ruling rate for all basic agricultural commodities of 5 pesos per dollar and rates for lesser commodities of 5, 7·50, and 14 pesos to the dollar or combinations thereof. Hence, the peso return on agricultural exports has been greatly increased.

• *Production Prices*—The change in the exchange rates made possible important increases in the prices paid to agricultural producers. For the major grain and oilseed crops these increases ranged from about 19 per cent for rye to 117 per cent for sunflower seed. Prices of wheat and corn, the two major export crops, were raised by 40 per cent and 44·5 per cent respectively, to 70 pesos and 65 pesos per 100 kilograms. Similar but smaller increases were decreed for livestock. For the present the State purchases all grain crops and resells for export. Part of the difference between the international prices received and the producer prices paid is siphoned off into a National Rehabilitation Fund in the form of an export tax called an "export retention". For most agricultural products it is 10 per cent and for most livestock products 15 per cent. It is applied to most exports unless they are sold at the free market rate of exchange. Part of the fund is used to subsidize domestic consumption of agricultural products.

• *Reduction of State Control*—Farmers everywhere are independent and those in Argentina are no exception. For years they have been fretting under government restrictions. The new Government, committed to reduce state control, is in the process of liquidating the big state trading organization I.A.P.I., and has transferred most of its powers over agricultural commodities to the National Grain Institute and the National Meat Institute. It has already been announced that this year's sunflower and peanut crops will be bought and sold by the private mills and exporters, without government interference. Furthermore, it is reliably reported that, had the trade been willing, the Government would have turned over to it the marketing of this year's corn crop.

Situation in 1956

Seeding of wheat, oats, barley, rye and flaxseed of the 1955-56 crop was finished before the higher prices were announced and the total area sown to these crops decreased by almost half a million hectares. As a result of this reduced acreage, of unfavourable weather during part of the growing season, and of heavy infestations of grasshoppers and caterpillars, the outturn of these crops was 30 per cent, or almost 3·5 million tons, smaller than in the previous year. Corn seeding also declined by about 5 per cent below last year's three million hectares. Weather conditions have been good, however, and most trade estimates of production are at least 4·5 million tons, two million tons above the previous crop. This larger corn crop, plus increased carryovers of wheat, oats, barley and rye, give total export availabilities of grain close to those of last year and exceeding actual exports in 1955.

Poor oilseed crops made necessary the ordering from the United States of 80,000 tons of edible oil for the first five or six months of 1956. Price increases to producers for sunflower seed and peanuts were among the largest and were announced soon enough to influence farmers' plans. Hence, seeded area of both these crops is officially estimated to be at record or near record levels. Although the condition of the crops is not perfect, it is expected that more than enough will be harvested to provide for the edible oil needs of the country. Fruit production from the present crop, although below last year's very high level, has been well above average. Exports are expected to be substantial because, in most markets except Brazil, they enjoy the benefit of the free market

rate of exchange. The area seeded to cotton has been officially estimated at 2·5 per cent above last year and growing conditions have been satisfactory. A good tobacco crop is being harvested.

Problems of Livestock Producers

The recent increases in producer prices have favoured crop production to a greater extent than cattle or hog raising and hence there are some who expect an exodus from cattle raising into grain farming, an opinion which is supported to some extent by recent heavy cattle sales. Already, however, pressure is being brought to bear to readjust prices to bring them more into their traditional relationship. Furthermore, cattle numbers have been building up rather quickly since the drought years 1949-52 and some liquidation could take place without affecting cattle numbers seriously. In either event the outlook for 1956 is for increasing cattle slaughter and beef production, although probably the rate of increase will be much slower than in 1955. The trend towards exporting beef in chilled form is expected to continue. Increased cattle slaughter will provide more hides, which, together with a substantial carryover from last year, will permit an increase in exports.

Wool prices have benefited greatly by the change in exchange rates and this is expected to stimulate the sheep-raising industry, especially in Patagonia. Production of wool, lamb and mutton in 1956 may not differ greatly from 1955 but the long-term outlook for the industry is vastly improved. Unless export markets can be developed for a variety of pork products, no immediate improvement is foreseen in the hog industry, because increasing grain prices have more than offset subsequent rises in domestic pork prices.

The new exchange rate has undoubtedly improved Argentina's competitive position in foreign dairy markets but the domestic situation has deteriorated with the rise in feed costs. Without a change in price structure the industry will probably not expand much and there is real danger of dairymen transferring their capital to crop production.

The Outlook

Argentine agriculture is firmly based on unusual advantages of soil, climate, topography and good geographic location. Although it has never been developed intensively or scientifically, and although in recent years it has been neglected, abused and plundered, the basic resources remain relatively intact. Given the energetic execution of even a portion of the enlightened program outlined by Dr. Prebisch, (see previous article), agricultural production could in a few years overtake all previous records and establish new ones. Farmers and agricultural leaders appear to be rather optimistic that such a change will take place.●

Coffee from the Congo

COFFEE RANKS second only to copper among the Belgian Congo's exports and 1955 proved to be a banner year for coffee growers in the Congo and Ruanda-Urundi. Exports rose by 9,283 tons or 27 per cent, to reach 43,674 tons valued at 2·04 billion francs. This represented 8·83 per cent of total exports by value.

Two varieties—Robusta and Arabica—are grown in this area, but exports of Robusta from the Congo have remained relatively static over the past ten years, as the figures below show when one bears in mind that 1945 exports of Robusta reached 20,787 tons.

	1954	*1955*
Belgian Congo	*Tons*	*Tons*
Robusta	20,322	21,637
Arabica	5,237	6,291
Ruanda-Urundi		
Arabica	8,832	15,746
Total	34,391	43,674

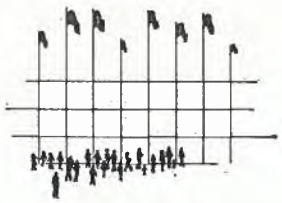
Exports of Arabica from the Congo, on the other hand, are increasing in importance and rose by some 20 per cent over 1954 to reach 6,291 tons, despite the fact that the area devoted to growing this type of coffee was 134 hectares less. The remarkable increase in exports from Ruanda-Urundi in 1955 over the previous year was made possible in part by the first harvest from land cleared by plantations established since 1950.

Belgium continues to be the most important market for Robusta coffee, taking 12,232 tons out of the 21,637-ton total. Other important buyers were Italy (4,982 tons) and the United States (2,730 tons).

The United States was the main buyer of Congo Arabica coffees, with 1,587 metric tons (or 25 per cent of total exports), followed by Germany with 989 tons, Belgium with 789, and the United Kingdom, 731 tons.

Taking all types of Congo coffee together, Belgium continues to be the chief buyer, with 15,876 metric tons. Next comes the United States with 9,489 tons, to which should be added most of the 7,547 tons shipped from East African ports. Italy with 5,150 tons (nearly all Robusta) was in third place and Germany in fourth.

K. NYENHUIS,
Trade Commissioner, Leopoldville.



fairs and exhibitions

Photokina 1956

CAMERAS, lights and plenty of action as a great international crowd of visitors gathers around the exhibits at Photokina 1956—all these are promised by the management of the International Photo and Cine Exhibition to be held in Cologne from September 29 to October 7. Considered one of the world's greatest photographic exhibitions, the Photokina is in its fifth year. It invites producers and buyers of photographic equipment from all over the world to exhibit at or to visit it. The range of products shown includes cameras, plates, chemicals, accessories, photo literature, photographic papers, reproducing apparatuses, sources of artificial light, laboratory requisites, projectors, enlargers, stands, optics, and films. For information, write to: Messe-und Austellungs-Ges. m.b.H., Cologne, Germany.

Science Show in Rome

SCIENTISTS will be able to study and compare, and the public will have an opportunity to learn about, the latest developments in electronics, atomic energy, television, radio and films at the third International Exhibition of Electronics, Atomic Energy and Television, Radio and Cinematography in Rome, June 28 to July 15, 1956. The exhibition will be held in the Congress Building in the E.U.R. grounds, and additional buildings are being put up and outdoor cinemas built.

As well as displays, the electronic and nuclear section of the exhibition will include congresses, meetings, lectures, experimental tests, practical demonstrations and film showings—all on a scientific and technical level —and a special Atoms for Peace show. Meetings will also be held to discuss the urgent problems connected with secondary electronic technical training.

The cinematographic section will include meetings and lectures covering the various phases of film making, special showings—a review of the first fifty years of films, children's film festival, film-lovers' festival, film directing tests—plus artistic and cultural performances, dancing and classical ballets in the hanging-garden theatre.

Three new sections have been added to the 1956 exhibition: by popular request an Electric Household Appliances section has been arranged, plus exhibits in the astro-navigation and tourism fields.

A technological exhibition of optical (geometric) and electronic optical instruments and apparatus will be provided in the optics section. Experimental tests and practical demonstrations will be held and lectures given and films shown on the theoretical principles of geometric and electronic optics, electronic optical analogy, electronic optical systems, and optics in scientific research and practical appliances.

For information, write to the Exhibition, at Fontanella Borghese 23, Rome, Italy.

New Bill in the Showroom

WINTER SPORTING GOODS moved into the Canadian Showroom in Rockefeller Center, New York, on April 28 and will be displayed there until May 25. Entirely new among the familiar equipment for winter outdoor recreation are light and durable magnesium snowshoes, said to be the world's first. These snowshoes have been field-tested in all parts of Canada, including the Arctic, and orders for them have been received from the Canadian armed forces. Other firms are showing snowshoes in the traditional style, including Canada's first snowshoe firm which is operated by the grandson of the Huron Indian chief who founded it more than a century ago.

The list of products in this latest Showroom display—all of the most up-to-date design and materials—includes: athletic supporters; hockey supplies, outfits, pants, leather, sticks and pucks; ice skates; moccasins and snow boots; skis and poles; sleds and toboggans. The Canadian producers of these winter sporting goods are:

Bastien Bros., Loretteville.
Breslau Wood Specialties Ltd., Breslau.
Canada Cycle & Motor Co. Ltd., Weston.
Canada Skate Manufacturing Co. Ltd., Kitchener.
Canadian Buffalo Sled Co. Ltd., Preston.
Cooper-Weeks Ltd., Toronto.
Daignault-Rolland & Co. Ltd., Montreal.
Daoust, Lalonde & Co. Ltd., Montreal.
Harvey E. Dodds Ltd., Montreal.

W. H. Dunne Skate Co., Toronto.
Faber & Co., Loretteville.
Flo Mado Products, Levis.
Hespeler St. Mary's Wood Specialties Ltd., Hespeler.
Lintet Metal Industries Co. Ltd., Renfrew.
F. Longdon & Co. (Canada) Ltd., Toronto.
Sherbrooke Woodcraft Ltd., Sherbrooke.
A. G. Spalding & Bros. of Canada Ltd., Brantford.
Torpedo Manufacturing Co. Ltd., Lake Megantic.
Wellinger & Dunn Ltd., Toronto.
Werlich Industries Ltd., Preston.

Liquid Fruit in Stuttgart

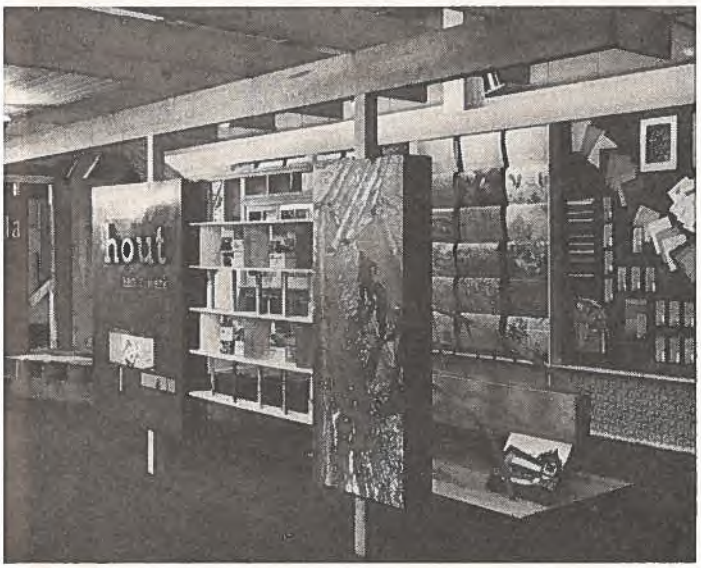
FLUESSIGES OBST, an international exhibition of fruits, the machinery for extracting their juice, and the juice itself, will be held at Stuttgart from May 28 to June 3 in conjunction with the International Fruit Juice Congress. Interested firms and organizations may obtain details from: Stuttgarter Ausstellungs-GmbH., Presse und Werbestette, Stuttgart N, Am Knochenhoff 6, Germany.

IKOFA at Munich

EXHIBITORS AND VISITORS from over 40 countries are expected at the International Exhibition of Groceries and Highclass Provisions in Munich, from September 21 to October 7. Organized by the trade associations of the food and drink industries, IKOFA is designed to be a showcase for specialties in these two lines from all over the world. The exhibits this year will include dairy products, basic foods, grain, meat products and sausages of all kinds, poultry and game, wines and spirits, sweet goods and confectionery, fruit and vegetable products, coffee, tea, cocoa, spices, and diet and nature foods.

Other displays will cover the merchandising end of the food and drink business and will deal with: the modern shop, large stock in small space; today's shopper in tomorrow's shop; lighting as a sales magnet; well chilled is well sold; the earliest self-service, the slot machine; modern publicity methods; packaging display; transport methods.

For information about IKOFA, write to the First Secretary (Commercial Affairs), Embassy of the Federal Republic of Germany, 580 Chapel Street, Ottawa, or to the German Consulates in Montreal, Toronto, Vancouver, Winnipeg and Edmonton.



Canadian forest products, including building materials and wallpaper, were featured in a Canadian Government display at the Royal Netherlands Industries Fair in Utrecht late in March. The exhibit attracted a good deal of attention from visitors.

Fairs in Canada

Canadian Medical Association Exhibition, Quebec City, June 11-15. For information: Dr. A. D. Kelly, General Secretary, Canadian Medical Association Exhibition, 244 St. George Street, Toronto 5, Ont.

Weyburn Fair, Weyburn, July 2, 3, 4. For information: Roy Schultz, Secretary-Treasurer, Weyburn Fair, Weyburn, Sask.

Provincial Exhibition of Manitoba, Brandon, July 2-6. For information: P. A. McPhail, Secretary-Manager, Provincial Exhibition of Manitoba, Brandon, Man.

Moose Jaw Fair, Moose Jaw, July 5, 6, 7. For information: Mrs. V. Hyland, Secretary, Moose Jaw Fair, Moose Jaw, Sask.

Estevan Fair, Estevan, July 5, 6, 7. For information: W. R. Cantlon, Secretary-Treasurer, Estevan Fair, Estevan, Sask.

Fairs in the United Kingdom

The Production Exhibition, London, May 23-31.

16th Antique Dealers' Fair, London, June 13-28.

International Machine Tool Exhibition, London, June 22-July 6.

23rd National Radio Show, London, August 22-September 1.

British Food Fair, London, August 28-September 15.

For information about these fairs apply to the United Kingdom Trade Commissioners in Ottawa, Edmonton, Halifax, Montreal, Toronto, Vancouver and Winnipeg.

How Air Freight Serves the Exporter

Postwar years have seen air freight prove its value in export trade—especially when speed and security are vital. Sixth in our series on the techniques of export trade, this article discusses today's co-ordinated air freight services and typical ways in which they can save the exporter both time and money.

HUGH JOHNSTON,
Director of Cargo Sales, Trans-Canada Air Lines.

THE FACT THAT Canada's export trade accounts for approximately one-fifth of the national income points up its vital role in the nation's economy. And because distribution plays such an important part in export trade Canadian exporters should be fully aware of all the means of distribution at their command. Only by knowing about them and their uses can businessmen here hope to compete successfully in today's highly competitive world markets.

One of the newest types of distribution available to the Canadian exporter is international air freight which, if it is thoughtfully employed, can help to solve particular distribution problems and supplement other shipping services.

Although international air carriers handled air freight long before the last war, it was not until the close of the war, after trans-ocean air transport had been proven, that any really worthwhile volume of air freight was carried. Even then, the lack of standardized methods of handling the traffic between carriers precluded its fast development. However, with the rebirth of the International Air Transport Association in Chicago in 1945 and the establishment of headquarters in Montreal, real progress began. Traffic Conferences were set up for nine traffic areas throughout the world (they have since been reduced to three). These three Conferences worked on standard rate-making practices for air freight, a standard document of carriage, and a multilateral interline agreement permitting traffic to move through to destination on one airwaybill/consignment note. As progress was made in achieving these objectives, international air freight grew very rapidly and gradually became accepted by shippers and consignees throughout the world.

Co-operation through IATA

Today IATA has as members practically every international airline of any consequence, and, as a result of this co-operation through IATA, it is now possible to ship by air to practically all the world's principal cities. To illustrate the service available to shippers in Canada as a result of the work of IATA and using Trans-Canada Air Lines as an example, it is now possible for a shipper here—or in any city which TCA serves in Canada or the United States for that matter—to obtain high-speed air freight service not only to the United Kingdom, Ireland, France and Germany, which they serve directly, but also to the principal cities of Europe and Africa. This can be done at through rates, or using easily determined combination rates. And, as a result of the establishment of interline agreements and the standardization of shipping documents, the shipments will move through on one airwaybill. In the same way, service can be provided to the Orient and Australia through connections with Canadian Pacific Airlines at Vancouver. International air freight, a high-speed transportation service, is now available on a standard basis on all IATA member airlines. In fact, shipments can be made by air freight to almost any point.

When an automotive dealer in Caracas, Venezuela, needed 500 car radios from Canada in a hurry, they were in his store 36 hours after being dispatched from Windsor—thanks to air freight. Service like this helps the exporter to keep customers.

International air freight tariffs are simple and easy to use. Rates are established in a fairly simple manner by agreement through IATA. The method of filing rates has been standardized, with one rate per pound for shipments under 100 pounds and another lower rate per pound for shipments over 100 pounds. There are some exceptions to this method of rate-making in the form of specific commodity rates and quantity reductions but generally speaking, this technique is standard. It makes possible a simple combination of local rates to make up a through rate where none is in effect, although through rates to most important cities are available. So that rates may be quoted to or from interior points in Canada and the United States to distant cities, TCA has published special inland proportional rates, as they are called. These, when added to the rates from the Montreal gateway, result in comparatively low through rates which may be quickly calculated. IATA has also established a standard minimum charge on most routes.

The rules and regulations under which shipments are carried have also been, to a great extent, standardized between IATA carriers. Valuation charges have been set up uniformly so that a shipper, by declaring his valuation at a higher level than the free valuation allowed, may extend the amount of the carrier's liability. A small valuation charge is assessed for this service. In addition, TCA and other IATA carriers have made provision in their tariffs for all-risk insurance when this is required. In order that shippers may obtain return of funds quickly and not tie up capital, TCA, with most IATA carriers, has set up a c.o.d. service at reasonable charges to most countries.

Generally speaking, tariffs provide that we may accept most types of commodities for carriage with the exception of articles likely to cause damage to the aircraft or other cargo.

How to Obtain Service

One of the basic questions in the minds of readers is probably: "How does one obtain international air freight service?" The answer is simple. The preparation of shipping papers for international air freight involves no new techniques—in fact, the standard IATA-type airwaybill which is now almost universally used permits a wider application of the principles already proved in surface practice. This document makes possible the movement of a shipment on a through bill from an inland airport of origin to an airport of destination throughout the world, or even to an off-airline city. Air freight is probably the only shipping service available today where this is possible. The airwaybill/consignment note is made out by the shipper or his forwarding agent, or a simpler "Shipper's Letter of Instructions" may be used which authorizes the carrier to complete the airwaybill.

After either one of these documents has been completed and provided that the export documents are in order, it is only necessary to call the nearest TCA office for pick-up and the shipment is on its way. TCA—in fact most airlines operating international service—have equipped their offices with basic information on documents required to ship to foreign countries.

To illustrate the variety of shipments which move in international air freight service at the present time, here are a few examples which were taken at random from TCA manifests:

From	*To*	*Commodity*
Montreal	Belfast	Electrical tubes
Edmonton	Beirut	Acetone
Windsor	Helsinki	Automobile tools
Montreal	Cuba	Medicinal preparations
Montreal	Caracas	Cigarettes
Montreal	Colombia	Chemicals
Toronto	Cape Town, S.A.	Law books
Toronto	Aruba, N.W.I.	Electrical transcriptions
Welland, Ont.	Copenhagen	Graphite samples

These examples serve to illustrate some of the uses of international air freight today. It has, in fact, many advantages which justify a much broader use.

Advantages of Air Freight

The basic and obvious advantage of air freight over other methods of moving goods is SPEED—speed which, when coupled with fast service on the ground, makes possible the rapid delivery of goods to all parts of the world. This in itself has a great attraction for exporters in these difficult days, when conditions are changing rapidly and when competition from other

countries is particularly keen. However, speed in itself is not the whole story. Air freight has great immediate significance for the shipper confronted with an emergency, or for the export sales manager who wishes to take advantage of the sales appeal of fast air shipment.

International air freight offers other advantages too, which produce real economies. For instance, it expedites capital turnover and makes it possible for working capital to be returned more quickly. This can, in some instances, result in worthwhile savings in interest payments. It also effects economies in inventory and simplifies warehouse problems because almost the same delivery can be provided right from a manufacturing plant to customer as from a regional warehouse. This can mean lower warehousing costs and at the same time a cut in inventories as the need for maintaining large stocks to satisfy fluctuating demand is eliminated. A large Swedish firm engaged in export trade throughout the world decided some time ago to eliminate the warehouse it was maintaining in Brazil. It established a small showroom with a very small stock and now depends on air freight to replenish this stick as needed. This, of course, also has its effect on financing—to the extent inventory is reduced, capital is released and interest saved.

Offers Greater Security

In addition to its speed, air freight has another important characteristic—greater security and protection in transit than when using other forms of transportation. The risk of pilferage and theft, as well as the accidental loss, seems to bear a fairly direct relationship to the number of times of exposure to the possibility of such loss. In air freight, the chances of such loss are small and this is borne out by actual loss experience. The result (combined with speed of air transport) is often much lower insurance charges.

Because of this greater security, it is sometimes possible to use less packing material and in some cases less expensive material. Some shipments that may require solid crating for surface transportation may be shipped in wirebound crates. Others that require wirebounds for surface may only require cartons for air shipment. The type of packing can in turn affect the labour costs associated with packaging. And if less expensive packaging is used, there is usually a reduction in weight as well—and in shipping costs.

These are a few of the possibilities of air freight—not all of them, but enough to illustrate the fact that air freight cannot be judged entirely on the basis of rates alone. Its real worth can only be determined when one has "looked behind the rates" at the many possible benefits. For many commodities, these more than compensate for the higher charges.

Of course, all the advantages of air freight do not apply equally to all exporters, but it is probably safe to say that air freight can be of use to every exporter. Those who export primary products or articles of low unit value can benefit by shipping samples of their goods by air freight to beat competition and to indicate their progressive attitude and the speed with which orders can be handled. An example is the shipment which a lumber exporter in Vancouver forwarded, consisting of a railway tie consigned to the Egyptian railway in Cairo. As a result, he is reported to have received a large order to be shipped by sea.

Exporters of manufactured goods, which, because of their nature, cannot justify complete air shipment, will find air freight valuable for filling rush replacement orders and for shipping advance stock to tide a customer over until his complete order arrives by surface transport. Automobile parts from Windsor go regularly by air to Australia and South Africa.

Finally, there are the shippers of commodities of fairly high value or of perishables—such as fashions, drugs, certain types of machinery and electrical equipment, textiles, raw and dressed furs, precision instruments and many other commodities—who find air freight useful as a day-to-day shipping service, after carefully weighing its advantages.

Air freight alone is not likely to solve all the problems of Canadian exporters in competing for foreign trade. Nevertheless, if the exporter becomes aware of its potentialities and makes use of them, he will find it a valuable supplement to other transportation services.

Insufficient Postage?

The Bonn office of the Trade Commissioner Service has received complaints from some German firms about first class surface mail letters from Canada that bear insufficient postage. We should like to draw the attention of businessmen carrying on correspondence abroad to the correct rates:

North and South America, Great Britain and other Commonwealth countries, France, Spain	*5 cents first ounce, 3 cents for each additional ounce.*
All Other Countries.....	*6 cents first ounce, 4 cents for each additional ounce.*

The Post Office publishes a handy booklet entitled "Postal Information" which gives full details of rates for all types of mail. Those interested should ask for a copy at a local post office.

The United States Farm--

the Revolution Continues

Agricultural revolution which began during the last war is persisting. Among changes it has wrought are decline in number of farms and in number of farm operators, replacement of horsepower by tractor power, greater use of electricity and of irrigated land. But net farm income continues to decline.

W. C. HOPPER, *Agricultural Counsellor, Washington.*

RECENT FIGURES from the 1954 Census of Agriculture reveal that the agricultural revolution in the United States, which had its principal beginnings during the Second World War, has continued unabated during the past four years. From 1950 to 1954, the number of farms and farm operators declined significantly, but the size of farms and the acreage of irrigated land increased substantially. During this period, many more farms acquired electricity and telephones, and there was a rapid growth in farm mechanization and in the number of farmer-owned motor trucks. The proportion of farms operated by tenants declined from about 27 per cent in 1950 to about 24 per cent in 1954; in 1930, tenants operated 42 per cent of U.S. farms. The total land devoted to farms decreased only slightly and today comprises more than three-fifths of the total land area of the nation.

Farms and Farm Operators

The number of farms—of three acres or more with annual value of agricultural products, exclusive of home garden products, amounting to $150 or more—decreased between 1950 and 1954 from about 5·4 million to 4·8 million, or by about 600 thousand (11 per cent). The number of farms declined in each of the 48 states except Florida, and in all but 180 of the total 3,067 U.S. counties. The most significant decrease was in farms of 10 to 100 acres in size. The attraction of jobs in the cities and in industries other than agriculture has been largely responsible for the drop in the number of farms in this group.

The number of farms of less than 10 acres showed little change between 1950 and 1954. In fact, during the past thirty years (1925 to 1955) the number in this group has increased materially. This reflects the growing importance of part-time and residential farms, which now represent about 31 per cent of the 4·8 million total. Automobiles, better roads, and better living conditions in the rural areas have encouraged farmers and other workers to live in the country and to take employment in nearby cities and towns. In the same 30-year period, the number of farms with 1,000 acres or over more than doubled. The average size of all United States farms in 1954 was 242 acres; in 1950, it was about 70 acres less, and in 1900 about 100 acres less.

Commercial farms, representing about 69 per cent of all farms, make about 97½ per cent of all farm sales; sales from part-time and residential farms constitute about 2½ per cent.

The number of resident farm operators declined from nearly 5 million in 1950 to about 4·4 million in 1954. The combining of small farms to make larger ones as a result of the movement of rural people to urban centres has contributed to this change.

Other changes have also become apparent in the last few years. Irrigated land, for example, increased by almost 3½ million acres from 1949 to 1954 and total irrigated land has now reached over 29 million acres.

In 1954, nearly a half of all United States farms had telephones, an increase of 10 per cent in four years. In the same year about 93 per cent (or 4·4 million) farms had electricity, compared with 78 per cent in 1950. Almost 4 million farms obtained electricity in the 34 years from 1920 to 1954.

Farm Mechanization Advances Rapidly

Mechanization has made great strides on United States farms during the past nine years. From January 1946 to January 1955 the number of tractors increased 85 per cent, grain combines about 130 per cent, corn pickers 225 per cent and pick-up hay balers and forage harvesters about 700 per cent. Mechanization has been a dominant factor in reducing manual labour on farms. Man-hours of farm work have declined

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more than 25 per cent compared with before World War II and about 15 per cent compared with the 1947-49 period.

About 3½ million horses and mules disappeared from United States farms between 1950 and 1954 and today 1·8 million "horseless" farms employ tractors only for power.

In 1954 United States farmers spent nearly $1·4 billion on gasoline and other petroleum fuel and oil, about $1·1 billion on commercial fertilizers and about $70 million on lime and liming materials. The use of commercial fertilizers in 1954 rose 61 per cent above the 1947-1949 average. The adoption by commercial farmers of agricultural technology has resulted in remarkable increases in the output per acre, per livestock unit, per farm and per man-hour. From 1947 through 1954, farm production gains averaged more than 4½ per cent a year—or higher than those in other industries. Between 1939 and 1955, the U.S. population increased 26 per cent but farm output went up by 40 per cent.

Of the 345 million acres of harvested crops in 1954, about 88 per cent produced food, fibre and tobacco for domestic human use, about 3·5 per cent produced feed for horses and mules, and 8·5 per cent produced agricultural commodities for export. Only 12 million acres were needed to grow grain and hay for horses and mules, compared with 92 million acres in the World War I period.

In spite of unfavourable weather in different regions of the United States, fewer workers on the farms, and a 2 per cent drop in acreage under crop compared with the average of the period 1947-1949, crop production in 1955 was the second largest in history. Output of animal products—meat, dairy and poultry—reached a record.

Net Farm Income Declines

Agricultural producers are not enjoying the high level of prosperity experienced by other sectors of the United States economy. The realized net income of United States farms in 1955 from agricultural sources was about 10 per cent below that of 1954. Net realized farm income from agricultural sources (not including changes in inventory and farm wages of resident workers) declined from $17·2 billion in 1947 to $10·6 billion in 1955. The most important factors responsible for the decline in net farm income are:

- Production of farm products in excess of domestic and export demands, the result of the widespread adoption by farmers of modern agricultural technology.
- The building-up of enormous stocks of surplus commodities, which has depressed the prices of agricultural products.
- The improvement in the production of agricultural commodities in importing countries, with the result that the volume of United States exports of these commodities has decreased.
- The fact that costs of production and marketing have remained stable or have increased in recent years.

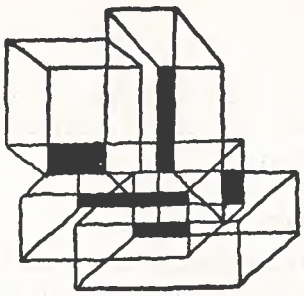
Although the net income of all United States farmers in 1955 was about 38 per cent below their net income of 1947 (its highest point), the per capita income of persons on farms from farming was only about 9 per cent lower in 1955 than it was in 1947. The per capita income of farmers from all sources was actually higher in 1955 than it was in 1947. These figures reflect the substantial movement of farmers and their families from farming to other occupations and the increase in farmers' incomes from other sources.

The 1955 per capita income of persons on farms was $584 from farming and $860 from all sources. In other words, about 32 per cent of the per capita income of farm people came from non-farm sources; the comparable 1954 income figures were $653 and $913. In 1947, per capita income of farmers from farming totalled $641 and from all sources $822. Per capita income of persons on farms from non-farm sources was, therefore, only 22 per cent of the total per capita income in 1947.

Though the per capita income of farmers from all sources in 1955 was $860, the per capita income of the non-farm United States population was $1,922. In 1947, the comparable figures were $822 and $1,393. The percentage increase from 1947 to 1955 was, therefore, 4 per cent for the farm and 28 per cent for the non-farm population.

Problems to Be Solved

The decline in net income of farm operators, the disparity in the increases in incomes of farmers and non-farmers, and the accumulation of surplus stocks of agricultural commodities (the investment of the United States Government in these now totals about $9 billion) are matters of grave concern to farmers, to their representatives in Congress, and to the United States Administration. A number of measures with the objective of raising farmers' income are under consideration by the Congress and the United States Department of Agriculture. Some of these have gone into effect. They include an increase in price support levels for certain farm commodities, including wheat, corn, cotton, rice, peanuts and dairy products; a "Soil Bank Plan" under which farmers would be paid for taking land, which would otherwise be planted to crops now in surplus supply, out of production, and intensified efforts by the Department of Agriculture to dispose of surplus commodities. ●



commodity notes

Argentina

POLYETHYLENE—An American firm has announced that its subsidiary in Argentina, located in Zarate, Province of Buenos Aires, will shortly begin production of polyethylene plastics—Buenos Aires, April 3.

Australia

URANIUM—The Minister for National Development has announced that uranium has been found in fossil reefs which marked the edge of an ancient sea in the Darwin-Katherine area in the Northern Territory. The discovery was made by the Bureau of Mineral Resources and will greatly assist in the search for uranium in the Northern Territory. Because the reefs are easily recognized by prospectors and geologists, they are a valuable indication of the possible occurrence of uranium—Sydney, April 12.

GOLD—Mine production of gold in Australia in 1955 reached 1,049,000 fine oz., slightly below production for 1954. The Acting Commonwealth Statistician said the value of refinery production of newly-won gold of Australian origin in 1955 was £16,503,403, about £85,000 below the value of 1954 production—Sydney, April 16.

Egypt

DIESEL LOCOMOTIVES—The Egyptian Republic Railways is importing diesel locomotives and railway wagons to a value of £E5·5 million, provided under the U.S. Technical Assistance Program. Of this equipment, 32 locomotives will come from the U.S. and 13 from West Germany, 40 third class railway carriages will be imported from Austria, and 20 mail cars and box cars from Yugoslavia. In addition, 20 diesel locomotives will be imported from Hungary during the year—Cairo, April 10.

Federation of Rhodesia and Nyasaland

FERTILIZER—The sole fertilizer company in the Federation has announced an $8 million expansion program for its Salisbury plant. After it is completed—by 1958 it is expected—the Federation should be independent of imported fertilizers. Superphosphates have been imported from the Union of South Africa and overseas. The project includes installation of both phosphoric acid and sulphuric acid plants of 150 thousand tons a year capacity, which is estimated to be sufficient to meet the country's needs for some years. The equipment is being purchased in Europe—Salisbury, April 10.

Jamaica

GINGER—Recent violent fluctuations in the price of ginger in the London market have been worrying Jamaican export merchants. The price there now is about 390 shillings per hundredweight of 112 lb.; last January it had generally stood at 445 shillings, although some sales were made in London at much higher figures. Lower quotations for African ginger and buyers holding off in the hope that the price would decline following the reaping of the new crop are reported responsible for the fall since January. Ginger is essentially a small farmer's crop in Jamaica and the trade is entirely in private hands and free from government control. The Jamaican product is reputed to be the world's best. In 1955 exports totalled 1,573,419 lb. valued at £201,306 f.o.b., of which the United Kingdom took 766,757 lb. (£101,576), the United States 645,918 lb. (£78,247), Canada 103,757 lb. (£14,367) and Australia and Sweden the remainder in about equal quantities. Domestic consumption is relatively small—Kingston, April 16.

POTATOES—Planting of the 15,000 crates of seed potatoes which the Jamaican Government's Marketing Department purchased towards the end of last year (12,000 from Canada, 3,000 from the United Kingdom) is finished, and a large crop is expected. The more extensive use of fertilizer this planting season is expected to boost the yield, which in 1955 was about eight times the quantity planted. Marketing Department officials are, however, inclined to be cautious in forecasting the coming crop because it could be affected by bad weather and other adverse conditions. The excellent quality of the Canadian seed is generally acknowledged—Kingston, April 6.

Japan

SEWING MACHINES—In 1955 Japan exported 1·7 million sewing machines valued at $40·7 million,

according to the Japan Sewing Machine Export Association. In 1954, 1·2 million units valued at $30·7 million were sold abroad. Over 80 per cent of output is being exported. Stagnant domestic demand which increased export efforts, plus a growing acceptance of Japanese machines in foreign markets, is said to be responsible for the increased exports. Keen competition among sewing machine head manufacturers which was leading to a price war and lower quality has been checked by fixing the maker's price of heads at a minimum of $13—Tokyo, April 12.

Netherlands

PEPPER—Pepper futures markets were reopened in Amsterdam and Rotterdam on April 10. For the first time since 1940, prices for white and black pepper were fixed not in the Lampongs (Indonesia) commodity as was customary before the war but in special Sarawak pepper. Black Lampong pepper has disappeared almost entirely because pepper cultivation was cut under the Japanese occupation. As currency impediments have been removed by the Netherlands Bank, the trade has welcomed the reopening of the futures markets which, in principle, are also open to foreign operators. The markets may also have great importance for transit and triangle trade—The Hague, April 11.

Norway

AUTOMOBILE CHAINS—A new type of tire chain, specially designed for motor vehicles travelling on difficult ground, is being produced by a factory in the south of Norway and is being sold in Australia and the United States. This chain is the result of experiments which have been carried on for years, and the machines used to make it are protected by patents in all countries—Oslo, April 5.

SAWDUST CARDBOARD—Interesting experiments in producing cardboard from sawdust have recently been made by a Norwegian timber firm, and the method appears simple. The sawdust is mixed with certain chemicals, passes through a mill, is defibrated, and comes out as a kind of half-cellulose which is easily formed into sheets. These sheets can be used to make cardboard boxes—Oslo, April 15.

South Africa

WOOL—Sales from the present wool clip totalled only £34·5 million to the end of January compared with £41 million for the same period last year—a drop of £6·5 million. Wool is the Union's second largest earner of foreign exchange—Cape Town, April 9.

Sweden

WOOD—Sweden is reported to have exported over 300 thousand standards of wood products this year; sales to the Netherlands and France are particularly good. Sweden is selling less this year because of smaller stocks, a fall-off in the purchase of logs at the mills, and difficult weather which has hindered felling operations. Prices generally are said to be unchanged—Stockholm, April 13.

Trinidad

FLOUR—During 1955 Canada continued to provide some 80 per cent of Trinidad's flour requirements which totalled 1,188,400 one hundred-lb. bags worth B.W.I.$10,289,000. The United States was the second largest source and shipped 16 per cent of the imports. Australia was the only other supplier, entering the market for the first time with a total of 42,700 bags. Despite a price advantage over flour from North America, exports from Australia to Trinidad appear to be falling off again because of a lower protein content and the infrequent arrival of shipments. Trinidad's flour imports from Canada last year totalled 952,900 one hundred-lb. bags worth B.W.I. $8,558,000, from the United States 192,800 bags worth B.W.I.$1,423,000, and from Australia 42,700 bags worth B.W.I.$308 thousand—Port-of-Spain, April 13.

West Germany

CHEMICAL FIBRES—The Association of the German Chemical Industry reports that production of chemical fibres in 1955 rose by 17 per cent to 237 thousand tons, as compared with 1954. Exports in 1955 increased by more than 31 per cent to DM252 million. The Association expressed the opinion, however, that it will be difficult to increase them further—Bonn, April 16.

Exporting to the United States

The United States Commissioner of Customs has approved a new procedure whereby Canadian exporters who are uncertain of the rate of duty or the basis of valuation of new products being shipped to the United States may secure such information in advance of shipment. The new procedure will also be used to assist Canadian exporters in the solution of difficult valuation problems which may be hindering their exports to the United States. Further details will be published in the next edition of "Foreign Trade".

Greek longshoremen at Elefsis unload bags of Sebago certified seed potatoes which arrived from Saint John, N.B., aboard the S.S. "Hellenic Sky" (background, left). Greece buys about 40 per cent of its seed potato imports from Canadian producers.

Greece: Market for Seed Potatoes

Canadian sales of certified seed potatoes to Greece have grown rapidly in past three years. New Canadian variety being tested this year and good orders for it expected.

H. W. RICHARDSON, *Commercial Secretary, Athens.*

EARLY IN MARCH the S.S. *Hellenic Sky* arrived in Greece with 1,260 tons of Sebago seed potatoes from Saint John, New Brunswick—the third ship this year to carry Canadian certified seed potatoes from New Brunswick and Prince Edward Island to the Grecian market. These are not chance shipments: they are the result of three years of effort by growers, exporters, Department of Agriculture inspectors, and ocean shipping companies, co-ordinated by the Trade Commissioner Service and the Department of Trade and Commerce in Athens and Ottawa.

From the first trial shipment some three years ago of 430 tons of Sebagoes and Katahdins, our sales of seed potatoes to Greece have grown to over 3,630 tons and account for almost 40 per cent of the entire seed potato market there, as the following table shows. (Current annual import requirements exceed 9,500 tons.)

GREEK SEED POTATO IMPORTS

Varieties	*1952-53*	*1953-54*	*1954-55*	*1955-56*
	(metric tons)			*(long tons)*
Arran Banner	8,000	7,000	6,900	5,200
SEBAGO FROM CANADA	.....	380	1,180	2,500
KATAHDIN FROM CANADA	.....	50	400	1,130
Up-to-Date	500	1,000	550	500
Other varieties (approx.)	500	300	400	200
Totals (approx.)	9,000	8,730	9,430	9,530

How Market Developed

Before the 1953-54 season, Greece had not bought any Canadian seed potatoes. It had received small quantities of Sebagoes and Katahdins from Maine as part of U.S. economic aid. Following the freeing of Greek import trade from quotas and restrictions in 1953, we renewed our efforts to interest the Agricultural Bank of Greece in Canadian seed. As a result a tender was called at the end of that year for the purchase of 430 tons of Sebago and Katahdin for the 1954 planting season. These were paid for out of

foreign exchange reserves of the Bank of Greece, not U.S. economic aid funds. This trial shipment was so well received by Greek potato growers that in 1955, despite unusually high Canadian prices, the Agricultural Bank of Greece bought 1,580 tons of Canadian seed.

Imports from Canada Growing

The success of Canadian varieties of seed potatoes in Greece was further confirmed this year. The original tender called for 2,302 tons of seed, but eventually a total of 3,630 long tons of Canadian Sebagoes and Katahdins were purchased from the 1956 spring planting, even though the buying passed from the hands of the Agricultural Bank of Greece to the Kydep Central Co-Operative. All seed potatoes continued to be paid for with Greece's reserves of dollars, pounds, francs, etc.

Two tons of the outstanding new Kennebec variety are being tested in Greece for the first time this year, and sizable orders for this high-yielding variety are expected to displace further imports of Arran Banner. Some officials of the Greek Ministry of Agriculture think it possible that after a few more years Arran Banner will be almost entirely displaced by the Sebago, Katahdin and Kennebec varieties.

Italy Revises Investment Law

New investment law passed in February offers foreign capital several inducements to share in Italian industrial expansion. A few points remain to be clarified.

W. R. VAN, *Commercial Secretary, Rome.*

SEVERAL WEEKS AGO the Italian Government, realizing the importance of and the need for foreign capital on a far larger scale if the Italian economy is to be more fully developed, enacted a new investment law. Although several points remain to be clarified, the new law has been hailed as a step in the right direction and a definite improvement over previous investment legislation. However, it does not cover the field in which most foreign capital is currently concentrated—the petroleum industry—nor the transfer of royalty payments abroad.

Why Foreign Investment Needed

There are several pressing reasons why more foreign investment is essential. The first is the need for capital in large amounts to help expand present industries and to establish new and productive enterprises. More industry is vital if Italy is to overcome the persistent problem of over-population and under-employment—a problem which emigration cannot solve completely. Nor can Italians themselves provide the funds necessary for such expansion. Foreign money is needed also to further two development plans already under way. One is the so-called Vanoni plan, sponsored by the late Budget Minister Vanoni in 1954, to provide four million new jobs in ten years. The other is the project of the "Cassa per il Mezzogiorno", to help the under-developed parts of the country and particularly the poorer South.

Characteristics of New Law

Although the new investment law is much more liberal than the previous one, it continues the sharp distinction between investment in the expansion of existing enterprises and the establishment of new ones, and investment in the so-called "non-productive" enterprises. The latter includes portfolio investments. As yet, however, the phrase "productive enterprises" has not been clearly defined.

Under the new law, foreign and Italian citizens residing abroad who send funds to Italy for the purpose of investing the countervalue in lire to set up new productive enterprises or to enlarge existing ones may transfer abroad dividends, profits and capital accruing from the investment without any limit. Where machinery is involved, at least two years must elapse before

repatriation may begin. Where investment is made in the form of machinery, existing regulations govern the import and the proposal must first be studied by the Ministry of Foreign Trade. Should it approve the import, regular customs duties would be levied except on machinery destined for an enterprise in underdeveloped areas. To encourage the establishment of industry in these places, duties and taxes have been waived for ten years.

If the foreign funds invested go neither to expand an existing productive enterprise nor to set up a new one, the transfer abroad of interest, dividends, and profits actually received cannot exceed the rate of 8 per cent a year of the capital invested. Moreover, the transfer of funds obtained from the sale of investments of this type cannot exceed the amount of the currency originally brought in and cannot be effected within two years from the date of the investment. The use of any amounts in excess of the capital originally invested and over and above the 8 per cent per annum allowed is subject to the currency regulations in force at the time. Investments of this nature may also be made in the form of machinery.

Loans to Productive Enterprises

Productive enterprises are, within the terms of the new law, permitted to float medium and long-term loans in Italy as well as to issue debentures in conformity with the following provisions and regulations.

- Enterprises organized as branch offices of foreign corporations or firms or as Italian companies without the participation of Italian citizens residing in Italy may receive loans and debentures not exceeding 50 per cent of the capital introduced into Italy.

- Where enterprises are organized as Italian companies with the participation of Italian citizens residing in Italy and with the foreign capital in the enterprise in excess of 30 per cent, the loans and debentures as a whole may exceed 50 per cent of the capital. However, for the part exceeding such share which these enterprises obtain abroad for use in Italy, credits are provided of the same kind and duration in proportion to the participation of foreign capital in a foreign currency.

The potential foreign investor looking at the new law will want two questions answered. One is how the Government defines "productive" and "non-productive" enterprises. The second and more important one concerns taxation. It is generally conceded that the present Italian taxation system is somewhat complex and, as matters now stand, obtaining of the tax clearance certificate required to withdraw an investment could prove difficult and time-consuming. Steps are being taken to clear up these points.

The new Italian investment law will undoubtedly attract the attention of Canadians who wish to share in the industrial expansion of Italy. Foreign investors, especially those in the United States, have already expressed keen interest. Canadians anxious to study the law further can examine a translated copy which has been forwarded to the Industrial Development Branch of the Department of Trade and Commerce.

Frost Damages French Olive Trees

Estimates of the extent of frost damage to olive trees in Southern France are beginning to come in. Out of a total of 12 million trees, slightly over 11 million are thought to be seriously damaged and there will be practically no olive crop for the next two years.

The extent of the frost damage to the olive trees falls into four categories, as follows:

(1) Destroyed—1,268,400. These will be replaced by new trees coming into production only after 15 years.

(2) Out of production for ten years—4,463,950. These will be cut down to their roots.

(3) Out of production for five years—4,271,750. These will be cut back to the trunk.

(4) Out of production for two years—1,088,900. These will be pruned severely.

The average production per tree in France is five kilos for pressing and eight kilos for processing the whole olive. With an average price for the past two crops of 70 francs per kilo, it is calculated that losses from trees destroyed or out of production for a number of years will amount to 35·5 billion francs ($100 million).

Olive growing is already declining in Southern France because of competition from North Africa and other Mediterranean countries, and the large-scale damage will undoubtedly aggravate this situation. Grapes and olives are the only possible crops in the South and are considered valuable to anchor soils in dry, hilly areas. Olive trees cover 80,000 hectares and provide income for some 100 thousand farmers, generally as a sideline to other activities. Apart from the loss of farm income, 90 co-operatives and 550 mills of various sizes will be closed for varying periods.

The growers have asked the State to assist them at the rate of 800 francs per tree for the first year and 300 francs thereafter, the money to come from the Forestry and Edible Oils Support Funds.

Commercial TV Comes to Britain

Under British system, owners of commercial television stations must look to program contractors to supply programs; these companies finance own operations by sale of advertising time. Here is a description of this system, advertising rates, and other information for Canadian exporters who might wish to advertise their products by using British TV time.

J. L. MURPHY,
Office of the Commercial Counsellor, London.

COMMERCIAL TELEVISION was launched in the London area of the United Kingdom on September 22, 1955, by a body known as the Independent Television Authority, thus ending the BBC's 13-year monopoly of British television broadcasting. Today, owners of TV sets within a 50-mile radius of London can get an alternative program to the BBC.

The Independent Television Authority was appointed by the Postmaster General, to whom the Authority is responsible under the Television Act, in August of 1954. It was constituted primarily to provide, in the words of the Act, "television broadcasting services, additional to those of the British Broadcasting Corporation, and of high quality, both as to the transmission and as to the matter transmitted". How they were to execute this function was set out later in the Act: they must own and operate transmitting stations and exercise general supervision over the programs.

Croydon Station Built

Once it was given the green light to proceed, the Authority decided to build its first station at Croydon, about ten miles from central London, and work began in February 1955. Seven months later this transmitter was ready for operations.

Croydon Station started to operate in the first instance at an effective radiated power of 60 kilowatts and is planning to have it stepped up to 120 kilowatts in the near future. The present plan is that the station will operate for about 18 months or perhaps longer, when it is hoped that the site for the Authority's permanent transmitter in the London area will have been selected. When this happens, all the transmitting equipment at Croydon will be transferred to its new permanent home.

Program Contractors Chosen

The next step was to invite applications from people interested in contracting to produce a daily seven-hour program for the first three stations in London, the Midlands and Lancashire. During 1955, four firms were successful in obtaining these contracts. One operates the London service from Mondays to Fridays, a second is in charge of the weekend services from London, and the other two companies will split the Midlands and Lancashire programs in the same way, when these programs are established.

The organization of commercial television is therefore substantially different from the system in North America. In Canada and the United States the owner of the station must also supply the programs. In the United Kingdom, these functions are divided between the Independent Television Authority and the program companies. The Television Act laid down that the programs must be provided by privately financed companies, known as program contractors, who would pay the Authority for the use of its stations and would finance their own operations by the sale of advertisements associated with their programs. The Authority owns the printing presses, as it were, and the companies provide the contents of the publication.

Another difference from North American practice is that advertisers are not allowed to sponsor programs—commercial television is thus related to advertising in the traditional manner of newspapers. Advertisements may only be inserted at the beginning or end of programs or in natural breaks in them. Furthermore, the Postmaster General has agreed with the Authority that the amount of time given to advertising must not be more than an average of six minutes an hour; the number of advertising periods must not exceed an average of six an hour. Finally, in no circumstances may the interval between advertising periods be less

than three minutes. Other rules agreed upon with the Postmaster General regulate advertising in association with religious services and Royal appearances. There must be no advertising during the broadcast of a religious service or a Royal appearance, and there must also be an interval of at least two minutes between such broadcasts and any preceding or following advertising period.

Advertising Rates

The advertising rates for the London area and Midlands (Monday to Friday) are as follows:

London (Monday to Friday) 1 minute

4.30 p.m. to 6.00 p.m.	£ 325	($ 910)
7.00 p.m. to 7.25 p.m.	£ 325	($ 910)
7.25 p.m. to 7.55 p.m.	£ 650	($1,820)
7.55 p.m. to 10.05 p.m.	£ 975	($2,730)
10.05 p.m. to 10.35 p.m.	£ 650	($1,820)
10.35 p.m. to 11.00 p.m.	£ 325	($ 910)

London (Saturday and Sunday) 1 minute

3.00 p.m. to 6.00 p.m.	£ 350	($ 980)
7.00 p.m. to 7.30 p.m.	£ 600	($1,680)
7.30 p.m. to 10.00 p.m.	£1,000	($2,800)
10.00 p.m. to 11.00 p.m.	£ 600	($1,680)

Midlands (Monday to Friday) 1 minute

4.00 p.m. to 6.00 p.m.	£ 175	($ 490)
7.00 p.m. to 8.00 p.m.	£ 300	($ 840)
8.00 p.m. to 10.00 p.m.	£ 500	($1,400)
10.00 p.m. to 11.00 p.m.	£ 300	($ 840)

Revenue Realized

What about the revenue arising from this new venture? Aside from the income from rents from the first four program contractors, which is estimated at about £1,750,000 a year ($4,900,000) the only money available to ITA is a loan of £2 million ($5,600,000) from the Postmaster General, which is repayable in ten years at 5 per cent. On the expenditure side, in addition to maintaining an office in London, the Authority will be called upon to pay considerable amounts to the General Post Office for renting its network of lines along which the sound and vision can travel. Planning ahead—that is, purchasing transmitting equipment at the present time for use in future stations—is another expense which has to be considered.

In the beginning, with only Croydon station operating, the two program companies had to bear heavy overheads in providing all the programs. But now that network operations are under way—the Midlands station opened on February 17, the Lancashire station on May 3, and the Yorkshire station is scheduled to open in October—the two London program contractors expect to break even, provided annual revenue at the estimated rate of £8 million ($22,400,000) is maintained. When the four English stations are all working together, it is hoped to establish a profitable basis of operations because operating on a network basis will mean the sharing of the costs of top "live" shows and the interchange of film programs. At the moment, there is some evidence that advertising revenues are being adversely affected by the current measures against inflation undertaken by the United Kingdom Government but this is expected to be only a temporary setback.

Advertising Canadian Products

So far, there has been no report of overseas firms making use of commercial television in Britain to advertise their products. However, the London offices representing overseas organizations such as the Ford Motor Company, Max Factor and Revlon use a considerable amount of television advertising. Canadian firms interested in making use of this medium should get in touch directly with the following program companies:

For London program, Monday to Friday:

Associated Rediffusion Limited
Television House,
Kingsway,
London, W.C.2, England

For London program, Saturday and Sunday, and for Birmingham, Monday to Friday:

Associated Television Limited
Television House,
Kingsway,
London, W.C.2, England

For Birmingham program, Saturday and Sunday:

A.B.C. Television Limited
Pathé House,
133 Oxford Street,
London, W.1,
England

Future Developments

Certainly commercial television is still in an experimental stage in Britain. When the four stations are working by next fall, it is estimated that the area covered by commercial television will include 30 million people, or nearly double the population of Canada. The ITA has not announced definite plans for its development after 1957, for the simple reason that it does not know how many additional frequencies are to be allocated to it. It is understood, however, that if the frequency problems can be overcome, ITA may expect to have about 20 stations in operation by the end of its present constitutional life in 1964. In 1957 and 1958, it is possible that the Authority may open stations at the rate of three a year, afterwards dipping to two a year. Thus by 1959 the nine or ten main areas of most concentrated population may have an independent television service. Well over four-fifths of the British population would then be covered.

The three stations to be opened in 1957 would cover south Scotland, south Wales and possibly Northern Ireland. This would complete the plan for ITA high-powered regional stations. While these are being built, plans will be made for a series of medium-power stations, with priority given to the northeast of England, Hampshire and East Anglia. These areas should have medium power stations in operation by the end of 1957.

It is estimated that in the London area at present serviced by ITA, there are 1,430,000 sets receiving BBC television. Of this number, 700 thousand have been converted to receive both BBC and commercial television programs. In other words, practically half the potential audience is now viewing commercial television within a radius of 50 miles from London. Of the remainder, former one-station sets are being converted at the rate of 20,000 per week, enabling these viewers also to have a choice of programs.

Australia Expands Steel Industry

Vigorous expansion program in Australian steel industry showing results, but growing production cannot yet keep pace with rising consumption and imports needed. Canada continues to have small share of this market.

R. W. BLAKE, *Commercial Secretary, Melbourne.*

THE AUSTRALIAN STEEL INDUSTRY was born about forty years ago, and ever since it has been progressing gradually towards the objective of a completely integrated industry. It has developed iron ore deposits, collieries, and shipbuilding, and has added new coke ovens, blast furnaces, and open hearth capacity. Since the end of the war, this expansion program has gone forward at top speed. Between 1945 and 1954, ingot steel production rose by 86 per cent to 2·2 million tons and installed steelmaking capacity now has reached 2·4 million tons a year.

Possesses Natural Advantages

The industry started out with great advantages because, by entering the international steelmaking field comparatively late, it was able to bypass already obsolescent methods employed in the older manufacturing countries and to begin the production of steel using the most efficient contemporary processes. As a result, Australian-made steel is among the cheapest in the world. The annual report of its largest steel manufacturing company states that the basic price of Australian structural steel in 1954-55, delivered c.i.f. capital and main Australian ports, was £36 10s. per ton. This was 39 per cent lower than steel imported duty-free from the United Kingdom and 41 per cent lower than that from the United States.

However, the industry cannot yet supply all the needs of the domestic market and, although it exports some kinds of steel, it still must *import* some special types. Canada has been supplying plate and sheet steel, bars and rods, and some stainless steel, but as the integration of the industry in Australia becomes complete, this market will probably shrink.

The demand for steel in Australia keeps growing: in 1937-38 the average steel consumption was 482 ingot pounds per capita; it has now risen to more than 600 pounds. Several factors enter into this increase. Australian output of car bodies, refrigerators, and related steel products has risen greatly during the past few years. More British motor car companies have set up plants in Australia in addition to the American and Canadian companies already established there. The agricultural machinery industry is growing, and steel is being used more and more for farm and building supplies. All these developments have urged on the expansion program.

Steps in Expansion Program

One company turns out practically all the steel made in Australia. In August 1955 it just about reached the halfway mark in its postwar expansion program, when it opened a new continuous hot-strip mill at Port Kembla, N.S.W., after spending nearly £60 million on

plant and equipment during the past six years. The mill has a potential capacity of 1·5 million tons a year. The company plans to spend another £70 million in the next few years, in an all-out effort to expand the country's steelmaking capacity to the point where it can meet the ever-increasing demand. Steel ingot capacity at Port Kembla is expected to go up 25 per cent in the next few years.

In addition to the hot-strip mill, a new merchant mill has been built at Port Kembla, adding 500 thousand tons of steelmaking capacity, with an additional 350 thousand scheduled for 1956-57. To process this increased output it was necessary to step up the capacity of the existing bloom mill.

A third plant being erected at the Port Kembla works will provide steel slabs weighing up to 17 tons as feed for the hot-strip and plate mill. It will be the world's largest mill of its particular type, with an annual rolling capacity of 2·5 million tons, and is scheduled for completion late in 1957. The slabbing mill will enable the hot-strip mill to maintain a growing supply of flat steel for making into building sheet, motor vehicles, and a wide range of industrial and consumer goods.

The company's postwar capital expenditure has been at the rate of approximately £9 million a year and if economic conditions permit, expenditure will go even higher in the next few years.

Solves Certain Problems

The installation of the new 66-inch-wide hot strip mill, coupled with an 80-inch cold reversing mill built by another company, (a subsidiary of an English firm) at Port Kembla, plus the installation of a new continuous cold reduction strip mill, solves several important problems for Australian industry. The new cold rolling mill is one of the largest in the world and will increase the output of sheet steel by the company installing it from 145 thousand to 520 thousand tons a year.

The hot-strip mill is of the latest design, and its products will enable Australian secondary industries to speed mass production of products in everyday use made of pressed or formed steel parts.

Apart from the Port Kembla project, additional plant is being installed at Newcastle, N.S.W., where work has begun on a new skelp mill which will provide increased rolling capacity for steel feed required by associated industries, and medium-wide steel for the general trade. This is scheduled for completion in 1958. A new steel rolling mill being built in Kwinana, Western Australia, will be ready shortly and will use fuel oil from the Kwinana refinery. This mill will have an installed capacity of 50,000 tons a year and will roll a wide range of merchant sections for the Western Australian market.

This aerial view of the great Australian steel development at Port Kembla, N.S.W., shows the newly completed hot-strip mill in the foreground. This mill, opened only last August, has a potential capacity of 1·5 million tons a year.

Australia as a primary producing nation with a large food processing industry is a great user of tinplate for tin cans, but to date it all has had to be imported. The coming into production of the hot wide-strip mill has made possible the establishment of a tinplate industry. The tinplate plant now being built will have an annual capacity of 150 thousand tons of tinplate and finishing facilities are being installed next to the hot-strip mill. The plant is expected to be operating in 1957-58. Raw material will be wide steel strip rolled on the continuous hot-strip mill, then cold reduced. The delay in the installation of a tinplate plant has proved fortunate because it has been possible to take advantage of the remarkable developments in recent years in using the continuous hot and cold-strip method. Although it is proposed to start the production of tinplate using the hot-dip method, plant for the more modern electrolytic process will be installed as soon as possible.

Iron Ore Supplies Ample

The Australian steel industry is fortunate in having large domestic supplies of iron ore. Production of iron ore for iron and steelmaking in 1954 totalled 3,518,804 tons and, although figures for 1955 are not yet available, output is still rising.

It is estimated that reserves of high-grade iron ore in Australia total approximately 400 million tons. Of this amount, 175 million tons are in South Australia

and 100 million tons in Western Australia, all close to seaboard. A further 69 million tons are available in Western Australia and 60 million tons in Queensland, but these reserves are about 200 miles inland and are so far unproved. It is possible that the deposits will be much larger than present estimates indicate.

In addition, there are extensive deposits of low-grade iron ore scattered all over the country, which could be used when supplies of high-grade ore become depleted. The leading steel company is also making an extensive survey in Tasmania and Victoria but has not yet been successful in locating any deposits. This firm is at present importing small tonnages of high-grade ore from New Caledonia.

Imports and Exports

In 1954 imports of iron and steel—which includes terneplates, tinplate, and galvanized sheet but not iron ore—totalled 271,050 tons (864 thousand tons in 1951), most of it in the form of plate and sheet. Figures for the nine months ended September 1955 show a considerable rise in imports to 317,319 tons because of greatly increased demand.

During these nine months Canada shipped about 135½ tons of iron and steel rough forgings, nearly 168 tons of iron and steel rods, and 5½ tons of steel sheet plates and strips worth a total of $403 thousand. When the new sheet mills already erected and planned are in operation, the demand for imported steel should ease considerably. Whether Canada's already comparatively meagre sales of steel products to Australia will decrease still further will largely depend on the ability of the Australian industry to meet the rapidly increasing needs of a growing economy.

Exports of iron and steel (excluding pig iron) from Australia in 1954 totalled 107,794 tons and for the nine months ended September 1955, 63,129 tons. These exports were mainly ingots and billets, bar and rod, and plate and sheet and went chiefly to New Zealand.

Future Prospects

The Australian steel market is now beginning to feel the effects of the vast expansion program and during the next few years the impact of new basic equipment, new merchant steel-rolling mills, the new plate mill and the wide continuous hot-strip mill, will be felt. Tinplate will also be available before too long.

However, in spite of the great progress made, the demand for steel is increasing so fast that it will probably be some time before local plants can meet all the needs of the home market. With steel in short supply in most countries, it seems probable that Canada will at least keep her present market in Australia until world steel supply overtakes demand. ●

Aluminum for Automobiles

THE LARGEST INDUSTRIAL ORDER in the history of the aluminum industry was placed recently when the Ford Motor Company signed a contract with one of the largest producers for 640 million pounds to be delivered during the next ten years.

Increasing use of this metal in motor car production is significant. One manufacturer now uses eight times as much aluminum as he did in his 1925 model, and it is estimated that a saving in weight of up to 300 pounds is obtained in some models. Those with power steering and transmission use from 68 to 80 pounds per car.

Manufacturers say that one of the advantages of aluminum for the automotive industry is the fact that it comes in all colours for radiator grills, hub caps and other car trim. Approximately 50 per cent of the aluminum which goes into today's car is in the automatic transmission and 30 per cent in the engine. Body trim accounts for about 7 per cent and it is here and for grills and components that greater use is expected. One large luxury model uses 192 pounds of aluminum as replacement for 400 pounds of steel. Another objective is its use in car roofs, which, it is said, would be fadeproof and easily cleaned and would make the interior cooler in summer. Experiments are being carried out.

Use Is Growing

By 1955, the use of aluminum had climbed to an average of 30 pounds per car; in this year's models it rose to 35 pounds. It is predicted that by 1960, it will total 50 pounds per car and by 1965, 81 pounds. Should the automotive industry turn out seven million cars this year, it will mean the consumption of 255 million pounds of aluminum, about $\frac{1}{16}$th of total production.

Another important use, now being tested, is for automobile radiators. Present hopes are for an all-aluminum radiator, though the aluminum-finned, brass-tube radiator is expected to appear later this year.

Engineers in the industry believe that there is a shift from iron and steel to light metals, particularly in engines, transmissions and trim, and to a greater use of lightweight plastics.

—M. J. VECHSLER,
Consul and Trade Commissioner, Detroit.

general notes

Australia

TRADE DEFICIT—The Acting Commonwealth Statistician has announced that an adverse trade balance of £2·8 million in March brought Australia's overseas trade deficit for the first nine months of this financial year to £75·3 million. This is almost double the trade deficit of £38·2 million for the same period of the last financial year. Trade in January, February and March was affected by the wharf-labourers' strike, which hit recorded exports in those months more severely than recorded imports. Exports in March yielded £77·9 million, a decrease of £4·4 million, or 5·3 per cent, compared with a year earlier—Sydney, April 16.

Federation of Rhodesia and Nyasaland

KARIBA DAM—The Government's announcement at the end of February that the original Kariba Dam estimates had risen from £55 million to £79 million for the first stage and from £85 million to £119 million for the second stage has had a disturbing effect on the people of Rhodesia. Their concern, however, has been partially offset by an offer from the copper mines of Northern Rhodesia, who badly need the power, to loan £20 million for the scheme at 4½ per cent and to accept a surcharge on the power consumed by them over the period 1961-67, which will yield a further £10 million. Despite intense criticism from Opposition Members, the Government is resolved to continue with the project. Much of the preliminary work is complete and recently contracts worth over £4 million were awarded for the building of European and African townships at the dam-site. A team of experts from the International Bank in Washington has made a final survey of the economic and engineering aspects of Kariba and an announcement about the Bank's willingness to loan up to £30 million is expected by the end of June—Salisbury, April 15.

Finland

PRICE RESTRICTIONS—The Finnish Government has introduced price restrictions on all domestic goods effective April 1. A special permit will be necessary to quote higher prices than those current on January 31, 1956, for all goods produced in Finland from Finnish or imported raw materials. The price of milk and other dairy products may not be increased above the level on February 13, 1956—Stockholm, April 11.

Italy

PLANETARY ROLLING MILL—A well-known Italian firm, in conjunction with a United States company, has constructed in Milan the largest planetary rolling mill in the world. The new mill, manufacturing under licence, will in a single operation reduce and transform heavy steel ingots into thin sheets of up to one metre in width. It is expected that present average annual production of 250 thousand tons will be greatly increased and perhaps doubled. Production from this new mill will go far toward filling current domestic demand—Rome, April 12.

Japan

MOTION PICTURE IMPORTS—According to an announcement by the Japanese Ministry of Finance, a total of 180 foreign motion pictures worth $52 million will be imported during the fiscal year 1956 (April 1, 1956-March 31, 1957). Of these, 65 per cent will be United States productions, and 35 per cent European films. Despite the view of some officials that movie imports from the United States should be cut to save dollars, and of others that the framework of foreign picture imports should be broadened, the total number of films to be imported and the ratio of U.S. to European films is the same for the new fiscal year as for the period just ended—Tokyo, April 12.

South Africa

FOREIGN TRADE—Both imports and exports contributed to the rise in South Africa's foreign trade in 1955. Imports climbed from £438·6 million in 1954 to £482·5 million in 1955; exports, at £368·2 million, were considerably higher than the 1954 figure of £331·4 million—Cape Town, April 20.

NATIONAL INCOME—The net national income increased by 4·7 per cent for the year 1954-55—to £1,456,800,000 from £1,390,600,000 in 1953-54. Because the index of retail prices rose by 2·6 per cent during the year, real income was up by 2·1

per cent. The population was 1·83 per cent higher, so that per capita income remained about the same as in the previous period—Cape Town, April 9.

Sweden

PULP AND PAPER MILLS—The pulp and paper mills to be built at Otterbacken on Lake Vanern by a state-owned company, will cost approximately $17 million, including machine equipment. The pulp mill will probably be completed by 1958 with a capacity of 70-75,000 metric tons of unbleached and bleached kraft pulp—Stockholm, April 13.

FOREST RESOURCES—According to recent estimates, Sweden's forest resources total over 2,000 million cubic metres; annual regrowth is estimated at 63 million cubic metres. Cutting during the years 1952-53 and 1953-54 reached 40 million and 51 million cubic metres, respectively—Stockholm, April 13.

Taiwan

TRADE DRIVE—In the past 4½ years, the Central Trust of China has exported Formosan products to the value of US$290 million and imported US$220 million worth of goods. Plans have been made for intensified efforts to promote sales of Formosan sugar, rice, canned pineapple and coal to Japan, South Korea, Southeast Asia, Western Europe and the United States. The Trust's representatives in these areas have been instructed to renew their efforts in advertising these products—Hong Kong, April 4.

TRADE BALANCE FAVOURABLE—Taiwan's Finance Minister has announced that Taiwan now has a favourable trade balance of nearly US$40 million; exports in 1955 reached a value of US$132 million and imports US$92 million.
Nationalist China has received US$650 million in economic aid during the past five years and this has helped to lighten the budget burden at all levels of government. Trade policy will continue to emphasize assistance to exports through expansion of foreign markets, and imports of non-essential goods will be cut—Hong Kong, April 4.

United Kingdom

PETROCHEMICAL PRODUCTION—A large petroleum firm has announced plans for a £9 million petrochemical plant. To be completed within two years, it will process nearly 250 thousand tons of crude petroleum a year to produce a variety of chemicals, including ethylene, propylene, butylene and butadiene. Most of the butadiene will be used to make synthetic rubber. A plant to produce the latter is to be built at a cost of £5 million, with an annual output of 50,000 tons of GR-S synthetic rubber—London, April 20.

EXPORTS—British exports set a new monthly record in March and the adverse balance of trade was again reduced. Total exports, including re-exports, were worth £282·9 million compared with £259·6 million in February. Imports were also up, at £330·3 million, from £309·1 million in the previous month. However, the relatively better export performance meant that the adverse trade balance in March was reduced to £47·4 million from £49·5 million in February. The average monthly adverse balance for the first quarter of 1956 is £57 million, £20 million less than for the same period of 1955, and £15 million smaller than for the whole of last year.
United Kingdom exports to North America were valued at £30·3 million in March, £1·3 million more than in February. Exports to Canada recovered from the seasonal low levels of January and February to reach £13·3 million, a gain of £1·9 million over February. The first quarter's monthly average value of exports to Canada is £11·6 million, 18 per cent higher than in the first three months of 1955—London, April 16.

TOURISTS—About 1,125,000 tourists are expected to visit the United Kingdom during 1956 (about 8 per cent over last year) bringing the country about £170 million in foreign exchange. Approximately £50 million of this will be spent on fare payments to British transport firms. Fifty-five thousand of the visitors are expected to come from Canada and 250 thousand from the United States. Total tourist receipts from North America may reach £60 million —London, April 12.

West Germany

CONSTRUCTION ABROAD—It is reported in Bonn that two German and four French firms have accepted a tender of the Egyptian Government for the erection of a fertilizer plant near Assuan. Costs of this project are estimated at E£20 million. It is expected that construction will take five years, but production in one-third of the plant may be started by the beginning of 1960. The final capacity of the plant will, it is said, be 370 thousand tons per year.
It is reported from Oberhausen that a German firm received four out of five orders for the construction of complete cane sugar plants at Poona near Bombay; the orders were placed by the Government of India. The plants will be erected at a cost of DM16 million and will have an eventual daily output of 1,000 tons —Bonn, April 20.

trade and tariff regulations

Australia

TARIFF BOARD INQUIRY—The Australian Tariff Board announced on April 10, 1956, that it had been requested by the Minister for Trade to inquire into and report on the following subjects:

What rates of duty should be imposed on:

(1) Paper felt and carpet felt.

(2) Buckles, clasps and slides.

Canadian firms exporting these products to Australia may wish to have their views on these tariff inquiries placed before the Tariff Board. The most effective method of presenting such views is for the Canadian exporter to arrange that his Australian agents act on his behalf before the Board. Action should be taken as soon as possible because tariff inquiries normally begin in Australia soon after the announcements are made.

Rates of duty on these products may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Indonesia

EXPORT PREMIUMS INCREASED ON SISAL AND KAPOK—Effective March 1, 1956, the export premium on sisal has been increased from 10 to 25 per cent, and on kapok, effective March 10, from 10 to 15 per cent. Since October 1955 these premiums have been granted to Indonesian exporters of most products exported from that country. The premiums do not involve any special rights as regards imports —Djakarta, March 23.

Italy

DOLLAR IMPORT LIBERALIZATION—In the April 28 issue of *Foreign Trade*, page 28, we gave advance information, based on press reports, regarding an Italian measure which frees from import control an additional list of imports from dollar countries, including Canada. We have now received a translated copy of the official decree implementing this measure which came into force on April 7. It gives the following information which may be of interest.

The new measure expands considerably the existing list "A" of dollar goods which may be imported into Italy without an import licence on the basis of unofficial bank certificates attesting that the importer possesses the necessary foreign exchange to pay for them. Salted fish is the most important commodity on this list from the Canadian point of view. Other products affected are largely raw chemicals for industry, other raw materials and various machines. However, import licensing requirements still apply to wheat and coarse grains; primary aluminum, except scrap; canned salmon; polystyrene, and flax seed. All of these are important Canadian export products.

Among the dollar products liberalized at this stage, the following appear to be of interest to Canadian exporters:

Fish, simply salted, dried or smoked, including codfish
Animal fats, melted, not for human consumption, including inedible tallow
Petroleum pitch, hard and soft
Certain chemicals
Raw hides and skins, not for furriers, even if pickled
Railway and tramway ties of wood
Wood, planed, grooved, tongued or prepared to be joined together
Various semi-worked wood products, including box shooks, pickets and rough-shaped tool handles
Marine engines, inboard, naphtha burning, having a rotation power of over 1,800 revolutions per minute
Marine engines, inboard, petrol burning, having a potency of less than 8 h.p.
Marine engines, inboard, petrol burning, having a potency of between 116 and 250 h.p.
Wind-operated machines and apparatus
Compressed air engines, alternative and rotative
Monel screens for filters
Evaporators
Needles and punches for "cotton" type looms
Lathes, automatic, with multiple mandrels
Milling machines, automatic, and copying
Gear-cutting machines, creator, with multiple mandrels
Shapers, hydraulic movement, weighing over 22,000 pounds
Cash registers, with levers, with more than two totalizators
Electrical accounting machines with typographical keyboard (invoicing machines) for accounting
Electrical accounting machines with calculating elements by electric touch, with balances and totals automatically written
Non-writing calculating machines of the following types: by pressure of keys with keyboard extending from the figures 1 to 5, hand operated; by pressure of keys with extended keyboard from 1 to 9, electrical touch; with levers and functioning electrically; with keys, reduced keyboard functioning electrically

Accounting and statistical machines using perforated cards
Characters for calculating machines, accounting machines, cash registers and other similar machines
Vari-type composing machines and parts
Multigraph printing machines and parts
Automatic woodworking machines, joiners and gluers, with a continuous transportation chain, without paper
Automatic pitting and peeling machines for fruit processing
Electrical micro-contacts for use in industrial machinery
Lightning absorber apparatus (crystallite) for high tension lines over 20,000 volts
Aircraft with propulsion engines, weighing more than 3,300 pounds
Aircraft parts other than engines

Preliminary reports indicated that oil seeds would be among the liberalized products. In fact, however, copra is the only item in the group of oil seeds and fruits that appears in the official list.

Information regarding the status of individual goods relative to Italy's dollar import liberalization may be obtained from the International Trade Relations Branch of the Department.

Spain

VALUE OF GOLD PESETA ALTERED—A Spanish Government decree, dated March 27, 1956, published in the *Official State Bulletin* of March 31, 1956, and effective April 1, 1956, alters the value of the gold peseta for customs purposes in such a manner that the tariff is increased across the board 100 per cent. In other words, 100 gold pesetas are now equivalent to 715·40 paper pesetas instead of the previously prevailing 357·70.

The old rate was based on the lowest category of the multiple exchange rate system of 10·95 pesetas to the U.S. dollar, which has now been abandoned in favour of 21·90 pesetas to the U.S. dollar.

Tours of Territory

L. S. GLASS, Commercial Counsellor in Wellington, New Zealand, will make a five-day business visit to Auckland, from May 30 to June 4.

W. J. MILLYARD, Canadian Trade Commissioner in Salisbury, Federation of Rhodesia and Nyasaland, will visit Umtali in Southern Rhodesia May 16-20, and tour the Copperbelt towns in Northern Rhodesia May 29-June 6. From June 10-16 Mr. Millyard will be in Bulawayo, Southern Rhodesia.

Businessmen who would like these officers to undertake assignments should get in touch with them at their posts as soon as possible.

Belgium's Candy and Biscuit Trade

IN BELGIUM the term "confectionery" covers a wide variety of products, ranging from ordinary boiled candy to high-priced luxury articles, and including toffees, caramels, gum drops, marzipan, nougat, pralines, chocolates and a selection of chocolate-covered candies. These confections are manufactured in some 464 small home establishments and in 295 commercial establishments with paid staff, according to 1947 figures. About 90 per cent of total production, which amounted to 24,383 tons in 1954, is produced by some 75 establishments. Overall consumption of confectionery in 1954, including imports of 8,417 tons, totalled 30,290 tons. Exports that year reached 2,510 tons. Both production and imports increased from 1951 to 1954 by nearly 30 per cent, but exports decreased by some 886 tons. The largest decrease, 634 tons, was in confectionery weighing over 50 grams.

The Netherlands supplies most of Belgium's confectionery imports, which chiefly consist of boiled sweets; the Dutch share of Belgian imports in 1954 was 70 per cent. The proportion has been growing, apparently because of the lower prices (due in large measure to the difference in wage scales) of the Netherlands products and the advantages which they have because of Benelux privileges and proximity. Imports from Great Britain (1,555 tons in 1954) consisted mostly of luxury chocolate products and have increased slightly. Minor imports from the United States, France, West Germany and Switzerland amount to roughly 10 per cent of the total.

Biscuit manufacture in Belgium has gradually developed over the last few years and there are now some 40 factories. Of these, 13 turn out 90 per cent of the total production. Principal market in 1954 was the United Kingdom, followed by the Netherlands, the Belgian Congo, and France. The Netherlands supplies 90 per cent of Belgium's biscuit imports; France and the United Kingdom contribute small amounts.

Canada bought 157,033 lb. of Belgian confectionery worth $49,911 during 1955, according to Canadian figures, and 276,011 lb. of biscuits worth $102,413. Belgian statistics show imports of Canadian confectionery and biscuits in the same period of 1955 were nil, and in 1954 totalled only $240.

—T. J. MONTY,
Commercial Counsellor, Brussels.

foreign trade service abroad

*** No Foreign Trade Officer at this post.**

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

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bissett, Commercial Counsellor	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 33-8237
Argentina Paraguay, Uruguay	W. F. Hillhouse, Agricultural Secretary		
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	J. C. Britton, Commercial Counsellor for Canada Commercial Secretary	City Mutual Life Building 60 Hunter Street, SYDNEY	*Mail:* P.O. Box 3952 G.P.O *Cable:* CANADIAN *Tel.:* BW 5696
Australia (Victoria, South Australia, Western Australia, Tasmania)	R. W. Blake, Commercial Secretary for Canada	83 William Street MELBOURNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* MU 4716
Belgian Congo Angola, French Equatorial Africa	K. Nyenhuis, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	*Mail:* Bôite Postale 373 *Cable:* CANADIAN *Tel.:* 2706
Belgium Luxembourg	T. J. Monty, Commercial Counsellor K. G. Ramsay, Assistant Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 11-33-88
Brazil	C. J. Van Tighem, Commercial Secretary H. M. Maddick, Commercial Secretary	Canadian Embassy, Edificio Metropole, Av. Presidente Wilson 165 RIO DE JANEIRO	*Mail:* Caixa Postal 2164 *Cable:* CANADIAN *Tel.:* 42-4140
Brazil	Consul and Trade Commissioner G. F. Osbaldeston, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	*Mail:* Caixa Postal 6034 *Cable:* CANADIAN *Tel.:* 36-6301
***Ceylon**	Office of the High Commissioner for Canada	6 Gregory's Road Cinnamon Gardens, COLOMBO	*Mail:* P.O. Box 1006 *Cable:* DOMCANADA *Tel.:* 91341
Chile	Commercial Secretary	Canadian Embassy, 6th Floor, Av. General Bulnes, 129, SANTIAGO	*Mail:* Casilla 771 *Cable:* CANADIAN *Tel.:* 64189
Colombia Ecuador	W. B. McCullough, Commercial Counsellor A. P. Savard, Commercial Secretary	Canadian Embassy, Avenida Jimenez No. 7-25 Office 613, BOGOTA	*Mail:* Apartado 1618 *Airmail:* Apartado Aereo 3562 *Cable:* CANADIAN *Tel.:* 30-065
Cuba	G. A. Browne, Commercial Secretary	Canadian Embassy, Edificio Ambar Motors, Avenida Menocal 16, HAVANA	*Mail:* Apartado 1945 *Cable:* CANADIAN *Tel.:* UO-9457
Denmark Greenland	C. F. Wilson, Commercial Counsellor	Canadian Embassy, 4 Trondhjems Plads, COPENHAGEN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Tria 1602

Territory	Officer	City Address	Mail and Cables, Office Telephone
Dominican Republic Puerto Rico	M. B. Bursey, Commercial Counsellor	Canadian Embassy, Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	*Mail:* Apartado 451 *Cable:* CANADIAN *Tel.:* 5318
Egypt Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia, Yemen	M. R. M. Dale, Commercial Secretary	Canadian Embassy, 6 Sharia Rouston Pasha, Garden City, CAIRO	*Mail:* Kasr el Doubara Post Office *Cable:* CANADIAN *Tel.:* 23110
France Algeria, French Morocco, French West Africa, Tunisia	R. Campbell Smith, Commercial Secretary A. L. Neal, Attaché J. H. Bailey, Assistant Commercial Secretary	3 rue Scribe, PARIS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* OPEra 42-30
Germany Federal Republic	B. A. Macdonald, Commercial Counsellor S. G. Barkley Commercial Secretary M. B. Blackwood, Assistant Commercial Secretary	Canadian Embassy, 22 Zitelmannstrasse, BONN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Bonn 21971
Greece Israel, Turkey	A. B. Brodie, Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 74044
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	Canadian Government Trade Commissioner J. R. Midwinter Assistant Trade Commissioner	5a Avenida Sud, 10-68 GUATEMALA CITY	*Mail:* P.O. Box 444 *Airmail:* P.O. Box 400 *Cable:* CANADIAN *Tel.:* 5590
***Haiti**	Chargé d'Affaires, a.i. and Consul	Route du Canape Vert, St. Louis de Turgeau, PORT AU PRINCE	*Mail:* P.O. Box 826
Hong Kong China, Indo-China, Macao, Taiwan	C. M. Forsyth-Smith Canadian Government Trade Commissioner Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg., HONG KONG	*Mail:* P.O. Box 126 *Cable:* CANADIAN *Tel.:* 28336
India	Wm. Jones, Commercial Secretary	Office of the High Commissioner for Canada 4 Aurangzeb Road, NEW DELHI	*Mail:* P.O. Box 11 *Cable:* CANADIAN *Tel.:* 40191
India	G. F. Mintenko, Acting Canadian Government Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	*Mail:* P.O. Box 886 *Cable:* CANADIAN *Tel.:* 20672
Indonesia	W. D. Wallace, Commercial Secretary	Canadian Embassy, Budi Kemulian No. 6, 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 W. R. Van, Commercial Secretary K. F. Osmond, Commercial Secretary (Fisheries)	Canadian Embassy, Via Saverio Mercadante 15, ROME	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 846-842

Territory	Officer	City Address	Mail and Cables, Office Telephone
Jamaica Bahamas, British Honduras	H. E. Campbell, Canadian Government Trade Commissioner	Canadian Bank of Commerce Chambers, KINGSTON	*Mail:* P.O. Box 225 *Cable:* CANADIAN *Tel.:* 2858
Japan Korea	J. L. Mutter, Commercial Counsellor W. G. Pybus, Commercial Secretary	Canadian Embassy, TOKYO	*Mail:* Canadian Embassy *Cable:* CANADIAN *Tel.:* 48-4116
Japan	J. E. Lancaster, Canadian Government Trade Commissioner	7th Floor, Crescent Bldg., 72 Kyomachi, Ikutaku, KOBE	*Mail:* P.O. Box 513 *Cable:* CANADIAN *Tel.:* 3-4617
Lebanon Iraq, Jordan, Persian Gulf Area, Syria	G. F. G. Hughes, Commercial Secretary	Canadian Legation, Alpha Building, Rue Clemenceau, BEIRUT	*Mail:* Bôite Postale 2300 *Cable:* CANADIAN *Tel.:* 30794
Mexico	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	V. L. Chapin, Commercial Secretary T. F. Harris, Commercial Secretary W. R. Hickman, Assistant Commercial 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 Iceland	J. C. Depocas, Commercial Counsellor	Canadian Embassy, 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	H. L. E. Priestman, Consul General and Trade Commissioner Vice Consul and 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	Richard Grew, Commercial Counsellor	Canadian Embassy, Rua Marques de Fronteira No. 8—4° D° LISBON	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	W. J. Millyard, Canadian Government Trade Commissioner	Dolphin House, Union and Moffat Sts. SALISBURY	*Mail:* P.O. Box 2133 *Cable:* CANTRACOM *Tel.:* 26571
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	M. P. Carson, Canadian Government Trade Commissioner	Room F-3, Union Building, SINGAPORE	*Mail:* P.O. Box 845 *Cable:* CANADIAN *Tel.:* 7739

Territory	Officer	City Address	Mail and Cables, Office Telephone
South Africa (Natal, Transvaal, Orange Free State), Madagascar, Mauritius, Mozambique, Reunion	K. F. Noble, Canadian Government Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	*Mail:* P.O. Box 715 *Cable:* CANTRACOM *Tel.:* 33-2628
South Africa (Cape Province) Southwest Africa	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.:* 47-54-00
Sweden Finland	I. V. Macdonald, Acting Commercial Secretary	Canadian Embassy, Strandvagen, 7-C, STOCKHOLM	*Mail:* P.O. Box 14042 *Cable:* CANADIAN *Tel.:* 67-92-15
Switzerland Austria, Czechoslovakia, Hungary	W. Van Vliet, Commercial Secretary N. W. Boyd, Assistant Commercial Secretary	Canadian Embassy, Kirchenfeldstrasse 88, BERNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 4-63-81
Trinidad Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, French West Indies	D. B. Laughton, Canadian Government 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)	Commercial Counsellor G. H. Rochester, Commercial Counsellor (Timber) D. A. B. Marshall, Commercial Secretary (Agricultural) T. M. Burns, 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 *Cable:* TIMCOM
United Kingdom (Midlands, North England, Wales)	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 Dr. W. C. Hopper, Agricultural Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* DEcatur 2-1011

Territory	Officer	City Address	Mail and Cables, Office Telephone
Washington	H. A. Gilbert, Commercial Secretary D. H. Burns, Assistant Agricultural Secretary		
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen. Deputy Consul General (Commercial) C. R. Gallow, Consul and Trade Commissioner C. E. Butterworth, Consul and Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY 20	*Mail:* (City Address) *Cable:* CANTRACOM *Tel.:* JUdson 6-2400
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	D. H. Cheney, 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)	G. A. Newman, Deputy Consul General (Commercial) R. F. Renwick, Consul and Trade Commissioner W. G. D'Arcy, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, 1412 Garland Building, 111 North Wabash Street, CHICAGO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* RAndolph 6-6033
United States (Michigan, Ohio)	M. J. Vechsler, Consul and Trade Commissioner A. A. Lomas, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT 26	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* WOodward 5-2811
*United States California (the ten southern counties), Clark County in Nevada, Arizona, New Mexico.	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)	A. A. Caron, Consul and Trade Commissioner	Canadian Consulate General, 215-217 International Trade Mart NEW ORLEANS 12	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* RAymond 2136
*United States California, (except the ten southern counties), Wyoming, Nevada (except Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	*Mail:* (City Address) *Cable:* DOMCAN *Tel.:* SUtter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General, The Tower Building, Seventh Avenue at Olive Way SEATTLE 1, Washington	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* MUtual 3515
Uruguay Paraguay Falkland Islands	C. B. Birkett, Commercial Counsellor	Canadian Embassy No. 1409 Avenida Agraciada, Piso 7° MONTEVIDEO	*Mail:* Casilla Postal 852 *Cable:* CANADIAN *Tel.:* 96096
Venezuela Netherlands Antilles	H. L. Brown, Commercial Counsellor F. B. Clark, Commercial Secretary A. G. Kniewasser, Assistant Commercial Secretary	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	*Mail:* Apartado 3306 *Cable:* CANADIAN *Tel.:* 54-3431

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

Conversion into Canadian dollar equivalent and units of foreign currency per Canadian dollar 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 equivalent multiply by 1·00629.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent April 26	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Official	·05521	18·11	(1)
		Free	·02616	38·23	
Australia	Pound		2·2320	·4480	
Austria	Schilling		·03822	26·16	
Belgium-Luxembourg	Franc		·01991	50·23	
Belgian Congo	Franc		·01991	50·23	
Bolivia	Boliviano	Official	·00523	191·2	
British West Indies	Dollar		·5812	1·721	(2)
	Pound		2·7900	·3584	(3)
	Dollar	British Honduras	·6975	1·434	
Brazil	Cruzeiro	Effective selling*			
		* Category 1	·00914	109·44	
		Category 2	·00670	149·19	tax 10% (4)
		Category 3	·00474	211·15	*April 10
		Official buying	·05411	18·48	(5)
Burma	Kyat		·2087	4·792	
Ceylon	Rupee		·2093	4·778	
Chile	Peso	Free	·00212	471·7	(15)
Colombia	Peso	Basic	·3975	2·516	(7)
		Free*	·2263	4·419	*April 24
Costa Rica	Colon	Official	·1770	5·650	
		Controlled free	·1497	6·682	
Cuba	Peso		·9938	1·006	tax 2% (4)
Czechoslovakia	Koruna		·1380	7·246	
Denmark	Krone		·1439	6·949	
Dominican Republic	Peso		·9938	1·006	
Ecuador	Sucre	Official	·06625	15·09	
		Free	·05624	17·78	
Egypt	Pound	Official	2·8536	·3504	(6)
Fiji	Pound		2·5135	·3979	
Finland	Markka		·00432	231·5	
France	Franc		·00284	352·1	(8)
French Africa	Franc		·00568	176·1	(9)
French Pacific	Franc		·01562	64·02	(10)
Germany	D Mark		·2358	4·241	
Greece	Drachma		·03312	30·19	
Guatemala	Quetzal		·9938	1·006	
Haiti	Gourde		·1988	5·030	
Honduras	Lempira		·4969	2·012	
Hong Kong	Dollar	Free*	·1697	5·893	*April 13
		Official	·1744	5·734	
Iceland	Krona	Official	·06102	16·39	
		Special buying	·04646	21·52	
		Special selling	·03563	28·06	(11)
India	Rupee		·2093	4·778	
Indonesia	Rupiah	Basic	·08751	11·43	(12)
Iran	Rial	Certificate	01312	76·23	
Iraq	Dinar		2·7825	·3594	
Ireland	Pound		2·7900	·3584	
Israel	Pound		·5521	1·811	
Italy	Lira		·00160	625·0	
Japan	Yen		·00276	362·3	
Lebanon	Pound	Free	·3060	3·268	
Mexico	Peso		·07950	12·58	

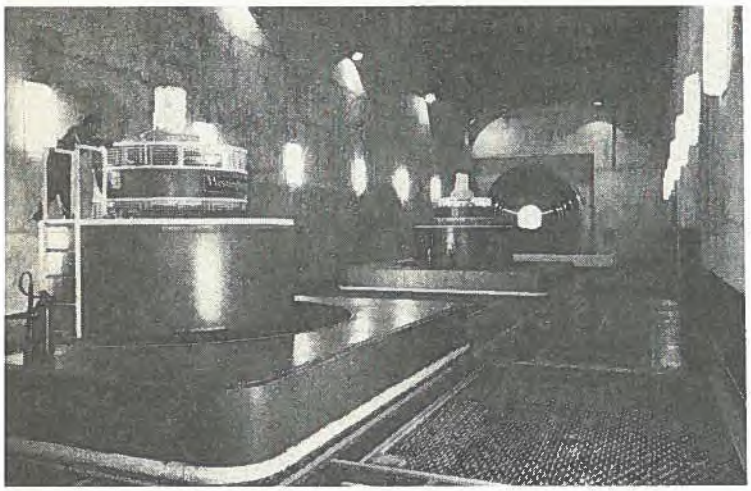
* Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent April 26	Units per Canadian dollar	Notes (See below)
Netherlands	Guilder		·2596	3·852	
Netherlands Antilles	Guilder		·5231	1·912	
New Zealand	Pound		2·7900	·3584	
Nicaragua	Cordoba	Effective buying	·1506	6·640	
		Official selling	·1410	7·094	
Norway	Krone		·1391	7·189	
Pakistan	Rupee		·2093	4·778	
Panama	Balboa		·9938	1·006	
Paraguay	Guarani	Official	·01656	60·39	(6) (13)
Peru	Sol	Certificate	·05230	19·12	
Philippines	Peso		·4969	2·012	
Portugal	Escudo		·03468	28·84	(14)
El Salvador	Colon		·3975	2·516	
Singapore & Malaya	Straits dollar		·3255	3·072	
South Africa (Union of)	Pound		2·7900	·3584	
Spain & Dependencies	Peseta	Basic buying	·04538	22·04	
		Basic commercial selling	·06053	16·52	(6)
		Free	·02551	39·20	
Sweden	Krona		·1921	5·206	
Switzerland	Franc		·2319	4·312	
Syria	Pound	Free*	·2809	3·56	*March 15
Thailand	Baht	Free	·04831	20·70	(6)
Turkey	Lira		·3549	2·818	
United Kingdom	Pound		2·7900	·3584	
United States	Dollar		·99375	1·006	
Uruguay	Peso	Official	·6542	1·529	tax 6% (4)
		Principal buying	·5811	1·721	(6)
		Principal selling rates	·4733	2·113	
			·4456	2·244	
Venezuela	Bolivar		·2966	3·372	
Yugoslavia	Dinar		·00331	302·1	(6)

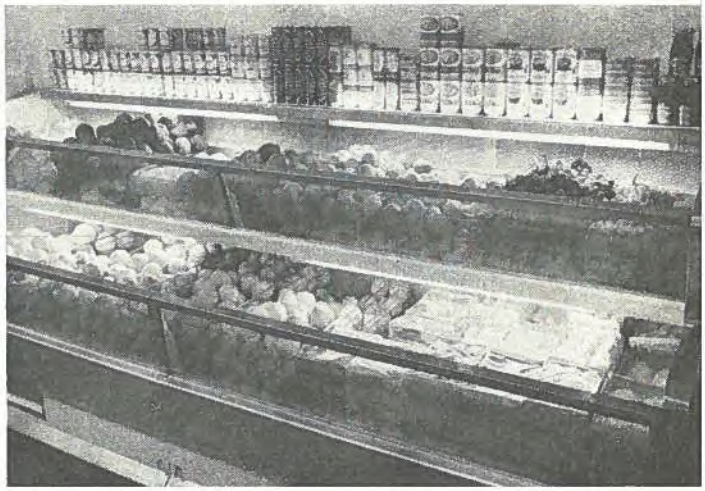
* Latest available quotation date.

notes

1. Argentina: additional rates result from exchange retentions on export proceeds and surcharges on imports.
2. Barbados, Trinidad, Tobago, Leeward and Windward Islands, British Guiana.
3. Bahamas, Bermuda, Jamaica.
4. Tax affects selling (import) rates only; certain essential imports exempt.
5. Brazil: currency certificates auctioned for five import categories. Effective selling rate is official rate of 18.82 to U.S. dollar plus price of certificate. Tax of 10 per cent applies to official rate (tax is 1.88 cruzeiros per U.S. dollar). Exporters receive cruzeiros at official rate plus exchange premiums ranging from 18.70 to 31.70 cruzeiros per U.S. dollar, depending on product. Three rates shown cover bulk of transactions.
6. Additional rates are in effect.
7. Colombia: stamp taxes of 3, 10, 30, 80 and 100 per cent on imports depending on essentiality. The free rate applies to minor exports and less essential imports.
8. Includes Algeria, Tunisia, Morocco, Guiana, Guadeloupe, Martinique.
9. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
10. New Caledonia, New Hebrides, Oceania.
11. Iceland: special rates apply to minor export products of small fishing boats and designated non-essential imports.
12. Indonesia: basic rate applies to most exports and a few essential imports. Purchase of exchange for other imports is subject to surcharges of 50, 100, 200 or 400 per cent depending on products.
13. Official rate applies to exports and essential imports. For non-essential imports there is a surcharge of 25 Guaranis per U.S. dollar.
14. Portugal: approximately same rate for Portuguese Territories in Africa.
15. Chile: free rate applies to exports and to imports, except prohibited imports.



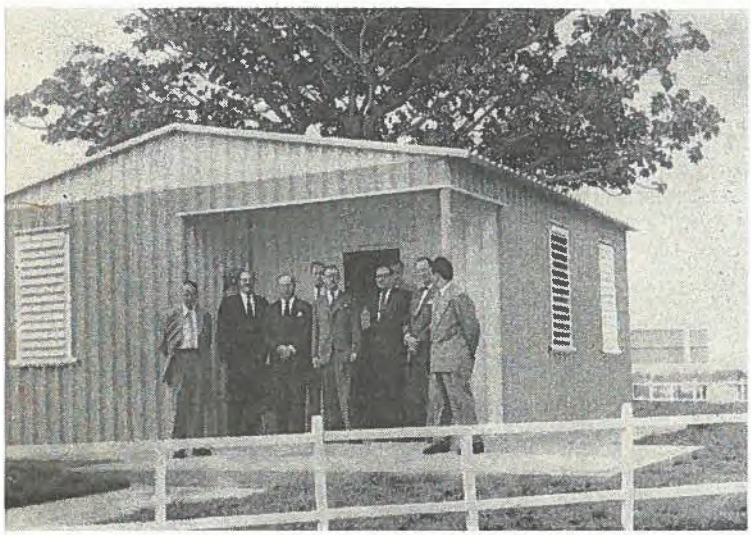
In Brazil—These gleaming 65,000 kilowatt generators are two of four made in Canada and installed in the Nilo Pecanha plant in Brazil, which has a 330-thousand kilowatt capacity.



In Bermuda—Citrus fruits make a refreshing display, and stay fresh and firm in this refrigerator cabinet which was imported from Canada and installed in a Bermuda store.

Canada in Foreign Markets

Canadian exporters are invited to contribute to this series photographs of their products in use or on sale in foreign markets. Photographs should be adequately captioned, protected for mailing, and addressed to: The Editor, "Foreign Trade".



In the Dominican Republic—This aluminum cottage being inspected by distinguished visitors to the Ciudad Trujillo International Fair was made in Britain from Canadian aluminum.

In Mexico—The truck loaded with Canadian newsprint (right foreground) is cutting through Mexico City's famous "Cabellito" to Avenida Juarez, on its way to the newspapers.