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# foreign trade

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**COVER** Featured in this issue (pages 2 to 11) are reports bringing the reader up-to-date on industry, trade and agriculture in four Asian countries—Burma, Ceylon, India, and Pakistan. Our cover introducing these reports features three products which Canada buys from this area. (Upper left) the tapping of a rubber tree on a Ceylonese plantation; (upper right) the pruning of tea bushes in a north Indian tea garden; (lower right), Pakistanis washing jute fibre which afterwards will be hung up to dry in the sun.

# Burma

*Exchange reserves rose in 1956 and imports fell, as Government took measures to strengthen economy, improve transportation, and develop agriculture and industry. Dollar shortage limits purchases from Canada, but Canadians might supply equipment needed for projects financed by World Bank loans.*

M. P. CARSON, *Trade Commissioner, Singapore.*

## Business

## Conditions in

## Burma

## Ceylon

## India

## Pakistan

BURMA'S DIVERSION OF FOREIGN TRADE to ten barter countries, of which nine have Communist governments, has been causing serious concern in local Burmese business circles and to Burma's long-established trade partners abroad. When the country was faced with large rice surpluses and the prospect of a bumper crop in 1955-56, the conclusion of rice agreements to dispose of the heavy stocks appeared a reasonable solution. However, it is apparent that there are serious second thoughts in Rangoon about the clearing account system with the Sino-Soviet bloc countries.

Under barter arrangements Russia and other East European nations offered in return for rice mainly capital goods. Burma found itself short of foreign exchange needed to import a wide range of consumer goods and particularly foodstuffs and textiles. A recent Burmese purchasing mission to Moscow seemed unable to work out any satisfactory changes in supply. Inflationary pressures in Burma have been severe.

Imports from the Chinese People's Republic have included more consumer necessities but this trade too has had its troubles. Much of the Burmese rice sold to China under clearing account has been offered to markets which are traditionally Burmese cash markets. For example, China diverted most of its rice to Ceylon in exchange for rubber. Russia also diverted rice to North Vietnam as a gift.

In the latter part of 1956 the Burmese Government was forced, because of increasing prices, inflation, and consumer goods shortages, to cut back its industrial development program and the delivery of capital goods from Sino-Soviet bloc countries became even less advantageous.

### **Imports Down, Exchange Reserves Up**

Total imports during 1956 fell below those of 1955; comparable figures for the first five months of 1955

and 1956 were kyats 401 million and 357 million respectively. Although certain import controls affecting essential consumer goods were relaxed in November 1956, it was too late in the year to affect annual import totals. There were heavy imports on government account towards the end of the year as textiles from United States surplus cotton deals under P.L.480 began arriving. This type of imports, however, was paid for in local currency and consequently did not affect the foreign exchange reserves.

These reserves increased as government efforts to strengthen the economy made some headway. At the end of November 1956 they totalled approximately kyats 587 million (\$122.3 million) compared with kyats 436 million (\$90.8 million) at the beginning of January 1956. Although balance-of-payments figures are not available beyond May 1956, it seems likely that the earnest efforts of the Government to curtail imports resulted in a much better year-end picture. In the period January to May 1955 there was an unfavourable balance of payments of kyats 110 million (\$22.9 million). This was transformed in the period January to May 1956 into a favourable balance of kyats 117.3 million (\$24.4 million).

### Looking Ahead

However, the foreign exchange outlook for 1957 is not so encouraging. Imports will certainly rise. The November 1956 liberalization of certain imports under a revised Open General Licence system paves the way for a slight increase in imports of a moderate range of consumer goods. Conversely, export earnings will probably be lower in 1957. The large surpluses of rice have virtually disappeared; in fact, there have been no offerings in recent months and the 1956 export target of two million tons was reached by December. Exports of teak and some metals and minerals may improve, but rice forecasts at this comparatively early stage indicate only 1.6 million tons available for export in the current year. It is reasonable to assume that more of the exportable rice will be offered in traditional cash markets and that suitable arrangements will be made with some of the barter countries to ease the volume of shipments under compensation deals during 1957. However, the satisfactory increase in foreign exchange reserves in 1956 should help to withstand a levelling-off or even a small decline in reserves.

### Import Handling to Be Changed

Towards the end of 1956 the Burmese Parliament debated the foreign trade situation and members recommended that imported goods should be distributed through joint ventures between the Government and Burmese importers, the Civil Supplies Board, co-operative societies and private Burmese traders. At year's end the Civil Supplies Board was to be disbanded

and more of its duties were to be handed over to private companies and government trading departments. Five import corporations are to be set up as joint ventures between the Government and private importers. These corporations will deal in the major essential goods—raw materials and tools, essential foodstuffs, building materials, textiles, and tires and tubes. This is another effort on the part of the Government to make the distribution processes more efficient; they have been under heavy criticism in Burma for many months.

### Improve Port of Rangoon

Work is under way to improve the facilities of the port of Rangoon, which handles the lion's share of all Burmese exports. This project includes reconstruction of three general cargo berths, the construction of storage facilities for three berths, and the improvement of and addition to adequate ancillary services such as roads and tracks. In addition, more cargo-handling equipment and floating equipment will be installed.

The International Bank for Reconstruction and Development has authorized a loan of \$14 million at 4½ per cent to be repaid in semi-annual instalments by 1976. Tenders have already been invited for various dredges, barges, tugs, buoy vessels and mooring units. World-wide bids have been invited because dollar exchange is available under the terms of the loan. It is expected that the project will be completed by the end of 1959.

### Other Developments Will Follow

As the port improvements progress, other useful developments will be undertaken in line with the increasing capacity of the port. Plans for road improvements and river-barge additions are under way. The State Agricultural Marketing Board announced an order for ten tugs and thirty barges under the Japanese reparations agreement; this will help to ease present difficulties in the movement of rice. Food and Agriculture Organization experts are devising plans to increase production in the fertile Irrawaddy delta by introducing second and third crops such as peanuts, sugar cane, cotton, jute and tobacco. In 1956, for example, cotton production (at 16,000 tons) was almost twice that of 1955. Mechanization programs are being instituted to overcome labour shortages on the land. The Department of Agriculture, with expert assistance from FAO, has set up central and district workshops to repair farm tractors. Teams go out to instruct farmers how to operate mechanized equipment.

Tied in with all these developments is a planned improvement in the facilities of the Union of Burma Railways. A World Bank loan of \$5.35 million has been approved at 4½ per cent, repayable by 1971. It will be used to repair and renew bridges and to procure boxcars and rolling stock.

The capacity of local industries is being expanded. Early in 1957 a new oil refinery will come into production and it is expected that Burma will be self-sufficient in petroleum products and possibly have a small export surplus. New oil tanker barges have brought the first shipments of crude oil from the Chauk oilfields to the refinery at Syriam, on the outskirts of Rangoon.

### What Future Holds

The Burmese Government appears to be meeting with moderate success in its development program, which is aimed at strengthening the economy. The country still suffers from internal security troubles and much of the damage of World War II still hinders certain sectors of the economy. It is true that there have been from time to time changes in emphasis on various portions of the development program. But these are to be expected in a country which still depends on rice exports for approximately 80 per cent of its foreign exchange earnings.

Nevertheless, progress is steady, although dollar earnings continue to be comparatively small and there is no immediate prospect of any radical change. Consequently, import controls will continue to create difficulties for Canadian suppliers. The exceptions are for automotive parts and equipment, because the Burmese still use a large number of Canadian-built army trucks that have been converted into a type of micro-bus. These have given noble service and will continue to be patched and repaired until new equipment is purchased. Moreover, there are certain possibilities worth watching under World Bank loans. Some Canadian firms already have prepared tenders for certain port of Rangoon requirements. Generally speaking, however, Canadian exporters will not find the Burmese market too profitable at the moment. ●

### Data for Exporters

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

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

## Ceylon

*Drought, transportation problems and the Suez crisis all played a part in the slump in Ceylonese trade and business in 1956. Trade between Canada and Ceylon, however, stood up well. Prospects brighter for island's economy in 1957.*

J. J. HURLEY, *High Commissioner for Canada.*

BUSINESS CONDITIONS IN CEYLON throughout 1956 were not buoyant. Trade slumped, mainly because of a record-breaking drought which seriously affected the tea and coconut industries and caused hardship throughout the country. The Suez crisis and difficulties at the Port of Colombo also contributed to trade problems.

### Main Exports Affected

The drought cut down tea production seriously; the total for the first eleven months of 1956 reached only 339.6 million pounds, or about 10 million pounds below the figures for the same period of 1955. Revenue from tea also declined, not only because of the drop in output but also because of a fall in prices which at one time caused real concern in government and trade circles. Shortage of shipping following the decision of a number of shipping companies to bypass Colombo, and the temporary loss of the Egyptian market for lower-grade teas, were other contributing causes in the decline in tea revenue—the real breadwinner for Ceylon. However, despite constant price fluctuations and an unpredictable market for the various grades of tea, prices for quality teas generally remained good.

Production of rubber also decreased during 1956. Total output for the year under review is estimated at 74,232 tons—20,000 tons less than in 1955. Rubber production probably will continue to fall until 1960 when the replanting now taking place under the rubber rehabilitation scheme will begin to show results. The China-Ceylon rice-rubber pact, however, helps Ceylon to maintain a steady revenue because under this agreement Mainland China pays Ceylon a premium over world market prices.

Coconut production suffered most from the drought and prices moved up even in the domestic market. A fresh coconut formerly selling for about 10 Ceylonese

cents\* sold at 25-30 cents during the latter part of 1956.

### Industrial Progress Slow

Industrial development moved slowly in 1956, with little money invested in new enterprises. Foreign inquiries about investment in Ceylon were few and two major offers—one for the establishment of a battery-making plant by an American firm and the other by a Japanese company to open a hosiery factory—were turned down.

Steps taken by the Government to promote industrialization included the signing of economic co-operation agreements with Eastern European countries such as Czechoslovakia under which these countries are to provide machinery and equipment at nominal rates of interest over long payment periods. Another move was the setting-up of a Development Finance Corporation and extensive alterations in the capital structure and management of government-owned cement, leather and paper factories. In the private sector only minor industries such as the manufacture of hosiery, shirts, aluminiumware and asbestos sheeting were started in 1956.

Of the major development schemes, work on the Gal Oya development project and on stage II of the Lakspana hydro-electric scheme is still under way.

Many of the projects going forward in Ceylon at present are being financed under the Colombo Plan. Canada's contribution, for example, includes the supplying of nine level luffing portal cranes for Colombo Harbour to arrive in 1957, of electricity transmission lines for the Gal Oya project, and of portable aluminum irrigation systems. A Canadian aerial survey of the island's resources was initiated in 1956 and the Canadian fisheries project (also under the Colombo Plan) made progress. In fact, the fisheries cold storage and the byproducts plants are nearing completion. Three Canadian diesel locomotives were presented to the Ceylon Government Railway.

### Colombo Plan Program

Letters covering the \$2,000,000 Canada-Ceylon Colombo Plan capital aid program for 1956-57 were exchanged in Colombo in December 1956. The program provides for further aid in the form of flour (\$641 thousand worth). The counterpart funds thus obtained will assist in meeting local costs of a trades school, rural road development, and a veterinary science building for the University of Ceylon. In addition, the resources inventory and the fisheries project will continue and pest control units and telecommunication equipment for Colombo airport will be provided; so will equipment for the extension of elec-



*This Ceylonese housewife out doing her household shopping at a Colombo store is buying fruit grown and canned in Canada, which was recently introduced into the Ceylon market.*

tricity transmission lines and for agricultural stations and schools. Two more Canadian diesel locomotives will be supplied to the Ceylon Government Railway; this will raise the total in service in Ceylon to ten.

### Trade Surplus Smaller

Ceylon's exports for the first ten months (January-October) of 1956 totalled Rs.1,370.5 million (about \$274.1 million Canadian). Imports for the same period were valued at Rs.1,332 million (about \$266.5 million Canadian), leaving a favourable balance of only Rs.38.5 million (\$7.7 million). This was in sharp contrast to the previous year when the figures for the same period were Rs.1,523.9 million (\$304.8 million Can.) for exports, Rs.191.7 million (\$238.4 million) for imports, and a favourable balance of trade of Rs.332.2 million (\$66.4 million Can.). The increase in imports was chiefly the result of higher freight charges because of unsettled conditions in the Middle East and delays in turn-around in Colombo Port. Tea exports for the first ten months of 1956 totalled 292.2 million pounds valued at Rs.865,706,986 (\$173.1 million) as against 295.8 million pounds valued at Rs.988,296,372 (\$197.7 million) for the same period in 1955. Rubber exports totalled 159 million pounds at Rs.242,063,999 (\$48.2 million) in ten months of 1956 compared with 172.6 million pounds valued at

\* 100 Ceylonese cents=1 rupee=\$0.2016 Canadian.

Rs.266,374,334 (\$53.3 million) in ten months of 1955. The drop in revenue from two of Ceylon's principal exports was the main factor in the steep decline in the favourable balance of trade.

It is possible that the trade pattern may change somewhat in the months ahead. The establishment of closer relations with Soviet Russia and the signing of trade agreements with Communist countries in Eastern Europe, plus the continuation of the five-year trade agreement with China (1957 is the last year), may mean a diversion of trade, to some extent, from traditional markets.

Trade continued to move more and more into Ceylonese hands. The Government earmarked additional items for import by nationals of Ceylon only, and clauses to this effect were among the conditions laid down in the trade agreements signed with Eastern European countries. Moreover, in line with this policy only Ceylonese will be permitted in future to import cars, watches, clocks, textiles and other similar goods from countries in the European Payments Union.

#### **Import Controls Affect Purchases**

Despite the fact that Ceylon enjoyed a favourable trade balance during the past few years (particularly with Canada) there is as yet no indication of any relaxation in the import and exchange controls affecting Canada-Ceylon trade. Items which can be imported from Canada remain as follows:

*Under Open General Licence No. 2, for which individual import licences are not required:*

Paper; milkfoods; spare parts and accessories for motor vehicles; motor lorries, motor vans and motor omnibuses; tires and tubes for motor vehicles; machinery; canned fish; patent medicines, drugs and chemicals, excluding sulphur.

*Items which are licensed freely:*

Cereal foods; glucose; animal oils, fats and greases; cotton, raw; linseed oil; iron and steel manufactures; cotton waste; brass and copper manufactures; cutlery, including razor blades; cotton yarn and twist; oils, fats, resins—viz. shoe, furniture and car polishes.

*Items which are licensed to a monetary ceiling:*

Fresh fruits; fruits, dried and preserved; vegetables, preserved or tinned; tobacco, unmanufactured; glassware, clocks and watches; photographic goods; wireless goods; domestic refrigerators; textiles and apparel; stationery; manufactures of paper and cardboard; motor cars including station wagons; firearms; brooms and brushes; imitation jewellery; musical instruments; cosmetics, powder and toilet requisites.

*Items for which no licences are issued and which cannot be imported from Canada:*

Beer, ale and porter; whisky (token imports are allowed); confectionery; toys and parlour games.

These import restrictions mean that a variety of Canadian goods cannot be sold to Ceylon. In addition, the high cost of shipping goods to this market and the high exchange rate of the Canadian dollar tend to make Canadian prices rather uncompetitive in a price market. Canadian sales to Ceylon in the first eleven months of 1956 totalled only \$3.2 million, but this represented an improvement over the \$2.5 million in the same period of 1955. (The figure includes, of course, flour and other materials supplied to Ceylon under the Colombo Plan.) Ceylon's sales to Canada during the first nine months of 1956 were valued at about \$12 million, compared with \$11.3 million in the same period of 1955. This means that Ceylon had a large favourable balance of trade with Canada.

#### **Trade with Canada**

The chief Canadian exports to Ceylon in the first eleven months of last year (Canadian figures) were: flour (\$960,935), newsprint and paper (\$371,278), milk products (\$222,138), motor vehicles (\$162,648), aluminumware (\$84,203), automotive spare parts (\$80,702), asbestos fibre (\$58,305), office equipment (\$42,058), rubber tires and tubes (\$39,134), and fish products (\$28,469). The asbestos fibre was bought for an asbestos cement factory near Colombo and sales should continue as long as Canadian prices and deliveries meet requirements.

Imports into Canada from Ceylon during the first nine months of 1956 were paced by tea, which accounted for \$7.9 million of the \$12 million total. Next came coconut oil (\$2.6 million), rubber (\$780 thousand), desiccated coconut (\$464 thousand) and cocoa beans (\$56,000).

#### **Outlook**

The signs seem to point to greater prosperity for Ceylon during 1957. This should mean that demand for Canadian flour, newsprint, milk products, cereals, canned fish, motor vehicles and spares, tires and tubes, drugs and pharmaceuticals, aluminum and asbestos fibre should continue. Canadian manufacturers and exporters also have opportunities to quote against world-wide calls for tenders for such items as canvas, surgical dressings, manila ropes, X-ray films, drugs and chemicals, leather, printing paper, milk powder, machinery, tractors, lumber, asphalt, aluminum conductors, iron and steel products, insecticides, etc., required by the Government of Ceylon. During the year 1956 Canadians were successful in securing orders under the tender system for printing paper, drugs, aluminum conductors, surgical dressings, and timber fenders for the Port of Colombo. Successful bidding for such tenders helps Canada to introduce to this market goods which may not normally be imported by the private trade. ●

# India

*Second Five Year Plan, with its emphasis on industry, and changes in import control policy have improved opportunities for Canadian suppliers of industrial materials and capital equipment. Plan so far has meant heavy drain on foreign exchange reserves and import licences are now closely scrutinized.*

WM. JONES, *Commercial Secretary, New Delhi.*

JANUARY 1, 1957, saw the completion of the first nine months of India's Second Five Year Plan. Within the country, business was buoyant and practically all industries were increasing production. It was expected that the general index of industrial production, which averaged 122.1 in 1955 and had reached 144.7 by the end of September 1956, would continue to rise. The Indian Railways were working at capacity but continued to buy and install new equipment as quickly as finances and supplies would allow. In general, the Indian industrialist and farmer can look to the future with some optimism.

Consumer demand increased throughout 1956 and this rise is expected to continue. Efforts to meet this demand had a marked impact on requirements of industrial equipment and heavy engineering goods. During the year, the Central Government issued 860 licences covering the establishment of new factories or the expansion of existing ones in 41 different industries. It is significant that 260 of the licences covered developments in the ferrous metal working industry and that about half of these were for new units. The products of these factories range from railway rolling stock to bicycles, but most of the expansion is concentrated in lighter products. Plans proceeded for the further development of the chemical industry and of practically any other industry which has a production potential in this country.

Despite all this, there are some clouds both present and on the horizon and extensive efforts are being made to overcome the difficulties which they foreshadow.

## **Bank Rate Increased**

At the end of January 1957, the Reserve Bank of India raised its interest rate on loans to scheduled banks against government and other eligible securities from 3½ to 4 per cent. This action probably resulted from

a desire to hold a tighter rein on the money market, thus reducing inflationary tendencies. It is the latest of a series of actions over the past year designed both to meet the Government's need for additional financial resources and to prevent inflation. These ranged from the nationalization of life insurance companies through extension of a series of trade agreements with Soviet bloc and other countries. They included a major agricultural surplus aid agreement with the United States, measures to increase production of cloth both for the home and export markets, measures to increase internal food production and establish maximum prices for foodgrains, and important increases in taxation on industry to provide more revenue.

## **The Second Five Year Plan**

The blueprint for Indian economic life which was published in final form in May 1956 is the Second Five Year Plan. It embodies the desires and objectives of the Indian Government and of the mass of the Indian people. It is a document that has been discussed widely in India and in fact changes, modifications and revisions are continually being made. The Government stresses the flexibility of this Plan.

In brief, the Second Plan doubles the size of the First Plan. It envisages an outlay (in rupees) of approximately \$14.2 billion over the five years. Of this amount, \$9.6 billion will be spent by all levels of government; private industry is expected to spend \$4.6 billion. The Planning Commission anticipates that, of this amount, \$2.4 billion will be obtained by deficit financing and the rest by taxation, an intensive savings drive, foreign aid, and loans from international organizations and foreign countries.

The Plan is said to cover the "decisive" stage in a 15 to 20-year program for the transformation of India's predominantly agricultural economy into a highly industrialized one. Its main objectives are:

- To increase national income at a rate of 5 per cent a year compared with an average of 3 per cent during the First Plan.
- To provide employment for an additional ten million people, the expected addition to the labour force over the period.
- To industrialize as rapidly as possible, with particular emphasis on heavy and basic industries.

The Government considers that the groundwork for this was laid during the successful First Five Year Plan, which was largely devoted to development of agriculture, irrigation and power.

In steel production, the aim is an output of 4.6 million tons of finished steel a year at the end of the period, compared with 1.4 million tons now. This will be

achieved by the establishment of three new plants—Durgapur (790 thousand tons), Bilhai (770 thousand tons) and Rourkela (720 thousand tons)—and the remainder by increasing the capacity of existing steel plants. Other targets which are related to this objective are the increasing production of coal, up from 37 million tons to 60 million tons and cement, from about 5 million to 16 million tons, combined with greater output of iron ore, ferro-manganese, refractories and other basic needs.

Parallel with this, industry will be expanded with the aim of cutting unemployment, reducing the drain on meagre foreign exchange resources which imports involve, and using the country's internal resources to the full.

### **Outlook for the Exporter**

It is the industrial development phase of this Plan that offers the overseas supplier the greatest scope for the sale of his products. The proposals for industrial expansion in practically all fields require heavy investment in capital equipment which at present can only be obtained from abroad. The manufacturer of medium and heavy machinery will find the Indian demand strong, provided he can meet requirements at competitive prices and assure reasonable deliveries. The exporter of industrial materials, including processed and semi-processed ones, will find an increasing market as the Plan develops. Eventually, however, as industrial targets are achieved and during subsequent plans, many of these imports will decline as the Indian resources come into use. Consumer goods imports of practically all types, although in increasing demand in India, will probably be licensed more strictly and more tariff protection will appear as production within the country expands and the pressure on foreign exchange resources increases.

### **Foreign Exchange Resources**

External purchases of equipment have already affected India's foreign exchange reserves and the Government's concern over the decline in these reserves has brought marked change in economic policy. The Plan calls for the expenditure of \$400 million of the country's foreign exchange reserves over the five years. Probably because of orders placed towards the end of the First Plan, these foreign exchange reserves have already been drawn down to this extent. By the beginning of September, the deficit in foreign exchange transactions during the previous six months totalled \$251.8 million.

During the last three months of 1956, practically every expenditure of foreign exchange by the Central Government, whether large or small, was being anxiously reviewed by committees of experts to determine whether the expenditure could be deferred, the product supplied from indigenous sources, or the purchase justified

on grounds of industrial necessity. During the same period, import licensing authorities dealing with applications from private importers thoroughly scrutinized every new application to determine whether the import was really necessary. Some circles viewed the rapid decline in foreign exchange reserves as a crisis for the economy as a whole. However, it was generally held that swift and effective measures could stem the outward flow and restore the Indian balance of payments to equilibrium, or at least to a point where outflow would not be excessive.

During the Second Plan, imports are expected to average \$1,736 million a year and exports \$1,186 million—an average annual trade deficit of \$550 million compared with an average deficit of \$106 million during the First Plan. To offset this to some degree, India anticipates an average annual favourable balance of invisibles of \$102 million, leaving an average annual current deficit of \$448 million throughout the Plan, compared with an average of \$50 million during the First Plan.

### **Import Control Policy Changed**

At the end of December, the Ministry of Commerce and Consumer Industries published a revised import trade control policy for the licensing period January-June 1957. This policy has as its objective a saving of \$60 million in foreign exchange. It reduced the quotas of 509 items; it imposed or increased face value restrictions on 30 items; it imposed quota licensing on 87 items which formerly could be imported under liberal licensing procedures, and it removed 15 items from liberal licensing and reduced importable quantities of them to nil. It did, however, increase quotas for nine items, listed 30 new items which actual users may import, and liberalized imports of 21 other items.

Under the new policy, importers may now use 50 per cent of their soft currency licences for purchases from the dollar area when the value of the licences exceeds Rs.5,000 (\$1,000), and the full value of dollar licences when their value is Rs.5,000 or less. Dollar quotas for some goods have been increased; these include machine-worked cutters, camphor, deisel engines above 30 h.p., and lenses, including bifocal blanks.

The policy statement contains a note of special interest to machinery exporters. It points out that India is about to adopt the metric system and cautions prospective importers against submitting applications for imports of machinery designed for the foot-pound system unless they can show that metric machinery will not be satisfactory for the purpose.

### **Canadian Opportunities**

The new regulations provide hopeful opportunities for Canadian exporters. Up to the present our commercial

exports to India have been rather small, considering the size of the market. Commercial exports accounted for roughly \$10 million out of a total of \$24.6 million in 1955; shipments under the Colombo Plan made up the remainder. The proportions remained about the same in 1956 although in the first nine months exports reached \$20.5 million compared with \$17.5 million in the same period of 1955. An analysis of our commercial exports to India indicates a concentration on newsprint, drugs and chemicals, and wood pulp; Colombo Plan shipments have consisted mainly of locomotives, copper, aluminum, and aircraft parts. Now that Indian importers have wider opportunities to buy from dollar countries, Canadian suppliers of industrial materials and capital equipment might well pay more attention to this market this year. ●

*Note: All dollar values shown have been converted from rupee figures at Rs.1 crore=\$2 million Canadian, approximately.*

## Pakistan

*Industrialization continues to progress, with aid of Colombo Plan and foreign investment. Agriculture hard hit by drought but new Five Year Plan makes self-sufficiency in foodgrains a major goal. Trade between Canada and Pakistan increasing in both directions, despite continuing tight control on imports into that country.*

J. D. BLACKWOOD,

*Assistant Commercial Secretary, Karachi.*

DEVELOPMENT IN PAKISTAN has continued slowly throughout 1956, with established industries increasing their output and new ones appearing. Agriculture did not fare as well; floods affected crops in both wings of the country and foodgrain imports made inroads into foreign exchange supplies in the last half of the year. The Government continues to maintain strict control over imports and foreign exchange expenditures are kept in line with export earnings. Generally speaking, licences are granted only for the

import of capital goods, raw materials, and essential consumer products.

### Agriculture Hard Hit

Abnormal rains and floods in 1956 again affected the main foodgrain crops in both East and West Pakistan. To make up the shortage, the United States contributed 650 thousand tons of wheat both under its surplus agricultural products disposal program and through the ICA. Canada made a gift of 25,000 tons of wheat.

Pakistan's increasing dependence on imported foodgrains is a cause of great concern to its leaders and agricultural development is receiving priority; the objective is to make the country self-sufficient in wheat and rice. The hope is to bring 240 thousand additional acres into production, to improve water facilities and drainage on another 500 thousand acres, to increase the annual use of fertilizer from the present 80,000 to 300 thousand tons, to improve seed varieties, to increase plant protection facilities, and to strengthen agricultural extension services. Canadian Beaver aircraft supplied under the Colombo Plan have proved effective in pest control operations.

### Industrial Progress Continues

The rate of industrialization improved during the past year and the index of industrial production (which covers 17 major industries) rose approximately 25 per cent. The Pakistan Industrial Development Corporation, a government-financed semi-independent organization, continued to play an important role in the planning of new industries. Under its auspices several new ones were set up in 1956 and work is progressing on three sugar mills, a sugar cane plantation, a fertilizer plant, a penicillin factory, two dockyards in East Pakistan, and a drydock in Karachi.

Despite some opposition, the PIDC hopes to make a start on an iron and steel industry shortly. A German firm has been engaged as consultant and it may also erect the mill, train staff, and supply experts. If plans materialize, the mill in its first stages is expected to produce up to 60,000 tons of steel a year from local low-grade ore deposits. An extension of the Sui natural gas pipeline will pass the proposed site for the steel mill and provide fuel for a new thermal station, because the new mill is expected to use an electric reduction process. The pipeline is being extended to service all the major cities in West Pakistan.

Power developments, both hydro and thermal, are progressing in both wings of the country. An agreement was signed in the latter part of 1956 for the financing by the United States of the Karnaphuli hydro-electric and irrigation project in East Pakistan. This project will produce initially 80,000 kw. of electricity and will take three years to complete. Four oil companies are carrying on exploration and drilling and the people

of Pakistan are watching their activities with keen interest. If oil were discovered, it would solve many problems and would ease the perennial foreign exchange problem.

This problem is acute; the industrial gains of the past few years have meant large imports of capital equipment, raw materials, and spare parts and these imports have drawn heavily on the foreign exchange reserves. As a result, although industrialization is still an important objective, the expansion may be slower and agriculture may, on the other hand, receive more attention.

### **Foreign Investment Encouraged**

The Government of Pakistan seeks to encourage private investment through tax incentives, financial assistance and protection from import competition. To stimulate the influx of funds from abroad, it makes provision for the repatriation of capital and the remittance of current earnings. There are also guarantees against nationalization. Despite these incentives, foreign capital investment has been modest. Most of it comes from the United Kingdom, although German capital is becoming increasingly interested. United States participation is largely confined to the petroleum and automotive industries.

### **Five Year Plan Coming**

A Five Year Plan including development expenses of Rs. 11,600 million will soon be presented to Parliament for approval; in fact, it is already being implemented. The Plan will be financed internally from the savings of individuals and the state. The Government will adopt policies to encourage private investment further and will attempt to divert private savings into productive uses. The planners expect Rs. 400 million to be available during the period from foreign investors. To complete the Plan, Pakistan estimates that Rs. 3,800 million of foreign aid will be forthcoming.

One of the major objectives is to improve the country's balance of payments by increasing exports and the domestic production of goods which otherwise would be bought abroad. Naturally, self-sufficiency in food-grains is a goal. Pakistan's Planning Board estimates that in the last year of the Plan foreign exchange earnings will exceed requirements for essential non-development purposes by Rs. 500 million per year; this will mean less dependence on foreign aid.

The Plan looks for a 70 per cent increase in industrial production by 1960 and hopes to make Pakistan self-sufficient in cotton and jute textiles, sugar, edible oils, cigarettes, paper, newsprint, strawboard, hardboard, soda ash, penicillin and a number of other drugs and chemicals, cement, and a variety of electrical products and other consumer goods. It hopes to meet the bulk of the country's requirements for fertilizers, woollen



*Canadian-made copper rod being off-loaded at Karachi, Pakistan. Supplied under the Colombo Plan, it will be used to make electrical cable and transmission wire for new projects.*

textiles, canned fruits and vegetables, rayon and cellophane, and hollow glassware.

### **Colombo Projects Progressing**

By 1956, Canada had allocated \$47.7 million to Pakistan under the Colombo Plan. Part of these funds were used for the Maple Leaf cement plant at Daudkhel which is now producing 350 tons per day and has been turned over to the Pakistan Government. Work has begun on a 16,000 kw. thermal power plant at Goalpara in East Pakistan, which will provide power to serve a new industrial area. Canadian and Pakistan engineers are working together on the Shadiwal project to which Canada has allocated \$2.5 million for a 12,000 kw. hydro-electric plant which will power the tube-wells used to reclaim waterlogged land nearby. The Warsaw multi-purpose project which is being financed by Canada under the Colombo Plan is making progress. When it is completed, this largest single development project in Pakistan will provide 160 thousand kw. of electric power and irrigate 120 thousand acres of land.

The balance of payments has shown some improvement, with a surplus of \$70.5 million during 1955-56, compared with only \$1.06 million in the previous year. This improvement resulted from higher earnings following the devaluation of the rupee in August 1955. The country's sterling, gold and dollar reserves rose to US\$293 million in June 1956—the highest point in several years. But the reserves decreased in the past few months, mainly because of the seasonal decline in export earnings and abnormal imports of foodgrains. Overall imports are likely to be curtailed slightly, partly because of higher freight rates following the closing of the Suez Canal.

Exports of all major commodities except tea increased under the favourable influence of devaluation. In addition, export earnings from jute manufactures have risen because of increased production, and cotton yarn and textiles are earning more foreign exchange. Already some grey cloth has been exported to Canada although the major export markets for cotton goods so far have been largely confined to neighbouring countries. The terms of trade improved with all major trading partners except the United Kingdom. In terms of currency, a deficit with the dollar area was turned into a surplus.

### Trade with Canada

Although Canadian export statistics indicate a relatively substantial trade with Pakistan, a large part of the total represents supplies and equipment provided under the Colombo Plan. However, Canadian exports to Pakistan include such varied products as locomotives, tires and tubes, wireless radio apparatus, gas engines, trucks and parts, drugs and chemicals, fish net twine, rubber belting, whisky and fountain pens.

#### CANADIAN TRADE WITH PAKISTAN

(in dollars)

	Exports	Imports
1954 .....	8,969,888	565,703
1955 .....	6,201,543	815,703
1956 (first nine months)....	7,330,914	1,183,451

Canadian imports from Pakistan are increasing; some improvement occurred in 1955 and this continued in 1956. As production in Pakistan has increased, Canadian imports of Pakistan-manufactured jute goods have gone up. Sales of nearly every commodity which Pakistan exports regularly to Canada rose.

### The Outlook

No relaxation of the current severe import restrictions in Pakistan is likely in the foreseeable future and Canadian exporters will find trade opportunities limited and competition keen. Nevertheless, there are possibilities and Canadian businessmen should not overlook this country as a potential market. ●

MARCH 2, 1957

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### Foodstuffs for Liberia

THE MARKET FOR FOODSTUFFS in Liberia has increased in quantity and value since the war and buyers in this small (population 1.5 million) West African republic now pay more attention to quality. Canadian exporters of cereal preparations, meat and fish products, dairy products, and preserved fruits might increase their share of the market.

Liberia's food imports totalled US\$3.6 million in 1954 as against US\$2.4 million in 1953. Cereal preparations valued at US\$1.4 million was the leading import, followed by fish products (\$564 thousand), dairy products (\$366 thousand), and meat products (\$350 thousand). Imports of fruit were valued at \$163 thousand.

Liberia has a long tradition of trading with the U.S. and it also uses the U.S. dollar as its currency. But this small market is open to goods from other sources provided they can compete in quality and price. The Netherlands and West Germany prove this: they have increased their share of the market from 4.5 per cent and 3.1 per cent respectively in 1950 to 7.3 per cent and 6.6 per cent in 1954. Liberia has a single-column tariff for imports from all sources, including the United States.

Over the five-year period (1950-54) Liberia's imports averaged more than \$17 million a year. In 1954 they totalled \$22.7 million; the United States supplied \$15.2 million, followed by the United Kingdom \$2.26 million, the Netherlands \$1.66 million, and West Germany \$1.49 million. Canada's exports in 1954 (exclusive of transfers of ship registries and a shipment of locomotives) totalled less than \$100 thousand. In 1955 the total for commodity imports from Canada rose to \$131 thousand and consisted mainly of canned fish (\$47,800), tires (\$34,000), and flour (\$30,100).

Most observers in Liberia concede that Canadian exporters have little chance in open competition with United States firms selling manufactured goods, machinery, or transportation equipment, but they could capture a larger share of the market for foods. Liberia earns dollars (more than US\$25 million in 1954) from sales of rubber, high-grade iron ore, palm kernels and oil, piassava fibre, cocoa, and coffee; it should remain a steady customer.

—K. NYENHUIS,

Trade Commissioner, Leopoldville.



## Fairs and Exhibitions

### Israel Trade Fair for Toronto

A SEARCH FOR CANADIAN AGENTS AND DISTRIBUTORS is one of the main reasons why Israel is bringing a trade fair to Canada. The Israel Trade Fair opens on March 25 for four days at the Seaway Hotel, Lakeshore Road, Toronto, and special visiting hours have been arranged for buyers and prospective agents and distributors. These are: March 25—10 a.m. to 6 p.m., March 26, 27 and 28—10 a.m. to 1 p.m.

The displays of products Israel hopes to export to Canada will include: skirts, fashion goods, underwear, socks, shoes, raincoats, bathing suits, knitted wear, textiles, linen tablecloths, wool yarns, carpets, leather articles, giftware, arts and crafts, religious articles and books, furniture, chocolate and candy, food products, pencils, plastics, cement, plywood, marble, plastic bags, pistons, electrical parts, irrigation equipment, electrical appliances, tires, brass valves (plumbing), soaps and detergents, carbon paper, paints, chemicals, toilet preparations, seeds, flower bulbs, sports articles, musical instruments, and stamps.

A fashion show will introduce the latest Israeli creations in knitted wear, raincoats, bathing suits, and other clothing typical of the country. A special exhibit will feature the country's tourist attractions.

### Industry at Hannover

ONCE AGAIN HANNOVER is prepared to welcome industrial products and their makers and users at its international German Industries Fair. Four thousand European and overseas manufacturers will be ready for visitors when the doors of the 20 exhibition halls open on April 28 for ten days.

All the displays at Hannover are classified by products and include machinery, electrical engineering, chemistry, rubber, precision mechanics and optics, iron and steel, tools, office machinery, china, ceramics, glass, jewellery and silverware, clocks, cutlery, and metal goods.

The Canadian Government is setting up an exhibit at Hannover in co-operation with some 12 Canadian manufacturers of chemicals and allied products

(including chemical pulps), and atomic products and equipment. The Canadian display, designed by the Exhibition Commission, promises to be unusual and attractive. It will consist principally of ten hexagonal tables with recessed tops which will be lined with many-coloured polystyrene pellets. Bottles containing fine chemicals, organic solvents, synthetic resins and products, synthetic rubber, nepheline syenite, miscellaneous chemicals, and radioactive isotopes will be set in the tables. Each table will be lighted from below and the sparkling colours of the polystyrene pellets will draw the visitors' attention to the Canadian products. Radiography equipment will also be displayed.

For full information on the German Industries Fair, get in touch with the Trimont Corporation Ltd., 1170 Drummond Street, Montreal.

### Future Fairs in Brief

- *Cuban Petroleum Congress*, Havana, May 5-11. Technical and scientific sessions, for registrants only, on geology, geophysics, geochemistry; drilling and production; processing, distribution and utilization; research, development and testing; education and training of personnel; management, economics and law. Industry exhibit open to public. For information: Second Cuban Petroleum Congress, Edificio Habana 800, Havana, Cuba.
- *24th Poznan International Fair*, Poznan, Poland, June 15-29. The Canadian Government is sending an official exhibit featuring various export products. For information: Commercial Attaché, Polish Legation, 10 Range Road, Ottawa.
- *Fifth Factory Equipment Exhibition*, Earls Court, London, England, April 29-May 4. The visitor will see under one roof all he needs for efficient operation and maintenance of his factory—products from Britain and overseas in the fields of works construction, storage, power and heating plant, lighting and ventilation, workshop equipment, industrial instruments, engineering plant, packing, packaging and labelling, materials handling, works maintenance and cleaning, safety, communications, drawing office and design, works office

and production control, welfare and hygiene, protective clothing. For information: Factory Equipment Exhibitions Ltd., Exhibition Offices, 4 Snow Hill, London, E.C. 1.

### Valencia Invites You

THE MEDITERRANEAN CITY of Valencia will hold its 35th International Samples Fair from May 1-20 and cordially invites former and new visitors to attend. Last year the fair attracted 2,500 exhibitors (1,350 national and 1,150 foreign) and 850 thousand business visitors. Countries taking part were Austria, Belgium, Colombia, Denmark, France, Great Britain, the Netherlands, Ireland, Italy, Liechtenstein, Monaco, Morocco (North Zone), Norway, the Saar, Scotland, Sweden, Switzerland, the United States, and West Germany.

The principal commodity groups at the Valencia fair are: agriculture, agricultural machinery and materials, transport, furniture and decoration, machinery and industrial tools, homes, food, office equipment, textiles, and plastics. There is also a pavilion of typical products for export.

Foreign visitors should apply for the International Identity Card which entitles them to reduced rail fares. For the card and other information, write to: Feria Muestrario Internacional, Llano del Real, 2-Apartado 476, Valencia, Spain, or to the Commercial Attaché, Spanish Embassy, 149 Daly Avenue, Ottawa.

### Textiles in Industry and Commerce

THEME of the 2nd National Industrial Textiles Trade Fair, to be held in the Royal Albert Hall, London, from April 1-5, will be the uses of textiles in industry and commerce. The show will provide a forum for discussion of the need for and development of textiles with specialized properties, such as insulation, fire-proofing, and resistance to stretching, fraying, wear and chemicals. Every day of the show, models will parade the latest in protective clothing for those who work in abnormally low or high temperatures, or in nucleonic and atomic plants, plus a variety of uniforms and overalls.

Applications for complimentary trade admission tickets should be made to: The Administrative Officer, 2nd National Industrial Textiles Trade Fair, Drury House, Russell Street, London, W.C. 2.

### Industry at Basle

AN ALL-ROUND PICTURE of Switzerland's industrial production will be presented to business visitors from all over the world (30,000 from 86 countries in 1956) at the 41st Swiss Industries Fair, April 27-

May 7, in Basle. The organizers have set up 17 classifications of exhibits: art and ceramics; office and business requisites; paper, printing and advertising; textiles and clothing; footwear and leather goods; watches; furniture; sports goods, toys, music; chemical, pharmaceutical and cosmetic goods; household utensils; the electrical industry; gas, water, heating; machinery; industrial requisites of all kinds; transport; the building industry, and foodstuffs.

Spotlighted at the fair will be Switzerland's traditional export industries—textile machinery and textiles (with two special exhibits, "Creation" and "Madame-Monsieur"), general engineering and the electrical industry. Machine tools will return in 1958.

A separate Watch Making Fair will again be a feature at Basle. Here some 160 exhibitors from the watch-making industry will gather with some 60 exhibitors of allied products, such as jewellery, public and electrically operated clocks, and tools and fittings for watch-making.

### International Fairs in France

LYON, April 27-May 6. For information: write to the fair at rue Ménestrier, Lyon.

LILLE, May 4-19. For information: write to the fair at Grand Palais, Lille.

PARIS, May 25-June 10. For information: write to the fair at 23 rue N.D. des Victoires, Paris.

BORDEAUX, June 16-July 1. For information: write to the fair at 12 place de la Bourse, Bordeaux.



Displays ranged from conveyor belting to hockey pucks and from aprons to waders when three Canadian rubber companies presented their products recently at the Canadian Showroom in Rockefeller Center. The above photograph shows rubber footwear, one part of this exhibit.

# The Belgian Market for Plastics

*Sales of Canadian polystyrene to Belgium have been small but steady over the past few years; last year exporters for the first time sold a limited amount of polyvinyls there. Belgium is a price market for primary plastics but buyers interested in Canadian materials if price is right.*

J. R. ROY,  
Assistant Commercial Secretary, Brussels.

BELGIUM IMPORTS considerable quantities of primary synthetic resins and semi-fabricated plastics. The local plastics industry is adapted to produce a wide variety of consumer goods and industrial products; the common processes used are extrusion or injection moulding. About 100 firms make finished plastics.

Twelve firms are listed as manufacturers of plastic raw materials. Their primary products include phenol formaldehyde, alkyds, polyesters, acrylic, polyvinyl chloride, vinyl copolymers, and polyvinyl acetate. Because production is concentrated in the hands of a few large companies, the Government does not publish detailed production figures. But it is important to note that local output is not so great that Belgian firms can cut out purchases from other countries. In fact they buy considerable quantities and varieties of primary plastics from abroad.

## Polystyrene Sells Best

The reader will see from the following table, comparing imports of common plastic materials from various

countries, that Canada does rather well in selling polystyrene in this highly competitive market. The materials listed are mainly in bulk form as liquids, pellets or powder.

So far Canadian suppliers of plastics other than polystyrene have not made much of a dent in the Belgian market. But in 1956, for the first time, Belgian statistics show that some polyvinyls from Canada entered, although the amount was very small compared with, for example, the large amounts from West Germany and France. High point for Canadian sales of polystyrene was 456 thousand kg. in 1953 when Canada supplied 43 per cent of the imported material; our share represented less than 20 per cent of the market in 1955 when competition was much keener.

## Plastics Can Be Sold

So far we have experienced little difficulty in finding interested Belgian plastics firms when a Canadian company seeks customers. Belgium is mainly a price market but in every case when the price is right the product can be sold. Belgian buyers have told us that they find Canadian prices of polystyrene and polyethylene too high. But despite this criticism our polystyrene sales remain good and the Canadian trade officers in Belgium continue to receive inquiries for a number of other Canadian-made plastics.

Late in 1956, Belgium placed under administrative control all plastic materials that fall under items No. 279 and 967(a) of the customs tariff in force in the country; buyers now need import licences for these materials. Moulding powders with a plastic base (item No. 280) can enter without a licence.

## Imports of Plastic Raw Materials 1955\*

(in 100 kg.)

	France	Netherlands	West Germany	United States	United Kingdom	Canada
Phenol and cresol formaldehydes .....	394	2,046	2,948	2,233	949	.....
Urea and melamine formaldehydes .....	.....	3,320	13,127	.....	12,240	.....
Alkyds .....	.....	217	1,524	956	624	.....
Polyvinyls .....	9,505	795	17,044	.....	.....	.....
Polyacryls .....	.....	449	4,043	743	1,686	.....
Polystyrenes .....	.....	892	1,424	4,033	2,726	2,444
Polyethylenes and halogenated polyethylenes .....	.....	3	.....	.....	.....	.....
Others .....	101	5,880	5,661	17,163	5,304	.....

\* More detailed statistics are available from the Chemicals Division, Commodities Branch, Department of Trade and Commerce, Ottawa.

The tariff on plastic raw materials in liquid, pellet or powder form is relatively low at 3 per cent. But the tariff rises sharply to 8 per cent if the plastic is impregnated into paper or cloth, and goes up to 12 per cent for certain types of tubular sheets; if the material is considered to be semi-fabricated plastic in the form of sheets, tubes, or blocks, the tariff jumps

to 20 per cent. The tariff on moulding powders (item No. 280) amounts to 5 per cent.

In addition Belgium imposes a general sales tax which for plastics amounts to 5 per cent of the duty-paid value; in addition, there are import surcharges on certain plastics ranging from 2 to 3 per cent.

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## Midwest Market for Canadian Crating Material

*Canadian softwoods find ready market in many parts of U.S. Midwest, because of special qualities. Good wholesaler usually best way of selling in this area; certain other factors also govern sales.*

W. G. D'ARCY, *Vice Consul and Assistant Trade Commissioner, Chicago.*

HUNDREDS OF INDUSTRIES in the Chicago area use crating material. Although no figures on imports or consumption are available, the number and size of users indicate a large demand, and the rapid expansion of industry in the Midwest United States points to an even larger market as time goes on. That Canadian prices and quality are competitive is shown by the fact that Canadian material is now entering many areas of the United States.

Many firms prefer softwoods for crating even in areas where local hardwoods are plentiful, and in recent years there has been a strong trend towards woods which Canada can supply. Spruce, poplar, jackpine and other woods from Canada and from the Northern and Western States are valued over other softwoods for their non-splitting qualities, their small resin content, and their freedom from loose knots. They are preferred to harder woods because they are easier to saw and nail—a factor important to the Midwest industrialist, whose labour costs are high.

In wooded areas, the demand for blocking and skid material is supplied by local hardwoods; as a result, in Indiana, southern Illinois, Wisconsin and parts of

Minnesota, the demand for Canadian softwoods is somewhat restricted.

Another factor to be considered is the substitution of fibre or corrugated paper containers for wooden packaging. Improved cartons and aggressive selling are attracting more and more industrial customers away from wood and shippers are finding they can pack larger and heavier items in the new packages. Nevertheless wood, because of its strength, durability, flexibility and price, will continue to be important and because of the great industrial activity in the Midwest, the demand for wooden crating should increase.

### Markets and Sizes

Canadian crating sells well in Chicago, Detroit and Minneapolis, but the distance from Canadian suppliers gives southern hardwoods and pine the advantage in St. Louis, Kansas City and Louisville. In these areas woods from the Western states are competitive and elm, ash, and other woods are available at attractive prices from local mills. Most Canadian crating material sold in the Midwest comes from Ontario and the Western provinces. The experience of Chicago lumber wholesalers is that Quebec and Maritime crating lumber is not generally competitive west of Detroit nor south of Columbus, Ohio, although some shipments are made when markets are temporarily disturbed.

Stock sizes for industrial crating in Chicago are 1 x 3", 1 x 4", 1 x 6", 1 x 8" and some up to 1 x 12", as well as resawn 4/4", 5/4" and 6/4" stock. Very little 2" material is sold. There is a considerable market for cut-to-size stock, and some large users will supply specification sheets to mills and wholesalers on demand. Most spruce and poplar is 4/4" common and better, and should be dried to 12-15 per cent moisture,

although sometimes 18 per cent material is accepted. Generally speaking, crating lumber should be sound, with no checks, shakes, loose knots, splits or knots over one-third the width of the piece. The trade in the Midwest definitely prefers to buy against the grades used by American mills—for example, West Coast Lumbermen's Association rules, Western Pine Association rules, northern pine grading rules, etc. American buyers seem well pleased with Canadian grades and quality.

### Wholesale Connection Useful

For the Canadian firm seeking business in the American market for the first time, a wholesale connection either in Canada or in the United States is probably the best approach. However, at least one large mill is successfully employing a travelling sales representative to call directly on industries, and many mills send salesmen on short visits to canvass U.S. industrial accounts. In the Midwest there are commission agents and wholesalers who supply both large and small users. Some wholesalers have no yards but there are many who have, and there are a number of large "chain" lumber wholesalers who maintain retail yards in several cities and are prepared to sell from ten cars to two pieces. Some Canadian wholesale firms have been successful in serving the Midwest market and their names are familiar to wholesalers, retailers and industrial users.

The wholesaler in Chicago demands a functional discount of 5 per cent and a discount of 2 per cent for cash within five or ten days. These commissions are paid on the mill price, not the delivered price. Wholesalers generally pay 80 per cent in advance on receipt of papers and the remaining 20 per cent on receipt of merchandise.

### Method of Quoting

Americans want quotations in United States funds and they want the Canadian mill to arrange customs clearance. Quotations f.o.b. mill are a lot of trouble to the American buyer, because of the multiplicity of Canadian freight rates. Quotations delivered Minneapolis, Chicago, Detroit or Cleveland do much to make the American dealer's job easier and incline him to ask for Canadian material. Naturally enough, buyers want mills to ship on time, and they want reasonable warning if for any reason a contract cannot be filled on time.

The Canadian Consulate General in Chicago has good contacts with major wholesalers throughout the Midwest and is acquainted with many of the commission dealers, brokers and others in the lumber trade. Canadian firms looking for assistance should not hesitate to write or visit the Commercial Division, Canadian Consulate General, 1412 Garland Building, 111 North Wabash Avenue, Chicago 2, Illinois. ●

## Atomic Energy Aids Agriculture

THE USE OF RADIOACTIVE TRACERS and radiation in agricultural research highlighted the first European congress on the application of atomic energy to agriculture. The conference was held recently in the Netherlands under the auspices of the Food and Agriculture Organization of the United Nations; 35 experts from 16 countries attended and the United States and Russia sent observers.

A discussion of radiation in food preservation proved to be a highlight of the conference. Scientists reported that radiation will reduce spoilage in refrigerated storage, inhibit sprouting of potatoes, extend storage life of bananas, and kill insects in stored and packaged foods. They warned, however, that the equipment required was massive, complex and very costly. As yet there have been no studies of whether the radiated foods are safe to eat or of the chemical changes radiation may make in the food itself.

Agricultural scientists are currently using radioactive isotopes as tools in fundamental studies of plant nutrition, animal physiology, and photosynthesis, and to investigate the action of fungicides, insecticides, and weed killers. Radiation, particularly X-rays, has helped plant breeders produce new varieties of cereals and tree fruits. X-ray photography is now used to speed up seed-testing and there is some possibility that radiation can aid in the cross-breeding of grasses.

The high cost of the specialized apparatus used in atomic research on soils has hampered investigations in this field. European soil scientists have concentrated their efforts on achieving economy in the use of fertilizer. Delegates paid much attention to the uptake of radioactive materials from atomic fall-out by plants and animals.

Up to now, scientists in Norway, Germany, and the United Kingdom have led the way in applying atomic energy to agriculture in Europe. As a result of the conference the Government of the Netherlands is considering establishing an institute at the Wageningen School of Agriculture which could become the European counterpart of the American centre at Beltsville, Maryland. The proposed institute would stimulate greater use of radioactive materials in agricultural research, carry out investigations on its own, and give advice and information.

—B. C. BUTLER,

*Commercial Counsellor, The Hague.*

# Canada

## Breeds Winners



Canadian livestock entries, with sheep in the lead, form up for the parade which opened the Dominican Republic show.

M. B. BURSEY,  
Commercial Counsellor, Ciudad Trujillo.

**SWEEPING 35 FIRST PLACES** in 53 classes, Canadian purebred cattle were spotlighted at the Second International Cattle Fair held from January 10-20 at Ciudad Trujillo, Dominican Republic. Canadian exhibitors amassed 27 championship awards and had the added pleasure of knowing that the senior and grand champion male and the senior and grand champion female at the Fair were bred in Canada.

Dairy cattle, especially Holstein-Friesians, dominated the ten-day show in which 1,600 animals took part. Canadian-bred cattle of this breed took nine first placings, nine second, nine third, five fourth, and four fifth positions, and won six championship awards. The Dominican Government provided air transport for the 165 Canadian entries; the majority were dairy cattle of our four main breeds, plus a few purebred beef cattle and sheep. Five exhibitors from Canada participated.

The Holstein-Friesian bull "Sir Rockwood Lot-O-Monarch", originally from Rockwood Farms near Winnipeg, was senior champion; the Hacienda Fundación, the main Dominican cattle-breeding and dairying enterprise, bought the animal in 1955. This bull went on to be judged grand champion male of its breed. The female grand championship went to the Canadian-bred senior champion Holstein-Friesian cow—Harkhurst Princess Dale—shown by a prominent Ohio livestock man.

The award of the "Canada Trophy" (a beautiful sterling silver tray engraved with Canada's coat of arms) for the grand champion Holstein-Friesian bull was appropriate considering that the animal was Canadian bred. This trophy was given by the Canadian Government and the Canadian Chargé d'Affaires and Commercial Counsellor presented it to the administrator of Hacienda Fundación at ceremonies on the closing night.

The Dominican Republic rapidly is becoming conscious of purebred cattle and the spectacular new \$3 million livestock fairground west of the capital which the Government built is designed to promote livestock production.



M. B. Bursey (right) presents the "Canada Trophy" awarded for the grand champion Holstein-Friesian bull at the Fair.



"Sir Rockwood Lot-O-Monarch" senior male Holstein-Friesian champion, which was later judged grand champion bull.

# Foreign Fairs Promote Foreign Trade

Many exporters have found trade fair exhibits a useful way of trying out a market or boosting their foreign sales. This twenty-fourth article in our series on the techniques of export trade tells how to choose the right fair for your display and how to make that display pay dividends.

L. H. AUSMAN, *Director, Information Branch.*

THERE ARE MANY REASONS why a Canadian exporter may find participation in trade fairs abroad a sound way of promoting his foreign sales. The first is that fairs and exhibitions provide a place where sellers can display and buyers can examine samples of a wide range of competitive products in a convenient and relatively inexpensive setting. Fairs began as marketplaces and this continues to be their primary function. But in the more complex economy of today they also serve other purposes. They build prestige and secure favourable publicity for the exhibiting firm and keep its name before the public. They also prove useful as a place to acquire production or trade information and to keep abreast of what competitors are doing.

## Different Types Emerge

Over the centuries, different types of fairs have emerged. Today we classify them roughly as either "horizontal" (general), or "vertical" (specialized), and the businessman must understand the difference between them before he can make an intelligent choice. The "horizontal" fair, in general, presents a wide range of goods and services and is not confined to the products of a single industry nor a section of it. It is still the most common type of fair, although within this classification there are several variations:

1. The general fair with one or more exhibit halls. The fair management may or may not make an effort to group the exhibits by trade or nationality.

2. The fair which includes national pavilions in which the products exhibited by various foreign countries are grouped together. The Canadian National Exhibition in Toronto and the St. Erik's Fair in Stockholm are good examples of fairs that are a combination of (1) and (2).
3. The fair in which products shown are grouped together under established trade classifications. In some of the larger ones, such as the German Industries Fair in Hannover, certain halls are placed at the disposal of specific industrial groups such as chemicals. Other fairs, such as the Vienna Fall Fair and the Utrecht Spring Fair, combine methods (2) and (3).

These general fairs are organized by a national, regional or municipal government or by a private group. Some are international in scope; others do not use that term but accept foreign exhibitors—and all of them welcome foreign buyers. Generally speaking, many of the purely national or regional fairs are not of interest to the Canadian exporter. Even if they accept overseas exhibitors, their possibilities for sales promotion are limited.

The "vertical" fair, on the other hand, limits exhibits to the products of a single industry or a part of it and is usually organized by the industry itself or by a trade association. The displays sometimes include allied lines, such as equipment and supplies for the industry or service organizations connected with it. Good examples of the vertical fair are the National Winter Sports Show in New York and the Salon de la Chimie (chemicals and allied products) in Paris.

## Getting Information on Fairs

The Canadian exporter faced with choosing the proper foreign fairs at which to exhibit needs certain basic information about them. He can turn to several sources. A number of magazines—most of them European—are devoted exclusively to fairs and at intervals publish fairly complete calendars of fairs throughout the world.

These fairs are also mentioned in many export magazines and in official publications like *Foreign Trade* (Ottawa), the *Board of Trade Journal* (London), and *Foreign Commerce Weekly* (Washington). The exporter's agents in foreign countries, the Canadian Trade Commissioners abroad, and the foreign commercial representatives of various countries in Canada are also good sources of information. Trade associations in Canada can frequently furnish data on vertical fairs covering their fields.

### Choosing the Fair

The experience of many Canadian firms has proved that the trade-fair technique brings results to those who know how to make good use of it. This does not mean that any fair, or any type of exhibit, will do. To get good results the exporter must choose the right fair in the first place and put into it the right type of exhibit.

Before he makes any selection, the exporter must first decide why he wants to exhibit at all. If he is entering the market for the first time or is introducing a new product, he probably wishes to survey the market, to see what his competitors are doing, and to secure an agent. He may therefore choose a "vertical" or industry show or display his product under its particular classification in one of the large international fairs which stresses trade buyer attendance. There he will be able to reach prospective agents and others in the trade. If he subsequently appoints one or more agents, he has justified his investment.

If, on the other hand, the exporter is already represented in the country in which the fair takes place, he may want to participate as a means of increasing sales or helping the local agent. In this case, he will be investigating public reaction to his product, soliciting trade inquiries, or taking orders on the stand. The vertical type of fair or an exhibit in the appropriate trade classification in an international fair may be his best choice too.

In some instances, however, the primary purpose of the display is to attract the general public and here the horizontal fair may be the answer. The decision depends largely on the type of product the exhibitor is selling. If he is marketing a consumer product, or one of interest to a wide range of industrial buyers, the general fair should be considered. If he is selling capital goods or a product of interest to a special type of customer such as a buyer of footwear or a purchasing agent for a specialized industry, the vertical fair may be the proper choice. Always he should consider the commodity grouping, the attendance of buyers and general public at the fair, and his current distribution arrangements in the area before making up his mind.

### Where Canadian Goods Will Be Exhibited in 1957

- **UTRECHT** —Royal Netherlands Industries Fair, April 2-11. Features household appliances and other consumer products.
- **NEW YORK** —United States World Trade Fair, April 14-27. A Canadian Government trade information booth will provide facilities for the display and distribution of sales literature from Canadian firms.
- **BRUSSELS** —International Trade Fair, April 27-May 12. Features marine equipment, fish nets, canned fish, oil heaters and burners.
- **HANNOVER** —German Industries Fair, April 28-May 7. Features chemicals and atomic products and equipment.
- **NEW YORK** —Popular Price Shoe Show, May 5-9. An industry show including a composite exhibit of Canadian footwear.
- **NEW YORK** —National Winter Sports Show, May 12-15. Canadian manufacturers of winter sporting goods and sports clothing will exhibit.
- **POZNAN** —International Trade Fair, June 15-23. Features a Canadian prestige display which will include various export products.
- **CHICAGO** —Chicagoland Fair, June 28 to July 14. A Canadian Government trade information booth will form the nucleus of a large Canadian section where provincial governments, manufacturers and service organizations will be included. Private exhibitors may book space.
- **VIENNA** —International Fair, Sept. 8-15. Features a general display of industrial and consumer goods, including foodstuffs.
- **BERLIN** —German Industries Exhibition, Sept. 15-29. This fair will be held during the International Building Exhibition planned for Berlin from June 6 to Sept. 29. The Canadian pavilion will feature building materials, furniture, and household equipment.
- **CHICAGO** —National Shoe Show, Oct. 28-Nov. 1. The Department will provide facilities for Canadian manufacturers of footwear to show their new lines.
- **LONDON** —Building Products Exhibition, Nov. 13-27. Features wood and wood products.
- **BOGOTA** —Colombia International Trade Fair, Nov. 22-Dec. 8. Features a general display of Canadian consumer and capital goods.
- **NEW YORK** —Canadian Showroom, Rockefeller Center. The schedule of displays at the Canadian Showroom for the ten months of 1957 is:  
Wallpaper—Mar. 6 to April 12.  
Church furniture—April 24 to June 14.  
Canadian Design Award products—June 26 to Aug. 30.  
Fish products—Sept. 11 to Oct. 31.

To obtain further information about any of these shows, write to the Department of Trade and Commerce, Ottawa.

Other factors entering into his choice include:

- The location, size and type of the fair, and the trade classifications which it covers.
- The number, country, and trade classifications of buyers expected.
- The number of exhibitors and the proportion of foreign ones.
- The number of exhibitors in the exporter's own trade classification. (This will help to determine whether the fair will attract enough buyers in his line.)
- The regulations governing exhibits and the facilities offered to exhibitors, including publicity and press services.
- The experience and reputation of the sponsors and management.

### **How Much Will It Cost?**

Before finally committing himself to an exhibit, the exporter should have some idea of what it will cost. This is not a question that can be answered here very accurately, because there are so many variables. The best I can do is mention some of the things that have to be considered, though not all of them are present in every case and sometimes they are of minor importance.

The charge for the space, which varies with the size of stand, does not differ widely from one fair to another. However, its relation to the total cost of exhibiting does change, depending on the type of product displayed, the freight costs, the nature of the display itself, transportation and living expenses of the persons manning the stand, and publicity expenses (literature, advertising, film showings, entertaining, etc.).

In estimating costs, the prospective exhibitor should keep in mind the following things:

- Space rental. Does it include the provision of the stand shell, electric light, power, fascia boards with the firm's name, etc.?
- Stand construction—if this is not included in the space rental.
- Decoration, lighting, display material and furniture for the stand.
- Maintenance of equipment and depreciation of samples on display.
- Services such as electricity, gas, water, telephone, cleaning, etc., when they are not included in the rental charge.
- Transportation of samples (one way or return).

- Travelling and living expenses for executives and staff, and salaries for locally engaged attendants or stenographers.

- Advertising and publicity of all types.

This may seem a formidable list but not all items apply to all exhibits. A manufacturer of capital equipment which has to be demonstrated and who wants to make a special effort in a distant market may find that his expenses run into several thousands of dollars. The manufacturer of a novelty item or a precision instrument, on the other hand, might place all his samples and display cards in a large suitcase, man the stand himself, and depend on the product and the drawing power of the fair to bring buyers to his display. Aside from his transportation and living expenses (which would be the same as for any business trip) his expenses might not exceed \$500 to \$1,000. In nearly every case the exhibitor, by studying the rules and regulations issued by the fair authorities and by taking up other matters with them, can make a reasonable estimate of costs. Naturally he will also have to consult approved contractors to find out the charge for designing and building the stand.

### **Getting Results**

There are several ways in which a firm can take part in a trade fair abroad. It can organize the stand itself, with or without the help of its local agent or representative—although co-operation is usually desirable. It can take part in a composite display with other manufacturers. Or the local agent can decide—or be encouraged—to have a stand of his own at which he displays the firm's products. Experienced Canadian firms report success with all three methods, with some variations.

Whatever the method adopted, the stand must be well designed, though the design need not be elaborate. The location should be carefully chosen, preferably on the advice of someone who has seen the fair in operation. The exhibit must be manned by people familiar with the product and, whenever possible, a senior officer of the company should be on hand for at least part of the time. So should the local agent.

Publicity both before the fair opens and during its run is important. It may include a direct mail campaign, advertising in the local trade press, distribution of literature at the stand, and co-operation with press services at the fair. Orders and inquiries should be followed up promptly: this pays off in business and in goodwill.

### **How the Department Helps**

The use of trade fairs as a sales medium is not as well developed in Canada as it is in Europe and this may explain why Canadian exporters have ventured

less into this field. There is some evidence that this situation is changing and some well-known Canadian firms are already displaying their products, in co-operation with agents and distributors, at fairs in various parts of the world. The results have shown the wisdom of this policy. Other companies may wish to follow in their steps, and the Department of Trade and Commerce stands prepared to advise and assist any individual firm or industrial group which wishes to try the trade fair approach. Furthermore, recognizing how costs may mount when a firm goes into fairs as far away as Europe, Asia, or Latin America, the Department has in recent years developed a trade fair program to assist interested companies. It is intended to bridge the gap between no participation at all and the time when the exporter can undertake to set up an exhibit himself. Naturally, the Department recognizes that the best possible approach is the private exhibit where inquiries are handled efficiently by company representatives on the stand.

In initiating its trade fair program, the Department first of all studies carefully the various international, national, and industry shows scheduled throughout the world. Then, after consultation with individual companies, it draws up a schedule of department participation in trade fairs for the next calendar year. Following a carefully-thought-out time-table, the Department reserves space in the fairs chosen, informs Canadian exporters, and designs, builds, ships and erects stands. The firms which are taking part supply samples of their products and are encouraged either to send personnel from Canada to help man the exhibit or to make suitable arrangements with their agents. They may also be invited to co-operate with the Department in advertising the Canadian display.

### **If You Are Interested**

In any one show, the Department cannot accommodate more than a selected list of companies from any industry. None the less, over a period of years it makes every effort to provide space for all firms seriously interested in any specific market. Exporters who would like to know more about these exhibits and how to have a part in them should write to the Commodities Branch, Department of Trade and Commerce, Ottawa. Because the program is worked out in the spring and summer for fairs taking place in the twelve months beginning the following January, the Department must hear from interested firms well in advance—preferably before the end of April preceding the year in which the fair will be held. It is also prepared to consider suggestions for co-operative participation in a fair in any part of the world—provided it attracts a sufficient number of exporters.

In addition to exhibits at industrial shows and international trade fairs, the Department is continuing in

1957 the series of displays at the Canadian Showroom in Rockefeller Center, New York. These shows run for about six weeks each. Trade buyers in New York and in other parts of the United States are invited to attend and are given complete information about the products on display by the officer on duty at the Showroom. The companies which provide the samples are also encouraged to send sales representatives to New York to take advantage of the interest aroused and to talk with buyers. Letters coming into the Department tell of the satisfactory and sometimes outstanding results achieved by this approach to the New York market.

The Department's 1957 program of trade fairs and industry shows is now virtually complete and the details are given in a box feature on page 19.

Whatever method of participation the exporter chooses, he stands to benefit from exhibiting the right products at the right time at the right fair. Experience testifies that it is one of the most rewarding ways of prospecting for new markets or of increasing sales in established ones.

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### **Industrial Development Bulletin**

*New opportunities for manufacturing in Canada are outlined in Bulletin No. 82 issued by the Industrial Development Branch. They include the following products and processes: faster food freezing, concrete hardening and waterproofing additive, road sander, anti-corrosion resin for plant equipment, portable wardrobe stand, photoflash filter bag, blocking machine for knit goods, herring net, sea-water battery, quick release mechanism, recording totalizer, two-dimensional array, and a flexible joint.*

*Copies of the bulletin will be sent on request to the Industrial Development Branch, Department of Trade and Commerce, Ottawa.*

### **Index to Foreign Trade**

*The index to Volume 106 (July-December 1956) of Foreign Trade is now ready. If you would like a copy, write to the Editor, Foreign Trade, Department of Trade and Commerce, Ottawa.*

### **Tour of Territory**

*C. J. VAN TICHEM, Commercial Counsellor in Mexico City, Mexico, will visit Veracruz from March 17-23. Businessmen who would like Mr. Van Tighem to undertake assignments for them in Veracruz should get in touch with him at Mexico City as soon as possible.*



## Commodity Notes

### Argentina

**SYNTHETIC POLYAMIDIC YARNS**—The Central Bank has authorized Messrs. Gilberto Forti to invest US\$226,038 in an Argentine firm to make synthetic polyamidic yarns—Buenos Aires, Jan. 29.

### Cuba

**TOBACCO**—Tobacco production in 1956 totalled 6,279,000 lb., 765 thousand lb. less than in 1955. Exports in the first six months of 1956 were higher, and included (1955 figures in brackets): 28,056,000 cigars worth \$4.5 million (24,420,000, \$4.1 million); 11,580,000 cigarettes, \$48,000 (8 million, \$35,000); 10,000 lb. cut tobacco, \$10,000 (7,800 lb., \$8,500). The main markets for cigars were Spain, the United States, the United Kingdom, France, and British Africa; for cigarettes, Panama and Peru, and for cut tobacco, the Canary Islands—Havana, Feb. 8.

**FOOTWEAR**—Production and imports of footwear dropped slightly in 1955: production of both leather and rubber-soled canvas footwear totalled 12,160,000 pairs, compared with 13,062,000 in the peak year 1954. Imports totalled 696 thousand pairs, compared with 711 thousand in 1954 and 869 thousand in the peak import year of 1952—Havana, Feb. 8.

### Federation of Rhodesia and Nyasaland

**ELECTRIC MOTORS**—The first company in the Federation to make electric motors has been established in Salisbury and is operating on a flow-line production basis, using African labour under European supervision. Present capacity is more than 100 motors a month; the plant is concentrating on five h.p. motors although it is tooled to make motors from one to 20 h.p. The firm also makes and rewinds transformers—Salisbury, Feb. 6.

**TELEPHONES**—The Federal Government has ordered a five-years' supply of telephone instruments (50,000 altogether) from a Swedish manufacturer. The first 2,500 instruments will be shipped from Sweden in March; a further 2,500 will follow each quarter. The number of telephones installed in the

Federation doubles every five years; in 1955 the total was 60,962, by 1960 it is estimated there will be 123 thousand—Salisbury, Feb. 6.

### India

**TELEPHONE CABLE**—The government-owned Hindustan Cable factory at Rupnarayanpur in West Bengal is being expanded to include manufacture of coaxial telephone cables. The factory went into production in September 1954, and is the only unit in India making telephone cables. It produced 525 miles of subscriber telephone cable in 1955-56, and 300 miles from April 1 to October 1, 1956. Production of coaxial cables is expected to begin early in 1958—New Delhi, Feb. 4.

### Japan

**STEEL**—Japan's big three steel producers registered 10 to 20 per cent gains in sales and profits for the first half of the fiscal year 1956-57. A sharp decrease in debts, plus lower production costs achieved through rationalization and price increase, were mainly responsible for the satisfactory result—Tokyo, Feb. 5.

### Norway

**IRON ORE**—During the first nine months of 1956 some 930 thousand tons of iron ore concentrate were shipped from the Sydvaranger Mines in northern Norway, compared with 867 thousand tons during the whole of 1955. Shipments were expected to total about 100 thousand tons in each of the remaining months of the year. Thus, the total for the whole year should be well over one million tons—Oslo, Feb. 12.

### South Africa

**STEEL**—The Chairman of the Union's only steel producer, which is wholly owned by the South African Government, reported that steel production and consumption rose slightly for the year ended June 30, 1956, compared with the previous year. Ingot production at 1,465,000 tons was 46,000 tons

above the 1955 figure; steel sales totalled 1,139,000 tons, an increase of 63,000 tons. Total consumption in the Union, at 1,578,000 tons, was 43,000 tons over the previous period—Cape Town, Feb. 4.

### Sweden

**WOOD PULP**—According to the *Swedish Wood Pulp Journal*, prices had been agreed on by the end of December for most of the chemical wood pulp scheduled for shipment during the first quarter of 1957. Prices have been settled for a large number of shipments of mechanical pulp—as a rule for the first half-year and, in some cases, for an even longer period. In British contracts the basic price of £33 per long ton dry weight c.i.f. east coast, U.K., has usually applied—Stockholm, Feb. 11.

### Turkey

**IRON AND STEEL**—Output continues to rise at the state-owned Karabuk mills. Pig iron production stood at 199 thousand tons in 1955 (114 thousand tons in 1954), and steel production increased to 188 thousand tons (103 thousand tons in 1954). Rolling mill output reached 150 thousand tons compared with 73,000 tons in 1954, and coke 507 thousand tons compared with 293 thousand tons—Athens, Feb. 1.

### United Kingdom

**MACHINE TOOLS**—United Kingdom exports of machine tools in 1956 reached a new peak of £23.8 million, 14 per cent higher than in 1955. The largest single market continued to be Australia, which bought £3.8 million worth last year. The largest increase in shipments was to North America, which took £3.7 million worth, compared with £2.2 million in 1955.

At the end of October 1956, the industry reported that it had total orders of £101.6 million on hand, including £22.7 million for export. New orders both for home and abroad were coming in more slowly than in the final months of 1955. This reduction in outstanding orders, plus the increase in production capacity, should put the industry in a good competitive position this year—London, Feb. 8.

**T.V. SETS**—Retail sales of television sets in the United Kingdom reached 1,484,000 in 1956, 11 per cent more than in 1955. However, production (at 1,438,000 sets) was 19 per cent below 1955 output. Production of radios dropped 19 per cent and of radiogramophones 45 per cent—London, Feb. 14.

**MAN-MADE FIBRES**—In 1956, production of man-made fibres reached 482.6 million lb., up 2 per cent over 1955 and a new record. The increase was the

result of increased demand for staple fibres, of which 255.6 million lb. were produced. Deliveries of staple fibre to domestic industry rose by 24 per cent over the previous year but exports dropped by 48 per cent. Home market purchases of continuous filament yarns were down by 2 per cent but direct exports increased by 17 per cent—London, Feb. 13.

### United States

**FURS**—According to reports on the 1955-56 trapping season by 569 Ohio fur buyers, muskrats continued to be the most important product. During the season, 584,327 pelts, worth more than \$900 thousand to the trappers, were taken. Raccoon pelts were second in value, followed by mink which, although few in number, had the highest individual value—an average price of \$14.12. These three species made up about 99 per cent of the total value of all furs. Relatively few skunks, possums, and red and gray foxes were reported because of low prices—Detroit, Feb. 14.

### Uruguay

**WOOL**—Exports of raw wool from October 12 to December 31, 1956, totalled 50,307 bales (approximately 23,000 tons), and a further 30,000 tons were to be shipped in January. Sixty-six per cent of the total crop of approximately 80,000 tons has been sold. Principal buyers were the Netherlands, the United Kingdom and the United States. Canada bought only 13 bales (bales contain approximately 470 kilograms each).

Prices were good at \$35 to \$36 per 10 kilos throughout the season, and it is hoped that the unsold balance will be disposed of without difficulty early this year—Montevideo, Feb. 10.

### Venezuela

**IRON ORE**—The Venezuelan Ministry of Mines has announced that production of iron ore during 1956 rose to 11,104,783 tons, compared with 8,439,450 tons in 1955. The increase, according to the Ministry, is the result of intensified operations by the two iron-mining companies, Orinoco Mining Company (U.S. Steel) and Iron Mines Company of Venezuela (Bethlehem Steel)—Caracas, Feb. 8.

**MANGANESE**—A private company has invested four million bolivars to mine and exploit manganese in the Uputa area. The mines are expected to be producing approximately 3,000 tons a day by April. Germany has placed an initial order for 4,500 tons with the Uputa Mining Company, and will be the first country to import manganese from Venezuela—Caracas, Feb. 9.

# West Germany Buys More Pyrites

*From a price standpoint alone, Canadian exporters of pyrites should be able to capture a good share of the expanding West German market. However, there are some difficulties to overcome on both sides before we can hope to sell large quantities.*

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

FUTURE DEMAND FOR PYRITES in West Germany can best be evaluated by considering the growing demand for sulphuric acid from various branches of German industry. There appears to be a steady increase in demand for this basic acid. On a basis of SO<sub>3</sub> content, 1.86 million metric tons of the acid were produced in 1955, and an estimated 1.9 million tons in 1956.

The demand for copper also has increased, stabilizing the market for pyrites that contains this metal. The unroasted ore is the basic raw material for the sulphuric acid plants and the residue, after processing to remove copper and other minerals, yields a high-grade iron ore containing over 60 per cent iron.

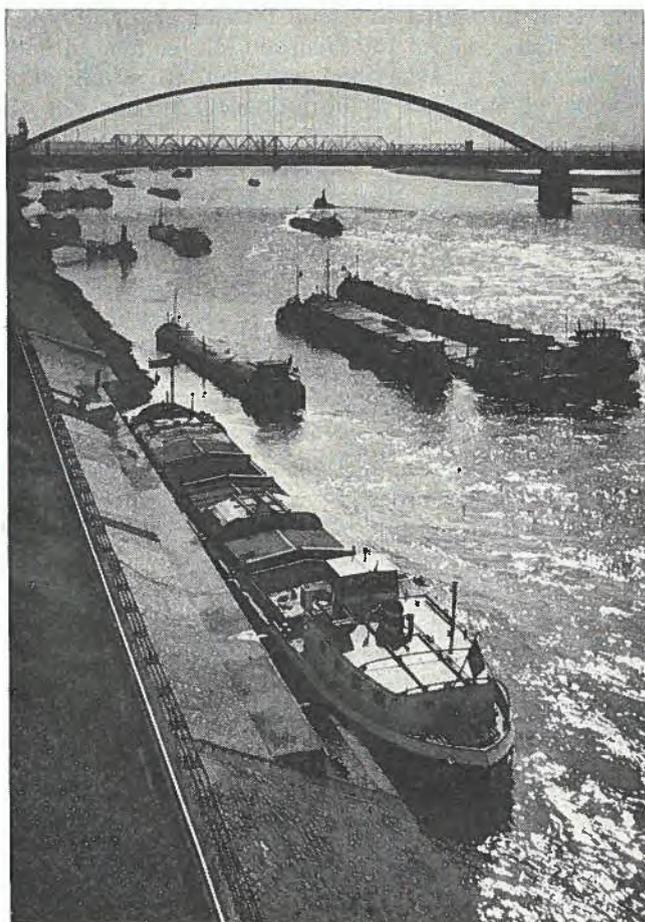
In 1955 West Germany obtained 600 thousand tons of pyrites ore from her own mines in the Sauerland and Bavaria but to meet her needs she imported 1.145 million tons, mainly from other countries of Europe. However, 45,000 tons came from Canada. In the same year she bought 854 thousand tons of roasted pyrites containing copper, principally from the Netherlands, Belgium, France, Finland and Denmark. These purchases enabled the metallurgical industry to keep up with additional demand for base metals and high-grade iron ore.

## How Pyrites Is Processed

Natural sulphur from Sicily was used in the past century to produce sulphuric acid but the high cost of this product forced manufacturers to seek a less

expensive raw material. They found it in rich European deposits of pyrites. As far back as 1876, ten leading chemical firms under I. G. Farben control established a central organization, Duisburger Kupferhütte, to purchase and distribute pyrites to feed the acid plants and then process the residue to recover the copper.

Under this highly integrated system, imported pyrites arrived at Rotterdam and was transported by barge up the Rhine to the acid plants where it was processed. The reddish-brown pyrite residue or roasted ore is returned by barge to the Duisburg plant for treatment and recovery of copper. The final residue product, the so-called "purple ore", became a source of high-grade iron ore for the burgeoning Krupp steel empire across the river. The modern industrial complex of the Ruhr valley is still as dependent as ever on the cheap water transportation that the Rhine barges supply and the huge metallurgical plant in the heart of the Ruhr at Duisburg is no exception. This one industrial giant accounts for 60 per cent of the cuprous pyrites processing in West Germany. There



*These barges on the Rhine are loading sodium sulphate, obtained from the processing of pyrite residues at one of the largest pyrite plants in the world, Duisburger Kupferhütte.*

## German Imports of Unroasted Pyrites

	1954		1955		Nine months 1956		Landed value per metric ton
	m. tons	'000 DM	m. tons	'000 DM	m. tons	'000 DM	
TOTAL IMPORTS .....	1,055,080	83,368	1,144,330	102,114	965,492	90,794	US\$22.39
Finland .....	33,383	1,789	32,156	2,033	20,418	2,584	30.13
Greece .....	38,838	3,056	2,056	166	1,538	137	21.20
Yugoslavia .....	80,671	4,197	42,287	2,337	16,395	1,098	15.95
Norway .....	127,795	10,079	171,349	14,050	99,824	8,448	20.15
Portugal .....	50,505	3,948	42,895	3,853	61,120	5,871	22.87
Spain .....	403,963	31,662	474,368	41,108	414,688	34,661	19.90
Cyprus .....	240,901	21,990	246,452	25,265	242,208	28,111	27.63
CANADA .....	37,149	2,683	44,909	3,651	29,527	2,601	20.97
Cuba .....	36,993	3,548	77,353	8,765	69,341	6,455	22.16
Belgium .....	726	41	.....	.....	.....	.....	.....
Italy .....	4,008	372	6,536	519	10,137	821	19.28
Turkey .....	.....	.....	3,863	365	.....	.....	.....

(Source: Foreign Trade Statistics of the Federal Republic of Germany, Part 2.)

are other plants to treat copper pyrite residues at Luebeck and Hamburg in Germany, plus two plants in Sweden, one in Italy and one in Czechoslovakia.

In the Duisburger mill, the residue from the acid plants undergoes chloridized roasting in which sodium chloride is the chief agent. This process allows extraction of all compounds which are soluble in water or dilute acids. The spectrum analysis reveals the presence of about 50 elements in the pyrite residue but most are there in trace amounts. Many products are recovered on a commercial scale, including copper, copper oxychloride, sodium sulphate, zinc oxide (pure and technical), cobalt, silver, gold, cadmium, thallium, indium, lead, lead cyanamide, slag sand, and foundry acidproof casts. The purple ore which is the last residue product to receive treatment is converted to blast-furnace-grade iron ore; it is mixed with coke and sintered into an agglomerate. These processes have been perfected over 80 years of continuous research.

### German Market for Pyrites

In assessing the German market for pyrites, the exporter must remember that during the past eight decades the acid plants have obtained crude pyrites with a particle size of  $\frac{1}{2}$ " to  $\frac{3}{4}$ " (or 12 mm.) from their European sources of supply. The older-type pyrite burners in the acid plants are designed to take this coarse material.

Canadian pyrites consists entirely of flotation concentrates with a particle size of roughly 200 mesh; this creates a formidable dust problem at the German processing plants. Another factor affecting our trade is the rather short shipping season on the St. Lawrence. However, buyers have considered stockpiling Canadian pyrites; in such cases they could mix it regularly with the coarser material and cut down on dust. The resistance of furnace operators to dusty, fine material has to be coped with; it is possibly one

of the biggest problems to overcome before we can increase sales of Canadian pyrites to West Germany.

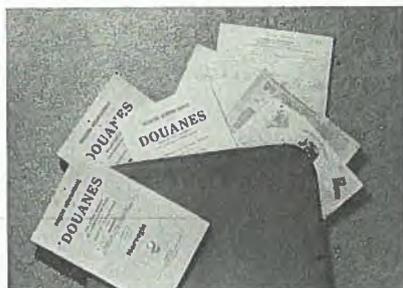
One leading German consumer claims that forming the fine material into pellets or granules would facilitate handling and if these pellets had some burning results, would stimulate a great increase in purchases of the Canadian product.

At present, Spain, Cyprus and Norway ship about 75 per cent of the pyrite ore which West Germany buys; Spain is by far the largest supplier. The table above lists German imports of unroasted pyrites, shows the main sources of supply, and also gives the landed value (in U.S. dollars) per metric ton of pyrites. This price, of course, fluctuates a great deal depending on freight rates, metal and sulphur content, and size of material.

### Canadian Prospects

A visitor to the largest sulphuric acid producers in the Ruhr would see that several kinds of pyrite ore burners are in use, ranging from the hand-operated type through the multiple-hearth and rotary types to the latest fluidizing process. Pyrites from Spain is stockpiled in lumps of four to five inches in diameter and is sized later to meet plant needs. The dust problem continues to cause discrimination against Canadian pyrites. Additional testing may develop an acceptable system of pelletizing and the newer fluidizing burners may offer a satisfactory solution.

The German buyer is primarily interested in an attractive landed price. Shipping from Canada on a year-round basis would help but ocean freight rates figure high in the final delivered price. Ore concentrates should have a moisture content of less than 3 per cent. Canadian pyrites has a low copper content which keeps the cost of ore down and is an added incentive to the acid manufacturers. Canadian producers of pyrites would be well advised to study carefully the growing market in West Germany. ●



## Trade and Tariff Regulations

### Chile

**EXEMPTION FROM CUSTOMS DUTIES**—Under a policy designed to encourage the industrialization of the areas surrounding the northern ports of Iquique and Pisagua, the Chilean authorities have exempted imports of machinery and implements and parts, designed for the exclusive use of these regions, from the payment of custom duties. Furthermore, prohibitions which exist for other parts of the country against the import of machinery, trucks, station wagons, fuels, and accessories and spares will not apply in the case of Iquique and Pisagua. These concessions are to remain in force for a period not exceeding 15 years—Santiago, Feb. 7.

### Colombia

**NEW EXCHANGE CONTROLS**—By Decree No. 3142 of December 20, 1956, Colombia has introduced an import control system based on four groups of permitted imports plus an extended prohibited import list and a small list of suspended imports instead of the former seven categories. Imports classified Group 1 Special and Group 1 are payable with exchange at the official rate of 2.51 pesos to the dollar, while imports in Groups 2 and 3 are payable at the free rate under an "exchange certificate" system. Stamp taxes on imports have also been increased as follows: Group 1 Special, 10 per cent; Group 1, 40 per cent; Group 2, 60 per cent and Group 3, 90 per cent of the registered f.o.b. import value. Machinery classified under Group 2 will be entirely exempt from stamp tax. The Exchange Registration Office is now open for the issuance of licences for imports under the new classifications.

*Details of the commodities classified in the new import groups, as well as those whose import is prohibited or suspended, are available from the International Trade Relations Branch.*

### Ireland

**IMPORT CONTROLS**—By three Orders of the Government of the Republic of Ireland, issued under the Control of Imports Acts, 1934 and 1937, further quotas and quota periods have been announced as follows:

*Certain pneumatic tires for motor vehicles:* 60,000 articles as against 75,000 articles for previous similar quota period.

*Certain pneumatic tires for bicycles or tricycles:* 105 thousand articles as against 140 thousand for previous similar period.

*Certain rubber boots and shoes:* 55,000 pairs. Quota unchanged from previous similar period.

In all of the above cases, the new quota period extends from February 1, 1957, to January 31, 1958—Dublin, Feb. 12.

### Singapore and Federation of Malaya

**IMPORT TRADE CONTROL POLICY CONSOLIDATED**—The third edition or consolidation of the Import and Export Trade Control Policy of the Colony of Singapore and the Federation of Malaya is given in Amendment No. 4, dated January 1, 1957, to the *Singapore Import and Export Guide*. The *Guide* contains a combined list of the goods which may be imported into Singapore and the Federation of Malaya from all countries and the goods which may be exported from these territories to all countries, arranged alphabetically. Under the import trade control policy, imports from the dollar area, which includes Canada and the United States, are not licensed if the goods do not appear in this list. On the other hand, the preamble to the *Guide* advises that, "this document is intended solely as a guide to import and export licensing and is not meant to serve as a rigid basis for every decision made".

For the purpose of licensing, imports permitted from the dollar area are divided into three categories according to their importance to the economy of these territories: goods which are freely licensed, goods subject to individual import licence, and goods which are licensed subject to special conditions. Permissible imports are classified under the three schedules as follows:

Goods for which licences are issued freely:

Apples (fresh), citrus fruits and dried fruits; asphalt and bitumen; books, magazines, periodicals and other

publications (technical, educational, scientific, cultural or religious publications); brooms and brushes (household and industrial); carbon black; cigarette paper in bulk; fruit juice concentrates (for industrial use only); cotton sail twine; crown corks; all types of canned fish and fish products; fuel oil; lubricating grease; lubricating oils; petroleum; all kinds of hand tools; locks and padlocks; hog casings; incandescent lamp mantles; linoleum; milk, sweetened, condensed; nylon monofilament products; mantle type oil lamps; pressure lamps; plastic materials in primary form; rolled oats; wheat flour; rubber colours (dispersed); rubber samples; saws (excluding mechanically operated saws); sun glasses; transmission, conveyor and elevator belting.

Goods for which licences are issued on the merits of each case are:

Air conditioning units and equipment; steam boilers and accessories; earthmoving and excavating equipment; internal combustion engines; industrial pumps; mining machinery; machines and machinery not elsewhere specified in the *Guide* and spares and accessories therefor; generators and generator sets; electric motors; electric calculating machines; roller bearings; aluminum sheets; constructional steel and iron; tinplate, primary and secondary products; engineers' tools; photographic films (in rolls, packs or plates); scientific instruments; optical lenses (coloured); dyes and dyestuffs; sulphate p-Methylaminophenol; rubber accelerators; rubber stabilizers; superloid (ammonia alginate); arms and ammunition (except shot gun ammunition); asbestos fibre; rosin; manila hemp; timber (Oregon pine, Douglas fir, *lignum vitae* and lauan logs); whisky.

Goods for which licences are issued subject to special conditions include:

Other books, magazines, periodicals and other publications; cotton duck; drugs, medicines and medicinal preparations, raw, manufactured or prepared; exposed cinematograph films on outright purchase; unexposed cinematograph films; powdered milk (other than milk-based infant foods and skimmed milk); motor cars and trucks, passenger or commercial, new or second-hand; outboard motors; newsprint in rolls or in sheets; orchid plants for breeding purposes; manila rope; spares for motor vehicles; tractors.

*The complete consolidation of the Import Trade Control Policy of the Colony of Singapore and the Federation of Malaya as given in the Import and Export Guide dated January 1, 1957, is available on request from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.*

## United States

**LABELLING OF IMPORTED MEAT PRODUCTS—**A notice appeared in a recent issue of the *United States Federal Register* announcing a change of policy with respect to the labelling of meat and meat products imported into the United States. According to this notice, changes in the labelling requirements for certain products have rendered obsolete most labels approved by the U.S. Department of Agriculture prior to July 1, 1950. Accordingly, the U.S.

Department of Agriculture has announced the cancellation, effective April 1, 1957, of all approvals of labelling material for imported meats, meat by-products and meat food products issued prior to July 1, 1950.

Any person who proposes to use labelling material for meats, meat by-products, or meat food products to be imported into the United States on or after April 1, 1957, which was approved prior to July 1, 1950, and has not since been reapproved, must submit such labelling material to the Chief of the Meat Inspection Branch of the U.S. Department of Agriculture for approval under the regulations currently in effect.

**QUOTA ON GROUND FISH FILLETS—**The United States Bureau of Customs has announced that for 1957 the import quantity of fresh or frozen fillets of cod, haddock, hake, pollock, cusk, and rose-fish to be granted the reduced rate of 1 $\frac{7}{8}$  cents a pound under Tariff Paragraph 717(b) has been set at 37,375,636 pounds. This is 2,179,061 pounds higher than the 1956 low-rate quota.

Tariff Paragraph 717(b) provides that the aggregate quantity entitled to the 1 $\frac{7}{8}$  cents a pound reduced rate shall be not more than 15 per cent of the average annual consumption of such fish during the three preceding calendar years. All imports above the quota are subject to the higher rate of 2 $\frac{1}{2}$  cents a pound.

Of the total quantity of fish (37,375,636 pounds) entitled to entry at the rate of 1 $\frac{7}{8}$  cents a pound during the calendar year 1956, not more than one-fourth shall be so entitled during the first three months, not more than one-half during the first six months, and not more than three-fourths during the first nine months of the year.

**TARIFF COMMISSION TO INVESTIGATE WHISKY IMPORTS—**The following notice has appeared in *Federal Register* of February 12, 1957: "Pursuant to a resolution approved by the Committee on Finance of the United States Senate on February 6, 1957, the United States Tariff Commission, on the 7th day of February 1957, instituted an investigation under the provisions of section 332 of the Tariff Act of 1930, as amended, of the whisky industry of the United States.

"The resolution directs the Commission to report the results of its investigation to the Senate Finance Committee and to set forth in the report the facts affecting the relative competitive position of foreign-owned and domestically-owned whisky distilleries, including the impact of trade practices, methods of distribution, and imports on American-owned distilleries.

"A public hearing at which all interested parties will be given opportunity to be present, to produce evidence, and to be heard will be held in connection with this investigation. The time and place of such hearing will be announced at a future date."

*Section 332 of the Tariff Act requires the Tariff Commission to conduct investigations of a general nature whenever requested by Congress, etc., and is to be distinguished from an "escape clause" investigation under Section 7 of the Trade Agreements Act.*

## Venezuela

EGGS FOR HATCHING AND BABY CHICKS—The Venezuelan Ministry of Development has announced

that import licences for the first quarter of 1957 will be issued for 500 thousand baby chicks and 2.1 million eggs for hatching. Baby chicks enjoy duty-free entry from all countries, while eggs for hatching are subject to a duty of two bolivares per kilogram gross (approximately 26 cents per pound). Local poultry farmers who have been importing baby chicks are now developing their own incubator facilities. The intention is to eliminate imports of baby chicks completely in the near future. Canadian exporters interested in this business and in a position to make air shipments to Venezuela are advised to contact the Commercial Secretary, Canadian Embassy, Caracas.

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# Coming to Canada on Business

THE INFORMATION about foreign business visitors given here is, to the best of our knowledge, accurate at the time of going to press. We cannot, however, accept responsibility for any changes in itineraries nor for cancellation of plans. This information is published as a service and in no way represents sponsorship or selection by the Department of Trade and Commerce. We cannot undertake to enter into correspondence about these visitors.

## ► from Australia

BRIAN PITT, managing director of Pitt, Waddell Pty. Ltd., Blanch Street, Preston, Victoria, manufacturers of electrically welded steel chain, will arrive in Canada from New York about the third week in July. He will visit chain manufacturers in Montreal, St. Catharines, Niagara Falls and Vancouver to discuss chain manufacturing problems and processes. Anyone who wishes to see Mr. Pitt should either get in touch with the Canadian Manufacturers Association, the Chamber of Commerce or Board of Trade in the above cities, or write him direct.

H. A. C. SMITH, managing director, H. A. C. Smith Pty. Ltd., general merchants, of 328 Flinders St., Melbourne, will arrive in Vancouver on March 28. Purpose of his visit is to negotiate sales of Australian products, particularly mild steel. Importers of steel products who would like to meet Mr. Smith should write to the Board of Trade either in Vancouver or Montreal.

## ► from India

K. P. MEHTA, partner of Messrs. P. N. Mehta & Co., Cooks Building, 324 Hornby Rd., Bombay 1, will arrive in Toronto in May for a six months' stay. His purpose is to explore possibilities for developing both import and export trade. His company wants to sell in Canada tapestry, fabrics for furnishing, cloth for wheat bags, meat cloth, sheeting, handloom fabrics and garments, etc.; other products include raw silk waste, art silk, wool and cotton, animal hair, etc. He wishes to buy from Canada wood and wood pulp, paper, etc.

Mr. Mahta welcomes preliminary inquiries or correspondence at the above address. His business address in Canada will be the Canadian Importers and Traders Association Inc., 9 Duke St., Toronto, where buyers may examine samples of his goods.

## ► from Italy

DR. GINO EIGENMANN, of the firm Eigenmann and Veronelli, Via delle Asole 2, Milan, large-scale importers of chemicals, will arrive in Canada during the first part of March for an indefinite stay. His firm wishes to represent Canadian companies which make chemicals not sold in Italy; it also buys on its own account. His main interest is in chemical products and chemical specialties for industrial use. Canadian firms may get in touch with Mr. Eigenmann through Charles Fumagalli, 135 West 58th St., New York, who is arranging Mr. Eigenmann's itinerary.

# foreign trade service abroad

\*No Foreign Trade Officer at this post.

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

Territory	Officer	City Address	Mail and Cables, Office Telephone
<b>Argentina</b>	C. S. Bissett, Commercial Counsellor	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Argentina Uruguay	W. F. Hillhouse, Agricultural Secretary		
<b>Australia</b> (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	J. C. Britton, Commercial Counsellor for Canada  H. S. Hay, Assistant Commercial Secretary	7th Floor, Berger House, 82 Elizabeth Street, SYDNEY	<i>Mail:</i> <i>P.O. Box</i> 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Tel.:</i> BW 5696
Australia (Victoria, South Australia, Western Australia, Tasmania)	T. G. Major, Commercial Secretary for Canada	83 William Street MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
<b>Belgian Congo</b> Angola, French Equatorial Africa	K. Nyenhuis, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	<i>Mail:</i> <i>Bôte Postale</i> 373 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
<b>Belgium</b> Luxembourg	T. J. Monty, Commercial Counsellor  K. G. Ramsay, Assistant Commercial Secretary  J. R. Roy, Assistant Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 11-33-88
<b>Brazil</b>	V. L. Chapin, Commercial Secretary  H. M. Maddick, Commercial Secretary	Canadian Embassy, Edificio Metropole, Av. Presidente Wilson 165 RIO DE JANEIRO	<i>Mail:</i> <i>Caixa Postal</i> 2164 <i>Cable:</i> CANADIAN <i>Tel:</i> 42-4140
Brazil	C. E. Butterworth, Consul and Trade Commissioner  G. F. Osbaldeston, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	<i>Mail:</i> <i>Caixa Postal</i> 6034 <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-6301
*Ceylon	Office of the High Commissioner for Canada	6 Gregory's Road Cinnamon Gardens, COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> DOMCANADA <i>Tel:</i> 91341
<b>Chile</b>	L. D. Burke, Acting Commercial Secretary	Canadian Embassy, 6th Floor, Av. General Bulnes, 129, SANTIAGO	<i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Tel.:</i> 64189
<b>Colombia</b> Ecuador	W. B. McCullough, Commercial Counsellor  A. P. Savard, Commercial Secretary	Canadian Embassy, Avenida Jimenez No. 7-25 Office 613, BOGOTA	<i>Airmail:</i> <i>Apartado Aereo</i> 3562 <i>Surface Mail:</i> Apartado 1618 <i>Cable:</i> CANADIAN <i>Tel.:</i> 30-065
<b>Cuba</b>	G. A. Browne, Commercial Secretary	Canadian Embassy, Edificio Ambar Motors, Avenida Menocal 16, HAVANA	<i>Mail:</i> Apartado 1945 <i>Cable:</i> CANADIAN <i>Tel.:</i> UO-9457
<b>Denmark</b> Greenland, Poland	C. F. Wilson, Commercial Counsellor	Canadian Embassy 4 Trondhjems Plads, COPENHAGEN	<i>Mail:</i> (City address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Tria 1602

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
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<b>Dominican Republic</b> Puerto Rico	M. B. Bursay, Commercial Counsellor	Canadian Embassy, Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	<i>Mail:</i> Apartado 451 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5318
<b>Egypt</b> Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia, Yemen	D. S. Armstrong, Commercial Secretary	Canadian Embassy, 6 Sharia Rouston Pasha, Garden City, CAIRO	<i>Mail:</i> Kasr el Doubara Post Office <i>Cable:</i> CANADIAN <i>Tel.:</i> 23110
<b>France</b> Algeria, French West Africa, Morocco, Tangier, Tunisia	R. Campbell Smith, Commercial Secretary for Canada  A. L. Neal, Attaché  J. H. Bailey, Assistant Commercial Secretary	3 rue Scribe, PARIS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> OPEra 42-30
<b>Germany</b> Federal Republic	B. A. Macdonald, Commercial Counsellor  S. G. Barkley Commercial Secretary  M. B. Blackwood, Assistant Commercial Secretary	Canadian Embassy, 22 Zitelmannstrasse, BONN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Bonn 21971
<b>Germany</b>	E. H. Maguire, Consul	Canadian Consulate, 69 Ferdinandstrasse, HAMBURG	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 326149
<b>Greece</b> Israel, Turkey	A. B. Brodie Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 74044
<b>Guatemala</b> Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	H. W. Richardson, Canadian Government Trade Commissioner  J. R. Midwinter, Assistant Trade Commissioner	5a Avenida Sud, 10-68 GUATEMALA CITY	<i>Airmail:</i> P.O. Box 400 <i>Surface Mail:</i> P.O. Box 444 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5590
<b>*Haiti</b>	Chargé d'Affaires, a.i. and Consul	Route du Canape Vert, St. Louis de Turgeau, PORT AU PRINCE	<i>Mail:</i> P.O. Box 826
<b>Hong Kong</b> Formosa, Cambodia Laos, Vietnam, Macao	C. M. Forsyth-Smith, Canadian Government Trade Commissioner  W. M. Miner, Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg., HONG KONG	<i>Mail:</i> P.O. Box 126 <i>Cable:</i> CANADIAN <i>Tel.:</i> 28336
<b>India</b>	Wm. Jones, Commercial Secretary  J. H. Nelson, Assistant Commercial Secretary	Office of the High Commissioner for Canada, 4 Aurangzeb Road, NEW DELHI	<i>Mail:</i> P.O. Box 11 <i>Cable:</i> CANADIAN <i>Tel.:</i> 40191
<b>India</b> Goa	T. F. Harris, Canadian Government Trade Commissioner  G. F. Mintenko, Assistant Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Tel.:</i> 32968
<b>Indonesia</b>	W. D. Wallace, Commercial Secretary	Canadian Embassy. Djl. Budi Kemuliaan No. 6. DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Gambir 499
<b>Ireland</b>	Commercial Counsellor for Canada	66 Upper O'Connell St., DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 44251
<b>Italy</b> Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor  W. R. Van, Commercial Secretary	Canadian Embassy, Via G. B. De Rossi 27 ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 846-824

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
Italy	K. F. Osmond, Commercial Secretary (Fisheries)		
Jamaica Bahamas, British Honduras	H. E. Campbell, Canadian Government Trade Commissioner	Barclays Bank Building, King Street, KINGSTON	Mail: P.O. Box 225 Cable: CANADIAN Tel.: 2858
Japan Korea	J. L. Mutter, Commercial Counsellor  W. G. Pybus, Commercial Secretary	Canadian Embassy, Tokyo	Mail: Canadian Embassy Cable: CANADIAN Tel.: 48-4116
Lebanon Iraq, Jordan, Persian Gulf Area, Syria	G. F. G. Hughes, Commercial Secretary	Canadian Legation, Alpha Building, Rue Clemenceau, BEIRUT	Mail: Boîte Postale 2300 Cable: CANADIAN Tel.: 30794
Mexico	C. J. Van Tighem Commercial Counsellor  C. O. R. Rousseau, Commercial Secretary	Canadian Embassy, Edificio Internacional, Paseo de la Reforma, MEXICO, D. F.	Mail: Apartado 126-Bis Cable: CANADIAN Tel.: 36-27-90
Netherlands	B. C. Butler, Commercial Counsellor  W. R. Hickman, Assistant Commercial Secretary	Canadian Embassy, Sophialaan 5-7, THE HAGUE	Mail: (City Address) Cable: CANADIAN Tel.: 18-51-06
New Zealand Fiji, Western Samoa	L. S. Glass, Commercial Counsellor  J. MacNaught, Assistant Commercial Secretary	Office of the High Commissioner for Canada, Government Life Insurance Bldg., WELLINGTON	Mail: P.O. Box 1660 Cable: CANADIAN Tel.: 70-644
Norway Iceland	J. C. Depocas, Commercial Counsellor	Canadian Embassy, Fridtjof Nansens Plass 5, OSLO	Mail: P.O. Box 1379—Vika Cable: CANADIAN Tel.: 33-30-80
Pakistan Afghanistan, Iran	R. K. Thomson, Commercial Secretary  J. D. Blackwood, Assistant Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	Mail: P.O. Box 3703 Cable: CANADIAN Tel.: 5826
Peru Bolivia	D. H. Cheney, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	Mail: Casilla 1212 Cable: CANADIAN Tel.: 72760
Philippines	H. L. E. Priestman, Consul General and Trade Commissioner  W. J. Jenkins, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, Ayala Building Juan Luna Street MANILA	Mail: P.O. Box 1825 Cable: CANADIAN Tel.: 3-33-35  Mail: (City Address) Cable: CANADIAN Tel.: 53117
Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	Richard Grew, Commercial Counsellor	Canadian Embassy, Rua Marques de Fronteira No. 8—4° D° LISBON	Mail: (City Address) Cable: CANADIAN Tel.: 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	W. J. Millyard, Canadian Government Trade Commissioner	Offices 110-113, Central Africa House, Corner First St./Gordon Ave., SALISBURY	Mail: P.O. Box 2133 Cable: CANTRACOM Tel.: 26571
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	M. P. Carson, Canadian Government Trade Commissioner  W. G. Huxtable, Assistant Trade Commissioner	Room E-3, Union Building, SINGAPORE	Mail: P.O. Box 845 Cable: CANADIAN Tel.: 30631-2

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
<b>South Africa</b> (Natal, Transvaal, Orange Free State), Madagascar, Mauritius, Mozambique, Reunion	K. F. Noble, Canadian Government Trade Commissioner  I. V. Macdonald, Assistant Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 33-2628
South Africa (Cape Province), St. Helena, Southwest Africa	A. W. Evans, Canadian Government Trade Commissioner	602 Norwich House, The Foreshore, CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 2-5134/5
<b>Spain</b> Balearic Islands, Canary Islands, Gibraltar, Rio Muni, Rio de Oro, Tangier	M. T. Stewart, Commercial Counsellor	Canadian Embassy, Edificio España, Avenida de Jose Antonio 88, MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Tel.:</i> 47-54-00
<b>Sweden</b> Finland	A. P. Bissonnet, Commercial Secretary	Canadian Embassy, Strandvagen, 7-C, STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Tel.:</i> 67-92-15
<b>Switzerland</b> Austria Czechoslovakia, Hungary	B. I. Rankin, Commercial Secretary  N. W. Boyd, Assistant Commercial Secretary	Canadian Embassy, Kirchenfeldstrasse 88, BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 4-63-81
<b>Trinidad</b> Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French West Indies, Guadeloupe, Martinique	D. B. Laughton, Canadian Government Trade Commissioner  P. T. Eastham, Assistant Trade Commissioner	Colonial Building, 72 South Quay, PORT-OF-SPAIN	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Tel.:</i> 34787
<b>United Kingdom</b> (South of England, East Anglia, Scotland), British West Africa (Gambia, Gold Coast, Nigeria, Sierra Leone)	H. L. Brown, Commercial Counsellor  G. H. Rochester, Commercial Counsellor (Timber)  D. A. B. Marshall, Commercial Counsellor (Agricultural)  T. M. Burns, Commercial Secretary	Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701  <i>Cable:</i> TIMCOM
United Kingdom (Midlands, North England, Wales)	Canadian Government Trade Commissioner	Martins Bank Building, Water Street, LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Central 0625
United Kingdom (Northern Ireland)	T. G. Major, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
<b>United States</b> Delaware, Maryland, Virginia, West Virginia	R. G. C. Smith, Minister (Commercial)  Dr. W. C. Hopper, Agricultural Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W., WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEcatur 2-1011
Washington	H. A. Gilbert, Commercial Secretary  D. H. Burns, Assistant Agricultural Secretary		

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen, Deputy Consul General (Commercial)  C. R. Gallow, Consul and Trade Commissioner  H. E. Lemieux, Consul and Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY 20	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	F. B. Clark, Consul and Trade Commissioner	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	<i>Mail:</i> (City Address) <i>Tel.:</i> HANcock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	G. A. Newman, Deputy Consul General (Commercial)  R. F. Renwick, Consul and Trade Commissioner	Canadian Consulate General, 1412 Garland Building, 111 North Wabash Avenue, CHICAGO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RANdolph 6-6033
United States (Michigan, Ohio)	M. J. Vechsler, Consul and Trade Commissioner  A. A. Lomas, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 1139 Penobscot Building, DETROIT 26	<i>Mail:</i> (City Address) <i>Tel.:</i> WOODward 5-2811
*United States California (the ten southern counties), Clark County in Nevada, Arizona, New Mexico.	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Tel:</i> VANdike 2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	A. A. Caron, Consul and Trade Commissioner	Canadian Consulate General, 215-217 International Trade Mart NEW ORLEANS 12	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RAYmond 2136
*United States California, (except the ten southern counties), Wyoming, Nevada (except Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Tel.:</i> SUTter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General, The Tower Building, Seventh Avenue at Olive Way SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Tel.:</i> MUTual 3515
Uruguay Paraguay Falkland Islands	C. B. Birkett, Commercial Counsellor	Canadian Embassy, No. 1409 Avenida Agraciada, Piso 7 <sup>o</sup> MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Tel.:</i> 96096
Venezuela Netherlands Antilles	R. E. Gravel, Commercial Secretary  A. G. Kniewasser, Commercial Secretary  W. G. Brett, Assistant Commercial Secretary	Canadian Embassy, Edificio Pan American, Avenida Urdaneta, Puente Urapal, Candelaria, CARACAS	<i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel:</i> 54-3431

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 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 1.04269.

# foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent Feb. 15	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Official	.05328	18.77	(1)
		Free	.02585	38.68	
Austria	Schilling		.03689	27.11	
Australia	Pound		2.1475	.4657	
Belgium, Belgian Empire and Luxembourg	Franc		.01909	52.38	
Bolivia	Boliviano	Free*	.000124	8,070.	Dec. 1956 (17)*
British West Indies	Dollar		.5592	1.788	(2)
	Pound		2.6844	.3725	(3)
Brazil	Dollar	British Honduras	.6711	1.490	
	Cruzeiro	Effective selling*			
		*Category I	.01555	64.29	*Dec. 28
		Category II	.01216	82.26	(4)
		Category III	.00773	129.34	
		Official buying	.05225	19.14	(5)
Burma	Kyat		.2014	4.968	
Ceylon	Rupee		.2013	4.968	
Chile	Peso	Free	.001753	570.5	(15)
Colombia	Peso	Basic	.3836	2.607	(7)
		Free*	.1606	6.227	*Feb. 13
Costa Rica	Colon	Official	.1708	5.855	
		Controlled free	.1443	6.93	
Cuba	Peso		.9591	1.043	tax 2% (4)
Czechoslovakia	Koruna		.1332	7.508	
Denmark	Krone		.1389	7.199	
Dominican Republic	Peso		.9591	1.043	
Ecuador	Sucre	Official	.06394	15.64	
		Free	.05062	19.76	
Egypt	Pound	Official	2.7540	.3631	(6)
		Free*	1.7167	.5825	*Feb. 14
El Salvador	Colon		.3836	2.607	
Fiji	Pound		2.4184	.4141	
Finland	Markka		.004170	239.8	
France, Monaco and North Africa	Franc		.002741	364.8	(8)
French Colonies in Africa	Franc		.005482	182.4	(9)
French Pacific	Franc		.01508	66.31	(10)
Germany	D Mark		.2283	4.380	
Greece	Drachma		.03197	31.28	
Guatemala	Quetzal		.9591	1.043	
Haiti	Gourde		.1918	5.214	
Honduras	Lempira		.4795	2.086	
Hong Kong	Dollar	Free*	.1564	6.394	*Feb. 8
		Official	.1678	5.959	
		Official	.05889	16.98	
		Special selling	.03440	29.07	(11)
Iceland	Krona		.2013	4.968	
India	Rupee		.08446	11.84	(12)
Indonesia	Rupiah	Basic	.01266	78.98	
Iran	Rial	Certificate	2.6854	.3724	
Iraq	Dinar		2.6844	.3725	
Ireland	Pound		.5328	1.877	
Israel	Pound		.001540	649.4	
Italy	Lira		.002664	375.4	
Japan	Yen				

\* Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent Feb. 15	Units per Canadian dollar	Notes (See below)
Lebanon	Pound	Free	.2997	3.337	
Mexico	Peso		.07673	13.03	
Netherlands	Florin		.2505	3.992	
Netherlands Antilles	Florin		.5048	1.981	
New Zealand	Pound		2.6844	.3725	
Nicaragua	Cordoba	Effective buying	.1453	6.882	
		Official selling	.1361	7.35	
Norway	Krone		.1343	7.446	
Pakistan	Rupee		.2013	4.968	
Panama	Balboa		.9591	1.043	
Paraguay	Guarani	Official	.01598	62.58	(6) (13)
Peru	Sol	Certificate	.05048	19.81	
Philippines	Peso		.4795	2.086	
Portugal & Colonies	Escudo		.03347	29.88	(14)
Singapore & Malaya	Straits dollar		.3132	3.193	
Spain & Dependencies	Peseta	Basic buying	.04379	22.84	
		Basic commercial selling	.05841	17.12	(6)
		Free	.02462	40.62	
Sweden	Krona		.1854	5.394	
Switzerland	Franc		.2234	4.476	
Syria	Pound	Free	.2679	3.733	
Thailand	Baht	Free	.04681	21.36	(6)
Turkey	Lira		.3425	2.920	
Union of South Africa	Pound		2.6844	.3725	
United Kingdom	Pound		2.68438	.3725	
United States	Dollar		.95906	1.0427	
Uruguay	Peso	Free	.2491	4.014	
		Basic buying	.6313	1.584	(6)
		Principal selling	.4566	2.190	(16)
Venezuela	Bolivar		.2863	3.493	
Yugoslavia	Dinar		.003197	312.8	(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 10, 40, 60, and 90 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 surcharge of 50, 100, 200 and 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.
17. Bolivia: Since December 15, 1956, a unified fluctuating free rate has been in effect. The official rate has little application.



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