



3	Export Opportunities in Eastern Venezuela
6	Canadian Blueberries for U.S. Tables
8	Portugal as a Market
11	Vancouver Group Visits Peru
12	Commodity Notes
14	Australia: the Trade Picture Changes
16	How to Sell in Asia
19	How Dutch Agriculture Is Faring
21	General Notes
23	Selling Seed Potatoes in Argentina
25	British Fishermen Improve Methods
27	Trade Commissioners on Tour
28	Trade and Tariff Regulations
29	Foreign Trade Service Abroad
34	Foreign Exchange Rates
36	Businessman's Bookshelf

foreign trade

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COVER The photograph of Hacha Falls on the Carrao River in Eastern Venezuela gives some idea of the beautiful scenery in this area, which is gradually becoming more accessible. Rising oil production, iron ore and other mining developments, and agricultural advances are transforming Eastern Venezuela and increasing its importance as a market. For a report on these developments and what they mean from the trading point of view, please turn to page two.

Our Series Ends

With this issue of Foreign Trade we bring to a conclusion a project to which we set our hand seventeen months ago—the publication of a series of articles on the techniques of export trade. Like any brain-child, this project matured and broadened as the weeks went by until, at final count, we had presented 32 articles.

To achieve this, we enlisted experts in many fields and especially Canadian businessmen experienced in the cultivation of export markets. Some turned author themselves; others suggested topics or checked reports submitted; many, through the medium of interviews, provided basic information for staff-written articles. To them all, our thanks.

Has this series filled a need? Letters from our readers and the requests for reprints have answered that question to our satisfaction. Some of the earlier issues in which these articles appeared are, in fact, out of print.

This response has encouraged us to give the series a longer life by reprinting all the articles in a booklet under the title The Techniques of Export Trade. This reprint is already under way and we hope that it will come from the press about the middle of September. We have added three additional features—a section on accepted abbreviations of trade terms in common use, a selected bibliography on foreign trade, and a chart on export documentation with an accompanying explanation. The booklet will sell for one dollar a copy and should be ordered directly from the Queen's Printer, Ottawa.

No series, no matter how long continued, can cover all phases of export trade nor probe into all its problems. Recognizing this, we shall continue to carry articles written for the Canadian exporter and to enlist the co-operation of Canadian firms in preparing them. And we are turning to our readers for suggestions on subjects we may treat in the months ahead. In arranging for these articles, we can rely not only on experts here at home, but also on the more than one hundred Trade Commissioners stationed throughout the world. But we want your ideas—your ideas on how we can continue to help you to expand sales of Canadian goods in many countries.

—The Editor.

FOREIGN TRADE

editorial

Export Opportunities in Eastern Venezuela

A recent 1,800-mile, two-week trip by automobile through the interior of Eastern Venezuela provided the author with material for this report. It also convinced him of the sales opportunities for Canadian exporters in this rapidly developing area.

A. G. KNIEWASSER,
Commercial Secretary, Caracas.

LAST YEAR IMPORTERS IN EASTERN VENEZUELA brought in some \$170 million worth of goods and now they are making plans to increase their purchases abroad. This area, which is served mainly by the ports of Guanta and Ciudad Bolivar, is developing rapidly. Oil production has increased to close to one million barrels a day and iron ore output will reach 15 million metric tons this year. Communications are being improved. A reliable daily air service from Caracas to both Guanta and Ciudad Bolivar has been established and a new super-highway to Guanta, which will cut driving time from twelve to four hours, is scheduled for completion next year. A chain of modern hotels is under construction. Canadian businessmen may find it profitable to investigate business opportunities at first-hand in this rapidly developing area which not long ago was practically inaccessible.

The map on page five shows the main trading areas in this vast region and the major projects which are changing its economic life.

Petroleum Production Increasing

At present about 75 per cent of the imports into Eastern Venezuela move through the metropolitan area of Barcelona, Puerto La Cruz and Guanta. These three cities now have a combined population of over 100 thousand and are in themselves an important market. Guanta handles the bulk of the commercial imports and is connected with Canada by regular

direct sailings. This port also serves as a distribution point for the oil-rich eastern hinterland and the agricultural plains reaching down to the Orinoco River. Puerto La Cruz is the site of two large oil refineries and the terminal for a network of crude-oil pipelines. The capacity of both refinery and pipeline is being increased. New concessions have been granted and an active program of exploration and drilling is under way. Petroleum experts are confident that production in the area will continue to increase over the next few years. Business in Puerto La Cruz is booming as a result.

An interesting development is the growth of private commercial facilities sponsored by the oil companies to take over many services and supply activities previously handled by the companies themselves. Examples are the establishment of modern supermarkets and wholesale food firms which will gradually replace many camp commissaries. Firms specializing in oil-company sales are, to an increasing extent, setting up branch sales and service offices near the oilfields. Their experience is that direct sales and service facilities close to the oil companies' operations are the key to lucrative orders.

One of the conclusions which I reached during my trip was that Canadian exporters anxious to participate in Venezuelan oil-company purchasing should seriously consider offering their lines through local firms specializing in this business. A number of them are interested in taking on equipment and supplies from Canada to supplement the range of goods they now handle. For example, a company selling Canadian barytes has established a processing plant near Puerto La Cruz and will make sales direct to the oil companies from there.

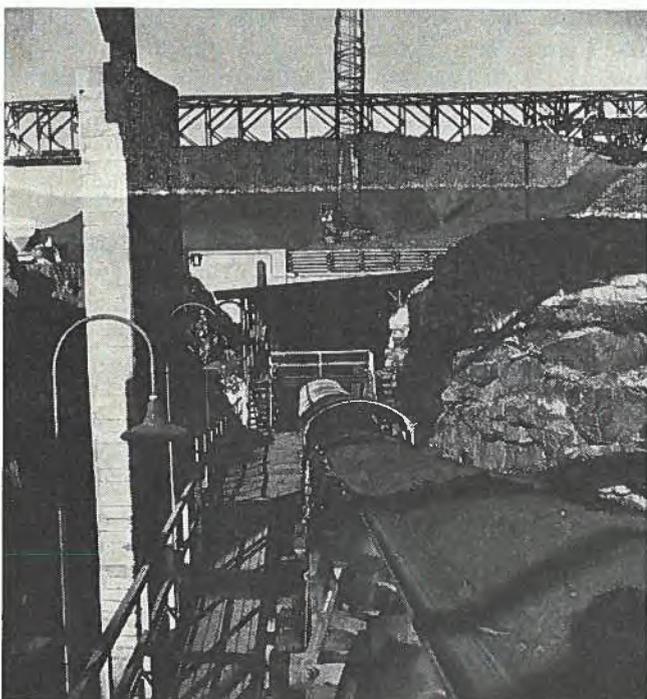
Port for Orinoco

The vast area south of the Orinoco is served by the river-port of Ciudad Bolivar, formerly the famed Angostura and one of Venezuela's oldest cities. It has a population of 40,000 and is located 200 miles from the Atlantic. Unfortunately the deep-water channel ends at Puerto Ordaz, some 70 miles down-river, and

the city is accessible to sea-going ships for only six months of the year. There are, however, regular steamship services from New York and Trinidad which provide for transshipment into shallow-draught barges when necessary. The city is the capital of the State of Bolivar, rich in minerals and hydro-electric power potential and on the threshold of a development which promises to rival that of the Canadian North.

The geological formation in the area south of Ciudad Bolivar is precambrian and similar in many ways to that of the Canadian Shield. High-grade iron ore with up to 68 per cent natural iron content has been proved up in tremendous quantities and two large U.S. companies are now mining and exporting it. A third company with combined Venezuelan and American capital has obtained concessions some 50 miles west of Ciudad Bolivar and has announced its intention to build a railway to the deep-water channel and to begin production within the next two years. Gold, diamonds and manganese are also being mined commercially in this area.

Substantial reserves of bauxite have been discovered. The latest development has been the decision to undertake a photographic air survey as the first step in a resources inventory. A well-known Canadian company has secured the initial contract and is proceeding with this work, which is confidently expected to dis-



At Puerto Ordaz, 70 miles down-river from Ciudad Bolivar, iron ore progresses on a moving belt from the iron ore stockpile in the background to the hold of a waiting ore carrier.

close even greater wealth. There are many opportunities developing in this region for Canadian companies making mining machinery and supplies.

Steel Industry Established

Another important development is the steel industry now being built by the Venezuelan Government at Matanzas, 60 miles east of Ciudad Bolivar. This project is scheduled to produce 500 thousand metric tons of ingot and a range of steel products, including pipe, by 1959. The contract has been awarded to the Italian firm Innocenti-Fiat which will design and supply all of the required equipment. The company has established buying offices in Caracas and New York and one Canadian firm has already secured an order for construction-grade plywood. When construction is completed, the industry will employ over 6,000 workers. Apartment blocks and social service facilities are being constructed to accommodate them.

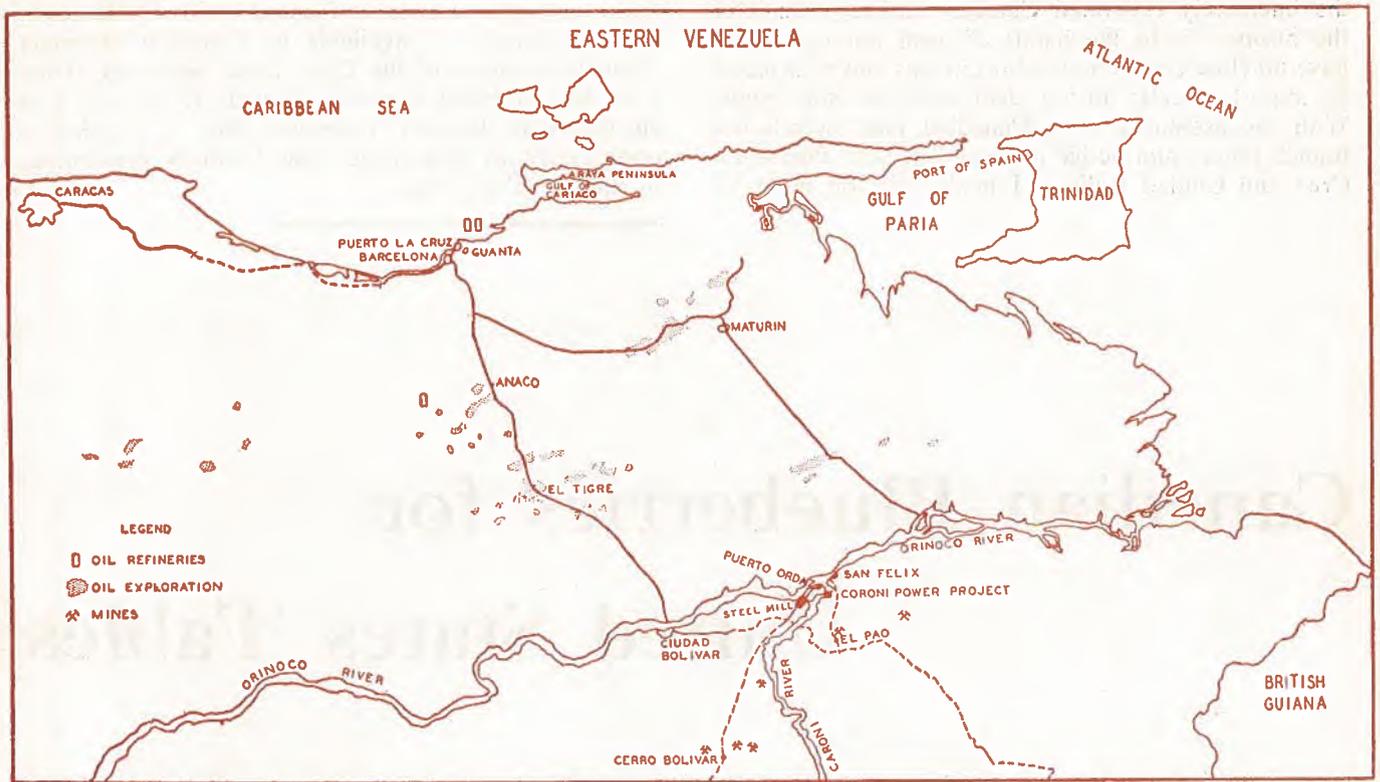
Electric Power Development

The steel industry will use the most modern electric reduction methods. Ore will be supplied by the two companies now producing in the district or from the deposits which the Venezuelan Government has retained as a national reserve. Coking coal will be shipped to the site from the Naricual deposits near Puerto La Cruz; it is not yet known whether a railway will be built or coastal ships used. About 200 thousand kw. of hydro-electric power will soon become available at a site near the conflux of the Orinoco and Caroni Rivers. One 50,000 kw. generator has already been installed and three more should be in place early next year.

The steel mill is not expected to use more than 150 thousand kw. of the Caroni capacity for some years and the remainder will be made available to the mining companies operating in the district or to new industries being established there. An additional 100 thousand kw. can be easily developed at the present site and from three to five times as much at sites farther up the Caroni River. The Venezuelan Ministry of Development has established a commission for the Caroni and has advanced plans for further dam construction in this area. Efforts are being made to encourage foreign companies to develop an aluminum industry based on this cheap power and the known bauxite reserves.

Agricultural Expansion Foreseen

Lack of sizable markets has been the principal reason for the limited agricultural development around Puerto La Cruz and Ciudad Bolivar. However, the situation is changing. Increased activity in the oil industry focussed on Puerto La Cruz and the 6,000 employees



moving into the steel industry are providing farmers with convenient cash markets. A milk pasteurizing plant in Puerto La Cruz, for example, is already short of supplies and is obliged to despatch its trucks on "prospecting" tours deep into the interior to secure its requirements. The Venezuelan Ministry of Agriculture is endeavouring to stimulate agricultural activity and improve yields throughout the area through extension programs and credit assistance. As part of this program, two important agricultural fairs are scheduled for the leading farm centres—at Ciudad Bolivar, October 15 and at Maturin, April 15. Dairy cattle exporters might well find it to their advantage to visit these fairs and makes sales contacts. There are likely to be opportunities too for breeding swine, baby chicks, and fertile eggs for hatching. Canadian seeds have been distributed from Puerto La Cruz for some time.

Tourist Trade Increasing

The new super-highway from Caracas to Puerto La Cruz will open up an ideal but hitherto inaccessible area to tourists. The Caribbean coast, particularly from Puerto La Cruz on to the Gulf of Cariaco, is ideal for aquatic sports of all kinds.

The surf, which is dangerous along most of the Venezuelan coast, is here broken up by many small islands and the Araya Peninsula. This is the centre of the

Venezuelan fishing industry and a natural site for sport fishing and boating. Canadian pleasure-boat exporters and sports equipment manufacturers should be able to develop some new business in the region. There is a shortage of suitable recreation facilities in Caracas and many of the city's one million inhabitants can be expected to spend important sums of money in this area when the highway is opened up and the chain of resort hotels completed.

Farther to the south, plans are going forward for the eastern lap of the Pan American Highway to the Brazilian border. Completion of this project is some years away but, in the meantime, roads are being built to connect the many promising mining properties. The State of Bolivar and the Orinoco River basin offer unusual opportunities to adventurers interested in tropical and in some cases primitive life, but mining and ranching are likely to remain the primary sources of income there for many years.

Importers Interested in Canadian Contacts

Some established Caracas firms are aware of the excellent business possibilities now arising in Eastern Venezuela and have opened branch offices in Puerto La Cruz and Ciudad Bolivar. Many of these offices are offering Canadian products but it is clear that it is more difficult to "buy Canadian" in this area than in

the intensively cultivated Caracas market. Much of the business is in the hands of local importers who have no close connections with Caracas and who prefer to import directly rather than work as sub-agents. With the assistance of a Canadian bank which has branch offices and active managers in both Puerto La Cruz and Ciudad Bolivar, I made calls on many of

these leading importers and noted their requirements. This information is available to Canadian exporters through the office of the Commercial Secretary at the Canadian Embassy, Caracas. If you are not selling to customers in Eastern Venezuela, this is a splendid opportunity to investigate new business possibilities in this promising area.

Canadian Blueberries for United States Tables

The switch from homemade blueberry pie and muffins in season only to frozen pies and muffin mix all year round has opened a large new market for blueberries south of the border. Canadian shippers of quality fruit should take advantage of the booming demand in the United States.

D. L. KIRKLAND, *Office of the Consul and Trade Commissioner.*

TO MEET THE GROWING DEMAND for blueberries, the United States must turn more and more to imports; production from domestic sources is declining and high labour costs have reduced output further. The supply of blueberries still depends to a large extent on conditions for the wild crop in North America, although there are several hundred acres of the cultivated highbush variety in production in various parts of the country.

Millions of dollars worth of blueberries are gathered and sold each year but production falls short of demand from U.S. consumers and will continue to do so. The traditional seasonal and local market for blueberries has been extended and expanded first by canning, then by fresh-freezing, and now by the spectacular growth in sales of frozen fruit pies. Studies have shown that frozen blueberry pie competes with

peach for third place in consumer preference, after apple and cherry. The blueberry, through promotion of frozen pies and a blueberry muffin mix, is being introduced to new customers and winning favour in areas where it was formerly almost unknown.

Given reasonable prices, good-quality fruit and assured supply, the United States will buy increasing amounts of fruit from Canada with little danger of saturating the market. The accompanying table of imports of Canadian blueberries shows the variation in the amounts shipped and fluctuations in price from one season to the next.

U.S. IMPORTS OF BLUEBERRIES

Year	Type	Quantity (in pounds)	Value	Approximate price per pound
1953	Frozen	3,364,458	\$ 881,057	26 cents
	Fresh	9,927,163	2,050,885	21 cents
1954	Frozen	2,985,693	653,721	22 cents
	Fresh	22,196,712	3,053,879	13.7 cents
1955	Frozen	2,866,098	532,845	18.8 cents
	Fresh	14,351,346	1,827,790	12.8 cents
1956	Frozen	1,374,237	327,048	24 cents
	Fresh	9,818,131	1,880,113	19 cents

Frozen Pie Sales Increase

Frozen food packers and, to a lesser extent, the baking industry have taken fruit pie (a traditional American dessert), processed it, promoted it, and now are selling

more and more to the convenience-minded housewife. Frozen pies promise ultimately to match sales of the leading frozen food products.

In 1954, according to industry estimates, production of both institutional and consumer-size frozen fruit pies totalled 35 million pounds—a 350 per cent gain over the 10 million pounds produced in 1953. Estimates for 1955 placed sales at 80 million pounds, or about 250 per cent higher than in 1954; latest 1956 figures show that the output is still spiralling upwards. More frozen food processors are adding pies to their lines and baking firms have entered the field. Production estimates for this year indicate further expansion but output has reached the point where it now depends more on the available supply of fruit than on winning new customers.

The pie-makers have been a boon to the frozen fruit business in general. Nearly 42 per cent of the total fruit used by the bakers is in the frozen form—about equal to the percentage of fresh fruit used. The remaining 16 to 17 per cent is made up of canned and dried fruits.

Firms Use Large Amounts

A well known United States firm in the Midwest says that it will use approximately one million pounds of blueberries this year; the berries are canned in 3½ ounce containers and included in its nationally known blueberry muffin mix. The plant's cleaning equipment is designed for use after the berries are frozen for storing and the company buys its berries direct in field-run lugs fresh or frozen. The berries must be clean and uncrushed, and the lugs reasonably free of foreign matter, such as sticks, leaves, stones, etc. The emphasis of all big consumers is on quality fruit.

One of the largest food firms, which will use approximately two million pounds of blueberries this year to make frozen fruit pies, prefers to have the berries cleaned and frozen within 24 hours after picking, and then shipped in tins to its plant. Commenting further on the market in general, this company points out: "It is our opinion that this market (blueberry) could be greatly increased if clean berries, free from sticks and foreign matter, could be obtained in a non-deteriorated state—that is, berries which have not been subject to storage conditions which promote fermentation and mould growth. Today the supply of *good berries* is very definitely limited."

The numerous U.S. customers do not have one set system for buying blueberries. The two basic methods used are either to buy through local brokers or agents, or to buy direct from the various firms in Canada which collect and ship the blueberries at the source.

Shipping Blueberries to the U.S.

- *Field-run fruit packed in wooden lugs of 22 lb. and 30 lb. net weight and shipped chilled or frozen seems to be acceptable. Some buyers who buy only frozen fruit may specify the so-called 30 lb. tin which they calculate will hold 20 lb. of cleaned berries.*
- *One buyer suggests that shippers could protect the quality of fresh fruit in transit more effectively if they used 60-lb. to 100-lb. multi-walled paper bags lined with plastic film and sewed at the top.*
- *If the fruit is cleaned and washed in Canada, it should not be shipped wet; it is apt to arrive in poor condition, especially if distances are long. In fact, little fruit is cleaned in Canada if it is to be shipped to the United States. The duty on cleaned berries is higher than for unprocessed fruit.*
- *If you are planning to ship frozen fruit, check to make sure that prospective buyers are equipped to break the berries apart and clean them in the frozen state. Some processors, however, do not consider this a satisfactory method for cleaning berries and will not buy frozen fruit unless it is cleaned before freezing.*
- *If you ship frozen fruit, the berries should be picked, taken directly to the freezing plant, and frozen within a few hours to assure top quality.*
- *Buyers agree that the market for Canadian blueberries in the United States could grow rapidly if shippers would make sure that the berries were clean and uncrushed and containers free of stick and stems, stones, insect larvae, nails, and other foreign matter. The fruit should be stored and shipped in a way that prevents fermentation or mould growth.*

Canadian growers who want to see their sales rise should investigate these opportunities south of the border. The investigation carried on by the Chicago office of the Trade Commissioner Service definitely establishes an almost unlimited market for all the quality blueberries Canada can ship. ●

Portugal as a Market

This small country, sandwiched between Spain and the Atlantic Ocean, purchased nearly \$1.7 million worth of Canadian goods last year. Our Commercial Counsellor in Lisbon will shortly be visiting many Canadian centres to answer questions about this market. In this article he briefs exporters on Portugal and on the techniques of trading there.

RICHARD GREW, *Commercial Counsellor, Lisbon.*

CONTINENTAL PORTUGAL is a small, compact country situated in the southwest corner of Europe, with Spain on its eastern and northern borders. It covers an area of approximately 34,000 square miles—and thus is slightly larger than the province of New Brunswick. For purposes of administration, the Azores archipelago and Madeira Island are included as part of Continental Portugal, even though they are separated from the mainland by 600 miles.

The population totals an estimated nine million. Lisbon, the capital, largest city and principal port, is situated on the north shore of the Tagus River about twelve miles from the Atlantic and has a population of about one million. It handles about 65 per cent of the export and import trade of the country. Oporto, with Leixoes as its port, situated about 200 miles north of Lisbon at the mouth of the River Douro, is the other important distribution and commercial centre, with a population of 350 thousand. Greater Oporto, however (which includes many nearby manufacturing towns) is estimated to have a population of close to 900 thousand. The remaining cities are comparatively small; none has a population of over 100 thousand and none can be considered as primary distribution points for imported goods.

The climate of Portugal does not run to extremes. Except in the mountains, snow is practically unknown and although there is considerable rain between November and February, particularly in the north, the temperature rarely touches freezing point. In summer, it can be warm but it is relatively dry and not uncomfortable. The country is mountainous or hilly, particularly in the north and east, but with relatively level plains stretching south of Lisbon to the Atlantic.

Out of a total area of 222 million acres, approximately nine million are under cultivation and four million are meadows. Forests cover six million acres and it is estimated that there are about three million which are not cultivated but are arable. The soil is not particularly rich nor is the rainfall reliable but extensive irrigation schemes either completed or under construction should do much to improve yield per unit.

Agricultural production, or more especially wheat, is not sufficient to meet the needs of the country and imports—of late years mainly from the United States, under Public Law 480 covering agricultural surpluses—are often needed. The production of meat and dairy products has also been insufficient to meet the local demand, especially for beef, pork and butter.

Forestry

Portugal ranks first in the world as a producer of cork and cork products, accounting for approximately 60 to 70 per cent of world production. It is interesting that, despite the fact that the United States does not produce cork, 50 per cent of the imports into Canada of cork and cork products are shown as imports from the United States. Other forest products of importance are resin and turpentine. Including the overseas provinces such as Angola and Mozambique, Portugal is practically self-sufficient in lumber and exports a certain amount of softwood lumber for boxmaking and pitprops.

Fishing

The fishing industry is of prime importance. Coastal fishing is chiefly for sardines although tuna, shellfish of different varieties, mackerel and anchovies are also caught. Deepsea fishing is mainly concentrated off the west coast of Africa and the catch is primarily for home consumption. The codfishing fleet is divided into two categories—trawlers and line fishing. The former makes two visits per year (May/June and August/September) to the fishing grounds—the Newfoundland Grand Banks and the west coast of Greenland. The line fishers make only one trip which lasts from May to September. Although vessels are constantly being replaced with newer ships and more modern equipment, the actual size of the codfishing fleet has remained more or less constant over the past few years nor are there plans to increase it.

Although the codfishing fleet produced an estimated 54,000 tons of dried cod during the past year, all for domestic consumption, it is still necessary for Portugal to import substantial quantities. Norway and Iceland are the main suppliers, with smaller quantities coming from France. Newfoundland cod is not only well known but also popular in Portugal, particularly in the northern part of the country. In an effort to maintain reasonable prices for staple foods such as dried cod, the authorities impose price controls. This has made the Portuguese market for Newfoundland cod unattractive during the past two or three years.

Mining

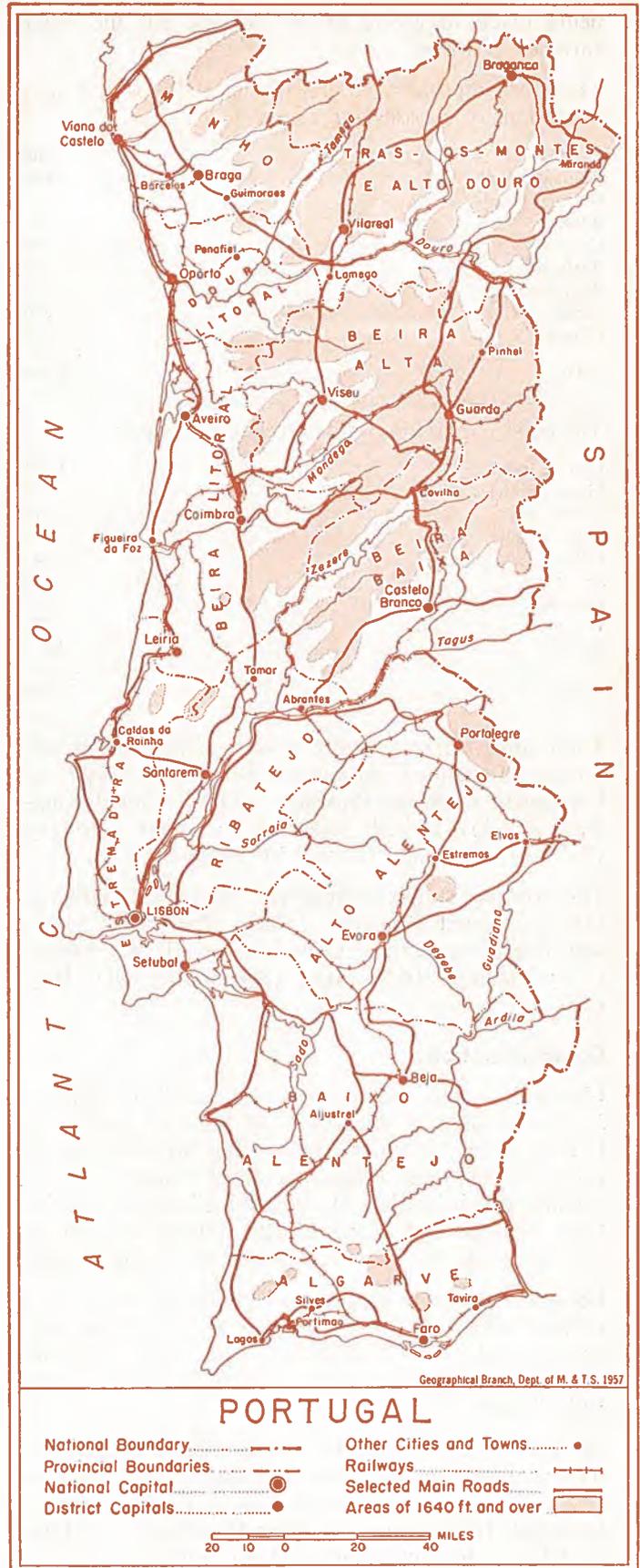
The mining industry is scattered throughout the country. In the north wolfram, cassiterite and iron ore are mined, anthracite and lignite are found in the central part, and pyrites in the south. Wolfram and cassiterite are mainly exported and because deposits are scattered, demand must be strong in order to make production pay. As yet the production of anthracite has been relatively small but the potential is important, particularly for the electric power development that is under way. The plan is to use lignite to produce hydrogen for fertilizer plants. The principal raw materials for a projected steel development, iron ore and coal, will be obtained locally.

Industry

Up to the present time, heavy industry has not been an important factor. However, as the potential of cheap and abundant electric power is considerable and is being rapidly developed, it is expected that industry will become increasingly important. Meanwhile the range of light industries has continued to expand, particularly since the end of the last war, and includes textiles (mainly cotton and woollen fabrics), leather goods, metal products, chemicals, cement, ceramics and glassware, electrical supplies, soap, rubber goods, pharmaceuticals, tires and tubes, sewing machines, aluminumware, radio and communications equipment.

In addition, certain types of food processing are important. Canned fish (mainly sardines but also anchovies and tuna) is the principal item and the bulk of the production is exported. Both olive oil and vegetable oils are produced in considerable quantities, and flour milling and sugar refining take care of the domestic demand.

Throughout the country but particularly in the north the growing of grapes and the production of wines is an important source of revenue. Portugal is best known for its port but in addition both red and white table wines and brandy are produced. Port has been exported for a great many years but now efforts are



being made to create export demand for the other varieties of wines.

The most important exports during 1956, with values in millions of escudos, were:

Canned fish	1,068
Unmanufactured cork	889
Cork products	713
Wines	706
Cotton piece goods	600
Boxboard	353
Wolfram	290
Resins	240
Others	3,731
Total:	8,590

The main imports into Portugal last year were:

Iron & steel	1,074
Motor vehicles	779
Crude oil	719
Raw cotton	719
Oilseeds	405
Sugar	387
Industrial machinery	386
Wheat	376
Others	7,923
Total:	12,768

The leading markets for Portuguese products, with percentage of the total trade in brackets, were as follows: Portuguese Overseas Provinces (24.4), United Kingdom (14.4), United States (9.1), West Germany (7.1), France (6.4), Italy (4.1), Belgium (3.9).

The principal supplying countries were West Germany (16.1), United Kingdom (13.6), Portuguese Overseas Provinces (11.9), United States (10.4), France (7.0), Belgium (6.2), Iraq (3.4, mostly oil), Italy (3.0).

Communications

Lisbon is a modern seaport with excellent facilities for the handling of cargoes to all parts of the world. It is also an important international airport used by twenty international airlines, including Canadian Pacific Airlines which has just inaugurated a biweekly service from Toronto and Montreal and linking up with its service to Mexico City and South American centres.

Because Portugal is a comparatively small country, the railway mileage is not great but it does meet the economic needs of the country when allied with the excellent road system that links all the important towns and villages.

At the present time the three following shipping services are operating between Eastern Canadian ports and Portugal: Canada Levant Line—Halifax, Quebec, Montreal; Italian Line—Halifax; Montship-Capo Line—Halifax, Quebec, Montreal, Lake ports.



RICHARD GREW, Commercial Counsellor in Lisbon, will begin a tour of Canada in Vancouver on July 16-26. Mr. Grew has been in charge of the office in Portugal since 1955 and is looking forward to discussing the market opportunities and problems there with Canadian businessmen. His itinerary in Western Canada

is published on page 36; dates of his visits in Eastern Canada will appear in future issues.

Richard Grew was appointed to the Trade Commissioner Service in 1925 and posted to Kobe the next year as Assistant Trade Commissioner. He was transferred to Calcutta in 1929 and a year later was promoted to Trade Commissioner and returned to Kobe. Subsequently he served in Tokyo, Kobe again, Oslo, Cairo, Bombay, New Delhi and finally, Lisbon as Commercial Counsellor. Mr. Grew was in Oslo in 1940 when Norway was invaded and was captured and interned in Germany for two years. When he completes his tour, he will return to Lisbon.

Because Portugal regularly has an unfavourable balance of trade with the hard currency countries, imports from these countries are subject to import licences. Broadly speaking, these imports are confined to foodstuffs—wheat, butter, meat, codfish—of which there is a domestic shortage; raw materials that are required for the industry of the country; machinery and equipment, and semi-fabricated products that are further processed within the country. However, it should be borne in mind that even within these categories, preference is generally given to supplies from soft currency sources if they are available at comparable prices. Imports of finished consumer goods that are not manufactured locally are generally confined to the industrial countries of Western Europe with which Portugal has trade agreements, including the United Kingdom. Furthermore, because of high import duties, local demand is limited to a comparatively small proportion of the population.

Visits to Portugal

Canadian businessmen intending to visit Portugal should obtain a Portuguese visa before departure. Some Canadians have been informed by their travel agents that a visa is not required; this is not correct

and although the difficulties can be overcome in Portugal, it means delays.

It is advisable to arrange hotel reservations in advance. There are no large hotels in Lisbon like those in the more important cities of Canada and hotel accommodation is difficult to secure throughout the year.

A visit during August and most of September should be avoided as this is the traditional holiday period when it is more difficult to contact senior executives. Although there is no real discomfort at any time of the year, probably May, June, October and November are the most pleasant months to visit Portugal.

The best known foreign language is French, although some businessmen are also familiar with English—particularly those who have had long connections with the United Kingdom.

Currency

The unit of currency is the escudo, which is roughly the equivalent of 3.3 Canadian cents and is divided into 100 centavos. One frequently hears the word "conto", the term used for denoting 1,000 escudos or two "contos" for 2,000 escudos, etc. There are no restrictions on the amount of currency which can be brought into or taken out of the country.

Weights and measures follow the metric system and it is preferable to use this system when making offers and quotations for products that require such details.

Quotations

Whenever possible, quotations should be on the basis of C.I.F. Lisbon or Leixoes/Oporto. On government tenders for bulk cargoes—wheat, for example—quotations are usually F.O.B. port of shipment as the Government arranges its own shipping. For shipments that do not constitute a full cargo, the tenders are usually on the basis of cost & freight Portuguese ports. No great interest can be aroused if prices are quoted, for example, F.O.B. a Canadian inland city, even though the rail rate to port of shipment is also mentioned. Nothing less than F.O.B. port of shipment but preferably C.I.F. Lisbon should be the basis.

Because import licences are required for shipments from a dollar country, importers do not object to terms that require payment by the establishment of a letter of credit before shipment. If a steady trade develops, it is not unusual to allow more favourable terms with payment on arrival or after 30 days.

Before sending samples, the exporter should find out whether the local firm will be able to obtain delivery. It sometimes happens that delivery is refused because the parcel is not covered by an import licence, even though it is stated that the contents are of no commercial value. ●

Vancouver Group Visits Peru

A LARGE GROUP OF BUSINESSMEN representing the Vancouver Board of Trade recently visited Lima with the objective of promoting trade and goodwill between Canada and Peru. Previously they had visited Mexico City, Buenos Aires and Montevideo. With the co-operation of the Canadian Embassy and local businessmen, several meetings were arranged between representatives of the two countries and industrial tours planned.

Packed into the four days were an interview with the local press, a briefing session organized by the Canadian Embassy to give the visitors an insight into political, social and economic conditions, and a productive evening round-table conference organized by the Lima Chamber of Commerce. Each meeting ended with an informal get-together, when many visitors took the opportunity to discuss their personal business problems with the Commercial Secretary or local business people. Representatives of the visiting group were also received by the President of Peru, the Minister of Finance and Trade, and the Mayor of Lima.

The industrial tour included a visit to a modern cotton gin and cottonseed oil plant at Huacho, and to Paramonga, one of the largest haciendas in Peru. With its own power facilities and machine shop, the hacienda supports a thriving sugar industry (exporting 15 per cent of its total production), a chemical plant, and a paper mill which turns out 60 per cent of Peru's paper needs. The delegation found it interesting that kraft pulp is imported from Western Canada for use in high-grade wrapping papers and boxboard. This particular tour and a visit to a textile-processing plant near Lima gave the Canadians some idea of the activities generated in the country by foreign capital.

Throughout the tour the visitors received excellent coverage in the press despite strong competition caused by the excitement over the international football matches which were going on at the same time. Several business transactions were concluded and a number of others promise well in the future. The delegates returned home feeling confident about the possibilities of increased trade between Canada and Peru and the opportunities for Canadian investment there.

D. H. CHENEY,
Commercial Secretary, Lima.



Commodity Notes

Argentina

URANIUM—What is claimed to be the first plant to produce uranium in Latin America is now operating in Ezeiza, under the direction of the Argentine National Atomic Power Commission, a government agency. The Commission has announced that production of metallic uranium (U238 with a 0.7 per cent U235 content) will amount to ten metric tons in the coming year, but the plant is said to be capable of producing up to 200 tons a year with its present equipment. Argentine uranium-bearing ores are said to contain from two to three pounds of uranium oxide a ton—Buenos Aires, June 6.

Australia

ALUMINUM—Production of aluminum ingot and wire bar at Bell Bay, Tasmania, totalled 9,143 tons during the year 1956. Output rose in the last quarter to 2,588 tons compared with 2,284 in the third quarter, and at present is stated to be 13,000 tons per annum. During the first nine months of the year imports of aluminum in all forms totalled 12,487 tons. The domestic position is now one of ample supply, in comparison with the shortage during the early part of 1956.

On March 11, 500 tons of aluminum ingot were shipped to Japan and another 500 tons is expected to be shipped in the next three weeks. The total consignment is valued at A £250 thousand—Melbourne, June 10.

TOBACCO—The Government has announced that Australian manufacturers of tobacco products must increase the proportion of local leaf that they use because the country will grow more tobacco this year. It is expected that this year's tobacco crop will yield 5,000 tons against 3,100 tons last year—Sydney, June 14.

Brazil

COTTON—The Sao Paulo cotton crop yielded only 199 thousand tons last year and this, plus 37,000 tons carryover and 10,000 tons produced in neighbouring states, brought the total up to 246 thousand

tons. Local consumption usually runs at about 100 thousand tons a year and exports have been provisionally estimated at 133 thousand tons. The desirable minimum carryover is about 20,000 tons. Thus on the basis of these figures (which total 253 thousand tons), it would appear that Brazil may be somewhat short of exportable cotton this year—Sao Paulo, June 14.

TRACTORS—An agricultural report published by the State of Sao Paulo says that Sao Paulo represents 40 per cent of the national tractor market. More than 65 per cent of Sao Paulo farms over 1,800 acres are mechanized and market research indicates that 40 per cent of the farmers lacking tractors hope to get them. Tractors are widely used by rice, corn, coffee, cotton and sugar-cane growers. The general preference seems to be for a wheeled diesel tractor of 20-25 h.p. on the drawbar, although half of the sugar-cane growers and a fourth of the rice growers use a 40 h.p. tractor—Sao Paulo, June 14.

Hong Kong

ALUMINUMWARE—Manufacturing of aluminum products is a relatively young industry in Hong Kong, but it is now producing an estimated HK\$10 million worth of goods for export yearly.

A new sales syndicate, organized to control the distribution of aluminumware locally and in export markets, will regulate orders for aluminum products to members in accordance with their productive capacities. Experts will insure standardization of quality and design leading to a more uniform price. This is a definite step in an attempt to prevent the deterioration of the industry through intense competition—Hong Kong, June 4.

Japan

IRON ORE—A long-term contract for the import of iron ore from India has been concluded between Japanese steel makers and the Indian Government.

Under its terms, India is to supply 1.3 million tons of iron ore in 1957-58, 1.4 million tons in 1958-59, and 1.5 million tons in each of the three years thereafter.

Japanese imports of iron ore from Canada amounted to about 540 thousand tons in 1954 and in 1955, and to about 340 thousand tons in 1956—Tokyo, June 11.

India

TEA—The Government of India has recently fixed the price of tea, for the purpose of determining the export duty, at Rs.2.41 per pound as against Rs.2.74 per pound in force from April 1, 1957. The export duty at this price will be 25 naye paise per pound as against 37.50 naye paise per pound hitherto in force. (One hundred naye paise equal one rupee; five rupees equal one Canadian dollar, approximately.)—New Delhi, June 5.

Netherlands

FISH—Fish products form an important part of the food trade between Canada and the Netherlands. Dutch imports of Canadian fish products consist mainly of canned salmon with smaller amounts of frozen and mild-cured salmon, eels, crabmeat and other specialties. In 1956 these imports were valued at 1.14 million guilders, or only 44 per cent of the 1955 figure; Japanese price competition was the main factor in the decline. In 1956 the Netherlands exported fish products valued at 0.7 million guilders to Canada, only slightly less than in 1953. Salted herring was the most important fish product shipped to Canada, followed by smoked and canned herring and unclassified fresh seafood—The Hague, June 13.

Spain

ALUMINUM—A new factory, costing some 300 million pesetas, is to be constructed in La Coruna to make aluminum and alloys. Annual production will be 9,000 tons of aluminum in bars, ingots etc., and 3,000 tons of alloys. Imports of 19,980 tons of alumina and 200 tons of cryolite a year will be needed. Part of the machinery will be Spanish-made but 118 million pesetas worth of equipment will have to be imported—Madrid, June 12.

Sweden

DEEP FREEZE OPERATION BED—A deep freeze operation bed for use in hospitals, known as Auto-Hypotherm, is now in serial production at a plant in Eskilstuna. The cool-down of the patient is done by air which is circulated by a series of fans; the reheating also takes place in the bed. No ice or iced water is used. Special electric terminals provide for

the connection of control instruments which supervise the temperature of the air and the different parts of the body, respiration, blood pressure and heart action. By means of a rheostat the body can even be made to regulate the surrounding temperature according to its requirements. This equipment has attracted considerable interest in medical circles and is considered an improvement on previous methods of hypothermy—Stockholm, June 7.

LEAD—A new lead mine will be exploited in Vassbo, central Sweden. The 40 metre-deep deposit is estimated to contain three million tons of ore. The lead content per ton is about 5 per cent, compared with 4 per cent at Laisvall, previously Sweden's only lead mine—Stockholm, June 7.

Taiwan

TEA—Total exports of tea from Taiwan in 1957 may reach 12 million kilograms (US\$6,000,000) according to trade experts. This will represent an increase of approximately 1.4 million kilograms over total exports for 1956. Tea merchants are optimistic about the trade picture as sales rose in the latter portion of 1956 and the trend continued into the first months of 1957—Hong Kong, June 3.

Venezuela

OIL REFINERY—It has been officially announced that the first government-owned oil refinery to be established in Venezuela will commence operations in the latter part of 1957. The Venezuelan Government will invest approximately twenty million bolivars in this new plant. It is expected to have an initial refining capacity of 3,000 barrels per day—Caracas, June 8.

PETROLEUM—Production of crude petroleum during the month of March 1957 increased to a record figure of 2,902,650 barrels daily average, representing an all-time high. It is expected to reach three million barrels towards the end of the year—Caracas, June 10.

West Germany

PHARMACEUTICALS—West German production of pharmaceuticals amounted to some DM 1.3 billion in 1956 compared with DM 1.15 billion in 1955. The increase of about 14 per cent reflects the favourable growth in exports which reached a record level of DM 349 million in 1956, an increase of DM 71 million, or 25 per cent, over the previous year.

Pharmaceutical imports in 1956 rose to almost the same extent, to DM 83.5 million compared with DM 66.7 million in 1955. The bulk of imports was unprepared pharmaceuticals—Bonn, June 14.

The Trade Picture Changes

Recent relaxations in Australia's import restrictions have mainly benefited soft currency suppliers, and adjustments of tariff rates in recent British-Australian trade agreement may affect certain Canadian exports. But the administration of licensing policy is becoming more flexible, the trade balance has increased substantially, and World Bank loans are furnishing dollars to spend on equipment needed for development projects.

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

CANADIAN EXPORTERS have not benefited a great deal from the series of import liberalization measures which Australia introduced during the first half of 1957. The administration of the dollar licensing system has, however, been liberalized slightly.

The first sizable easing of the restrictions on non-dollar imports, effective last January 1, allowed for an increase in imports at the annual rate of £A30 million. This was followed in February by non-recurring administrative increases to take care of a depleted stock position—the result of severe import cuts which became effective on July 1, 1956. The latest and most important import relaxation in the series took effect from April 1, 1957: it permits a rise in non-dollar imports of £A75 million a year.

All these import liberalizations apply almost exclusively to non-dollar goods; the dollar import budget has remained stationary for almost a year. And, despite the growth in imports from non-dollar sources, Australia's basic import policy on dollar goods continues unchanged. It is still founded on the necessity for conserving dollar exchange, and imports from the dollar area are still restricted to essential goods or those for which there is no suitable alternative obtainable from sterling area suppliers. Dollar imports were not affected in the drastic cuts imposed on July 1, 1956; the decreases applied to soft currency imports. The net effect of the series of import liberalizations introduced since the beginning of the present year was to restore these cuts.

In 1955 a system of global licensing was set up; commodities in this list may be imported within the established quota from any source, irrespective of currency. The list currently contains some 15 items and there have been few recent additions. The commodities included in this global licensing are:

Aluminum ingots	Titanium dioxide
Aluminum alloy	Pulp for paper manufacture
Copper blocks, ingots	Hops
Copper pigs	Cigar leaf
Nickel ingots, shot ore	Tobacco leaf
Sulphur	Crude asbestos fibre
Raw cotton	Ferrous alloys
Hog casings	

It would be in conformity with Australia's policy of buying essential raw materials from the most advantageous sources of supply if additions were made to the list of products under global licensing as trade conditions permit.

Administrative Changes in Licensing Policy

There have been a number of procedural changes introduced in recent months which will be of interest to Canadian exporters. On April 1, the licensing period was increased from three to four months with an indication of a six-month licensing period becoming operative in 1958. The position is to be examined towards the end of the present year. The principle of sales achievement covering import licensing has also been accepted—or, in other words, when imported goods are sold, import licences will be issued so that they can be replaced. When this principle is applied, it will assist importers to secure quotas based on their sales.

U.K.-Australia Trade Agreement

The new freedom to re-adjust the tariff which Australia gained as a result of the recently signed trade agreement with the United Kingdom is beginning to have results of some significance for Canadian exporters. In May, for example, the Australian Government announced a unilateral reduction in the most-favoured-nation rate of duty on 800 import items which last year accounted for nearly one-third of Australia's total imports. Nearly all of these items have been imported free of duty from Canada. For many of the items

affected, the previous most-favoured-nation rate of duty was 12½ per cent; this has been cut to 7½ per cent. The margins of preference which Canadians selling in the Australian market have enjoyed have thus been rather significantly reduced, particularly on capital and other goods not produced in Australia, drugs, chemicals, internal combustion engines, various tractors and parts, acetate yarn, photographic materials, and scientific instruments. (Details about changes in the tariff on individual products may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.)

International Bank Loan

Australia has been a modest and model borrower from the International Bank for Reconstruction and Development in recent years—its undoubted capacity to pay interest and principal on the loans must make it an ideal client. A total of \$258.5 million was raised in a series of loans negotiated with the Bank between 1950 and 1955. The most recent loan to Australia from the Bank, for \$50 million, was negotiated on December 2, 1956. An additional \$9.2 million was raised last November to finance a percentage of the cost of new aircraft for Qantas Empire Airways. The new loans brought the total of Australia's borrowings from the Bank to \$317.7 million.

The \$50 million loan of December and its predecessor are both to be used for the purchase of essential equipment from countries in the dollar area. The bulk of resources, financial and material, needed for Australian development is available locally or obtainable from non-dollar sources. But there are cases where essential equipment required for expansion and modernization can only be obtained from dollar countries and the World Bank loans mean additional dollars with which to purchase it. Equipment bought in this way includes tractors, agricultural machinery, earth-moving equipment, components for diesel electric locomotives, forestry and mining equipment, capital equipment, and machinery for electric power production. The result of these purchases has been a marked improvement in productivity in Australia's primary industries. The loans have also assisted the secondary industries such as mining and the iron and steel industry to increase exports and have led to an improvement in the transportation industries.

Overseas Trade Picture Brighter

Australia may well have a substantial trade surplus in the fiscal year 1956/57 which ends on June 30th. Based on returns for the first eleven months, it is anticipated that this surplus will reach £A270 million. This is a remarkable improvement over the previous year which saw a trading deficit of £A39.2 million. For the first eleven months of 1956/57 Australia's exports earned £A919.5 million, an

increase of £A210.7 million compared with the same period in the previous year. It is probable that exports for the year will exceed £A1,100 million, an all-time record. The rigid import controls kept imports down to £A663.2 million for the first eleven months of the current year, a substantial decrease compared with £A757.7 million in the same period of fiscal 1955/56.

Economic Outlook Favourable

The level of business in Australia has remained steady over the past few months, with employment fairly stable. Bright spots in the economy include a continuation of high wool prices despite slight reductions at wool sales at the beginning of May and early June. Steel production continues to expand and it is expected that an output of three million tons a year will shortly be achieved. The steel industry produced 2.3 million tons in 1956 from a productive capacity of 2.4 million tons, and ranked sixteenth as a world producer of ingot steel. Australian mineral production continues to grow; in 1956 it was valued at a record £A200 million. Lead and zinc were the leading minerals exported in 1956, with lead exports amounting to £A32.4 million, zinc £A8.4 million, copper £A8.3 million, and rutile £A6.6 million. However, the anti-inflationary tight money policy of the past fifteen months is being continued and it was recently announced that there will be no general increase in lending for housing. The need for greater working capital for business is described as pressing, but nevertheless business generally remains buoyant.

One dark spot in the picture is the severe drought which threatens New South Wales, Queensland, and South Australia. If rain does not come in these areas within a few weeks, the drought could reach serious proportions. Meantime, rain-making experiments are being extended to cover Southern Queensland, New South Wales, and Victoria.

World Exports Set New Record

The value of world exports reached an all-time high of U.S. \$91,000 million in 1956, 11 per cent higher than the previous record set in 1955, according to a recent issue of the U.N. Monthly Bulletin of Statistics. Forty per cent of the gain resulted from increased exports by the United States and 38 per cent from a rise in shipments from Western Europe (including the U.K.). The volume of goods exported increased considerably; higher prices accounted for only 3 per cent of the gain in value. Exports of capital goods from the United States and Western Europe to less industrially developed countries rose markedly between 1955 and 1956; United States sales rose 29 per cent to U.S. \$1,330 million and those of Western Europe and the United Kingdom increased 13 per cent to U.S. \$2,200 million.

How to Sell in Asia

Canadian exporters keen to do business in Asian markets face certain special problems and must work out an individual approach, varying from country to country. The author, who has travelled widely in the East and knows these problems at first hand, offers wise counsel along these lines to fellow exporters.

C. F. TERRELL, *Export Sales Manager,
Coleman Lamp and Stove Company Limited.*

THERE IS NO MYSTERY about how to do business in Asia, but there is one cardinal rule—be flexible. The exporter may well find that his traditional methods of carrying on business in other areas may not work when he turns to the Far East. But once he has decided that flexibility is essential, he can then follow the normal procedure in looking into market prospects.

Naturally, it is wise to begin by reviewing Canadian export statistics to discover whether anyone is selling similar products to this area. But if the exporter finds that Canadian shipments to Asia are confined to such things as wheat, flour, newsprint, locomotives, etc., he should not be discouraged. Canadian manufacturers of consumer goods have actually paid little attention to Asia as a whole.

Study Area First

The next step, I suggest, is to obtain and study the export statistics of the United States Department of Commerce, to see what our competitors across the border are doing. Then write to the Canadian Trade Commissioners stationed in the Far East. They will be happy to give you information about:

- The need for and acceptability of your product.
- Whether import restrictions or exchange quotas affect purchases from abroad.
- The usual methods of distribution adopted by competitors.
- Possible representatives or distributors.
- Whether it is preferable or desirable to become associated with nationals of the country.

Fortunately, current policy is to encourage the Canadian Trade Commissioners to make frequent tours of their territories. This means that they can provide up-to-date information about countries which fall within the areas for which they are responsible, but in which they are not stationed. The Trade Commissioner in Singapore, for example, can advise Canadian companies about conditions and possibilities in Burma, Thailand, or British Borneo.

Go There Yourself

There is no substitute for a personal visit to a potential market by the export manager or sales executive and this holds true in Asia. This visit must be carefully planned—after the Canadian Trade Commissioners have provided adequate advance information. The exporter will supplement this data with his own research on market potential, on the main competition and its effect on prices, and on the degree to which foreign suppliers have become established in the various countries.

Once he has assessed the potential for his product in the different regions, the exporter can confine his trip to countries which permit imports of the products he is selling and where the prospects are promising. To make his tour a success he should also use the introductions which the Trade Commissioners will gladly provide. It is only by undertaking an exploratory trip of this type that the exporter can learn the peculiarities of the individual markets.

Trend to Nationalization

Many Asian countries are at the moment striving to become successful independent nations. Some of the governments in this vast area have passed legislation with the aim of transferring commerce from those who have carried it on traditionally in certain fields to its own nationals. The result is that the Government confines import licences or exchange quotas to "national" companies or gives them a substantially larger number of licences or a higher quota. Some of these companies sell their allotments to the traditional importers for a premium.

Prewar, this part of the world was a traditional market for Japanese goods and Japan is gradually regaining that position. There are other changes too. Hong

Kong has become an important industrial city instead of just a free port and centre of entrepôt trade. Mainland China is growing more export-conscious and is already selling to countries where the local Chinese are sympathetic to the present regime and where they are able to obtain import licences. In many parts of Asia (particularly the Philippines, Thailand, Singapore and Malaya, Indonesia, Indo China and Hong Kong) and in certain fields of business, the Chinese have been established for many years and still wield considerable influence.

Distribution Methods

The manner in which foreign exchange is allocated or import licences granted will determine, to a large degree, methods of distribution. If numerous importers receive allocations, the exporter will be well advised to do business with as many of them as possible. Under these circumstances, it might be wise to have a reputable and influential commission representative. In countries where the Chinese dominate the trade, it is usually not a good plan to appoint one of them as the firm's commission representative. Why?—because his fellow Chinese will not deal with him if he holds a preferred position.

The custom in most parts of Asia has been for many products to be imported by a sole agent or exclusive distributor, most of whom were European (British, Swiss, Dutch, Danish, or French) or American. Not only has the method of allocating foreign exchange caused distribution changes in certain countries; so has the nationalization process, which is opening the import trade to nationals of the country. This in itself should not be a problem. Unfortunately, however,

too many of these “national” importers have not been trained to this type of business and some are not interested in building up a successful, long-term enterprise. The latter, after finding someone (usually a Chinese) to finance their initial imports, sell the goods as soon as they arrive regardless of the condition of the market and spend the total proceeds. The benefactor is left out in the cold. At least one Asian country is trying to remedy this. And there are many successful and efficient “national” companies. The exporter should, however, undertake a careful investigation before he makes any commitments.

The countries to which I have referred above are obviously those in which the Chinese wield the greatest influence in the import trade. This is only one portion of the Far East and does not include Ceylon, India, Pakistan and Burma.

Pakistan and Burma currently have serious shortages of foreign exchange and at present it is difficult to do business in these countries except in certain capital goods, usually imported under the Colombo Plan. Until recently, Canadian exporters found it just as difficult to sell India anything other than capital or highly essential goods, because of its policy of protecting home industry, plus the shortage of dollars. At the moment Ceylon presents the best opportunities, provided that similar products are not available from India, Hong Kong or Germany at much lower prices.

Advertising and Sales Promotion

Asia speaks a great variety of languages and has tremendous numbers of illiterates. Although the limited educated class usually knows English (or French in Vietnam, Cambodia and Laos) it is essential to



A Malay fisherman, traditionally clad, shows off his new outboard motor made in Canada. The Asian markets differ so widely from the domestic market and even from each other that each requires an individual approach. That is why personal visits to survey demand in the various countries and plan the sales approach are so important in this part of the world.

use either the local language or no text at all, depending upon the medium.

If the class of customers which the exporter wants to reach can read and newspapers or magazines are the best advertising media in that area, the language problem is not serious because the agent can easily arrange for translation of copy. Radio too is a useful medium and advertising over the air is not much of a problem if the exporter has the help of a good agent. Radio has a wide coverage because there are many battery sets in sections where the majority of the people do not or cannot read.

Sun blinds for store fronts and locally prepared posters are excellent advertising media but for the benefit of the illiterate, the text should be kept to a minimum. (Incidentally, some countries impose a special tax if these media incorporate any English or other foreign words.) Metal signs are an old-time favourite because they are relatively inexpensive and can be affixed easily to store fronts, pillars or posts, trees, bridges, and many other places. Once again, these should feature identification and trademark. Film slides to be shown at intermission or at the opening of a theatre or movie performance are still used with considerable success. These too should feature the product and trademark with as little text as possible.

This points up the importance in the Far Eastern market of a good "chop" or brand; there are many millions of consumers who cannot read and who can only identify the product by the appearance of the goods or the colour of the label. The chop soon becomes recognized and accepted; in fact, it is difficult and sometimes impossible to change the colour or design either of the product or of the package.

Giveaways have long been a favourite means of sales promotion in this area. Many popular items fall into this category—pen knives, ballpoint pens, paperweights, plastic wallets, balloons, file clips, calendars, blotters, pencils, either packed with the product or distributed by the agent. What type of giveaway to use depends upon whether the exporter wants to reach the dealer or the consumer—and on the profit margin.

Terms of Payment

For many years the Far Eastern importer has customarily done business by letter of credit which, in some markets, warrants a cash discount varying from 1 to 2½ per cent. There are exceptions and where the terms of payment are other than letter of credit, the usual credit investigation should be made. An up-to-date report from the Canadian Trade Commissioner is highly desirable; so is a review of current conditions in the country to which the exporter is selling.

To the exporter who is wondering whether his product will sell in Asia, I can give an answer based on my own experience. That answer is yes—provided that he has a competitively priced product, is flexible in his methods of doing business, and is willing to treat each country in this area as an individual market.

Industrial Development Bulletin

New opportunities for manufacturing in Canada are summarized in bulletin No. 84 issued by the Industrial Development Branch. A Norwegian engineering firm offers rights to make its wood-waste fuel handling and stoking equipment; a Swiss company will make available its patents for a new paper-drying technique; a German manufacturer is seeking arrangements to have its heat exchangers and finned tubes made here; a Swedish tile cement firm would grant licences for manufacture of its specialty product. A British firm seeks a manufacturer for its patented method of speeding up pickling of tubes, bars, and wire coils; two other British companies offer opportunities, one to make an adjustable manhole cover and frame and the other to build its space-saving storage cabinets. A small French manufacturer of hydraulic lifting equipment for farm implements would like to license some of its machinery for manufacture in Canada and an Israeli consulting engineer has developed an improved valve with replaceable plastic lining and offers Canadians manufacturing rights and technical assistance. A New York firm offers its style line of water-repellent fabrics on a royalty basis.

This bulletin also describes several new patents which Canadian manufacturers might wish to follow up, including a reversible single unit induction clutch, a valve for use with radioactive fluids, an hydraulically pressurized compensator and reservoir which excludes air from an aircraft hydraulic system, an improved packing for a wetted-wall type of vertical distillation column, and a sensitive and automatic flaw detector for continuous sheet material such as paper.

Three manufacturers overseas would like to obtain the right to make Canadian products: an Italian laboratory, specializing in biological extraction; a British firm which makes valves, controls, and steam fittings, and another British company which wishes to extend its present range of high precision engineering products.

Write for copies of this circular to the Industrial Development Branch, Department of Trade and Commerce, Ottawa.

How Dutch Agriculture Is Faring

Lower crop yields last year expanded the market for Canadian wheat and feed grains but reduced slightly Netherlands exports of farm products to Canada. There are opportunities here for greater trade in Canadian processed food products which exporters should seize.

W. R. HICKMAN,
Assistant Commercial Secretary, The Hague.

A RECORD OUTPUT OF LIVESTOCK AND DAIRY PRODUCTS enabled Dutch agriculture to expand production last year in spite of serious setbacks in horticulture and field crops, a result of the cold, wet growing season last year. The index of total farm output rose from 116 in 1955 to 121 in 1956 which compares quite favourably with the rate of industrial growth. Farm prices went up slightly during the year but costs advanced more sharply.

Trade in agricultural products—both exports and imports—expanded and as in previous years, the Netherlands led the world as an exporter of condensed milk, ranked second in the export of cheese, third in powdered milk, and fourth in butter. A rather serious butter surplus developed by the end of 1956 and stocks of 15,000 tons were moved into the domestic and export trade during the early part of 1957 at considerable loss.

Frost Damage Affects Outlook

Extensive late frost damage to fruit crops has dashed initial hopes for increased production in 1957. Tree fruit production may fall to only 50 per cent of normal and a 10 to 15 per cent loss is forecast for the strawberry and raspberry crops. Weather conditions otherwise have been favourable and crops generally are well advanced. Current estimates indicate that total farm production this year will exceed the 1956 output by perhaps 3 per cent and reach a value of 4.9 billion guilders* based on 1955 prices. Except for early potatoes, field crops did not suffer frost damage and a normal grain harvest is expected.

*One guilder—approx. Can.\$0.05

Farm costs have risen at a faster rate than farm prices and farm workers have renewed demands for higher wages; the farm assistance program will make an additional 200 million guilders available to aid agriculture. Farm owners and operators will receive 175 million guilders of this sum in the form of higher guaranteed prices and the remainder will cover a 5 per cent increase in farm wages. General taxes and higher food prices to consumers will provide the necessary funds. The relief measures fall considerably short of proposals made by the Dutch Statutory Organization for Agriculture last November. It remains to be seen to what extent the payments will raise income standards to an acceptable level.

Other problems confronting Dutch agriculture stem from the recently concluded European Customs Union negotiations. There is fear here that the common external tariff and other features of the plan will drive up the country's traditionally low farm-production costs and threaten its competitive position in outside markets. About 80 per cent of the agricultural raw materials imported by the Netherlands come from countries not included in the proposed Customs Union



Friesian cattle, which help to make the Netherlands one of the world's leading suppliers of dairy products, graze in a typical Dutch pasture. Last year the Dutch ranked first as exporters of condensed milk, and second in cheese.

and she sells about one-third of her agricultural exports to countries outside of the area.

Health of Animals Pays Off

To maintain her traditional position as a producer of fine cattle, the Netherlands pays a great deal of attention to the veterinary health program. After a five-year campaign which cost some 70 million guilders this country was officially declared free of bovine tuberculosis in May of last year. A new campaign, based on penalties for owners of infected cattle, is now under way to eradicate brucellosis within the same period of time; contagious abortion is currently the most serious threat to cattle-raising and the dairy industry stands to gain considerably if it is eradicated. With Denmark, the Netherlands is considered practically free from foot-and-mouth disease and was accordingly selected for the meeting last February of the European committee set up to combat this disease. It is hoped that as a result of the meeting member countries will establish joint facilities to assist with inoculations and slaughter programs in contaminated areas.

Grain Imports Rise

The Netherlands constitutes an important market for Canadian agriculture and food products; she buys substantial quantities of wheat, flaxseed, coarse grains, leaf tobacco, animal and vegetable oils, hides and skins, fish products and other foods and feedingstuffs. In 1956 this trade reached 119 million guilders in value and accounted for 66 per cent of the value of all goods imported from Canada. This represents a 40 per cent increase over the value of agricultural products imported in 1955; lower crop yields in that year were responsible for the rise in imports.

Wheat and coarse grains, valued at 87 million guilders in 1956 and at 50 million in the previous year, are the principal commodities in this trade. The quality of Canadian wheat is appreciated in this market but the Netherlands has become a price market for all grains since the grain trade was recently freed and the United States has now become the major grain source. There are signs that increased quantities of soft wheat may enter the market if and when the Customs Union comes into effect; if that happens, it will be necessary to supplant the filler wheats now used with high-quality milling grades available in Canada.

Exports to Canada Fall Slightly

Numerous agricultural and food products enter into Dutch export trade with Canada. Plants and bulbs, cocoa products, cheese, fruit pulp, preserved vegetables and distilled beverages all rank among the top twelve

Netherlands Trade with Canada

(agriculture and food products in 000's guilders)

Commodity	Imports from Canada		Exports to Canada	
	1955	1956	1955	1956
Fruits, vegetables & preparations	725	219	5,241	3,872
Meat & meat preparations	715	528	177	208
Dairy products, eggs, honey	9	120	1,557	1,659
Cereals and preparations	50,439	87,414	665	572
Sugar & products	4	11	862	743
Cocoa & spice preparations	1	23	6,041	5,129
Animal feed excluding cereals	352	669	10	11
Mixed food preparations	7	7	176	97
Beverages	72	53	775	1,018
Tobacco & manufactures	340	1,530	470	539
Hides & skins	1,435	890	67	121
Oilseeds & nuts	26,505	25,033	221	552
Horticulture & floriculture	245	143	8,704	9,368
Animal & vegetable oils and fats	1,133	1,013	311	834
Fish & fish products	3,213	1,368	812	726
Total agriculture & food products	85,188	119,021	26,089	25,448
Total commodity trade	148,767	180,634	67,639	78,349
Agric. and fish products as percentage of total trade	57%	66%	39%	32%

export commodities. Exports of farm products last year fell about 3 per cent to a value of 25.4 million guilders; this decline reflected in part the poor season. Fruit pulp showed the greatest decline in value, followed by cocoa preparations and confectionery. Larger shipments of cheese and horticultural products helped to offset these losses, but agricultural and food products as a whole made up only 32 per cent of the value of goods sold to Canada in 1956, compared with 39 per cent in the previous year. The production outlook for 1957 seems more favourable, but expansion in Netherlands sales to Canada will depend largely on the price and market situation.

Trade Fairs Can Aid Sales

There are several opportunities in the Netherlands now to introduce and promote imported foods and beverages by means of trade fair exhibits. Two of the best shows for this purpose are the Roka Food Fair held in Rotterdam each spring, and the newly organized food and beverage section of the Utrecht Autumn Fair (September 3 to 12 this year). Now in its ninth year, the Roka event is rated highly as a successful specialized fair open only to the trade and attended by 30,000 to 35,000 wholesale and retail buyers. The fair at Utrecht is more general and international in character and this year for the first time will feature food and beverages as an additional trade classification. Attendance reaches 100 thousand, usually business visitors, although the public is free to enter at all times.

At present there is no official Canadian exhibit scheduled for either of these fairs; Canadian firms interested in introducing or developing sales of food products on the Dutch market should get in touch with the Department of Trade and Commerce in Ottawa which will be glad to supply more details about these shows.

The Netherlands is noted for its food processing techniques and therefore does not present a large or easy market for imported products of this type. Yet the market offers sound prospects and Canadian suppliers of processed food products who feel they can meet standards of quality and stand up to competition are likely to find it worth cultivating.



General Notes

Belgium-Luxembourg

TRANSIT TRADE—Services such as transport by rail, road or canal, insurance, and financing of the transit trade of neighbouring countries provide substantial revenues for both Belgium and Luxembourg. The transit trade of the Belgium-Luxembourg Customs Union totalled 14.1 million metric tons in 1955, or about 17.7 per cent of the Union's total foreign trade of 80.0 million tons, compared with 15.9 per cent in 1954 and 19.3 per cent in 1950.

Most important commodities in transit trade are mineral fuels and oils, followed closely by iron and steel, minerals, and cereal grains; these products make up about 70 per cent of the total. Goods destined to France, Germany and the Netherlands accounted for 67 per cent of the imports of transit merchandise in 1955 and for 61 per cent of transit exports. Most of this trade goes through the port of Antwerp—Brussels, June 14.

Chile

CUSTOMS STORAGE RATES—Chilean customs authorities have agreed to increase by 100 per cent the current rates for the storage of goods in customs warehouses at the port of Valparaiso. This new rate will not apply on merchandise stored for less than one month after it enters. The purpose of this change in the rate is to relieve the present congested traffic in the Valparaiso customs warehouses.

Arriving shipments have been piling up for some months, because the buyers apparently lack the foreign exchange or local currency credit which would enable them to pick up the goods—Santiago, June 10.

Egypt

COTTON EXPORT SUBSIDY—To encourage exports and increase foreign exchange earnings, the Egyptian Ministry of Commerce has set up a system to pay cotton exporters in local currency for sales in certain foreign markets.

For exports to the United States and Canada the bonus is 20 per cent, for sales to other countries for payment in U.S. dollars or Deutsche Marks, 15 per cent, for sales to Italy 10 per cent, and to India 7 per cent. According to a statement made by the Ministry of Commerce, this new system has considerably improved the Egyptian cotton market and the volume of exports—Cairo, June 12.

Hong Kong

FOREIGN TRADE—Japan and the United States increased their purchases and Thailand and Indonesia bought fewer Hong Kong goods up to the end of April this year, compared with the same period in 1956. Imports from the United States increased, as

did the value of goods purchased from the United Kingdom, Mainland China and Indonesia. Japan and Malaya reduced their exports to the Colony. Canada's sales to Hong Kong rose in value during this period; imports from the Colony were somewhat reduced—Hong Kong, June 14.

Kenya

INDUSTRIAL EXPANSION—The first survey of secondary industry in Kenya for 1954 just published shows that more than 1,300 secondary industries were operating—excluding small units with fewer than five employees—and that they were spread over 20 industrial groups. Out of this total, the building and construction industry accounted for the largest number of firms (311) and the greatest gross production—almost £10 million. Grain milling with output valued at £7.1 million placed second, followed by the meat, dairy and canned products industries with a total of £5.2 million. Although 71 per cent of all industrial establishments were in the hands of small firms, the 290 which employed more than 50 workers accounted for 75 per cent of production. A new statistical survey of industry for 1956 is under way which is bound to show a rapid growth in manufacturing since 1954—Salisbury, June 6.

Rhodesia and Nyasaland

NICKEL MINING—A large British mining firm has exercised an option to purchase the mineral rights of the Empress nickel claims near Gatooma, Southern Rhodesia, for £250 thousand. A pilot plant, consisting of a crusher mill, flotation unit, and assay laboratories is nearly completed and will handle bulk samples from a shaft that is being sunk. Drilling is continuing and ore so far tested contains nickel in the form of sulphide ore and copper. If present expectations are realized, the project could have a helpful effect on the dollar-earning capacity of the country—Salisbury, June 8.

Sweden

IRON AND STEEL—One of Sweden's leading iron and steel works, Fagersta, has recently purchased a factory in Vancouver where the company plans to make rock drills for the Canadian market. The raw material will be imported from the Fagersta works in Sweden. The company also has branch plants for rock drills in Mexico and South Africa—Stockholm, June 7.

TERMS OF PAYMENT—Letter of credit terms, generally speaking, are today not acceptable to Swedish importers. Credit terms vary in different trades but the normal ones are cash against docu-

ments, 2½ per cent or 3 per cent, 30 days excluding month of delivery, or three months net. Long-term credits are not usually required; the percentage of bad debts is low and business standards are high. Many important Swedish firms refuse to accept bills for foreign transactions but can be relied upon to meet their liabilities promptly—Stockholm, June 7.

Trinidad

OVERSEAS TRADE—According to recently published figures, Trinidad had a favourable balance of trade of more than \$26 million in the first quarter of 1957 compared with \$4.4 million (BWI\$) for the same period last year. Exports totalled \$106.5 million and imports \$80.12 million. Leading exports were petroleum products, unrefined sugar, and cocoa. Chief destinations of the exports were the sterling area, North America and Brazil. Principal imports were crude petroleum, foodstuffs, machinery, and base metals. Leading suppliers were the sterling area, Venezuela and North America, in that order. Canada remains the chief source of wheat flour for Trinidad, although sales of Canadian flour declined from \$1.78 million in the first quarter of 1956 to \$1.37 million in the first quarter of 1957; imports from the U.S. rose from \$219 thousand to \$1.33 million—Port-of-Spain, June 5.

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 Peru

SR. ING. FERNANDO LIRA ZERPA, chief of the livestock department, Peruvian Livestock and Agricultural Development Bank, Lima, Peru, is making an extensive visit to North America and will arrive in Vancouver on July 6. He plans to travel across Canada to Toronto and Montreal, visiting cattle breeders and exporters. Date of arrival in Toronto is July 11 or 12 and Senor Lira will then start his eastern tour; details of his itinerary may be obtained from the Agriculture and Fisheries Branch, Department of Trade and Commerce, Ottawa.

Selling Seed Potatoes in Argentina

Prospects are good that Argentina will allow growers to renew their potato seed stock this year. Total possible demand for imported Katahdin, White Rose, and Kennebec makes it worthwhile for Canadian shippers to study the changes in buying methods and the market situation since the last imports were made in 1955.

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

ARGENTINA WILL NEED NEW STOCKS OF SEED POTATOES this year and the estimated demand may reach 100 thousand crates or sacks of Katahdin, 50,000 crates or sacks of White Rose, and possibly small quantities of Kennebec. The amount Argentina may buy from Canada depends on whether the Government will issue import permits at the official rate of exchange, on the prices exporters charge for seed potatoes, and on the amount of foreign exchange available, especially dollars. How Argentina will buy seed potatoes this year is not known yet but it is expected that the private trade rather than a government agency will do the buying if imports are allowed.

Seed Imported to Renew Stock

Argentina's potato production is divided into four quite distinct crops: early, semi-early, semi-late and late. The semi-late crop, grown mainly in southeastern Buenos Aires province, is the most important; it represents from 60 to 80 per cent of total production each year. Southeastern Buenos Aires also supplies the seed for a high proportion of the potato crop in the other zones. There are two exceptions—growers seed their late crop from the small tubers of the semi-early crop, and Argentina buys small quantities of the Up-to-Date variety for planting in Mendoza province.

Seed potatoes imported from North America are used in southeastern Buenos Aires exclusively to propagate seed for future crops in all parts of the country. After a relatively short time, this seed stock degenerates, and the growers of seed potatoes have to import seed to renew their stocks. In recent years, the shortage of foreign exchange has prohibited a renewal of such stocks on a yearly basis; the Government has permitted

substantial imports only every two or three years, and the most recent purchases were made in 1955.

White Rose, Katahdin Still Popular

In all zones such as Mendoza and Tucuman where potatoes are grown under irrigation, White Rose has been and remains the most popular variety. In other zones Katahdin was the outstanding variety and still is everywhere except in southeastern Buenos Aires, the most important growing area. In recent years, Huinkul, a rather poor-quality but high-yielding local variety, has made very rapid gains in southeastern Buenos Aires mostly at the expense of Katahdin. This year Huinkul accounted for 61 per cent of the total area planted in southern Buenos Aires and more than 65 per cent of the area sown to table stock. In other areas, Huinkul is in demand for only the semi-early crop in the Rosario zone; a substantial demand still exists for Katahdin seed in other zones as well as in Buenos Aires. This year more than 53 per cent of the area sown with certified seed was planted with Katahdin, compared with 29 per cent for White Rose and 12 per cent for Huinkul. However, this was the first year that Huinkul was accepted for certification and this variety is expected to account for a higher percentage of the certified crop in the future. Kennebec has enjoyed some popularity, especially in the Rosario zone which often suffers attacks of late blight. Particular areas of Mendoza continue to favour the Up-to-Date variety; Argentina buys small amounts of the seed from the Netherlands or Denmark from time to time.

Production Down, Prices Up

Over the past five years total Argentine potato production has fluctuated from a low of 1,043 thousand metric tons in 1951-52 to 1,671 thousand metric tons in 1953-54. Last year production reached an estimated 1,548 thousand tons and because of strong demand from neighbouring countries, exports rose to a record 72,000 tons. Production estimates for the early, semi-early and semi-late crops this year total 1,176 thousand tons, down 152 thousand tons from last year. Persistent drought in the main late-crop zone this season indicates that this crop will be far below last year's 211 thousand tons. The poor outlook for the late crop has caused potato prices to climb and table stock prices have risen to more than a peso a kilogram. It is reported that buyers are paying

80 to 90 pesos for a 60-kilogram bag of certified seed on a basis of in bags on wagons Balcarce, which is in southeastern Buenos Aires. The sanitary condition of the local seed is said to be generally good except for some White Rose which has suffered from a fusarium rot.

Prospects for Imports Improve

Imports of seed potatoes last year totalled only about 208 tons of Up-to-Date for the production of table potatoes in Mendoza. The newest seed stock of other varieties was grown from the 1955 imports and some growers still produce seed from the 1953 imports. If given the opportunity this year to purchase fresh seed stock at reasonable prices, producers undoubtedly will be interested in doing so. Furthermore, the Ministry of Agriculture and Livestock, which aims to provide producers with the best possible seed, will support the requests of the seed-growers to buy new seed stock from abroad.

The situation for imports of seed potatoes this year is radically different from recent years; the Government has increased the official exchange rate from 7.50 to 18 pesos per U.S. dollar and I.A.P.I., the government agency which has handled all potato imports since 1942, is going out of business. This agency formerly sold the seed at cost to the producers. I.A.P.I. has been in process of liquidation for over a year and it is concluded that this agency will no longer handle seed potato imports.

Although no decision has been reached yet it is assumed that the private trade will handle any seed potatoes that Argentina imports this year. The trade of course will expect to make a legitimate profit on its operations. If imports are handled by the trade and paid for at the official rate of exchange, it is estimated the producer will have to pay almost three times as many pesos as he did for seed potatoes from North America in previous years. Obviously the lower the dollar price of the imported potatoes, the more probable is an effective demand for them in Argentina.

The high prices producers are now paying for domestic seed improves the outlook considerably; the price gap between domestic and imported seed has narrowed. However, during the past few months imports of many commodities, including purebred livestock, have been transferred from the official exchange market to the free market (currently about 40 pesos per U.S. dollar). There is a possibility that seed potato imports might also be transferred to the free market. If this happens, the peso cost of seed potatoes would be so high that effective demand would be extremely limited or would disappear altogether. Seed potatoes are of basic importance to the economy and seed cost is a considerable part of the total cost of production. It therefore

seems unlikely that such a step would be taken. On the other hand, Argentina is desperately short of foreign exchange this year and her dollar position is particularly weak; it is by no means certain that the Government will grant import permits for seed potatoes.

If exchange is made available through the official market and prices are attractive, it is tentatively estimated that demand might reach 100 thousand crates or sacks of Katahdin, 50,000 crates or sacks of White Rose, and possibly a limited quantity of Kennebec.

How to Sell Seed Potatoes

We have pointed out that it is not yet certain exactly how imports of seed potatoes will be handled this year, if they are permitted. If we assume that the private trade will handle the imports, exporters of seed potatoes should note the following changes. This year for the first time in 15 years the Argentine representatives of Canadian exporters will be their actual selling agents. The selling agent will gain in importance now that he will have a much more vital role to play than merely acting as a liaison between the Canadian exporter and the Argentine Government. The strength of the demand from Argentine producers for imported seed will likely be the deciding factor this year in whether the Government grants or refuses import permits; it will go by the requests it receives from importers who will base their orders on the demand from producers. Thus the Canadian shipper should expect his Argentine representatives to stimulate producer demand for imported seed in every way possible and to encourage producers to press their requests on the trade and the Government as forcefully as possible. Canadian exporters who wish to participate in any business this year should encourage their representatives to take action now.

Cocoa Output Rises

World cocoa production will reach an estimated 924 thousand metric tons in 1956-57 compared with 848 thousand in 1955-56, according to figures recently released by the FAO Cocoa Study Group. Three countries—Brazil, Ghana and Nigeria—together are expected to produce 590 thousand tons, a rise over the January estimate of 542 thousand and the 1955-56 total of 528 thousand. Turning to consumption, the committee forecast 1957 grindings at 881 thousand metric tons—about 81,000 tons above 1956 and 66,000 tons over the January estimate. Chief factors in this rise have been greater consumption in Western Europe and in North America and larger purchases by Soviet Russia. Lower prices for cocoa beans have also acted as a spur to sales. Grindings in Western Europe, the United States and Canada for 1957 are expected to reach about 678 thousand tons.

British Fishermen Improve Methods

The United Kingdom still buys millions of pounds of fish and fish products each year despite the progress of its fishing industry; Canadian fish sales in this market reached £3 million last year. The Government helps the coastal and short-range fishing fleets to modernize their operations and advises those using deep-sea trawlers.

H. G. GARLAND,
Office of the Commercial Counsellor, London.

LAST YEAR THE BRITISH FISHING FLEET landed more than two billion pounds of fish valued at over £46 million. United Kingdom imports of fish and fish preparations from other sources in 1956 totalled 350 million pounds worth nearly £32 million; fish exports totalled 100 million pounds worth £5.8 million. The average consumption of fish per person in the United Kingdom totals about 22 pounds a year. British fishermen, working the prolific waters of the North Sea, the Atlantic and the far Arctic, play an important role in this country which depends so heavily on imported food.

North Sea Over-Fished

The maintenance of an adequate fishing fleet is clearly a matter of national concern. In the immediate post-war years, when food was scarce and the waters around the British Isles were plentifully stocked with fish, the fishing industry boomed; consumption reached a peak in 1948. Vessels operating in the near and middle waters, extending as far as the Faroes and the Norwegian coast, met most of the increased demand for fish. Fishing conditions were favourable in these areas and old vessels could operate profitably; few new ships were built for this type of fishing.

With the fleets of 17 other nations competing, the North Sea was soon over-fished. The United Kingdom then had to depend more on the catches of her distant-water trawlers which operate mainly near Iceland and Greenland, in the Arctic waters around Bear Island, and in the Barents Sea. All the major fishing countries of northwest Europe got together in 1954 and agreed to an Over-Fishing Convention. The chief aim is to assure continued fish reproduction in the near and middle waters; to do this the convention regulates the mesh-size of fishing nets.

Near-Shore Fishermen Helped

The United Kingdom set up the White Fish Authority in 1950 with powers to make loans towards the cost of vessels and engines for the near and middle-water fleets. The Authority's powers were extended in 1953 to enable it to continue making grants and the number of trawlers of this type began to multiply more rapidly. In many cases the applicants had only to find 15 per cent of the cost of a vessel from their own resources to qualify for a grant of 25 per cent of the total cost; the remaining 60 per cent of the outlay came from a loan at 3½ per cent from the Authority, which the owner repays over a period of 20 years.

This grants-and-loans scheme did not, however, benefit the small owner-operators who lacked the initial capital to qualify. Many of them use old coal-burning vessels which devour an extraordinary amount of fuel in relation to the amount of fish caught. Last year the Authority offered grants to convert suitable coal-

burners to oil-fired steam or diesel engines. The need to conserve oil after the Suez blockade held up the conversion program but it will be resumed when conditions return to normal.

Since 1950 the White Fish Authority has paid a subsidy to near and middle-water vessels. The amount paid is based on the number of voyages a ship makes and the amount of fish landed and sold for human consumption. The sliding scale on voyage payments depends on the financial returns from each voyage and also varies with the type of boat and the area fished. The payments for fish landed are at a flat rate; at first it was 4d. a stone (14 lb.) for all gutted and certain species of ungutted fish and 3d. a stone for all other ungutted fish. Since then the fish subsidy has been reduced to 2d. and 1d. respectively.

No Aid for Long-Range Vessels

No grants, loans or subsidies apply to the distant-water section of the industry, which is made up of trawlers over 140 feet long and built to make voyages of 2,000 to 5,000 miles. All the vessels of the distant-water fleet are concentrated at Hull and Grimsby on the east coast of England and at Fleetwood on the west, except for two which work out of Aberdeen. The total in operation numbers about 250, of which 14 are vessels commissioned in 1956. The cost of building and equipping a trawler of this type at present prices is approximately £250 thousand.

The companies which operate the large trawlers participate in their own development scheme, which aims to make economic planning a part of fleet operations as a whole. The vessels in this group fish to capacity from September to March or April but the industry cuts operations in the summer to prevent a glut on the market. Catches are controlled by using a combination of two methods—allocating various proportions of each landing to the different consuming sections of the trade, and keeping a small part of the fleet out of action.

In 1954, 11 trawlers were laid up during the summer; the following year 12 were scheduled to lay off but market conditions enabled them to continue operations to supply salted fish for export. But conditions were different last year and 12 trawlers, representing 5 per cent of the fleet, stayed at home for the April-August period. The trawler owners as a group carry out these arrangements but they consult with the White Fish Authority on what measures to take.

Fish Landings and Imports

Over 40 varieties of fish appear in the official statistics of landings, with cod in first position both in quantity and value. The following table shows the landings

by British vessels in England, Scotland and Wales in 1956:

<i>Principal Varieties</i>	<i>Weight (in '000 lb.)</i>	<i>Value (in '000's £)</i>
Cod	867,000	18,621
Haddock	219,000	8,033
Plaice	75,000	4,363
Herring	299,000	2,849
Hake	32,000	2,433
Whiting	106,000	1,890
Saithe	75,000	1,134
Skates and rays	36,000	1,070
Soles	6,000	832
Lemon soles	11,000	816
Halibut	7,000	726
Others	345,000	3,709
	2,078,000	46,476

In addition, over 190 million pounds of fresh and frozen fish valued at nearly £7 million were imported into the United Kingdom in 1956 from foreign countries, principally from Scandinavia, Germany, the Netherlands and Belgium; foreign fishing vessels landed direct more than one-third of the total.

The value of the total market for fish in other forms than fresh or frozen and fish preparations in 1956 reached £31.8 million. Canada's share of this was limited by the quotas for canned salmon and canned lobster but still made up nearly 10 per cent of the total value. Canadian sales of canned fish and other fish preparations at £3 million were exceeded by only two other countries, Norway (£4.2 million), and Japan (£7.7 million).

Imports of canned salmon from all sources in 1956 were valued at £10.1 million. Japan, with sales of £5.3 million, was the leading supplier, followed by Canada (£2.9 million), the Soviet Union (£946 thousand) and the United States (£875 thousand).

Involved in International Problems

Because British fishing vessels operate in so many areas, the policies of a number of other maritime nations have a direct effect on the industry here. In 1952, for example, when the International Court of Justice upheld Norway's claim against British ships, the Government of Iceland decided to limit the country's territorial waters to four miles around the coast, measured from headland to headland. It forbade trawl fishing in this area and the British trawling industry claimed that it was thereby excluded from 5,000 square miles of traditional fishing grounds. In retaliation, the United Kingdom imposed a ban on landings by Icelandic vessels at her ports.

The dispute continued, with no concessions by either side, until November of last year. At that time, the disputing parties accepted proposals submitted by the

OEEC as a basis for settlement. The British industry agreed to accept the ban on coastal fishing and the Icelandic Government agreed not to change the limit lines until the United Nations Assembly gives a ruling on territorial waters. Iceland's fishing vessels resumed landings before the end of November but these are limited to an annual value of £1,800 thousand—or about equal to 6.3 per cent of all fish landed in the United Kingdom before the dispute.

The Anglo-Russian agreement of 1930, which allowed British trawlers to fish up to three miles from the coast

of Northern Russia, came to an end in 1953 but was continued for two years pending a more permanent settlement. Negotiations for a new convention began in 1955 and were concluded in May of last year. This agreement, which has not yet been ratified, will permit British vessels to fish within three miles of the coast in specified areas of the Barents Sea. The agreement will be for five years from the date of ratification and, unless a year's notice of denunciation is given by either party at the end of that period, it will automatically be extended for further periods of five years.



Trade Commissioners on Tour

The following officers of the Trade Commissioner Service are at present on tour in Canada or will begin a tour shortly. The detailed itinerary for each is:

A. W. EVANS, formerly Trade Commissioner in Cape Town, South Africa:

Windsor—July 9	Victoria—July 15
Sarnia—July 10 (p.m.)	Vancouver—July 16-19
London—July 11	Winnipeg—July 22
Brantford—July 12	

RICHARD GREW, Commercial Counsellor in Lisbon, Portugal:

Vancouver—July 16-26	Winnipeg—July 31
Edmonton—July 29	Windsor—August 2

D. B. LAUGHTON, formerly Trade Commissioner in Port-of-Spain, Trinidad:

Calgary—July 8-9	Victoria—Sept. 3
Vancouver—Aug. 26-30	

D. A. B. MARSHALL, Commercial Counsellor (Agricultural) in London:

Toronto—July 8-10	Belleville—July 11-12
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B. A. MACDONALD, formerly Commercial Counsellor in Bonn, West Germany:

Fredericton—July 8	Winnipeg—July 30
Quebec—July 9-12	Calgary—Aug. 1
Montreal—July 15-20	Vancouver—Aug. 5-9
Toronto—July 22-27	

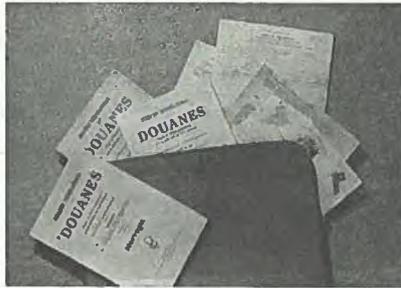
T. J. MONTY, Commercial Counsellor in Brussels, Belgium:

Toronto—July 2-13

A. P. SAVARD, Commercial Secretary, Bogotá, Colombia:

Montreal—July 10-24

Businessmen who wish to see these officers should get in touch with the Board of Trade or Chamber of Commerce in the cities mentioned, with the following exceptions. In Toronto and Winnipeg, the Trade Commissioners make their headquarters at the offices of the Canadian Manufacturers Association; in St. John's, Ottawa and Vancouver, at the Department of Trade and Commerce; in Victoria, at the Department of Trade and Industry, and in Fredericton at the Department of Industry and Development.



Trade and Tariff Regulations

Bermuda

LICENSING ANNOUNCEMENT—The list of products that may not be imported into Bermuda from dollar countries will be further reduced by deletion of the following items, effective September 1, 1957: ale, beer, woollen blankets.

Importers are reminded that if any of the above goods arrive in Bermuda before the specified date, delivery will not be permitted.

A list of the products which are prohibited import into Bermuda from the dollar area may be obtained from the International Trade Relations Branch.

Colombia

EXCHANGE REFORM—Effective June 18th, Colombia has introduced a new exchange system based on a certificate market for all trade transactions at a fluctuating exchange rate. Payment for all permissible imports will be subject to an exchange tax of 10 per cent ad valorem and a previous deposit requirement of 20 per cent ad valorem. The previous stamp taxes applicable to imports have been eliminated. On the export side, all exports will be subject to a 15 per cent exchange tax proceeds of which with the import exchange tax, will be used to liquidate the commercial debt. Under the new system all imports will be freely permitted if not included in the small list of goods subject to previous licence by the Superintendency of Imports or the prohibited list which has been expanded.

Complete details of the new lists are available from the International Trade Relations Branch.

Philippines

NEW TARIFF—On June 22, 1957, the President of the Philippines signed into law a new tariff code, details of which were not available at press time. The new tariff came into force on July 1, 1957, and

is expected to affect a number of our export commodities. A copy of the new tariff code is being airmailed to Ottawa from Manila and details of revised rates of duty will be furnished upon request by the International Trade Relations Branch.

United States

TARIFF REDUCTIONS—The second stage of tariff reductions negotiated at the GATT tariff conference in 1956 will come into force on July 1, 1957.

The June 9, 1956, issue of *Foreign Trade* carried a list of over one hundred items of the United States tariff of interest to Canadian exporters, showing the three stages of reductions in rates. Readers may wish to refer to this issue for information on rates which became effective July 1st.

Leaflets setting forth these tariff items and the three stages of reductions are also available from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

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.

foreign trade service abroad

*No Foreign Trade Officer at this post.

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

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bissett, Commercial Counsellor	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Argentina	W. F. Hillhouse, Agricultural Secretary		
Australia (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 Counsellor for Canada	83 William Street MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
Austria Czechoslovakia, Hungary	R. K. Thomson, Commercial Secretary for Canada	Opernringhof, Opernring 1, VIENNA I	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN
Belgian Congo Angola, French Equatorial Africa	K. Nyenhuis, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	<i>Mail:</i> <i>Böite Postale</i> 373 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
Belgium Luxembourg	T. J. Monty, Commercial Counsellor K. G. Ramsay, 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
Brazil	V. L. Chapin, Commercial Secretary C. M. Kerr, Assistant 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	W. R. Van, Commercial Secretary	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens, COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> CANADIAN <i>Tel.:</i> 91341
Chile	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
Colombia 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
Cuba	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

Territory	Officer	City Address	Mail and Cables, Office Telephone
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Dominican Republic Puerto Rico	M. B. Bursley, Commercial Counsellor	Canadian Embassy, Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	<i>Mail:</i> Apartado 451 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5318
Egypt Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia, 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
France Algeria, French West Africa, Morocco, Tangier, Tunisia	R. Campbell Smith, Commercial Secretary for Canada A. L. Neal, Attaché J. H. Bailey, Commercial Secretary	3 rue Scribe, PARIS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> OPEra 42-30
Germany Federal Republic	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
Germany	E. H. Maguire, Consul J. M. T. Thomas, Vice Consul	Canadian Consulate, 69 Ferdinandstrasse, HAMBURG	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 326149
Greece Israel, Turkey	A. B. Brodie, Commercial Secretary L. D. R. Dyke, Assistant Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 74044
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	H. W. Richardson, Canadian Government Trade Commissioner R. M. Dawson, 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
Haiti	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
Hong Kong 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
India	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
India Goa	T. F. Harris, Canadian Government Trade Commissioner W. J. Collett, Assistant Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Tel.:</i> 255154
Indonesia	J. E. P. Lancaster, Commercial Secretary	Canadian Embassy, DjI. Budi Kemuliaan No. 6. DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Gambir 499
Ireland	H. A. Gilbert, Commercial Secretary for Canada	66 Upper O'Connell St., DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel:</i> 861-951

Territory	Officer	City Address	Mail and Cables, Office Telephone
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Italy Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor	Canadian Embassy, Via G. B. De Rossi 27 ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 861-951
	K. F. Osmond, Commercial Secretary (Fisheries)		
	J. G. Ireland, Assistant Commercial Secretary		
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	M. S. Strong, Assistant Trade Commissioner		
Japan Korea	J. L. Mutter, Commercial Counsellor	Canadian Embassy, Tokyo	<i>Mail:</i> Canadian Embassy <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
	W. G. Pybus, Commercial Secretary		
Lebanon Iraq, Jordan, Persian Gulf Area, Syria	C. O. R. Rousseau, Commercial Secretary	Canadian Legation, Alpha Building, Rue Clemenceau, BEIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN <i>Tel.:</i> 30794
Mexico	C. J. Van Tighem, Commercial Counsellor	Canadian Embassy, Edificio Internacional, Paseo de la Reforma, No. 1, Piso 13, MEXICO 1, D. F.	<i>Mail:</i> Apartado 126-Bis <i>Cable:</i> CANADIAN <i>Tel.:</i> 46-99-00
	A. A. Lomas, Assistant Commercial Secretary		
Netherlands	B. C. Butler, Commercial Counsellor	Canadian Embassy, Sophialaan 5-7, THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 18-51-06
	W. R. Hickman, Assistant Commercial Secretary		
	B. Horth, Assistant Commercial Secretary		
New Zealand Fiji, Western Samoa	L. S. Glass, Commercial Counsellor	Office of the High Commissioner for Canada, Government Life Insurance Bldg., WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Tel.:</i> 70-644
	J. MacNaught, Assistant Commercial Secretary		
Norway Iceland	J. C. Depocas, Commercial Counsellor	Canadian Embassy, Fridtjof Nansens Plass 5, OSLO	<i>Mail:</i> P.O. Box 1379—Vika <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
	H. J. Horne, Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5826
Pakistan Afghanistan, Iran	J. D. Blackwood, Assistant Commercial Secretary		
	D. H. Cheney, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 72760
Philippines	H. L. E. Priestman, Consul General and Trade Commissioner	Canadian Consulate General, Ayala Building Juan Luna Street MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Tel.:</i> 3-33-35
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Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	Richard Grew, Commercial Counsellor	Canadian Embassy, Rua Marques de Fronteira No. 8-4° D° LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 53117

Territory	Officer	City Address	Mail and Cables, Office Telephone
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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	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Tel.:</i> 30631-2
South Africa (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	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
Spain Balearic Islands, Canary Islands, Gibraltar, Rio Muni, Rio de Oro	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
Sweden 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
Switzerland	B. I. Rankin, Commercial Counsellor 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
Trinidad Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, French West Indies, Guadeloupe, Martinique	R. W. Blake, 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
United Kingdom (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> TTMCOM
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)	H. A. Gilbert, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
United States Delaware, Maryland, Virginia, West Virginia	R. G. C. Smith, Minister (Commercial) Dr. W. C. Hopper, Agricultural Counsellor W. A. Stewart, Assistant Commercial Secretary	Canadian Embassy, 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEcatur 2-1011

Territory	Officer	City Address	Mail and Cables, Office Telephone
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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)	R. F. Renwick, Consul and Trade Commissioner R. G. Woolham, Vice Consul and Assistant 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. Vechslar, Consul and Trade Commissioner 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° MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Tel.:</i> 96096
Venezuela Netherlands Antilles	R. E. Gravel, Commercial Secretary W. G. Brett, Assistant Commercial Secretary R. D. Sirrs, 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 made at cross rates with sterling or the United States dollar on the date shown.

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

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

Rates used exclusively in non-merchandise trading are *not* included in the table. For conversion to United States dollar equivalent multiply by 1.04918

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent June 21	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Official .....	.05293	18.89	(1)
		Free .....	.02353	42.50	
Austria	Schilling ..	.....	.03666	27.28	
Australia	Pound .....	.....	2.1288	.4697	
Belgium, Belgian Empire and Luxembourg ...	Franc .....	.....	.01896	52.74	
Bolivia	Boliviano ..	Free .....	.0001151	8688.1	(17)
British West Indies	Dollar .....	.....	.5544	1.804	(2)
	Pound .....	.....	2.6609	.3758	(3)
	Dollar .....	.....	.6652	1.503	
Brazil	Cruzeiro ...	Effective selling*			
		*Category I	.0157	63.74	*May 31 (4)
		Category II	.0119	84.06	
		Category III	.0089	112.70	
		Official buying .....	.0519	19.26	(5)
Burma	Kyat .....	.....	.2002	5.00	
Ceylon	Rupee .....	.....	.1996	5.01	
Chile	Peso	Free .....	.001588	629.72	(15)
Colombia	Peso .....	.....	.....	.....	(7)
		Free* .....	.1906	5.247	June 20
Costa Rica	Colon	Official .....	.1697	5.893	
		Controlled free .....	.1435	6.97	
Cuba	Peso .....	.....	.9531	1.049	tax 2% (4)
Czechoslovakia ...	Koruna .....	.....	.1324	7.55	
Denmark	Krone .....	.....	.1380	7.25	
Dominican Republic	Peso .....	.....	.9531	1.049	
Ecuador	Sucre	Official .....	.06354	15.74	
		Free .....	.05388	18.56	
Egypt	Pound	Official	2.7370	.3654	(6)
El Salvador	Colon .....	.....	.3813	2.62	
Fiji	Pound .....	.....	2.3972	.4172	
Finland	Markka .....	.....	.004144	241.31	
France, Monaco and North Africa	Franc .....	.....	.002724	367.11	(8)
French Colonies in Africa	Franc .....	.....	.005448	183.55	(9)
French Pacific ...	Franc .....	.....	.01498	66.76	(10)
Germany	D Mark .....	.....	.2269	4.41	
Greece	Drachma .....	.....	.03177	31.48	
Guatemala	Quetzal .....	.....	.9531	1.049	
Haiti	Gourde .....	.....	.1906	5.25	
Honduras	Lempira .....	.....	.4766	2.10	
Hong Kong	Dollar	Free* .....	.1538	6.50	*June 14
		Official .....	.1663	6.01	
Iceland	Krona	Official .....	.05853	17.09	(6) (11)
India	Rupee .....	.....	.1996	5.01	
Indonesia	Rupiah	Basic .....	.08393	11.91	(12) (18)
Iran	Rial	Certificate .....	.0126	79.48	
Iraq	Dinar .....	.....	2.6688	.3747	
Ireland	Pound .....	.....	2.6609	.3758	
Israel	Pound .....	.....	.5295	1.89	
Italy	Lira .....	.....	.001530	653.59	
Japan	Yen .....	.....	.002648	377.64	
Lebanon	Pound	Free .....	.2982	3.35	
Mexico	Peso .....	.....	.07625	13.11	
Netherlands	Florin .....	.....	.2489	4.02	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent June 21	Units per Canadian dollar	Notes (See below)
Netherlands					
Antilles	Florin .....	.....	.5015	19.94	
New Zealand	Pound .....	.....	2.6609	.3758	
Nicaragua	Cordoba .....	.....	.1444	6.93	
		Effective buying .....	.1351	7.40	
		Official selling .....	.1334	7.50	
Norway	Krone .....	.....	.1996	5.01	
Pakistan	Rupee .....	.....	.9531	1.049	
Panama	Balboa .....	.....	.01588	62.97	(6) (13)
Paraguay	Guarani	Official .....	.05016	19.94	
Peru	Sol	Certificate .....	.4766	2.10	
Philippines	Peso .....	.....	.03326	30.07	(14)
Portugal & Colonies	Escudo .....	.....		
Singapore & Malaya	Straits dollar	.....	.3105	3.22	
Spain & Dependencies ...	Peseta	Controlled free .....	.02269	44.07	
Sweden	Krona .....	.....	.1842	5.43	
Switzerland	Franc .....	.....	.2224	4.50	
Syria	Pound	Free .....	.2662	3.76	
Thailand	Baht	Free .....	.04625	21.62	(6)
Turkey	Lira .....	.....	.3404	2.94	(6)
Union of South Africa ...	Pound .....	.....	2.6609	.3758	
United Kingdom ..	Pound .....	.....	2.6609375	.375807	
United States	Dollar .....	.....	.953125	1.04918	
Uruguay	Peso	Free .....	.2240	4.46	
		Basic buying .....	.6289	1.59	(6)
		Principal selling .....	.4545	2.20	(16)
Venezuela	Bollivar .....	.....	.2845	3.51	
Yugoslavia	Dinar .....	.....	.003177	314.76	(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.
18. Indonesia: New exchange measures affecting the rupiah rate were announced on June 20 by the Indonesian Government. Details, which were not available at date of this compilation, may be obtained from the International Trade Relations Branch, Department of Trade and Commerce.



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