CANADA

foreign trade

Established in 1904

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

OTTAWA, OCTOBER 13, 1956, Vol. 106, No. 8

Please forward all subscriptions and orders to:
The Queen's Printer, Government Printing Bureau, Ottawa.
Price: $2.00 a year in Canada; $5.00 abroad.
Single copies: 20 cents each.
Authorized as second class mail by the Post Office Department, Ottawa.

cover This aerial view of New York City shows the piers along the Hudson River, where ships from every country dock. In this great trading centre are concentrated hundreds of firms and organizations which purchase goods for export to foreign countries. The Commercial Division of the Canadian Consulate General in New York has been studying this method of reaching foreign markets: for the results of their research, turn to the article on page nine.

—Photo courtesy Port of New York Authority

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The Foreign

Several Canadian and U.S. firms, unable to sell finished goods in France and her territories, have solved the problem by setting up branch plants there or by licensing French firms to make their products. Here is a discussion of regulations and conditions affecting manufacturing in France by foreign companies.

J. H. BAILEY, *Assistant Commercial Secretary, Paris.*

FRANCE AND HER TERRITORIES in the French franc zone form a market with a population of 92 million, 43 million of whom live in metropolitan France. Under the present exchange regulations it is difficult, and in many cases impossible, for Canadian manufacturers to sell finished goods in this area. If the Canadian manufacturer feels, however, that the demand for his product is strong enough to justify the establishment of manufacturing facilities in France, he can consider two programs that have proved successful for other Canadian and American companies. The first is the licensing of a French firm to manufacture his goods; the second, the establishment of a branch plant in France.

Licensing and Distribution

If a mutually profitable arrangement can be worked out with a French manufacturer, there are several advantages in a licensing arrangement. A minimum of capital investment is required and the delays and difficulties in starting operations are minimized. If the Canadian article has components that can only be produced competitively in the Canadian plant, prior authority for dollar import licences will be required from the French Exchange Office. The exchange control office will be more apt to consider such a plan favourably where it can be shown that there will probably be exports from France of the finished products which will earn foreign exchange to cover these imports.

Three main methods of handling the distribution of the finished article in France are used by foreign principals. One is to license a French manufacturer who can use the Canadian article to complement his own range of products and market it through his existing sales organization. The second is to have established distributors, other than the French licensee, handle the sales in France and her overseas territories. This is particularly appropriate where the Canadian firm already has distributors in the major markets who, although unable to do much business in imports during recent years, are nevertheless familiar with the product and with the Canadian principals. The third method is for the Canadian firm to establish a limited company in France (as described in the next section) which can look after the distribution of the products manufactured by the French licensee. The advantage of this is that the Canadian parent organization can have a company executive on the spot to supervise its sales policies and, if necessary, advise the licensee on any unusual production problems. In addition, this method provides the Canadian firm with a basic corporate body in France that could, if the demand or a changing international economic situation warranted, establish its own manufacturing facilities.

Establishing a New Plant

In principle the French authorities welcome industrial development in France by foreign capital. Nevertheless it takes considerable time for a foreign company to obtain the necessary authorization to engage in certain types of business in France. In no case is it possible to open a new business without extensive formalities, the submission of many documents, and the approval of various government agencies. Some of these formalities take considerable time and the foreign investor is well advised to appoint a French legal firm to handle them.

To incorporate a company and construct a plant, approval must be obtained from several ministries: the Ministry of Finance, and especially its exchange control office (Office des Changes); the Ministry of Industry and Commerce; and, working in conjunction with both, the Ministry of Economic Affairs. It is impossible, before the foreign firm makes a formal submission, to elicit any definite information about whether or not the application will be approved. Each application is judged individually but the following generalities may provide a rough guide.

First, the Foreign Exchange office favours investments which show promise of a net gain of dollar exchange by France on a short to medium-term basis. That is, they favour an establishment where the initial outlay of capital for the purchase in France of equipment, real estate, and machinery outweighs any foreseeable

Manufacturer in France

. . . ways and means

future requirements of foreign exchange for dividend and interest payments to Canada. They also favour an investment which will have the ultimate effect of decreasing France's dependence on imports from dollar countries. The latter applies particularly to basic industrial materials, industrial goods, and semi-finished products that France must import in order to supply her domestic industries.

Second, applications for the establishment of a new firm in those fields of enterprise where the output of existing French firms is sufficient for the needs of the domestic market are carefully scrutinized. The Government may feel bound to refuse the application of a foreign company proposing to enter a particularly sensitive industry.

As the success or failure of a branch plant in France may depend on having the managerial services of an executive from the parent organization, it should be pointed out that the executive requires a commercial permit (carte de commerçant) before he may legally take up his duties. These permits can be obtained from the local Prefecture upon the recommendation of several organizations such as the Ministry of Trade and Industry, the Centre National du Commerce Exterieur, and the local Chamber of Commerce. A Canadian company might wish to have the services of its own skilled workers during the initial stages of bringing a French plant into production. Such workers require a working permit (carte de travail) obtained through the local Prefecture.

Company Structure

There are several ways in which an enterprise can incorporate or register in France. The one that appears commonly used for a branch plant organization is a limited liability company known as a Société à Responsabilité Limitée or, more familiarly, a S.A.R.L. The minimum capital for such a company is one million francs ($2,850.00). There must be at least two shareholders. In the case of a subsidiary company, the parent organization will quite often subscribe 95 per cent of the capital, leaving 5 per cent to local management. The liability of the shareholders is limited to the nominal value of the shares of each holder and the name of the company must either describe its objectives or consist of the names of the individuals owning it. The formation of this type of company is relatively simple and a firm of French solicitors can readily dispose of the formalities. Copies of the statutes of a limited liability company and the names of reputable legal firms able to handle the formalities can be supplied by the Commercial Secretary's office, Paris, on request.

Taxes and Social Security Charges

The subject of French taxation is too complex to be dealt with extensively here. In addition, the Government is currently considering new taxation measures which may invalidate any rates now in effect. The following, however, are the highlights of the present tax policy:

- Corporation tax of 41·8 per cent of real net profits.
- Withholding tax of 19·8 per cent on dividends paid to shareholders.
- Turnover tax (similar to Canadian sales tax) of 24 per cent.
- Payroll and social security taxes and charges amounting to approximately 40 per cent of payroll. A recent study showed foreign subsidiaries were actually paying anywhere from 34·5 to 46·1 per cent of their payroll for such charges.

Labour Conditions

At the present time there is almost full employment in France. The latest figures show that only 36,000 persons are without work in the whole country and there is a definite shortage of ordinary labour. Although various surveys have shown that the average French labourer's wage level is less than $100 per month, one must always take into account the additional social security payments referred to above. Because of these social security guarantees and other factors, French labour is not as mobile as Canadian. The employment or discharge of all personnel must be reported to the Ministry of Labour. The work week

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(generally 40-48 hours) and minimum wages are fixed by government decrees. Employees in all categories are extensively unionized.

Transfer of Dividends and Capital

At first sight, the establishment of a branch organization in France may appear involved. Nevertheless, there are many sources from which the potential investor may obtain assistance. The French Government, in general, seeks to encourage the creation of industries which will reduce the country's dependence on imports. Once an application is approved by the French administration, the right to transfer dividends to Canada or to repatriate the equivalent of the original investment is automatic.

Hong Kong's Industrial Boom

A huge increase in population in the last dozen years, political stability, ready availability of capital and other favourable conditions make modern Hong Kong an important industrial centre with good prospects. Canada's trade in goods transhipped through Hong Kong will probably decline, but demand for raw materials and semi-manufactured goods in colony growing.

C. M. FORSYTH-SMITH, *Canadian Government Trade Commissioner, Hong Kong.*

CAUGHT UP IN A CONTEST of forces tugging from different directions, the economy of Hong Kong has begun to reflect growing prosperity during the last few months. Building activity, industrial progress and trade have increased. This has been particularly encouraging in view of the dislocation of her traditional trading pattern, caused by the embargo on trade in strategic goods to Mainland China, her chief trading partner.

The increase in population from 600 thousand in 1945 to approximately 2½ million in 1956, as a result of an influx of refugees from Mainland China and an extremely high birth rate, has placed a severe strain on the economy and complicated economic readjustment. Severe shortages in housing and water supplies and congestion in most public utilities have characterized the Hong Kong scene for some years and, despite government action to remedy these evils, a large segment of the population still lives under substandard conditions.

Rapid Expansion Is Keynote

The most significant postwar development has been the great expansion of secondary industry in the Colony. Immediately after World War II, Hong Kong's industry experienced the greatest boom in history. This boom was later intensified by the outbreak of the Korean War and has continued to the present time.

The development of new industry has provided jobs for an increasing number of workers and has played a large part in absorbing refugees from the Mainland. Hong Kong now is an important manufacturing centre, particularly of such things as primary and secondary textiles, footwear, plastic goods, some chemical products and a great many consumer goods. Her success in these fields results largely from stable political conditions, an ample labour force, the industry and initiative of management and labour, and a comparatively low wage structure. Equally important has been the availability of investment capital among the more wealthy refugees and from overseas Chinese in the adjacent areas, who consider that Hong Kong offers more attractive investment opportunities than some of these less stable Asian areas.

Long-Run Problems Loom

The increasing importance of industry in the general economy has resulted in some decrease in Hong Kong's dependence on commercial services, although her role as an entrepôt still predominates. Exports of Hong Kong manufactured goods during the first six months of 1956 rose by HK$61·4 million, or 17·8 per cent.

Great expansion of secondary industry has marked Hong Kong in postwar years, with special emphasis on goods in which labour costs bulk large. These Chinese girls are engaged in beadwork embroidery in a typical Hong Kong factory.

Indications are that the second half of the year will see even greater growth. Some pressing problems face Hong Kong industrialists in their expansion plans, however, and the long-term prospects are somewhat uncertain. Among these problems are action which some governments have already taken to limit imports of Hong Kong manufactured goods; growing agitation by manufacturers in other countries for protection against Hong Kong textiles and other secondary products; growing nationalism in the countries of South East Asia and the development of light industry by these countries which will also have its effect on markets for Hong Kong goods; and increasing competition from highly industrialized countries such as Japan and Germany.

Entrepôt Trade Still Profitable

Despite the phenomenal growth of secondary industry and the increasing importance of locally-manufactured goods in domestic and export trade, Hong Kong continues to be an important entrepôt centre and earns the largest percentage of her income from entrepôt trade. The slump in trade in 1954 and early 1955 has largely been overcome and total exports during the first six months of 1956, valued at HK$1,647·1 million, showed an increase of 38·9 per cent over the corresponding period of 1955. Imports during the same period reached HK$2,337·6 million, a rise of 26·8 per cent. Exports to most of Hong Kong's principal markets have increased in value and this is particularly true of exports to Indonesia and Thailand. Exports to Mainland China, on the other hand, decreased in value from HK$122·4 million to HK$52·8 million. This serious drop in exports to China can largely be explained by the Chinese policy of buying direct wherever possible rather than through intermediaries. Imports from China increased from HK$405,391,365 to HK$514,568,248 or some 26 per cent, and thus Hong Kong had an adverse balance of trade with China of HK$461,768,248. It should be noted, however, that a large percentage of Hong Kong's food supplies originates in China and the increased imports reflect the increasing population and buoyant economic conditions in the Colony.

Trade with Canada Changes

The development of secondary industry has had a marked effect on Canada's trade with Hong Kong, both in imports and exports. Over the past three years Hong Kong's exports to Canada have risen, largely as a result of increasing shipments of manufactured goods, such as rubber footwear, torches and flashlights, various types of gloves, and other textile items. Shipments from Hong Kong to Canada of goods of Chinese origin have changed little and the total value of these goods has remained roughly the same for the past two or three years. In the future, however, it is probable that shipments of Chinese produce via Hong Kong will decrease as the People's Government's policy of dealing direct is more fully implemented.

Raw Materials More Important

Canada's shipments to Hong Kong have fallen slightly, partly as a result of a decline in re-export business and partly because of increased competition from other sources of supply. Shipments of certain raw materials from Hong Kong's growing industries have risen appreciably; shipments of manufactured consumer goods have decreased. Thus there has been a significant drop in exports of Canadian flour to Hong Kong because a flour mill has been established in the Colony and at the same time shipments of Canadian wheat to be processed in the local mill have increased. Similarly aluminum, chemicals of various kinds, raw materials for the plastics industry, and other industrial items have been shipped in increasing quantities to this market. Shipments of finished goods have fallen off.

The future of Hong Kong-Canadian trade is difficult to predict but exports of Hong Kong manufactured goods to Canada may expand and exports of China produce may decrease gradually. By present indications, Canada's exports to Hong Kong for transhipment will continue to decline with the growth of nationalism in Asia and the policy of direct importing encouraged by most governments. Canadian exporters should concentrate on the Hong Kong demand for raw materials and semi-manufactured goods because this market should continue to expand and Canada's share of it can be increased. ●

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West Germany Expands

Postwar growth in German petrochemical industry has been accompanied by rise in imports of Canadian chemicals. Review of important developments in German plants should prove valuable to Canadian traders who cater to this supplementary demand from chemical processors there.

S. G. BARKLEY, *Commercial Secretary, Bonn.*

THE LARGE-SCALE EXPANSION in the West German petrochemical industry since 1950 does not, at first glance, appear to offer opportunities to Canadian exporters. Yet the past few years have witnessed an increasing trade in such chemicals between Canada —where this industry is also growing by leaps and bounds—and Germany. This trade emphasizes the supplementary demand by the huge German chemical processing industry and its many branches. For this reason, a review of some of the main developments in this German industry may be of value.

How Industry Developed

The development of petrochemicals in West Germany has been closely associated with that of coal chemistry. The great deposits of coal and the associated steel industry in the famed Ruhr district of Western Germany were factors leading, at the beginning of this century, to the processing of coal by carbonization on a large scale. High-pressure hydrogenation of coal and the Fischer-Tropsch synthesis were adopted during the thirties. Of late years acetylene chemistry, which uses either coal or natural gas as raw material, has assumed great importance in the German industry.

The very fact of Germany's immense coal deposits, in relation to rather poor mineral oil reserves, accentuated the demand that coal chemistry be combined with petrochemistry in order to find the right solution. An excellent illustration of this joint effect of the two branches is the Phenol-Chemi-GmbH. plant at Gladbeck-Zweckel (near Essen) where benzene produced by carbonization is united with a product of the petrochemical industry, propylene, to form the hydrocarbon cumene from which phenol and acetone are derived.

However, the petrochemical industry in Western Germany has also made considerable progress by itself and swift expansion continues. The obtaining of cheap raw materials from crude oil offers economic advantages compared with the costs of producing acetylene gas.

A wide range of solvents—including the alcohols, ketones, chlorinated hydrocarbons and intermediates such as phenol—are processed from the basic raw materials, oil and natural gas. A considerable number of intermediates used in the production of synthetic materials are now obtained from this comparatively new petrochemical development. An example is the Rheinpreussen A.G. plant at Moers near Duisburg-Rhein, where the Fischer-Tropsch synthesis has been discontinued and isopropyl alcohol, secondary butyl alcohol, and alkylated benzenes are manufactured from gases received from several oil refineries.

Petrochemical Production in 1955

During the year 1955 about 130 thousand tons of oil products, including refined gas, were processed in Western Germany by petrochemical plants, or roughly 1·3 per cent of the crude oil consumed in Western Germany in the period under review. In addition, 105 million cubic metres of natural gas were processed which permitted the manufacture of a total of 208 thousand* tons of petrochemicals.

Natural gas production in Western Germany increased greatly in 1955—to 239·5 million cubic metres as against 87 million cubic metres in 1954. This reflected the sharply increased demand from petrochemical plants.

The rapid growth of West German oil-refinery production is shown by the following figures supplied by the Mineral Oil Association:

CRUDE OIL RECOVERY IN 1,000 TONS

Origin of Crude Oil	*1950*	*1955*
German	1,119	3,147
Imported	2,273	7,111
Total	3,392	10,258

* Source: Fachverband Kohlechemie e.V., Essen (Association of Coal Chemicals Industry).

Petrochemical Production

Sources of imported oil in 1950 and 1955 were:

Origin of Crude Oil	*1950*	*1955*
Saudi Arabia	722	2,787
Iraq	851	2,121
Kuwait	239	1,261
Qatar	16	15
Iran	9	83
Middle East	1,837	6,267
Venezuela	436	750
Mexico	......	94
Central America	436	844
Total	2,273	7,111

Leading Manufacturers

The largest petrochemical unit in Western Germany is the Chemische Werke Huels at Marl near Recklinghausen-Westfalen. Before 1945 this plant produced Buna S (synthetic rubber). After the war it manufactured solvents and plastic materials. Under construction now are facilities for the production of 45,000 tons a year of synthetic rubber. The basic raw materials for this huge plant will be obtained from butane gas available from various German oil refineries.

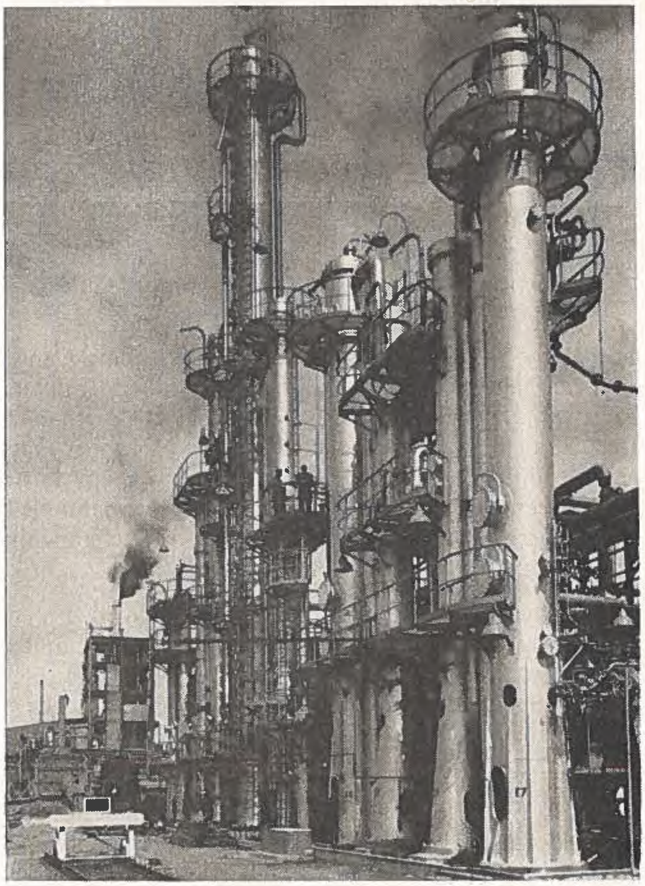
The oldest petrochemical producer is Rheinpreussen A.G. fuer Bergbau und Chemie at Moers (near Duisburg-Rhein), where a wide range of organic chemicals are processed, including 10,000 tons of alcohols a year. This plant illustrates the recent change from coal chemistry to petrochemical production.

The high-pressure process for the manufacture of polyethylene is employed by the Badische Anilin- und Soda Fabrik A.G. in its plant at Ludwigshafen. In addition, this same process is used at the Rheinische Olefinwerke's plant at Wesseling (on the Rhine between Bonn and Cologne) with a capacity of 12,000 tons a year. This modern plant was recently built by Badische Anilin- und Soda Fabrik in association with Deutsche Shell A.G.

The recognized low-pressure process for the production of polyethylene, as developed by Professor Ziegler, has been adopted by the Farbwerke Hoechst A.G. in a newly constructed plant with a capacity of 24,000 tons a year at Hoechst (near Frankfurt). The basic raw material, ethylene, is supplied by a crude oil cracking process developed by this firm. Chlorinated hydrocarbons processed from natural gas are also included in this firm's wide range of products.

The plant of Phenol-Chemie GmbH. at Gladbeck (near Essen) produces phenol and acetone, with an annual capacity of 11,000 tons of the former and 7,000 tons of the latter.

Among the plans of West German firms for the production of low-pressure polyethylene are the following: Bergwerksgesellschaft Hibernia A.G. of Herne-Ruhr is working on a test plant with a production of 1,500 tons of polyethylene a year by late 1956. This firm is also planning a huge plant bordering Scholven-Chemie A.G., Gelsenkirchen. Close co-operation exists between Hibernia A.G. and Chemische Werke Huels A.G. in this field, with the latter firm erecting a research plant expected to be completed by 1958. It



This separating column is a vital part of a West German isopropanol plant established since the war. It turns separated propylene into isopropyl alcohol by using 70 per cent sulphuric acid at a temperature of approximately 80 degrees Centigrade.

is also reported that Hibernia A.G. may soon produce polypropylene, with small quantities available for experimental purposes. Kohle-Oel-Chemie GmbH. at Gelsenkirchen plan the construction of a plant for the production of polyethylene with a capacity of 12,000 tons per annum. Ruhrchemie A.G. also are producing polyethylene on a small basis from their own refinery gases.

An interesting development is the making of chlorinated hydrocarbons from natural gas, as supplied to Farbwerke Hoechst from the Pfungstadt area in southern Germany. In the same district Badische Anilin- und Soda Fabrik A.G. obtains natural gas from the Stockstadt field for conversion to ammonia, etc.

Another well-known German chemical firm, Farbenfabriken Bayer A.G., Leverkusen-Rhein, is making plans to share in this petrochemical expansion program by the construction of a crude oil cracking unit at Dormagen-Rhein. This plant will possibly be the forerunner of several new units, resulting in the manufacture of many organic chemicals.

Chemical Trade with Canada

The increasing chemical trade between West Germany and Canada is evident from the following table:

EXPORTS OF CHEMICALS AND ALLIED PRODUCTS FROM CANADA TO WEST GERMANY

1950	$1,479,859
1951	3,936,722
1952	1,909,483
1953	2,858,942
1954	4,536,879
1955	5,223,667
First 6 months 1955	2,437,782
First 6 months 1956	3,438,259

The above totals include predominantly leading Canadian petrochemical products such as synthetic rubber, polystyrene, pentaerythritol, propylene glycol, methanol, and various related products. Synthetic rubber and pentaerythritol are admitted into West Germany from all sources duty-free; the other materials mentioned above currently enter at effective rates of duty ranging from 8 per cent to 19 per cent.

Basic chemical raw material products, provided that they are competitive in price and quality, are of much interest in this expanding market; this was illustrated recently by the large number of trade inquiries received at the Canadian chemical stand at the Hannover Industries Fair last May.

Provided that the Canadian chemical manufacturer is willing to meet the competition of bulk shipments and provided also that he makes adequate arrangements for warehouse and sales distribution facilities in West Germany, he should find a growing market in this country. ●

ADEN—Crossroads of the East

THE COLONY OF ADEN, consisting of the port and surrounding area, occupies 80 square miles; under its administration are the Western and Eastern Aden Protectorates with an area of 112 thousand square miles. The population of the colony proper is 140 thousand and of the protectorates 670 thousand.

The Port of Aden controls the southern entrance to the Suez Canal and is a ship bunkering and supply centre. During 1954 over 5,000 ships, a total of 22 million tons, passed through the port, about half under the British flag. The Anglo-Iranian Oil Company's new five-million-ton capacity refinery there strengthens Aden's position as a fuel supply and distribution centre for the Red Sea and East African areas.

Main commercial activities are oil refining, ship repairs, ship chandling, the entrepôt and transit trade, and salt production. Fish are dried or salted for export but fishing methods are primitive. Local plants fabricate various products, including aluminum utensils, and process basic commodities from neighbouring countries for export.

Aden territory is in the sterling currency area; imports from the dollar area, Japan, and the Soviet bloc are restricted. Exchange control measures have prevented full development of transit trade opportunities, and competition from Djibouti for the entrepôt business is increasing.

Main imports are fuel and bunkering supplies; coffee, cereal grains, raw hides, and gum come in from neighbouring countries for export to world markets and often are processed in Aden. Merchants in neighbouring Arab and African countries are not disposed to buy directly or stock goods; they prefer to obtain supplies from Aden. Most merchants in the Colony deal in a wide range of commodities as importers, wholesalers, or retailers and often as exporters.

Canada's exports to Aden have been small. They consisted mainly of flour in 1952 and since then largely of spare parts for automobiles (total exports last year, $16,126). Canadian exporters might investigate possibilities for construction timber, motor cars, canned foods for ship supplies, and dried milk. In addition, there are opportunities for household appliances and air conditioners, farm machinery, commercial fishing gear, machine tools and hardware.

—M. R. M. DALE,
Commercial Secretary, Cairo.

New York Buyers for Export

Interested in selling to firms and organizations in New York which purchase for foreign governments or overseas enterprises? A new Directory prepared by the New York office of the Canadian Trade Commissioner Service provides valuable data about this specialized market.

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

THE COMMERCIAL DIVISION of the Canadian Consulate General in New York has prepared a Directory of 278 firms and organizations in the city that purchase goods in the United States, and possibly in Canada, for export to foreign countries. A member of the Consulate has personally called upon or telephoned each firm, with the intention of providing as accurate and up-to-date information as possible.

The Directory, which is entitled *New York Buyers for Export,* is divided into four main sections:

1. *Foreign government and semi-official purchasing agents*
   Agencies listed—44
2. *Purchasing offices for overseas enterprises*
   Firms listed—103
   (*a*) Oil companies and suppliers
   Firms listed—22
   (*b*) Mining companies
   Firms listed—25
   (*c*) Engineers and contractors
   Firms listed—34
   (*d*) Others
   Firms listed—22
3. *Exporters and importers*
   Firms listed—122
4. *Resident buyers for overseas department stores*
   Firms listed—9

Each firm or organization is listed alphabetically in its group, with the address, telephone number, name of officer or officers currently concerned with purchasing, type of operation and, wherever possible, what the firm buys and where it is shipped, plus any other relevant information.

The Directory does not attempt to list all the New York buyers for export. Instead, it gives some of the larger ones and provides a good cross-section for each group. Its main purpose is to act as an introduction or stepping-stone for Canadian manufacturers and exporters who wish to enter this market, which is said to be larger and more diversified than that afforded by many of our best customers abroad.

Market Worth Cultivating

Foreign Trade published in 1954 a series of three articles entitled, "How to Sell through New York", written by the author; they appeared in the issues of November 27, December 11, and December 25. Briefly, they described the different functions of these New York firms which purchase or channel goods to other countries and the technique of selling to them. It was pointed out that this relatively little known market —formed by the sum total of the purchasing power of the various firms concerned—is large, diversified and practically on Canada's doorstep. It has been estimated that the number of organizations involved in this type of business, in one way or another, runs as high as 2,000 and many of the larger ones purchase over $1 million worth of goods for export every year, involving anything from pins to locomotives. The fact that most of these New York firms pay for goods they buy in dollars should interest Canadian manufacturers and importers, because this eliminates the credit risk and the problem of import permits and foreign exchange licences.

These firms as a whole form a highly specialized international trading group with world-wide connections. If Canadian manufacturers ignore them, it is just so much business lost; most of it is not available elsewhere. Even for the larger manufacturer who feels that it is not feasible to have direct representation in some of the smaller countries, New York may offer a good outlet. For the smaller manufacturer, the group provides a convenient way of testing out foreign markets without travelling farther than New York. For both groups it means selling *in* the United States without encountering the difficulty of selling *to* the United States.

How to Sell

The advantages enumerated above in selling to this group of New York firms are counteracted to some extent by at least one factor—competition. In selling to the larger buyers in New York, competition with well known United States suppliers is keen.

Canadian manufacturers and exporters who are interested in selling to this group of New York buyers for export should first of all obtain the Directory from the Department of Trade and Commerce in Ottawa.* They should then write to the firms listed who seem to be in the market for their type of product, giving details about their goods and preferably enclosing catalogues. If this initial contact works out well, a personal trip to New York should follow. Sometimes this proves unnecessary. However, one point should be emphasized—it takes perseverance to sell to the large and busy buyers in New York. It is usually not enough to write and ask to be put on their mailing lists. Where Canadian firms have shown persistence, this market has usually proved rewarding. In compiling the Directory, we found that a large percentage of the New York firms had already done some business with Canada or would like to hear from interested Canadian suppliers.

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* If you wish a copy of this Directory, write to the Editor, *Foreign Trade,* Department of Trade and Commerce, Ottawa, Ontario. Reprints of the three articles, "How to Sell through New York", which Mr. Butterworth mentions, will also be supplied.

There's Still a Market in Grenada

Devastated by Hurricane Janet one year ago, Grenada faces the formidable task of rehabilitating its economy and improving its living standards. Despite these problems and dollar currency restrictions, Grenada offers worthwhile market which Canadian businessmen might investigate.

D. B. LAUGHTON,
Trade Commissioner, Port-of-Spain.

BECAUSE GRENADA DEPENDS ON AGRICULTURE for its prosperity, Hurricane Janet, which swept the eastern Caribbean last year, struck a heavy blow at the Island's economy. Eleven months later Grenada still suffers from the after-effects. Market prospects for Canadian exporters, however, appear good although rehabilitation projects have just begun.

When the Hurricane Struck

The one-night storm of September 1955 ripped through nutmeg groves and destroyed 85 per cent of the trees, flattened banana plantations, and uprooted half of the other crop-producing trees, plus stands of commercial timber. Accompanying floods washed out bridges and roads; wind and water wrecked power and communication lines; waves pounded to pieces the only pier on the island, destroying with it the government warehouse and its contents. Thousands of islanders were left homeless as the giant storm swirled out to sea.

Many countries like Canada sent relief supplies immediately, but permanent rehabilitation did not begin until recently. The United Kingdom has made outright grants of BWI\$9·6 million to help the island and has extended BWI\$7·2 million in long-term loans.

Main Income from Tree Crops

Grenada, a typical Caribbean island with mountains rising abruptly from the sea, a serrated coastline, and palm-lined beaches, is roughly 120 square miles in area and supports close to 85,000 inhabitants. The population is nearly all of African descent and is increasing quite rapidly at a rate of 2½ per cent each year. The town of St. George's is the capital and government headquarters for the Windward Island group.

High on the island's mountain slopes, patches of lighter green indicate where planted field and tree

This cargo of Canadian lumber being unloaded at Grenada was put to use repairing the damage done by Hurricane Janet, which wrought havoc on the island in September 1955.

crops have replaced the natural forest. On the more fertile lower hillsides, families have cultivated the same plantations for over a century.

Before the hurricane, Grenada islanders earned most of their income from tree crops such as nutmeg, cocoa, bananas, various citrus fruits, and such spices as cinnamon, cloves and vanilla. Nutmeg from Grenada accounted for about half of the world's supply and earned BWI$2·4 million in 1953; mace, the red inner cover of the nutmeg fruit, accounted for almost $1 million of this amount.

It was fortunate that there were heavy stocks of nutmegs in storage when the hurricane struck; nutmeg sales at improved prices later in the year, and relief funds that poured in, have helped maintain the average income temporarily. Although consumers are buying a variety of goods and demand is brisk, price alone determines how much is sold; buyers are frugal as they are used to low living standards and have so many things to replace after the storm.

Grenada a Worthwhile Market

Grenada's imports in 1955 totalled BWI$9·9 million and most goods came from the United Kingdom, followed in order by Canada and the United States. The Canadian portion of the trade was valued at BWI$1·7 million (c.i.f.) of which three commodities accounted for 76 per cent: flour ($740,200); salt fish ($287,600); and lumber ($257,100).

Canada's position as a main supplier of salt fish is in sharp contrast to her proportion of the paper products and cured meats trades: she obtained barely 10 per cent of this market. For other commodities the Canadian share of the market also seems disproportionately small, even when you allow for the restrictions on dollar currency. For example, Canada was the main supplier of imported beer to nearby Trinidad in 1955 but had practically no sales to Grenada. The same was true for unmanufactured tobacco. The following list of Grenada's most important imports in 1955 shows how much buying was done in the dollar area, compared with the total amount spent for the commodity:

Imports from:

COMMODITY	CANADA	UNITED STATES	TOTAL IMPORTS
	(BWI $)	*(BWI $)*	*(BWI $)*
*Fish, dry salted	287,600	Negligible	305,000
*Flour	740,000	597,000	1,337,500
*Meats, pickled	22,900	46,600	125,700
*Meats, cured	10,300	Negligible	80,300
*Milk, condensed	Negligible	Negligible	177,600
*Tobacco	6,300	22,600	122,400
Beer and ale	Negligible	Negligible	184,300
Unmanufactured timber	257,100	242,700	635,100
Wearing apparel	Negligible	16,300	175,000
Boots, shoes, etc.	19,700	25,400	326,400
Cotton piece goods	24,300	128,700	404,600
Artificial silk piece goods	2,100	75,100	267,400
Electrical supplies	2,000	28,200	217,500
*Fertilizers	24,800	Negligible	157,200
Iron and steel manufactures	23,700	10,200	761,700
Paints, etc.	4,100	3,200	96,100
Paper, all kinds	9,000	29,200	88,000

* Commodity which can be imported from dollar countries without restriction.

(A BWI dollar is worth approximately 60 cents Canadian.)

Source: "Trade Account"—Department of Statistics, Grenada.

It will be five to ten years before the tree-crop production of Grenada can be completely rehabilitated and it is possible that the pre-hurricane output of nutmegs will never again be reached. The average income is bound to remain low but a continued increase in population and demand for living essentials creates a market which Canadian exporters should not overlook. As one of the sites proposed for the capital of a future Federation of the British West Indies, Grenada might become more important in time.●

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commodity notes

Australia

RAYON—In a recent review of the Australian rayon-weaving industry, the managing director of Bruck Mills (Aust.) Ltd. said the present capacity of the industry is 40 million yards of rayon fabric a year. This, with imports allowed, would make 57 million square yards of rayon piece goods available to the clothing manufacturing trade, compared with 67 million yards imported or produced locally in 1954-55. The industry is running at 70 per cent of capacity and peak output can be reached in a matter of months. In the past ten years, capital investment in the Australian industry has totalled about £10 million—Melbourne, Sept. 14.

Austria

PAPER INDUSTRY'S REQUIREMENTS—Pyrites and sulphur required by the Austrian paper industry for the production of wood pulp are entirely imported. The principal suppliers are Italy, the United States, Greece and Yugoslavia. Because of insufficient local production, approximately 175 metric tons of printing inks and colours also are bought from foreign manufacturers. Requirements in rags, ropes and hemp cords have notably increased and now total an annual 7,900 metric tons, part of which is imported. The volume of waste paper used by Austria's paper industry is estimated at approximately 40,000 metric tons per year. Requirements of clay, talcum and most glues come entirely from home producers—Berne, Sept. 12.

Denmark

CANNED MILK—Danish canned milk has developed steady outlets in a wide variety of markets. According to the Federation of Danish Dairy Associations, production of canned milk amounted to 45·9 million kg. in 1955 as against 42·9 million in 1954. Exports, too, have risen, reaching 44·2 million kg. last year compared with 41·1 million kg. in 1954. The bulk of exports went to such Far Eastern countries as Burma, India, Thailand, Indo China, Indonesia, Malaya, and Hong Kong, which took delivery of some 28,000 tons. European countries purchased 5,200 tons, North and South America about 7,000 tons, and Africa about 4,000 tons. The most important individual purchaser was Malaya, with 6,000 tons—Copenhagen, Sept. 10.

France

AUTOMOBILES—During the first six months of 1956, car manufacturers in France increased their output 27 per cent over the corresponding period in 1955. As of June 30th, 423,317 vehicles had been produced compared with 373,256 last year (total 1955 production, 725,083 vehicles). Of the total produced during the first six months of each year, automobiles accounted for 339,852 and 284,341 units respectively—Paris, Sept. 10.

Greece

OLIVE OIL—Greece is the world's third largest producer of olive oil and second only to Spain as an olive producer. Average annual output of olive oil totals about 140 thousand metric tons and of table olives, about 40,000 metric tons. Because the 1955 crop was ravaged by the daccus fly, the export of olive oil was prohibited. Recent forecasts predict a 1956 crop of 150 thousand tons of olive oil and Greece will attempt to regain its important export markets, mainly the United States and Europe. The 1956 olive crop is expected to reach 78,000 tons compared with only 22,000 last year, about 1,300 tons of which went to export markets. Canadian importers bought 323,975 lb. at a cost of $49,673—mainly ripe olives of various sizes in brine—Athens, Sept. 14.

SEED POTATOES—Greece is again calling for tenders this fall for close to 9,000 tons of seed potatoes. The results obtained from last year's 3,630 metric tons (1,580 metric tons in 1954) of imported Canadian seed potatoes were excellent and, everything else being equal, the outlook for increased tonnage of Canadian seed is promising. Names like Sebago, Katahdin, Kennebec, and Irish Cobbler are now becoming favourably known among Greek farmers. Though further increases in the production of potatoes are reported, large quantities are still imported for seed and to meet local consumption; these imports in 1955 amounted to 8,334 metric tons—Athens, Sept. 15.

TOBACCO—Tobacco ranks as the second largest Greek export by volume, outranked only by currants, but continues to be her biggest foreign exchange earner. Exports in 1955 of 55,000 metric tons were the largest since the war and the third largest in Greek history. These exports went chiefly to West Germany, Italy, the United States and France, and earned a total of $76·5 million. Canadian importers bought only 25 tons in 1955, although Greece offers a wide variety of Oriental tobaccos—Athens, Sept. 15.

India

OILS—India requires about five million tons of crude oil a year to meet her present consumption of kerosene, gasoline, aviation gasoline, mobile and diesel oil. At present, only 400 thousand tons of crude oil are produced at Digboi, Assam, India's only oilfield. The deficit is met by imported crude oil which is refined at the two Bombay refineries. If the economic development programs of the Second Five-Year Plan go according to expectations, India's mineral oil requirements will increase by about 70 per cent by 1960-61—or by Rs.1,500 million a year in terms of foreign exchange—New Delhi, Sept. 11.

Malaya

FLOORING—Malayan timber will be used to make a type of flooring material when a new company opens its factory in Kuala Lumpur, Malaya. It will use a Swiss process and will have exclusive manufacturing rights for Malaya, Borneo and Hong Kong. Already it is producing Italian terrazzo tiles and cement waterproofing compounds and a wire-netting plant is planned—Singapore, Sept. 14.

New Zealand

SYNTHETIC RESINS—Polymers (N.Z.) Pty Ltd., affiliates of Polymer Corporation Pty. Limited, of Homebush, Australia, is erecting a factory near Auckland. It is expected to begin operations later this year producing synthetic resins for use in the surface coating and plastics industry. The bulk of the company's business consists of the manufacture of alkyd resins for use in synthetic enamels and paints of the high-gloss type—Wellington, Sept. 17.

Norway

IRON—Because of favourable marketing conditions, the mining company A/S Sydvaranger will increase production of iron ore at its new plant to full capacity. It plans a total output this year of one million tons of iron concentrate, compared with 867 thousand tons in 1955. West Germany will take 570 thousand tons, the United Kingdom 200 thousand tons, and Austria 160 thousand tons. In addition, the Norwegian State Iron Works at Mo in Rana will receive 125 thousand tons of iron concentrate from A/S Sydvaranger this year—Oslo, Sept. 18.

Portugal

COD FISHING—It is reported that the Portuguese cod line fishing fleet, consisting of 50 vessels, has begun the return journey to Portugal from the Newfoundland Banks and Greenland after a highly successful season. They are returning with full cargoes, approximately a month earlier than usual. The trawler fleet of 22 vessels (which makes two trips per year) also had a satisfactory catch during the first campaign. Reports indicate that the supply of fish has never been so plentiful as this year. In addition, improved methods—such as better anticipation of where the cod are feeding, improved bait, more modern and efficient equipment—have all contributed to the successful results—Lisbon, Sept. 20.

South Africa

DIAMONDS—The Central Selling Organization for South African and other producers reported diamond sales worth £36·1 million for the first half of 1956, compared with £39·4 million for the same period last year—Cape Town, Sept. 12.

Sweden

ALUMINUM WINDOWS—A new type of metal-framed window for one, two or three panes has recently been launched on the market by AB Eluminperspektiv, Malmö, Sweden. The company is expanding in several countries and is building up an organization of representatives and manufacturers who make Elumin windows under licence. They are made by automatic machines and are currently being produced in Finland, Germany and Switzerland. This company also makes and exports façade elements of aluminum and glass—Stockholm, Sept. 15.

United Kingdom

COAL—Preliminary work is to start this year on a big opencast mining project at Westfield, Fife, to yield 20 million tons of bituminous coal; most of the early yield of coal will be from outcrops before the seam, 700 feet below the surface, is reached. Initially the aim is to mine a million tons of coal annually. All the coal produced from the operation will be used for industrial fuel, most of it probably by the British Electricity Authority—London, Sept. 24.

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How DBS Can Help the Exporter--II

In our last issue, Mr. Loosmore discussed the more general DBS publications prepared for the exporter. Here he turns to more specialized fields. The annotated list presented in this, the sixteenth article in our series on the techniques of export trade, should prove a useful reference.

R. J. LOOSMORE,
Assistant to the Director, Industry and Merchandising Division, Dominion Bureau of Statistics.

IN AN ARTICLE in the September 29th issue of this magazine, I discussed general DBS publications containing data of value to Canadian exporters. I also mentioned certain secondary sources of information, such as the annual volumes in the *Census of Industry,* and some of the studies and surveys carried out by various divisions of the Bureau. The following pages contain an annotated bibliography of such material likely to be helpful to traders in a wide variety of fields, arranged mainly by commodity classification. The publications mentioned are annuals, unless otherwise stated. The businessman may obtain them by writing to the Information Services Division, Dominion Bureau of Statistics, and enclosing a cheque or money order made payable to the Receiver General of Canada.

Mineral Products

Exports of mineral products are given in a number of publications, including:

Preliminary Report on Mineral Production (35 cents)

Quantity of exports (also value in the case of a number of items) for past ten years of aluminum, cadmium, cobalt, primary copper, refined copper, iron ore, lead, mercury, nickel, selenium, silver, zinc, coal, asbestos, arsenious oxide, feldspar, graphite, gypsum, dead-burned refractories, nepheline syenite, peat moss, quartz, salt, sulphur, talc and soapstone, and cement.

Data on exports of the above commodities, and also on clay products, iron oxides, lime, mica, petroleum, stone and titanium are given at various places in the following publications:

The Silver-Lead-Zinc Mining Industry (25 cents)

Silver, Lead and Zinc Production (monthly; $1.00 per year, single copies 10 cents)

The Nickel-Copper Mining, Smelting and Refining Industry (25 cents)

Copper and Nickel Production (monthly; $1.00 per year, single copies 10 cents)

The Miscellaneous Metal Mining Industry (25 cents)

Iron Ore (monthly; $1.00 per year, single copies 10 cents)

Non-Ferrous Scrap Metal and Secondary Non-Ferrous Ingot (memorandum; quarterly, $1.00 per year)

The Coal Mining Industry ($1.00)

Preliminary Report on Coal and Coke Statistics (25 cents)

Coal and Coke Statistics (monthly; $2.00 per year, single copies 25 cents)

The Crude Petroleum and Natural Gas Industry (25 cents)

The Asbestos Mining Industry (25 cents)

Asbestos (monthly; $1.00 per year, single copies 10 cents)

The Feldspar and Quartz Mining Industry (25 cents)

The Gypsum Industry (25 cents)

The Peat Industry (25 cents)

The Salt Industry (25 cents)

Salt (monthly; $1.00 per year, single copies 10 cents)

The Talc and Soapstone Industry (25 cents)

The Miscellaneous Non-metal Mining Industry (25 cents)

The Cement Manufacturing Industry (25 cents)

Cement and Cement Products (monthly; $1.00 per year, single copies 10 cents)

The Clay and Clay Products Industry (25 cents)

Products Made from Canadian Clays (monthly; $1.00 per year, single copies 10 cents)

The Lime Industry (25 cents)

The Stone Industry (25 cents)

Fish and Fishery Products

Data on exports of fish are given in:

Fisheries Statistics of Canada ($1.25)

Value of fish exports for past ten years. Quantity and value of exports of Canadian fish and fishery products for past two years, with considerable commodity detail. Value of total fish exports to individual countries for past two years.

Monthly Review of Canadian Fisheries Statistics ($2.00 per year, single copies 25 cents)

Food, Beverages and Tobacco

Exports of foods, beverages and tobacco, usually with a fine degree of commodity detail, are shown in the following reports:

Foods and Beverages General Review (25 cents)

The Process Cheese Industry (memorandum, 10 cents)

The Fruit and Vegetable Preparations Industry (25 cents)

The Flour Milling Industry (25 cents)

The Prepared Breakfast Foods Industry (25 cents)

The Feeds Industry (25 cents)

The Biscuit Industry (25 cents)

The Distilling Industry (25 cents)

The Brewing Industry (25 cents)

The Wine Industry (25 cents)

The Confectionery Industry (25 cents)

The Sugar Refining Industry (25 cents)

The Macaroni and Kindred Products Industry (25 cents)

The Miscellaneous Food Preparations Industry (25 cents)

The Canned Foods Summary (25 cents)

Value of exports of canned foods by general commodity group, for selected years from 1939. Quantity and value of exports of canned fruits, vegetables, juices, with commodity detail, for past two years. Value of exports of concentrated milk products since 1920. Quantity of canned food consumed, shown in table incorporating production, imports, exports and inventory changes for current year.

The Slaughtering and Meat Packing Industries (25 cents)

Quantity and value of exports, for past three years. Considerable commodity detail.

The Tobacco and Tobacco Products Industries (25 cents)

Quarterly Stocks and Consumption of Unmanufactured Tobacco ($1.00 per year, single copies 25 cents)

Leather, Fur and Products

Exports of leather, fur and their products are given in the following publications:

The Leather Footwear and Leather Boot and Shoe Findings Industries (25 cents)

Exports of Canadian-made footwear, by quantity and value, to individual countries for past three years. Data for three classes of footwear.

The Leather Glove and Mitten Industry (25 cents)

The Leather Tanning Industry (25 cents)

The Miscellaneous Leather Products and the Leather Belting Industries (25 cents)

Statistics of Hides, Skins and Leather (monthly; $1.00 per year)

The Fur Goods and Fur Dressing Industry (25 cents)

Wood and Its Products

Wood and its products make up the most important group of Canada's exports, and data are given in:

The Lumber Industry (50 cents)

Quantity and value of total exports of lumber, annually since 1926. Exports of forest products compared in dollar value with exports of the other commodity groups for past three years. Quantity and value of exports of sawmill products and other forest products for past two years, with considerable commodity detail.

Production, Shipments, and Stocks on Hand of Sawmills East of the Rockies (monthly $2.00 per year, single copies 25 cents)

Production, Shipments and Stocks on Hand of Sawmills in British Columbia (monthly, $2.00 per year, single copies 25 cents)

The Furniture Industry (25 cents)

The Veneer and Plywood Industry (25 cents)

Peeler Logs, Veneers and Plywoods (monthly, $2.00 per year, single copies 20 cents)

The Hardwood Flooring Industry (25 cents)

The Pulp and Paper Industry (50 cents)

Exports of Canadian pulpwood by quantity, and as a percentage of production, since 1908. Quantity and value of exports of chemical pulp and of mechanical pulp since 1908, together with total exports as a per cent of total production of pulp. Exports of newsprint paper since 1917, by quantity and value, and as a percentage of production. Exports of forest products compared with exports of other commodity groups for past three years. Quantity and value of exports of wood pulp and of paper and paper goods for past two years, with considerable commodity detail.

Hard Board (monthly; $1.00 per year, single copies 10 cents)

Asphalt Roofing (monthly; $1.00 per year, single copies 10 cents)

The Paper Box and Bag Industry (25 cents)

The Printing Trade (50 cents)

Iron and Steel and Their Products

Exports of iron and steel and their products are given, with varying degrees of commodity detail, in:

The Primary Iron and Steel Industry (25 cents)

Quantity of exports of primary iron and steel, with commodity detail, during current year.

The Agricultural Implements Industry (25 cents)

The Hardware Tools and Cutlery Industry (25 cents)

The Heating and Cooking Apparatus Industry (25 cents)

Primary Iron and Steel (monthly; $2.00 per year, single copies 25 cents)

Scrap Iron and Steel (memorandum, annual, 10 cents. There is also a special monthly statement, available on request.)

The Sheet Metal Products Industry (25 cents)

The Wire and Wire Goods Industry (25 cents)

Steel Wire and Specified Wire Products (monthly; $1.00 per year, single copies 10 cents)

Products of Transportation Industries

Exports of products of the transportation industries are shown in the following publications:

The Motor Vehicles Industry (25 cents)

Number of passenger cars and of trucks and buses shipped for export by manufacturers, annually since 1945.

Number and value of automobiles exported, by type, for last two years.

Number of motor vehicles exported monthly, for past two years.

Number and value of automobiles exported to principal countries of destination.

The Aircraft and Parts Industry (25 cents)

The Bicycle Manufacturing Industry (25 cents)

Motor Vehicle Shipments (monthly, $1.00 per year, single copies 10 cents)

The Motor Vehicle Parts Industry (25 cents)

The Railway Rolling Stock Industry (25 cents)

Exports, with varying degrees of commodity detail, are given for the non-ferrous metal products industries, the electrical industries, the non-metallic mineral products industries, and the chemical industries in the following publications:

Non-Ferrous Metal Products

The Aluminum Products Industry (25 cents)

Quantity and value of exports of aluminum and its products (six commodity groups), for past two years.

The Brass and Copper Products Industry (25 cents)

Non-Ferrous Scrap Metal and Secondary Non-Ferrous Ingot (memorandum; quarterly, $1.00 per year)

The White Metal Alloys Industry (25 cents)

The Jewellery and Silverware Industry (25 cents)

Electrical Industries

The Electrical Apparatus and Supplies Industry (25 cents)

Domestic Electric Refrigerators (monthly; $1.00 a year, single copies 10 cents)

Radio and Television Receiving Sets (monthly; $1.00 per year, single copies 10 cents)

Non-Metallic Mineral Products

The Artificial Abrasives Industry (25 cents)

The Asbestos Products Industry (25 cents)

The Glass and Glass Products Industry (25 cents)

The Coke and Gas Industry (25 cents)

The Petroleum Products Industry (25 cents)

Quantity and value of exports of petroleum and its products (seven commodities) for past two years.

Refined Petroleum Products (monthly; $2.00 per year, single copies 25 cents; annual supplement 50 cents)

Refined Petroleum Products (Preliminary Report) (monthly; $1.00 per year, single copies 10 cents)

Chemical Industries and Products

Chemicals and Allied Products, General Review (25 cents)

Value of exports of chemicals and allied products to the United Kingdom, United States, and all countries for selected years since 1920.

The Acids, Alkalies and Salts Industry (25 cents)

Sulphuric Acid (special compilation, 15 cents)

Ammonium Sulphate (special compilation, 10 cents)

The Fertilizers Industry (25 cents)

The Fertilizer Trade (25 cents)

The Medicinal and Pharmaceutical Preparations Industry (25 cents)

The Paints, Varnishes and Lacquers Industry (25 cents)

The Primary Plastics Industry (25 cents)

The Soaps, Washing Compounds and Cleaning Preparations Industry (25 cents)

The Toilet Preparations Industry (25 cents)

The Vegetable Oils Industry (25 cents)

The Inks Industry (25 cents)

The Polishes and Dressing Industry (25 cents)

The Compressed Gases Industry (25 cents)

The Coal Tar Distillation Industry (25 cents)

Textile Products

Exports by the textile industries are shown in the following industry reports:

General Review of All Textiles (25 cents)

Value of exports of textiles, by component material and degree of manufacture, to the United Kingdom, United States, and all countries for past two years.

The Cotton Textiles Industries (25 cents)

The Wool Textile Industries (25 cents)

Synthetic Textiles and Silk Industry (25 cents)

The Awning, Tent and Sail Industry (25 cents)

The Cordage, Rope and Twine Industry (25 cents)

The Cotton and Jute Bag Industry (25 cents)

The Hosiery and Knitted Goods Industries (25 cents)

The Men's Factory Clothing Industry (25 cents)

The Women's and Children's Factory Clothing Industries (25 cents)

The Corset Industry (25 cents)

The Miscellaneous Clothing Industries (25 cents)

The Hat and Cap Industry (25 cents)

Rubber Products and Miscellaneous

Exports by the rubber products industry and the miscellaneous industries are given in the following reports:

The Rubber Products Industry (25 cents)

The Button, Buckle and Fastener Industry (25 cents)

The Broom, Brush and Mop Industry (25 cents)

The Musical Instrument Industry (25 cents)

The Sporting Goods Industry (25 cents)

The Miscellaneous Industries (25 cents)

Agricultural Products

Data on the export of agricultural products are given, with detailed commodity breakdowns, in the following publications:

Quarterly Bulletin of Agricultural Statistics ($1.00 per year)

> Value of exports of Canadian farm products to the United States, United Kingdom and all countries for past ten years.
>
> Value of exports of products of farm origin, by broad commodity group, to the United States, United Kingdom and all countries for the past two years.
>
> Quantity of exports of specified agricultural commodities for past five years.
>
> Quantity of exports of mixed fertilizers, by type, for year ending June 30.

Supplement to Handbook of Agricultural Statistics Part I—Field Crops (reference paper, 75 cents)

Grain Trade of Canada ($1.00)

Grain Statistics Weekly (memorandum; $2.00 per year)

Grain Milling Statistics (memorandum; monthly, $1.00 per year)

The Wheat Review (monthly, $2.00 per year)

Coarse Grains Quarterly ($1.00 per year)

Dairy Statistics (25 cents)

Live Stock and Animal Products Statistics (50 cents)

Production of Poultry and Eggs (25 cents)

Report of Fur Farms (25 cents)

Fur Production (25 cents)

Wool Production and Supply (memorandum, 10 cents)

Estimates of Production and Consumption of Meats (memorandum, 10 cents)

The Sugar Situation (memorandum; monthly, $1.00 per year)

Electricity, Oil Exports

Data on the export of electricity and of oil delivered to foreign pipeline connections are given in the publications listed below. The oil figures are not true net export figures, since they include oil entering the United States in transit to another part of Canada.

Pipe Lines (Oil) Statistics (annual, 25 cents)

> Quantity of oil delivered to foreign pipeline connections for past two years.

Pipe Lines (Oil) Statistics (monthly, $1.00 per year)

The Central Electric Stations Industry (25 cents)

> Quantity of electricity exported, by company exporting it, for past two years. Total exports for past nine years and for 1939. Exports, by province, for past year.

Central Electric Stations (monthly, $1.00 per year)

General Export Publications

These were discussed in part I of "How DBS Can Help the Exporter" in *Foreign Trade* of September 29, 1956.

Trade of Canada, Volume II, (annual; $5.00 per set of three volumes, single volumes $2.00 each)

Exports (monthly; $5.00 per year, single copies 50 cents)

Domestic Exports (monthly; $2.00 per year, single copies 20 cents)

Articles Exported to Each Country (quarterly; $2.00 per year, single copies 50 cents)

Review of Foreign Trade (twice a year; volume covering first half-year, 50 cents; calendar year, 75 cents)

Shipping Report (annual; $1.00 per set of three sections, individual sections 50 cents each)

Canal Statistics (annual, 25 cents each)

Canada Year Book ($4.00 clothbound, $1.50 paperbound)

Energy Sources in Canada—Commodity Accounts for 1948 and 1952 ($1.00) ●

transportation notes

Scandinavian Co-operation in the Air

THE SCANDINAVIAN AIRLINES SYSTEM operated by Denmark, Norway and Sweden affords a good example of international co-operation. This year SAS celebrates the completion of ten years of successful and expanding service—a service which began in September 1946 when the first airplane bearing the SAS emblem took off on a scheduled flight to New York. Since that time the services have been extended steadily to place the Scandinavian Airlines System among the world's leading international air carriers.

The earlier airline companies of the three Scandinavian countries, the basis of SAS, were among the pioneer air transport companies of the world. The Danish company, Det Danske Luftfartselskab A/S (DDL), was formed in 1918 and was the world's oldest established airline company. The firm introduced the four-engine Focke-Wolf Condor aircraft into service in 1938 but shortly thereafter had to suspend operations because of the occupation of Denmark by the German forces. The Swedish predecessor company, AB Aerotransport (ABA), was formed in 1924 and was originally equipped with Junkers seaplanes. In 1927 the line began to use the first three-engine all-metal passenger aircraft, the Junkers JU 52. By the outbreak of World War II, ABA's routes covered much of Europe, including Moscow and Berlin. The service to Berlin was continued during the war with Allied approval. In 1942, in fact, ABA established a courier service to England which served the Allied cause well, although not without loss of life and equipment from enemy action. The Norwegian airline, Det Norske Luftfartselskab A/S (DNL), did not begin operations until 1935, although Norwegian commercial air operations began as early as 1918. The assets of the company were seized following the invasion of Norway in 1940.

How SAS Developed

Although they were confronted with many obvious difficulties, all three Scandinavian airlines laid plans during the war for postwar operations. In 1942 the Svensk Intercontinental Lufttrafik AB (SILA) was formed to open up intercontinental routes. The following year ABA placed an order with the Douglas Aircraft Company for 10 DC-4's, an act of confidence in the outcome of the world war then going on. The first peacetime commercial flight across the Atlantic was made in June 1945 by SILA using a converted B-17 bomber, one of many which had made forced landings in Sweden during the war. The ten DC-4's were delivered in the spring of 1946, while plans for amalgamation were being completed. In July the consortium was established, with participation by the three airlines in the proportions 3/7 for Sweden's SILA and 2/7 each for Denmark's DDL and Norway's DNL. In September 1946 the first scheduled flight by SAS to New York was completed and shortly thereafter the South American service to Montevideo via Lisbon, Dakar, Recife and Rio de Janeiro was established. In 1948 the European service of ABA was absorbed as the European Division of SAS, bringing the total SAS network to over 92,000 miles.

New Routes Pioneered

During the next few years SAS inaugurated services to the Far East, including Karachi—Calcutta Bangkok—Cairo—Rangoon; in 1954 Hong Kong and Manila were added. Then a weekly service to Johannesburg was initiated and, amid much publicity, SAS pioneered the so-called "polar route" on the Great Circle from Scandinavia via Canada to Los Angeles. The polar route is now flown daily, with refuelling at Sondre Stromfjord, Greenland, where Denmark has built a hotel to facilitate stop-overs. It is anticipated that a new polar route linking Copenhagen with Tokyo and passing almost directly over the North Pole will be included in SAS scheduled service early in 1957, using Douglas DC-7-C's.

Today the SAS aircraft inventory contains 14 DC-7C's, 12 DC-6's, 4 DC-4's, 10 DC-3's, eight Swedish-built SAAB Scandias and one Junkers JU 52 seaplane. Sixteen Convair Metropolitans are currently being delivered and SAS has on order 14 DC-7C's and 7 DC-8 long-distance jet aircraft. Although these orders represent a very substantial investment, the Scandinavian Airlines System is confident that it is well justified by expanding traffic—the number of passengers carried increased from 425 thousand in 1950 to 931 thousand in 1955 (about half the passenger traffic of TCA). And certainly SAS has demonstrated to the world the commercial benefits which close international co-operation can bring.

—I. V. MACDONALD,
Assistant Commercial Secretary, Stockholm.

Italy Rehabilitates Its South

People in Italy's southern provinces are getting a new lease on life as Government pours in billions of lire to rehabilitate area and raise living standards. First six years of 12-year project proved so successful that program has been extended to 15 years.

K. F. OSMOND, *Commercial Secretary, Rome.*

LAST AUGUST, Italy reached the halfway mark in its long-range, 12-year program to rehabilitate the economy of its southern provinces and the islands of Elba, Sardinia and Sicily. Gradually the gap between living conditions in the highly industrialized North and the depressed South is narrowing. The Fund for the South, or "Cassa per il Mezzogiorno", which was set up in August of 1950, has financed a long-range rehabilitation program integrated closely with other economic projects, particularly land-use reforms and the division of estates among sharecroppers and peasants.

The southern problem in Italy is an age-old one and involves a combination of adverse economic, political, social, and geographic conditions. Although many attempts have been made in the past to find a practical way to raise depressed living standards there, none was ever successful. Since World War II successive Governments have tackled the problem realistically by planning concrete rehabilitation measures; a burst of new life and enthusiasm throughout the whole of the southern region has resulted.

Government Invests Large Sums

Recently, the Government further demonstrated its confidence in the southern development programs: it voted to extend the time-table for the Fund from 12 years to 15 years and boost the total allotment to 1,870 billion lire (about \$2·6 billion).

When the Fund was first set up six years ago, the Government granted 1,000 billion lire (about \$1·6 billion) to be spent in roughly equal amounts over a period of ten years. Financial backing was increased to 1,280 billion lire (about \$2·0 billion) two years later when the term of the Fund was extended to twelve years. In addition to the money the Government has invested, the Cassa can issue bonds on its own and obtain foreign loans.

The Cassa is not considered to be a government agency; it is a separate public body with wide executive powers, which co-operates and co-ordinates its activities smoothly with government departments through a committee of ministers. One of these is especially designated as Minister for the Cassa and is responsible to Parliament for the projects. However, the organization has a freer rein than any ordinary government department.

The Cassa's program of expenditure for various types of projects is set out in the following table (figures used are those authorized before the recent increase came into effect):

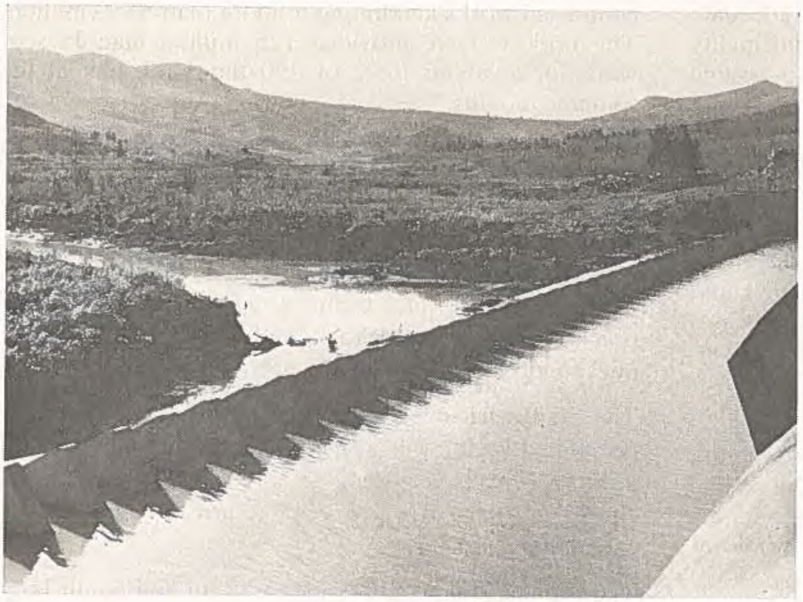
	Lire (billions)	*Dollars (millions)*	*Percentage of Total*
Rehabilitation of agriculture	910	1,456	71·1
Aqueducts and sewers	150	240	11·7
Roads	115	184	9·0
Railways	75	120	5·9
Tourist promotion	30	48	2·3
Totals	1,280	2,048	100·0

To Help Farming

As the depression of the South is mainly reflected in its agriculture, the Fund is spending the greatest share of its money on land reclamation, land transformation, irrigation and flood control.

The Cassa's land reclamation projects comprise an area of nearly 10·5 million acres. Even before the Fund for the South came into effect, other government programs had reclaimed or improved about 2·5 million acres of this land; the Cassa assures completion of these projects.

The Fund directs its main efforts to the so-called "transformation districts" which cover an area of over 5·5 million acres; these require public works on a



(Left)

This irrigation dam on the Plain of Gela is typical of the work undertaken by the Cassa in "transformation districts". Its projects when completed will make fertile about 875 thousand acres of currently non-productive land in Southern Italy.

grand scale, as well as far-reaching land transformation. The program to rehabilitate agriculture includes the building of farmsteads on the new holdings which resulted when large estates were transformed into small farms, and the creation of new marketing and processing facilities for farm produce.

In 1950, the area under irrigation in Southern Italy was about 625 thousand acres; by the end of its twelve-year term, the Cassa expects to increase this to over 1·5 million acres. Some 150 thousand acres of irrigated land are to be set aside for production of citrus fruit and for market gardens; the remainder will be used mainly for field crops such as sugar beets, tomatoes, cotton, tobacco, and forage.

A much larger acreage is slated for improved dry-land farming patterns. The Cassa will protect these farm lands with projects to control floods and prevent soil erosion, including reforestation of coastal areas. Better practices are expected to raise cattle production by 100 thousand head and extend the acreage of tree and bush crops, particularly combinations of olive trees and vines.

Communities to Have More Water

The Cassa's program to construct aqueducts and sewers is second only in importance to its better land-use projects. Governments in the past have launched many schemes to provide the South with adequate water supplies; many were conceived on too narrow a basis and have not kept up with the needs of growing popu-

(Right)

In an area where the Cassa's program has made the land arable for the first time in centuries, a new town has appeared. The Cassa built these houses for farm workers.

lations. The Cassa plans by 1962 to bring adequate supplies of water to the borders of every municipality in the South, but local authorities will have to assume financial responsibility for distribution.

Transportation Improved; Tourism Promoted

The shocking state of the roads in Southern Italy was one of the main reasons for its backwardness. Expenditure by the Cassa on communications is, therefore, primarily directed towards new road construction and the improvement of existing roads. The program also aims to improve railway facilities by electrification, laying of second tracks, and other general re-organization where considered necessary.

To encourage the tourist industry, the Cassa program includes the building of many modern hotels and restoring the ancient ruins of earlier civilizations and art treasures which are scattered throughout the whole of Southern Italy.

Investment in New Industries

To encourage the industrial development of the South, the Cassa has made considerable credits available to industry from its own funds and from World Bank loans totalling $90 million. Construction of industrial plants and hydro-electric power installations has accounted for $70 million of the World Bank loans. A further loan from the Bank is probable in the next year; most of this money will be used to build more industrial plants and develop power resources. Many large industries are already operating as a result of loans; they include factories for the manufacture of cement, tobacco, paper, stockings, wire, steel, wool and building materials, as well as cotton mills, marble works, grain mills, and other miscellaneous plants. In addition, 207 new grain warehouses have been built, as well as dairy centres, cheesemaking plants, and firms to market or preserve fruits and vegetables.

The credit operations of the Fund for the South have so far led to a total investment of about $229 million in southern industry, including direct credit from the Cassa and investment capital that was encouraged to flow in. This investment in industrialization is already producing new wealth with an estimated gross value of $192 million a year.

Remarkable Results Achieved

It is still too early to state definitely the extent to which the Cassa has realized its ultimate objective of transforming the economy and the social structure of the southern areas. However, it has achieved some remarkable results.

Up to the end of November 1955 (the last date for which official statistics are available) the Fund had approved projects involving nearly $850 million and completed works amounting to more than $350 million. The projects have provided 125 million man-days of work for a labour force of 200 thousand men in the summer months.

The development program has meant a great deal to the people of the South. The demand for consumer goods and services has expanded enormously; rural townships and community centres have developed on a grand scale; road communications have improved markedly; agricultural technical institutes are in operation as well as new schools and health services; over one hundred new hotels are open for business.

The industrial expansion and improvement projects completed so far will ultimately boost output by $400 million a year, according to a recent survey; this is equivalent to a 15 per cent return on the Fund's expenditures so far.

The wide economic gulf between North and South Italy is at last narrowing and an enthusiasm has spread throughout Southern Italy. This response on the human plane is perhaps the best guarantee that the colossal efforts to implement the Cassa plans will be crowned with a generous measure of success.

Pineapples from Australia

THE CANNED PINEAPPLE INDUSTRY, largely situated in the southeastern areas of Queensland, makes a useful contribution to Australia's overseas income by exporting 70 to 80 per cent of its production. Exports of canned pineapple in 1955 totalled 968,302 cartons, a rise of approximately 20 per cent over the previous year. The United Kingdom took 82 per cent, Canada 10 per cent, and New Zealand 7 per cent. The United Kingdom, largest overseas buyer of canned pineapple juice, took approximately 41 per cent of the 121 thousand cartons exported. Shipments to Canada represented 38 per cent of this; New Zealand and Germany accounted for approximately 8 per cent each. Main overseas market for canned tropical fruit salad was New Zealand.

Production of canned pineapple expanded during 1955, with both summer and winter packs reaching a record. Reports indicate that output was approximately 1,347,000 cartons (a carton is equivalent to two dozen 30 oz. cans), compared with 1,109,000 cartons in 1954 and 754 thousand in 1953. However, the rise in output created difficulties in the marketing of pineapple juice, necessitating a reduction of 50 per cent in the canning of juice. Production of canned tropical fruit salad showed a substantial increase.

Official production estimates for 1956 are not available but prospects at present are for another satisfactory crop.

Two-Way Trade with Indiana

Two-way trade between Canada and this Midwest State ripe for further development, with good transportation services available. Current Canadian exports to this area include lumber, industrial raw materials, and certain agricultural products.

G. A. NEWMAN, *Deputy Consul General (Commercial), Chicago.*

THE MIDWEST AREA OF THE UNITED STATES is not one but many markets. Take Indiana, for example. It rests quietly between Illinois with its bustling Chicago, and Ohio, with its manufacturing cities such as Cleveland and Cincinnati. At first glance one might assume that this Hoosier State is a farming area without much to interest Canada. Such a conclusion is not, however, justified by investigation.

In the first place, it is an industrial rather than a farming state, although farming is important. Out of the 3·9 million people in the State (almost 25 per cent of Canada's population) 2·3 million are urban dwellers—leaving about 667 thousand to work the 170 thousand farms that comprise the rural area. The urban population is concentrated in 95 towns of 2,500 to 10,000; 20 cities of 10,000 to 25,000; 14 comparatively large cities of 25,000 to 100,000; and five large cities of over 100 thousand each.

Of the 1·5 million employed in the state (1950 census) 34·8 per cent are engaged in manufacturing, 17·6 in wholesale and retail trade, and 11·6 per cent in agriculture.

Products Sold to Canada

With a background such as this and the fact that cities in Indiana are only second-morning trucking distance from Canada, it is not surprising that Canada provides a steady market for Indiana products. In 1955, the total value of exports from the state to Canada was an estimated $33 million. This total included at least 65 different identifiable items, such as agricultural implements, automobiles and parts, cement, chemicals, chain, electrical and electronic equipment, furniture, glassware, machinery, and petroleum products. A number of these manufacturers are internationally known and some have branch plants in Canada.

Market for Industrial Materials

This close relationship with the Canadian market opens up two possibilities to Canadian businessmen. The first is that the State provides a good source for branch plant prospects and, second, it offers possible markets for Canadian industrial materials. Canada's exports to Indiana in 1955 included the following: aluminum, asbestos, copper, copper wire, dolomite, veneer logs, lead, masonite, metals, nickel, newsprint, printing paper, plywood, wood pulp, zinc, kraft wrapping paper, hides, hogs' hair, and syenite.

Other imports from Canada based on agricultural and consumer needs comprised agricultural machinery, cement, fish fertilizer, lumber, wallboard, peat moss, packinghouse products, grass and clover seeds, shingles and twine.

One of the largest imports from Canada, apart from newsprint, is lumber from the Canadian West. Lumber wholesalers are looking with increasing interest towards Canadian sources of supply.

Transportation and Services

Transportation and distribution facilities are always important in assessing a market. Indiana is well located for most shipping services either by rail, road, or water. Indianapolis, the capital and main business centre, is only 529 miles from Toronto. One Canadian railway maintains a freight agent in this city and there are regular and well-organized trucking services between this area and Canada.

Probably the initial approach to Indiana should be made through the city of Indianapolis, which has a metropolitan population of about 576 thousand and is the centre of 1,100 industrial plants—some with branches in Canada.

The key to Indianapolis' international trade is to be found in the World Trade Department, Indianapolis Chamber of Commerce, whose manager is well acquainted with all city firms engaged in international trade. A World Trade Committee which operates in relation to this department and comprises many of the leading manufacturers engaged in export trade may also be of service.●

Colombia Alters Exchange Regulations

Canadan exporters to Colombia will be interested in this clarification of the new exchange regulations and of the government decree recently issued. The author also sheds some light on the payments situation there.

W. B. McCULLOUGH, *Commercial Counsellor, Bogota.*

SINCE LATE 1954, the demand for official exchange to pay for imports and services in Colombia has exceeded export earnings and, despite various measures, the backlog in commercial commitments and the delay in remittances have continued to mount. The backlog for the first six months of this year is estimated at about US$200 million, although recent releases of official foreign exchange have liquidated applications registered in January and most of February. Of the $30 million released on August 1st, $15 million was applied to the old backlog and $15 million to applications registered from July 1st. Another release of $30 million on September 5th applied $15 million to the backlog and $15 million to current applications. The latter will clear up July and part of August.

Government Decree Issued

The latest development in this situation came on August 31, when a government decree, and subsequent Ministry of Finance regulations, fixed the rates at which banks are to buy and sell dollars or the equivalent in other currencies. The banks' buying rate will not be over pesos 4.50 to one U.S. dollar, and the selling rate not over pesos 4.52 per U.S. dollar.

The free exchange rate over the past four months had moved from about 4.50 to a peak of 5.12 in the last week of August. For the few transactions outside banks, the rate during the first days of September dropped to around 4.68 per dollar.

Classifications Switched

For the purpose of import control and exchange regulations, all imports are classified into one of seven categories: Preferential, Group I, Group II Special, Group II, Group III, Group IV and Prohibited, and carry, in addition to normal import duties, corresponding surtaxes from 10 per cent in Group I to 100 per cent in Group IV on the f.o.b. value. Imports under Preferential and Group I are paid for at the official rate of exchange of 2.51 pesos per dollar, and imports in the lower categories at the free rate of exchange, which up to August 31st was anywhere from four to 5.10 pesos per U.S. dollar.

In June, a number of commodities were removed from Preferential Group I to lower categories. At the same time, the Banco de la República (the Colombian central bank), offered holders of applications for official exchange, registered from January 1st to June 30th, the option of remitting, without delay, 50 per cent at the official rate and 50 per cent at the free rate. This became known in trade circles as the fifty-fifty scheme.

Fifty-Fifty Offer

At first, importers were reluctant to take up this offer, and, in fact, those who had imported merchandise and sold it on the basis of the official exchange rate could only do so at considerable loss. However, an increasing number have taken up the option, particularly importers of those items which were transferred to the lower categories and which now, in any event, must be paid for at the free exchange rate. None of the recent releases of official exchange applied to applications for imports of the transferred items. Consequently, these importers have been pressed to take up the fifty-fifty option.

On September 3rd, the central bank released approximately one million dollars to the commercial banks to sell at not over pesos 4.52 per dollar, to pay for freights and for applications under the fifty-fifty scheme.

On September 4th, $10 million was allocated to the banks to sell at not over pesos 4.52, to cover applications under fifty-fifty. The amount is limited to $50,000 per application. That is, an importer may purchase $50,000 at the official rate of 2.51 and $50,000 at the free rate of 4.52, or at a cross rate of 3.50 pesos per U.S. dollar. Each application must be approved by the central authority.

Payment Delays Explained

There may be some misunderstanding over why some drafts (January-June) remain outstanding, while more recent ones (July-August) have been paid, or why some buyers of the same commodity may have remitted while others have not.

The delay in payments is on those goods imported at the official exchange rate. The effective date of the application for exchange cover is the date of registration in the Exchange Control Office by the commercial banks. This registration is not made until after the goods have entered the country and the credit terms (if any) granted by the exporter to the importer have expired. There is no delay in remittances at the free rate, which is simply a matter of the customer arranging with his bank.

Some exporters of a variety of commodities may well have some that fall in Preferential and First Group and others in lower categories. Also, some exporters have shipped items which have been transferred from the official exchange to the free exchange groups. The variations in the time of remittances by different customers therefore depend on: (1), the classification of the commodity for exchange control; (2), whether or not the commodity was transferred to a lower group; (3), the registration date of the application for foreign exchange; and (4), whether or not some customers have taken up the fifty-fifty option.

Local business conditions continue buoyant, with heavy demands for imported goods. By various measures, the exchange control authorities are endeavoring to get their payment situation in order. Exporters of merchandise eligible for payment at the official exchange rate and shipped during the first six months of this year can expect some further delay in remittances, unless the Colombian Central Bank can make some special arrangements, such as obtaining a loan to clear up the backlog. This is a possibility.

Indonesia Revises Trade Regulations

Trade regulations recently issued provide for Export Inducement Certificates which allow Indonesian exporters certain percentage of f.o.b. value of product in foreign currency. Imports also reclassified for purposes of levying import surcharges on them.

W. D. WALLACE, *Commercial Secretary, Djakarta.*

THE LATEST REVISION of the Indonesian export and import regulations* was recently announced by the Ministry of Economic Affairs and took effect from September 3, 1956.

The main feature of the new export regulations is that they provide for an Export Inducement Certificate (BPE), amounting to a certain established percentage of the f.o.b. value of the product, to be issued to exporters of Indonesian goods. This certificate is expressed in terms of foreign currency and may, with the approval of the Indonesian authorities, be converted into another foreign currency at the official rates of the Bank of Indonesia.

The holder of an Export Inducement Certificate cannot retain the value in foreign exchange. However, he may dispose of it in various ways, such as:

- Selling it freely on the open market within three months of the date on which it was issued.
- Using it to import certain specified goods (subject to the normal import licensing procedure).
- Using it for certain other non-commercial purposes, in which case the normal Foreign Exchange Control Board procedure must be followed.

The following revised list of Indonesian exports shows the percentage of the f.o.b. value which the exporter receives under the inducement scheme:

Commodity	*BPE (in per cent)*	*Commodity*	*BPE (in per cent)*
Hides	10	Granulated sugar	....
Shells	10	Coffee	10
Tapioca	20	Tea	16
Dried cassava	....	Nutmeg/mace	10
Tapioca flour	10		

* Advance reports on these measures were published in *Foreign Trade* of August 18 and September 1.

Commodity	BPE (in per cent)	Commodity	BPE (in per cent)
Pepper	10	Cinchona bark	....
Areca nuts	10	Fibres	20
Tobacco leaf	8	Kapok	15
Cut tobacco	10	Copal: selected	10
Copra	10	unselected	6
Copra cakes	15	Resins: selected	10
Palm seeds	5	unselected	6
Palm oil	5	Rattan: selected	10
Etherial oils	15	unselected	6
Rubber: fabricated sheets, latex powder form, cuttings	5	Peanuts	15
Remilling materials, unsmoked sheets	2	Tin ore	....
		Coal	....
		Teakwood	10
		Forest wood	10
		Other agricultural products	10

Import Regulations

The Indonesian authorities have also reclassified imports into new categories for the purpose of levying import surcharges. They have divided imports into nine groups and subdivided some of these further into two categories. Goods in the first category may be imported with normal foreign exchange; those in the second may only be imported through the use of Export Inducement Certificates.

The table below shows the rates of import surcharges on the nine groups of imports and on the two categories within these groups.

This system replaces earlier surcharges which amounted to 50 per cent, 100 per cent, 200 per cent and 400 per cent, respectively, of the value of the goods; very few imports were exempt from surcharges. In fact, therefore, the changes are not very great, although rates of surcharge on various imports have been revised and, in many instances, reduced.

The value on which import duties and import taxes are based is taken from the "normal" import surcharge of the group of goods concerned, irrespective of whether or not the goods qualify for the lower import surcharges under Export Inducement Certificates.

A summary of the new import classifications, showing some products that may be of interest to Canadian exporters, is given below. Information on the classification of particular products may be obtained from the International Trade Relations Branch of the Department.

GROUP I—Import surcharge—Nil. No items subject to Export Inducement Certificate.

Scientific literature
Milk powder for children
Aviation spirit 115/145 grade

GROUP II—Import surcharge 25 per cent—no items subject to Export Inducement Certificate.

Chemicals for disinfection or germ killing, DDT preparations, sulphur fungicides
Fertilizers of all kinds
Various seeds for agriculture; animals for breeding purposes

GROUP III—Import surcharge 50 per cent: the only item on Export Inducement Certificate is bicycle tires on which the import surcharge is 25 per cent.

Books and periodicals
Caustic soda, acids for industry, alcohols
Scientific cameras
Surgical instruments, bandages, gut, semi-raw materials for pharmaceutical preparations, pharmaceutical preparations approved by the Ministry of Health, empty vials, empty capsules
Ores, pig iron, steel bars, aluminum blocks, lead, nickel and zinc, soldering materials, building iron, wire and electrical cables, a large range of tools, knives, cement, raw materials for paints, shellac, asphalt, nuts and bolts
A large range of wood-free paper and of wood-containing paper
Salt fish, milk powder
A large range of essential stationery and office equipment
Rubber tires (cycle tires on Export Inducement Certificate), accumulators, ships, aircraft, buses with 14 or more seats, ambulances, pick-up (not delivery) vans, chassis and engines for motor vehicles, spare parts for cars, tractors, locomobiles, earth-moving equipment, road-rollers, steam generators, power gas generators, steam turbines, turbogenerators, cement mixers, engines, a wide range of industrial machinery, bearings
Various raw materials for the paper, tire, light bulb and battery industries, carbon black, explosives, mining lamps

GROUP IV—Import surcharge 75 per cent, no articles under Export Inducement Certificate.

Fish nets, hooks, industrial threads
Wheat flour
Cables for electrical installations, sailcloth
Materials required for retail packing

Rates of Import Surcharges

	Group	Normal Foreign Exchange Import Surcharge	Export Inducement Certificate Import Surcharge
I	Very essential import goods	0 per cent	not applicable
II	Essential import goods	25	not applicable
III	Essential import goods	50	25 per cent
IV	Semi-essential import goods	75	50
V	Semi-essential import goods	100	75
VI	Luxury import goods	150	100
VII	Luxury import goods	200	150
VIII	Very luxury import goods	300	200
IX	Very luxury import goods	400	300

GROUP V—Import surcharge 100 per cent, articles under Export Inducement Certificate only pay 75 per cent import surcharge.

(*a*) *Normal exchange articles:*

Office machines not otherwise specified, dry batteries (excluding torch batteries), nails, roofing materials, builders' fittings, mosquito wire, chicken wire, barbed wire, triplex wood, kraft paper, various packing papers, cigarette paper not in booklets, condensed and evaporated milk, rolled oats, baking powder, dyestuffs for food and drink industry, a large range of stationery and office equipment, various types of machinery and industrial appliances less essential than those in earlier groups, voltmeters, automobile batteries, parts for radio assembly, ammunition, cellophane and other packing materials.

(*b*) *Export Inducement Certificate Articles*

Cooking ovens, Aladdin lamps, flashlights, buttons, old newspapers, fluorescent lights, buses for 8 to 14 persons, delivery vans

GROUP VI—Import surcharge 150 per cent, articles under Export Inducement Certificate pay only 100 per cent import surcharge.

(*a*) *Normal exchange articles:*

Exposed cinema films, plastic rolls, raw tobacco

(*b*) *Export Inducement Certificate Articles*

Lighter flints, watch parts, cheese

GROUP VII—Import surcharge 200 per cent, articles under Export Inducement Certificate pay only 150 per cent.

(*a*) *Normal exchange articles*

Ciné cameras, films 16 mm. and up, projectors 16 mm. and up, calculating and adding machines, carbon paper

(*b*) *Export Inducement Certificate Articles*

Cameras, darkroom equipment, ciné cameras, projectors and films for below 16 mm., clocks, watches below SW. Frs. 35, better-type builders' hardware, better types of paper, tissue paper, fountain pens and propelling pencils, advertising material, non-electric sewing machines, outboard motors below 7½ h.p., gramophone records, weapons, airguns, scotchlite

GROUP VIII—Import surcharge 300 per cent. Export Inducement Certificate articles pay only 200 per cent import surcharge. All articles in this category are Export Inducement Certificate articles.

Sardines in tins of over 200 grammes, flavouring essences for soup, tobacco and food industries, etc.; passenger cars (including station wagons and commercial utilities) in completely or semi-knocked-down state, spare parts and components for refrigerators

GROUP IX—Import surcharge 400 per cent. Export Inducement Certificate articles pay only 300 per cent import surcharge; all articles in this category are Export Inducement Certificate articles.

Perfumes and beauty aids, soaps, jewels and personal jewellery, toys, watches above SW. Frs. 35, luxury stationery, biscuits, chocolates, drinks (excl. beer), honey, jams, marmalade, deep-freeze articles, pudding powder, sauces, spices, sweets, fish, meats, poultry, fruit drinks, cigarettes, tobacco (ready for consumption), refrigerators, electric household appliances, car radios, radiograms, tape recorders, record changers, dictaphones, passenger vehicles (including station wagons, etc., etc.) other than those mentioned in earlier groups, safes, leather shoes.

trade and tariff regulations

Chile

NEW LIST OF PERMISSIBLE IMPORTS—Amplifying a policy of gradual liberalization of imports, adopted in the early part of the current year, Chile recently revised the list of goods that may now be imported freely at a fluctuating rate of exchange.

Acting on the recommendations of the Klein-Saks Mission, brought in to assist in solution of existing financial and economic problems, the Chilean authorities brought into force in April 1956 a new fluctuating exchange system and a program of indirect control over imports which required importers to advance varying percentages in local currency of the value of orders placed abroad. At this time, a list of permitted and prohibited imports was instituted. Previous to this, a scheme of multiple exchange rates had existed and direct control over imports was achieved by the issuance of import permits.

On August 9, 1956, the Chilean Government issued Decree 859 which established new lists of goods which might be imported, replacing those established earlier. The net effect of the new legislation has been to clarify the position regarding permitted imports and to amplify the categories of goods which may enter the country. Certain articles have been reclassified and other changes have been made. Some of the new permitted imports are: aircraft (for both civil and commercial flying), motor vans, electric meters, special paints for industrial uses, and a comprehensive list of sports goods.

Of particular significance is the fact that the former prohibited list contained a stipulation to the effect that imports of industrial machinery would only be allowed to replace equipment destroyed by fire or other causes, or to avoid the closing of a factory. Under the new Decree, industrial machinery, with the exception of a specified list such as compressors, winches and electric welders, may be imported freely. This revision was designed to assist in the replacement and modernization of existing plant equipment. A small number of items were transferred from the free list to the prohibited list of imports. These included commodities that are now produced in sufficient quantities in Chile to meet domestic requirements. An example of this class of articles is fluorescent fixtures.

A number of the headings listed in Decree 859 are described only in general terms. In cases where a commodity does not appear on the free list, a prospective importer may appeal to the controlling government body to determine if such article does qualify within a general category. On the basis of such appeals, alterations to existing lists are being made periodically.

Additional details concerning products included in the new list of permissible imports may be obtained from the International Trade Relations Branch.

New Zealand

IMPORT QUOTA FOR MOTOR VEHICLES—The New Zealand Government has announced an allocation of £14 million for imports of motor vehicles from all sources in 1957. This will provide for the import of approximately 35,000 vehicles which will be mostly in a knocked-down form. The allocation, it is stated, will be approximately at the same overall level as in 1956.

No official information has been published regarding imports of motor vehicles from the dollar area. In conformity with the general policy, 1957 licences will be overwhelmingly for British cars, amounting to approximately 84 per cent of all vehicles imported.

IMPORT CONTROL ON AMBULANCES—The New Zealand Minister of Customs announced on September 13, 1956, that applications for licences to import from North America built-up ambulances, chassis for ambulances, and station wagons or other vehicles required for conversion into ambulances will be considered from motor vehicle franchise holders where the application is supported by a firm order from the organization requiring the vehicle, and by evidence to show that the Minister of Health has approved the purchase of the particular vehicle.

United States

IMPORT QUOTA ON TABLE POTATOES UNCHANGED—The quantity of white or Irish potatoes, other than certified seed potatoes, that may be admitted into the United States at the reduced import duty of 37½ cents per 100 pounds during the year which began September 15th has been set at one million bushels of 60 pounds each (the same as last year), according to an announcement by the Acting Commissioner of Customs on September 20th.

Imports in excess of the quota are subject to a duty of 75 cents per 100 pounds.

Under the GATT, the United States undertook to admit annually a minimum of one million bushels of white potatoes at the reduced rate of import duty. It was provided, however, that if domestic production should be estimated by the United States Department of Agriculture, as of September 1st of a particular year, at less than 350 million bushels, the tariff quota for the next 12-month period would be increased accordingly. Since the U.S. Department of Agriculture has estimated domestic production of white potatoes for the calendar year 1956 at 389,460,000 bushels, the quota admissible at the reduced tariff rate is being set at the minimum.

Trade Commissioners on Tour

L. S. GLASS, Commercial Counsellor for Canada in Wellington, New Zealand, began his Canadian tour in Montreal, August 6, and completes it in Victoria, October 15-16.

G. A. BROWNE, Commercial Secretary in Havana, Cuba, began the second part of his Canadian tour in Winnipeg, October 3-4. His itinerary is:

Saint John—Oct. 22
Halifax—Oct. 25-26
Ottawa—Oct. 29

C. S. BISSETT, Commercial Counsellor for Canada in Buenos Aires, Argentina, began his Canadian tour in Montreal, July 30-August 10, and completes it in Ottawa, October 24.

D. S. ARMSTRONG, Canadian Trade Commissioner in Singapore, began a tour of Canada in Vancouver and Victoria, September 4-14. His itinerary is:

Montreal—Oct. 15-24
Halifax—Oct. 26
Saint John—Oct. 30
Ottawa—Oct. 31-Nov. 7

F. B. CLARK, former Commercial Secretary in Caracas, Venezuela, began a tour of Canada in Victoria, August 30-31. His itinerary is:

Montreal—Oct. 15-23
Granby—Oct. 24
St. John's—Oct. 25
Quebec—Oct. 26
Halifax—Oct. 29-30
Kentville—Oct. 31-Nov. 1
Saint John—Nov. 2-3
Ottawa—Nov. 5

Businessmen in the various centres may get in touch with these officers through the Board of Trade in Granby, Halifax, Kentville, Montreal and Saint John; Chambers of Commerce in Quebec and St. John's; the Department of Trade and Commerce in Ottawa, and the Department of Trade and Industry in Victoria.

General notes

Chile

DEVELOPMENT PLANS—The so-called "Copper Law", passed last year, gave better treatment to the large copper mining companies in Chile in the form of more equitable exchange rates. This law also contained a provision that part of the Government's receipts from the sale of the products of these large firms would be made available for the development of the copper-producing provinces. By an official decree issued recently, the Government authorized a plan for the development of these provinces. The new program calls for expenditures to develop and encourage coastal shipping, fishing, prospecting and mining, electrification, irrigation, agriculture and forestry; it will undertake to supply freezers, farming and mining machinery, and transport material, and to build a mixed fertilizer plant, cement plant and hotels—Santiago, Sept. 14.

INDUSTRIAL PRODUCTION—According to a report issued by the Economic Commission for Latin America, Chile's industrial production, which has been steadily increasing for a number of years, fell by 4 per cent in the year 1955—Santiago, Sept. 14.

Federation of Rhodesia and Nyasaland

MERCHANT BANK—The Rhodesian press reports that the House of Rothschild has decided to open a merchant bank in the Federation, and one of the largest American banking houses, Dillon Read, is said to be interested in investment possibilities here. This growing interest on the part of American banking houses has made a most favourable impression in local government and financial circles who regard it as a mark of the growing importance of this area—Salisbury, Sept. 11.

France

TRADE DEFICIT—For the first seven months of 1956, France has run up a trade deficit of over $600 million. This is nearly four times higher than last year up to that time ($164 million in 1955 as against $606 million in 1956). The deficit has resulted from a slight decrease (2·5 per cent) in French exports and a substantial (19 per cent) increase in imports for the period. Of the total deficit, approximately $230 million is with the dollar countries—Paris, Sept. 20.

India

SODA ASH PLANT—A local company is to build a plant in Uttar Pradesh to make soda ash and ammonium chloride. The plant will use a combined process, known as the Benz process, which has never been used in this country. The necessary machinery will arrive next year, and the plant is expected to go into production early in 1958. The State Government of Uttar Pradesh is expected to invest Rs.14·5 million in the project. The potential consumer of soda ash is the glass industry—New Delhi, Sept. 13.

Jamaica

BAUXITE DEVELOPMENT— The Kaiser Bauxite Company with extensive bauxite holdings in Jamaica has announced a further development scheme to cost over £10 million. It has bought the property of a hotel company at Discovery Bay, on the Island's north coast, including the hotel itself and its main beach. The development will be a bauxite shipping centre, comprising a pier and the necessary accessories and installations; construction is expected to begin in the near future. This company already has a shipping centre on Jamaica's north shore—Kingston, Sept. 15.

SEARCH FOR COPPER—During recent months, the Government has granted seven licences to prospectors seeking copper deposits and they are busy in various parts of the country, most of them using the latest devices; one Canadian concern uses a diamond drill. Copper certainly exists in Jamaica, but whether it can be mined economically remains to be seen. Beginning a little over a century ago there have been several such attempts but all were failures. There is a tradition that the Spaniards, who owned the country from 1494 to 1655, had copper mines here—Kingston, Sept. 15.

COCOA FERMENTING PLANTS—The Jamaican Government has approved spending by the Cocoa Marketing Board of £100 thousand to build two plants for fermenting raw cocoa grown in this country. This money will be drawn from the reserve fund accumulated by the industry, which is under government control. Construction of the buildings and installation of the required equipment have been started and, when complete, the plants will be among the most up-to-date of their kind.

This enterprise, urged by leading growers, marks a change in production from "natural" to "fermented" raw cocoa. The Jamaican product has not been too popular in export markets and the change should improve sales. A drive is in progress to raise the local yearly output from about 3,000 tons to 15,000-20,000 tons—Kingston, Sept. 15.

Peru

STEEL—A Peruvian steel mill is nearing completion at Chimbote, 250 miles north of Lima. It will operate with power from a hydro-electric project 54 miles inland, using anthracite from the region and iron ore from southern Peru.

The sheet mill, the first unit of the new plant to go into operation, will use sheet bars from Belgium to produce annealed or cold sheet. By year's end, two Norwegian electric pig iron furnaces, each capable of producing 100 tons daily, will be functioning. The sheet-mill machines are German and the rolling mill equipment comes from France. When completed, the project will provide Peru with 60,000 tons a year of basic steel products. More refined and complex steel products will still have to be imported. The undertaking has been financed by the Peruvian Government and French private capital—Lima, Sept. 12.

South Africa

INDUSTRIAL DEVELOPMENT SLOWS—In the nine years from 1945 to 1954, the people of South Africa invested an amount equivalent to 25 per cent of the total national income for the period. This enormous investment, amounting to £2·75 billion, has been a strain on the economy. Regulations now in force have resulted in a decrease in the rate of development of new enterprises. During the first six months of this year 1,633 new companies were registered with a capital of £8 million; last year in the same period 2,019 companies with £17·6 million in capital were formed—Cape Town, Sept. 25.

INSTALMENT BUYING—In view of the credit squeeze aimed at curbing private spending in the Union, the instalment plan debt of the South African population is interesting. At the end of 1954 the total amount outstanding was £30·7 million, or £10.17.0d. per head of European population, according to the published findings of a two-year project by the Witwatersrand University. The report states that in 1954 the sale of durable goods, excluding commercial vehicles, was estimated at £113 million, of which 46 per cent was financed by instalment plans. The report emphasizes that the South African instalment debt compares favourably with that of the United States, which in the report is given at £35 per capita, and with that of Canada, £19.10.0d. per capita—Johannesburg, Sept. 18.

United States

ADVERTISING IMPORTS—Marshall Field and Company once again held a store-wide Import Fair from September 10th to 22nd. This leading Chicago department store's windows all displayed imported merchandise. Foreign flags decorated the building and employees decked themselves out in the colourful costumes of various countries.

A special feature was the opening on September 17th of a new import gift shop named "Fields Afar". It offers goods from 36 different countries (mainly home decorations and fashion accessories). The store removed three of its large first-floor display windows to permit shoppers a full view of the shop from the street—Chicago, Sept. 27.

Tours of Territory

H. W. RICHARDSON, Trade Commissioner in Guatemala City, will visit El Salvador from October 22-27, inclusive.

K. F. NOBLE, Canadian Trade Commissioner in Johannesburg, South Africa, intends to visit the Orange Free State (with calls at Bloemfontein, Welkom, Harmony, Virgina, and Odenaalsrust), in mid-November.

R. W. BLAKE, Commercial Secretary in Melbourne, Australia, is planning to visit Tasmania from December 10-19.

W. G. PYBUS, Commercial Secretary in Tokyo, will visit Korea from October 15-20.

Businessmen who would like these officers to undertake assignments for them in these areas should get in touch with them at their posts as soon as possible. Mr. Richardson can be reached at his office in Guatemala City, Mr. Noble at Johannesburg, Mr. Blake at Melbourne, and Mr. Pybus at Tokyo.

Foreign Commercial Representatives in Canada

ARGENTINA
Montreal—Consul General of Argentina, 1111 Beaver Hall Hill.

AUSTRALIA
Montreal—Australian Government Trade Commissioner, 1255 Phillips Square.
Vancouver—Australian Government Trade Commissioner, 643 Hornby Street.

AUSTRIA
Ottawa—Minister, Legation of Austria, 445 Wilbrod Street.
Toronto—Austrian Trade Delegate, Suite 106, 77 York Street.
Vancouver—Austrian Trade Delegate, Room 111, 525 Seymour Street.

BAHAMAS
Toronto—Trade Commissioner, Victory Bldg., 80 Richmond Street, West.

BELGIUM
Montreal—Consul General of Belgium, 709 Sun Life Bldg.

BOLIVIA
Montreal—Consul General of Bolivia, 5483 Earnscliffe Avenue.

BRAZIL
Montreal—Commercial Attaché, Brazilian Government Trade Bureau, Room 302, 400 St. James Street West.

BRITISH WEST INDIES, BRITISH GUIANA, AND BRITISH HONDURAS
Montreal—Trade Commissioner for British West Indies, British Guiana, and British Honduras, Suite 460, 1510 Drummond Street.

CHILE
Montreal—Consul General of Chile, Suite 131, 3445 Cote des Neiges Road.
Vancouver—Consul of Chile, 1575 West Sixth Avenue.

CHINA
Ottawa—Counsellor, Embassy of the Republic of China, 201 Wurtemberg Street.
Vancouver—Consul General of China, 510 Hastings Street West.

COLOMBIA
Ottawa—First Secretary and Consul, Suite 16, Roxborough Apartments.
Montreal—Consul General of Colombia, 1822 Sherbrooke Street West.
Toronto—Consul General of Colombia, 499 Oriole Parkway.
Vancouver—Consul of Colombia, 1575 West Sixth Avenue.

COSTA RICA
Montreal—Consul General of Costa Rica, 1465 Mackay Street, Apt. 4.

CUBA
Montreal—Consul General of Cuba, 1572 Summerhill Avenue.

CZECHOSLOVAKIA
Montreal—Commercial Section, Czechoslovak Consulate General, 1305 Pine Avenue West.

DENMARK
Ottawa—Royal Danish Embassy, 451 Daly Avenue.
Montreal—Consul, Royal Danish Consulate, Room 815, Keefer Bldg., 1440 St. Catherine Street West.
Toronto—Secretary (Commercial), Royal Danish Consulate, 114-118 Danforth Avenue.

DOMINICAN REPUBLIC
Ottawa—Consul General of the Dominican Republic, 20 Bower Street.
Montreal—Consul General of the Dominican Republic, Apt. 4, 3201 Forest Hill Avenue.

ECUADOR
Montreal—Consul General of Ecuador, 3575 Addington Avenue, N.D.G.

EGYPT
Ottawa—Commercial Secretary, Egyptian Embassy, Roxborough Apts., Apt. 39.

EL SALVADOR
Montreal—Consul General of El Salvador, 4972 Victoria Avenue.

FINLAND
Ottawa—Second Secretary, Legation of Finland, 140 Wellington Street.

FRANCE
Ottawa—Commercial Counsellor to the French Embassy, 464 Wilbrod Street.
Montreal—Commercial Counsellor of France, 610 St. James Street West.
Toronto—Commercial Counsellor of France, 185 Bay Street.

GERMANY
Ottawa—First Secretary (Commercial Affairs), Embassy of the Federal Republic of Germany, 580 Chapel Street.
Montreal—Consulate General of the Federal Republic of Germany, 1501 McGregor Street.
Toronto—Consulate of the Federal Republic of Germany, 77 York Street.
Vancouver—Consulate of the Federal Republic of Germany, National Trust Bldg., Room 303, 980 West Pender Street.
Winnipeg—Consulate of the Federal Republic of Germany, 424 Wellington Crescent.
Edmonton—Consulate of the Federal Republic of Germany, 11618 100th Avenue.

GREECE
Ottawa—Commercial Attaché (Honorary), Royal Greek Embassy, Suite 110, Chateau Laurier.

GUATEMALA
Montreal—Consul General of Guatemala, 3467 Wilson Avenue.

HAITI
Ottawa—Embassy of Haiti, 130 Sparks Street, Suite 6.
Ottawa—Consul General of Haiti, 649 Rideau Street, Apartment 5.
Montreal—Vice-Consul of Haiti, 1405 Bishop Street.
Halifax—Consul of Haiti, 50 Sackville Street.

HONDURAS
Montreal—Consul General, Consulate General for the Republic of Honduras, Suite 423, 1117 St. Catherine Street West.
Montreal—Consul of the Republic of Honduras, 439 Grosvenor Avenue, Westmount.

INDIA
Ottawa—Commercial Secretary, Office of the High Commissioner for India, 200 MacLaren Street.

INDONESIA
Ottawa—Commercial Counsellor, Indonesian Embassy, 275 MacLaren Street.

IRAQ
The Legation of Lebanon is in charge of Iraqi interests. See address below.

IRELAND
Montreal—Irish Trade Representative (Irish Export Promotion Board), 1015 Beaver Hall Hill.

ISRAEL
Montreal—Vice Consul of Israel (Commercial), 1555 McGregor Street.

ITALY
Ottawa—Commercial Attaché, Embassy of Italy, 136 Queen Street.
Toronto—Italian Trade Commissioner, Suite 403, 34 King Street East.

JAPAN
Ottawa—Second Secretary (Commercial), Embassy of Japan, Room 701, Metcalfe Bldg.
Toronto—Consulate of Japan, 180 University Avenue.
Vancouver—Consulate of Japan, 510 Hastings Street West.

LEBANON
Ottawa—Legation of Lebanon, 470 Wilbrod Street.

LUXEMBOURG
Montreal—Consul General of the Grand-Duchy of Luxembourg, 4832 Western Avenue.

MEXICO
Montreal—Consul General of Mexico, Room 513, Castle Bldg., 1410 Stanley Street.
Toronto—Consulate of Mexico, Room 309, 20 Carlton Street.
Vancouver—Consulate of Mexico, Room 509-510, 407 Granville Street.

MONACO
Montreal—Consul of Monaco, Room 35, 35 Notre Dame Street West.

NETHERLANDS
Ottawa—Commercial Counsellor, Embassy of the Netherlands, 12 Marlborough Avenue.
Montreal—Netherlands Consulate, 1103 Castle Bldg., 1410 Stanley Street.
Toronto—Netherlands Consulate, 159 Bay Street.
Vancouver—Netherlands Consulate, 475 Howe Street.

NEW ZEALAND
Montreal—New Zealand Trade Commissioner, Room 609, Sun Life Bldg.

NORWAY
Ottawa—Secretary, Norwegian Embassy, 140 Wellington Street.
Montreal—Vice-Consul of Norway, 1410 Stanley Street.

PAKISTAN
Ottawa—Commercial Attaché to the Pakistan High Commissioner, 505 Wilbrod Street.

PERU
Ottawa—Second Secretary, Embassy of Peru, 539 Island Park Drive.

PHILIPPINES
Vancouver—Trade Assistant, Philippines Consulate, 615 West Pender Street.

POLAND
Ottawa—Commercial Attaché of the Polish Legation, 10 Range Road.

PORTUGAL
Ottawa—Embassy of Portugal, 285 Harmer Avenue.
Montreal—Consul of Portugal, 4393 Esplanade Avenue.
Toronto—Consul of Portugal, 2 Toronto Street.

SPAIN
Ottawa—Commercial Attaché, Spanish Embassy, 149 Daly Avenue.

SWEDEN
Ottawa—Secretary, Royal Legation of Sweden, 720 Manor Road, Rockcliffe Park.
Montreal—Commercial Secretary, Royal Consulate General of Sweden, 1511 Bishop Street.

SWITZERLAND
Ottawa—First Secretary, Swiss Legation, 5 Marlborough Avenue.
Montreal—Consul General of Switzerland, 1572 McGregor Street.
Toronto—Consul of Switzerland, 600 University Avenue.
Vancouver—Consul of Switzerland, 402 West Pender Street.
Winnipeg—Consul of Switzerland, 210 Mitchell-Copp Bldg., 334 Portage Avenue.

THAILAND
Toronto—Consul of Thailand, 199 Bay Street.
Vancouver—Consul of Thailand, 5416 Marguerite Street.

TURKEY
Ottawa—Commercial Counsellor, Turkish Embassy, 197 Wurtemberg Street.

UNION OF SOUTH AFRICA
Ottawa—Commercial Secretary, Office of the High Commissioner for the Union of South Africa, 15 Sussex Drive.

UNION OF SOVIET SOCIALIST REPUBLICS
Ottawa—Commercial Counsellor, Embassy of the USSR, 24 Blackburn Avenue.

UNITED KINGDOM
Ottawa—United Kingdom Senior Trade Commissioner and Economic Adviser to the High Commissioner, 56 Sparks Street.
Edmonton—United Kingdom Trade Commissioner for Alberta, Imperial Bank Bldg., Jasper Avenue.
Halifax—United Kingdom Trade Commissioner for the Atlantic Provinces, 65 Spring Garden Road.
Montreal—United Kingdom Trade Commissioner for Quebec, 1111 Beaver Hall Hill.
Toronto—United Kingdom Trade Commissioner for Ontario, 119 Adelaide Street West.
Vancouver—United Kingdom Trade Commissioner for British Columbia, 540 Burrard Street.
Winnipeg—United Kingdom Trade Commissioner for Manitoba and Saskatchewan, 504 Main Street.

UNITED STATES
Ottawa—Commercial Attaché, Embassy of the United States, 100 Wellington Street.
Calgary—Consul of the United States, Toronto General Trusts Bldg.
Edmonton—Consul of the United States, 214 Empire Block.
Halifax—Consul General of the United States, Bank of Nova Scotia Bldg.
Montreal—Consul General of the United States, 1558 McGregor Street.
Niagara Falls—Consul of the United States, Newman Hill, Falls Street.
Quebec—Consul of the United States, 1 Ste. Genevieve Avenue.
Saint John—Consul of the United States, 204 Union Street.
St. John's—Consul General of the United States, King's Bridge Road.
Toronto—Consul General of the United States, 360 University Avenue.
Vancouver—Consul General of the United States, 355 Burrard Street.
Windsor—Consul of the United States, Canada Trust Bldg.
Winnipeg—Consul General of the United States, 402 Tribune Bldg.

URUGUAY
Ottawa—Chargé d'Affaires a.i., The Roxborough Apts., Apt. 66.

VENEZUELA
Ottawa—Commercial Attaché, Embassy of Venezuela, Roxborough Apts., Apt. 21.
Halifax—Consul, Room 401, Roy Bldg., Barrington Street.
Montreal—Consul General of Venezuela, 2052 St. Catherine Street West.
Vancouver—Vice Consul of Venezuela, 525 Seymour Street.

YUGOSLAVIA
Ottawa—Embassy of the Federal People's Republic of Yugoslavia, 17 Blackburn Avenue.
Toronto—Consul General of the FPR of Yugoslavia, 27 Montclair Avenue.

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

Conversions 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 1·02236.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent Sept. 27	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Official	·05434	1·840	(1)
		Free	·03160	31·65	
Austria	Schilling		·03762	26·58	
Australia	Pound		2·1778	·4591	
Belgium, Belgian Empire and Luxembourg	Franc		·01964	50·92	
Bolivia	Boliviano	Official	·005148	194·25	
British West Indies	Dollar		·5671	1·76	(2)
	Pound		2·722	·367	(3)
	Dollar	British Honduras	·6805	1·470	
Brazil	Cruzeiro	Effective selling*			
		*Category I	·01344	74·38	*Sept. 14
		Category II	·009617	103·98	(4)
		Category III	·005789	172·74	
		Official buying	·53106	18·83	(5)
Burma	Kyat		·2054	4·87	
Ceylon	Rupee		·2042	4·90	
Chile	Peso	Free	·001976	506·07	(15)
Colombia	Peso	Basic	·3913	2·55	(7)
		Free*	·2200	4·55	*Sept. 27
Costa Rica	Colon	Official	·1742	5·74	
		Controlled free	·1473	6·79	
Cuba	Peso		·9781	1·02	tax 2% (4)
Czechoslovakia	Koruna		·1358	7·36	
Denmark	Krone		·1416	7·06	
Dominican Republic	Peso		·9781	1·02	
Ecuador	Sucre	Official	·06521	15·34	
		Free	·05121	19·52	
Egypt	Pound	Official	2·8087	·356	(6)
El Salvador	Colon		·3913	2·55	
Fiji	Pound		2·4524	·4078	
Finland	Markka		·004253	235·12	
France, Monaco and North Africa	Franc		·002795	357·78	(8)
French Colonies in Africa	Franc		·005590	178·89	(9)
French Pacific	Franc		·01537	65·06	(10)
Germany	D Mark		·2334	4·284	
Greece	Drachma		·03260	30·67	
Guatemala	Quetzal		·9781	1·02	
Haiti	Gourde		·1956	5·11	
Honduras	Lempira		·4891	2·04	
Hong Kong	Dollar	Free*	·1582	6·32	*Sept. 14
		Official	·1701		
Iceland	Krona	Official	·06006	5·88	
		Special selling	·3509	28·50	(11)
India	Rupee		·2042	4·90	
Indonesia	Rupiah	Basic	·08613	11·61	(12)
Iran	Rial	Certificate	·01291	77·44	
Iraq	Dinar		2·7388	·3651	
Ireland	Pound		2·7222	·367	
Israel	Pound		·5434	1·84	
Italy	Lira		·001570	636·94	
Japan	Yen		·002717	368	

* Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent Sept. 27	Units per Canadian dollar	Notes (See below)
Lebanon	Pound	Free	·3049	3·28	
Mexico	Peso		·07825	12·78	
Netherlands	Florin		·2555	3·91	
Netherlands Antilles	Florin		·5148	1·94	
New Zealand	Pound		2·7222	·367	
Nicaragua	Cordoba	Effective buying	·1482	6·74	
		Official selling	·1388	7·20	
Norway	Krone		·1369	7·30	
Pakistan	Rupee		·2042	4·90	
Panama	Balboa		·9781	1·02	
Paraguay	Guarani	Official	·01630	7·30	(6) (13)
Peru	Sol	Certificate	·05148	19·43	
Philippines	Peso		·4891	2·04	
Portugal & Colonies	Escudo		·03414	29·34	(14)
Singapore & Malaya	Straits dollar		·3176	3·15	
Spain & Dependencies	Peseta	Basic buying	·04466	22·39	(6)
		Basic commercial selling	·5956	16·79	
		Free	·02511	39·82	
Sweden	Krona		·1891	5·29	
Switzerland	Franc		·2283	4·38	
Syria	Pound	Free*	·2762	3·62	*Aug. 15
Thailand	Baht	Free	·04750	21·05	(6)
Turkey	Lira		·3493	2·86	
Union of South Africa	Pound		2·7222	·367	
United Kingdom	Pound		2·7222	·367	
United States	Dollar		·978125	1·02236	
Uruguay	Peso	Free*	·2389	4·18	
		Basic buying	·6439	1·55	(6)
		Principal selling	·4651	2·15	(16)
Venezuela	Bolivar		·2920	3·42	
Yugoslavia	Dinar		·003260	306·74	(6)

* Latest available quotation date.

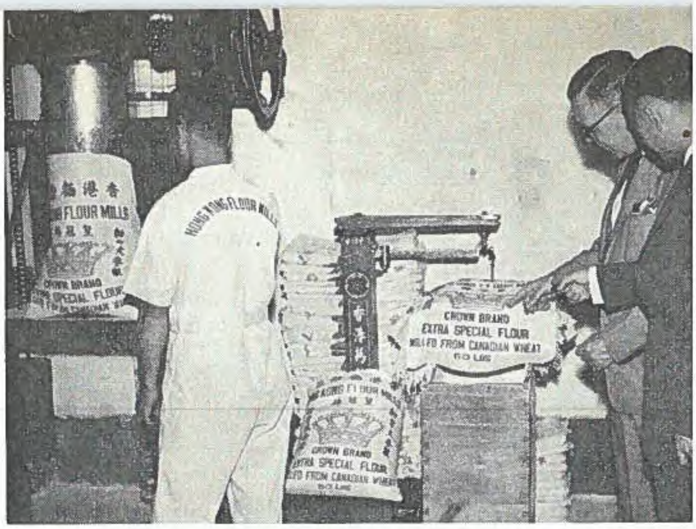
notes

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 of 10 per cent affects selling (import) rates only. Tax is based on official rate, and is therefore 1.88 cruzeiros per U.S. dollar.
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. Exporters receive cruzeiros at official rate plus exchange premiums ranging from 18.70 to 48.64 cruzeiros per U.S. dollar, depending on product. Three rates shown cover bulk of transactions for auction.
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 selling rate applies to certain designated commodities.
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. Chilean importers must deposit local currency in amounts ranging from 5 to 200 per cent, depending on product, prior to shipment of goods.
16. Certain essential imports are subject to a fixed rate of 2.10 pesos per U.S. dollar, and no longer require import permits. Other imports are subject to the free rate, and are under quota. Exports are subject to a variety of rates according to the product. Exports will be divided into eleven categories for exchange rate purposes. Depending on the product, the export rates which will apply range from 100 per cent of the free rate to 100 per cent of the basic export rate of 1.519 pesos per U.S. dollar. Details may be obtained from the International Trade Relations Branch.

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 Mexico—The roller bearings and grease boxes which help to give this diesel engine a smooth run were made in Canada. The engine is in service with the Mexican Pacific Railways.



In Hong Kong—Flour made from Canadian wheat is being bagged in this Hong Kong mill while the Chief Commissioner of the Canadian Wheat Board and a director of the mill look on.

In Germany—A Canadian agent and the Canadian Commercial Secretary in Bonn examine a special display of Canadian-made orlon clothing arranged to catch the German fair-goer's eye.

In the United States—Canadian birch plywood is used more and more by the U.S. trailer industry. Here another shipment is unloaded at the California factory of a U.S. trailer maker.