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COVER On the docks at Hamburg, fresh fruit is unloaded from ships that come from many countries. Hamburg has become the largest fruit-handling port in continental Europe, and West Germany one of the world's largest fresh fruit markets. For a report on how Canadian fruit growers can improve opportunities there, please turn to page two.

Now is the time to

Sell Fruit in West Germany

Canadian exporters of quality apples and pears should take a good look at the West German fruit market, one of the world's largest, where local shortages have resulted in bigger quotas for imports from dollar countries.

J. M. T. THOMAS, *Vice-Consul and Assistant Trade Commissioner, Hamburg.*

WEST GERMANY'S POOR FRUIT CROP this year offers Canadian exporters of quality apples and pears a chance to test this prosperous but highly competitive market. German importers have been given a quota to buy fresh fruit from dollar countries and Canadian fruit, virtually unknown since World War II, is now reappearing on the market in reasonable quantities. Shippers should take advantage of the present shortage of local fruit to introduce their best apples and pears to the German consumer who has come to appreciate superior quality and can afford to pay for it. Some Canadian sales this year might pave the way for a steady movement of quality fruit from Canada to West Germany in the years ahead.

Fruit Usually Imported

Even in normal years, West Germany imports a good deal of fresh fruit from abroad. Domestic fruit production has not yet become large enough nor of a quality to satisfy the domestic market, although growers have made considerable progress recently in improving production. The most important orchard area in Germany is the "Altes Land" on the Elbe River near Hamburg. Here the fruit growers have taken important steps to make their industry more competitive. They have cut out undesirable species from their orchards and have set more rigid and higher quality standards, both for taste and appearance. There is now enough cold storage space to hold 90 per cent of a normal crop.

But the local fruit growers have sought and obtained substantial protection from the Government through customs duties and the right to impose quantitative restrictions which is written into all trade treaties. Only occasionally in the years since the war have the authorities allowed imports of fresh fruit from the dollar countries. They have imposed quantitative restrictions on shipments from other countries but only when there was an exceptionally good German crop. In 1954 a bumper apple crop in Europe resulted in West German restrictions on apple imports from all sources.

The current duty* on apples and pears is D.M.6.00 per 100 kilos plus 4 per cent turnover tax; these reduced rates are valid to the end of this year and are likely to be extended. Many people here feel that because of the Common Market Agreement and the improvement in her foreign exchange position, West Germany will move to lessen protection from foreign competition, including that offered by dollar countries. They also point out the urgent need for the local industry to become more efficient.

Large Quantities Consumed

West Germany is said to be the second largest consumer of fresh fruit in the world and Hamburg has become the largest fruit-handling port in continental Europe. The city has every facility for moving and storing fresh fruit, including some one million square

*D.M.1.00=\$0.23 Can.

100 kilos=220.4 lb.

Therefore duty equals about \$0.0063 a pound.

feet of controlled-temperature storage. Last year an estimated 658 thousand tons of fresh and dried fruit passed through this centre; importers auctioned much of the fruit in the famous "Fruchthof" to which buyers come from all over Germany.

Import statistics for fresh fruit in 1956—considered a comparatively normal year—were as follows:

WEST GERMAN FRESH FRUIT IMPORTS 1956

	<i>Quantities (millions of kilos)</i>	<i>Value (millions of D.M.)</i>	<i>Main Suppliers (quantities in millions of kilos)</i>
Apples	287	128	Italy (244) Netherlands (22.5) Australia (10) U.S. (1.72) CANADA (138 thousand)
Pears and quince	70.6	35.4	Italy (47) Belgium (12)
Peaches	36.6	36	Italy (33.2)
Plums	17.4	7.9	Hungary (6.8)
Cherries	9.2	9.2	Italy (6.1)
Apricots	6.3	6.3	Spain (3.8) Italy (2.0)

Canadian exporters should pay special attention to the market here for apples and pears, the fruit best suited to the long ocean haul.

Italy Is Tough Competitor

As the above figures show, Italy holds a commanding lead as a source of fresh fruit and supplies apples and pears to nearly ten times the value of her nearest competitors. Italy has, of course, the important advantage of proximity to the market and a favourable climate, but she has also taken steps to make her position even more competitive. Italian orchardists produce the same varieties which have proved popular in Canada and export only the most attractive fruit, individually wrapped and well packed.

West Germany imports apples fairly steadily the year around but the sources of supply vary from season to season. From late August to the end of September, locally-grown apples appear on the market. In September Italian, Swiss and Danish apples appear and importers bring in substantial quantities until December; Italian apples continue to come in until the end of March. From April on, apples are scarce in the Northern Hemisphere and prices rise considerably. In recent years Australia, New Zealand, South Africa, and (to a lesser extent) Chile, have helped to fill this gap.

Although German consumers do not stress quality as much as Canadian buyers do, they are gradually choosing the better looking, better tasting and better packaged fresh fruit. Higher-grade apples and pears are now individually wrapped, packed in sturdy export cases and shipped cool or ventilated. Italian fruit exporters have paid particular attention to the new

trend in developing sales here. Quality has not quite reached North American standards but prices for local and imported fresh fruit are lower and this presents the most formidable obstacle to Canadian sales in this market.

In mid-October, the "Fruchthof" auction price for Italian apples varied from D.M.70.00 per 100 kilos (about 7.3 cents a lb.) for Abundanca variety to D.M.120.00 per 100 kilos (about 12.5 cents a lb.) for Delicious; California pears in standard cases sold from US\$3.20 a case to US\$4.10, depending on variety and grade. These prices include the duty, turnover tax, and the auctioneer's commission of 1.5 to 2 per cent. At the moment, prices are down because producers from all over the world have been trying to take advantage of the local shortage. But as winter draws on, overseas supplies will shrink and prices are likely to rise.

Should Cater to Quality Market

Canadian suppliers will always find it difficult to compete in price and therefore should cater to the quality market. Despite the developments in Italy and other countries in recent years, quality fruit from North America still leads in taste, appearance and packing; many German consumers are now willing and able to pay for the better product. Someone is going to fill the growing demand for quality fruit and it will take some time before the local industry can do the job adequately, even if it is protected from competition. Importers have indicated that they are interested in Canadian apples and pears—if quality compensates for the higher price they expect to pay.

In fact, West German buyers have already bought considerable quantities of Canadian C-grade apples. Exporters should note that the Fruit and Vegetable Division, Canada Department of Agriculture, is the agency which grants permission for them to ship C-grade to Continental Europe this year; usually this grade of apples cannot be exported. The Division allows shipments to leave Canada only on the understanding that there is a firm sale for the fruit; export of C-grade in quantity or samples for sale on consignment is prohibited—a measure designed to protect our reputation for quality.

Our top-quality apples, however, are virtually unknown here and some importing firms have suggested that exporters experiment with trial quantities on consignment to establish their product this season. Importers would sell fruit sent under this system in the "Fruchthof" to set a price from which they could evaluate possible demand. Some of the bigger buyers, because of their influence with shipping companies, are in a position to charter ships; thus they could move large quantities of fruit quickly should the market prove strong and Canadian exporters able to fill orders. ●

South Africa Continues Expansion

Agriculture and mining are increasing their earnings, industry is expanding, and the balance of payments shows small surplus for first half of 1957. Import controls now affect only about 8 per cent of total purchases abroad. Canadian sales are holding up well.

KENNETH F. NOBLE,
Trade Commissioner, Johannesburg.

THE CURRENT ECONOMIC POSITION of the Union of South Africa appears to be largely favourable. Capital spending by private enterprise has declined, but accelerated expenditure by revenue-earning departments of the Government, public utilities, provincial authorities and municipalities has more than offset this. The balance of payments has reached equilibrium, despite a net outflow of investment capital. The possible decline in the real value of production by secondary industry has been balanced by increased agricultural and pastoral earnings. Steadily mounting gold production and the associated recovery of uranium has also strengthened the economy. With the pressure of inflation less, the Reserve Bank has relaxed the tight money policy of the past 18 months.

The Union today enjoys the benefits of capital investment made earlier in the private sector. Largely as a result of such investment and of expanded production, the annual real income of the country has increased during the ten years from 1946 to 1956 by 64 per cent, as against a population increase of 22 per cent.

Industry Continues Progress

Activity has been satisfactorily maintained. After the usual seasonal lull, buying towards the end of the financial year produced a mounting volume of orders and gave a distinct encouragement to production. Improvement is forecast particularly for paper products, furniture and household goods, which have been slower in recovering during the third quarter.

May brought the creation of an Industrial Finance Corporation. It is a joint undertaking of the Reserve Bank and of the Industrial Development Corporation and is supported by commercial banks, mining and insurance companies and other investment corporations to provide an outlet for risk and non-risk capital from domestic sources. Initial capital of £5 million was over-subscribed and participation was prorated.

One sidelight on the vanishing element of protection in the disappearing import control regulations was the establishment in late August of a Commission of Enquiry "to examine governmental policy relative to the protection of industry". The terms of reference include:

- Investigation of the extent to which the existing level of tariff protection is adequate for the maintenance on a sound basis of the economic development of the Union.
- The manner in which industry can be encouraged without causing an appreciable increase in the cost of living or placing an excessive burden on agriculture and mining.
- The effect of an accelerated rate of expansion in industrial development on the Union's economy in the light of available resources and the danger of inflation.

Gold and Diamond Output

Total gold production for the first seven months of the year amounted to 9,852,620 fine ounces worth £123 million, an increase of 725,217 fine ounces in weight and £9.4 million in value over the similar period of 1956. During the first half year, gold winnings reached £102.5 million.

World sales of diamonds rose from £17.7 million in the first quarter of the year to £20.0 million in the second quarter, £1.6 million above the corresponding figure for the first half of 1956. Emphasis has been on gem stones but sales of industrials are also above



South African girls in a Rustenburg plant pack oranges from the famous Transvaal citrus orchards. This year, shipments are expected to total 7.5 million cases, including oranges, lemons and grapefruit. Heavy rains this season have delayed the picking and exporting of the crop.

those for the similar period of last year. During the first two months of 1957, diamond exports totalled £6.5 million as against £5.3 million in January-February 1956.

The Agricultural Picture

Maize—The latest estimate for the 1956-57 harvest is 40.3 million bags (of 200 pounds), 1.3 million bags over the record 1953-54 harvest of 39.0 million bags.

Wheat—Declining returns to the maize farmer, coupled with a policy of encouragement for conversion to summer rainfall wheat by the Department of Agriculture, has resulted in a remarkable expansion of wheat acreage. Despite regional losses during September from pests in new wheat areas, the Department of Agriculture forecasts a harvest of over nine million bags (of 200 pounds)—larger than the one which made the Union self-sufficient in 1956-57.

Sugar—Production is now forecast at 922,050 tons, or only 17,000 tons short of the 1955-56 record.

Citrus—Unseasonable rains have delayed the picking and export of citrus fruit, including oranges, grapefruit and lemons, and deliveries into warehouses, at 3.4 million cases, are behind schedule. Prospects are that the season's shipments will amount to 7.5 million cases.

Wool—Detailed results for the season 1956-57 are not available but a preliminary estimate places the weight of the clip at 322 million pounds and the wool cheque at £72.5 million. Prices at the commencement of the new season were off but have been firming. A record clip for the year 1957-58 is anticipated and one in which any shortfall in price per pound will be more than offset by the increase in volume.

Balance of Payments Improves

Net current balance on international account improved notably during the first half of 1957, principally because of a sharp increase in merchandise exports and the substantial rise in gold production and exports. Commodity exports increased by £30 million and gold output by £8 million. Merchandise imports, including ships' stores, increased by about £15 million. The Reserve Bank estimates a net surplus of about £1 million on current account during the first half of 1957, compared with a deficit of £23 million during the same period last year. The customary decline in reserves in the first half of each year was appreciably less than in previous years.

In the field of capital movement, net repayment of government loans amounted to £4 million but the estimated net outflow of private capital in the sum of £5 million was offset by domestic investment in foreign shares. When coupled with the surplus on current account, the seasonal half-year decline in gold and foreign exchange holdings was about £8 million, compared with £13 million during the corresponding period of last year.

Improving Railway Service

The elaborate program of spending on capital account for the purpose of increasing freight and passenger-carrying capacities and improving harbour and dock facilities will eventually require £412.5 million. Work completed or under way has involved £153.5 million. A further £72 million is being spent during the current fiscal year and efforts are being made to complete the project, involving a further £200 million, by 1961. The program is financed from general revenue

surplus, railway surplus, and overseas borrowing, but there was no borrowing abroad during 1956. The World Bank recently granted a loan in various currencies equivalent to \$25 million, and a revolving credit of \$10 million from a commercial bank syndicate in the United States has been doubled to \$20 million.

Operations of the South African Railways are again showing a profit; the net deficit last year has been converted to a surplus in the sum of approximately £1.0 million in the first three months of the fiscal year (to June 30).

Import Control Relaxed

For all practical purposes, import control affects only commodities for final consumption, which comprise about 8 per cent of total imports. Three further sets of relaxations effective this year are evidence of the improved position of the balance of payments; they provided for an increase of 25 per cent in the value of consumer goods permitted entry.

In March the principle of "complete relaxation of restrictions on imported goods in reasonably abundant supply" was laid down, together with a "more liberal scale of quotas for the importation of consumer goods still subject to restrictive control". Shortly after the mid-year, the Minister of Economic Affairs stated that "almost all commodities are now available in the country and the effective limiting factor is the buying inclination of the purchaser rather than the amount of quota issued to importers".

The three sets of relaxations during the year transferred additional items to the general consumer goods list and reduced the rate of penalty on surrender quota against a broadened range of "restricted" consumer goods. In March, basic quotas established in 1949 were recalculated to aid importers in developing areas in the Union and also to redistribute an amount of £3½ million earmarked for consumer goods and not used during the calendar year 1956. Simultaneously, "specialist" importers had their quotas recalculated and about 25 per cent of all importers had their basic quotas increased.

For the first time in the nine-year history of import control, a third round of import permits—in the amount of 6½ per cent—was announced on August 9, bringing permissible consumer goods imports to 60 per cent of the base year, as revised in March. Even more important was the automatic issue of replacement permits for low-priced motor cars, with the procedure later extended to all passenger vehicles.

Trade Deficit Shrinks

The trade deficit of £54 million represented a welcome decline of £15.9 million from the deficit in the corresponding period of last year. Both imports

and exports rose but exports substantially more than imports. Thus imports in the period were £13.0 million larger at £269.8 million, and exports were £36.6 million larger at £229.2 million.

The upturn in export earnings is emphasized by the fact that the annual rate of increase of 7 per cent during the years 1954 to 1956 reached 22 per cent during the first quarter of 1957.

Details of Canada's trade with the Union during the period are not available from South African sources, but preliminary DBS figures show exports to the Union were valued at \$25.6 million in the first half of 1957. This is down sharply from the \$36.1 million in the similar period of 1956 when the figures were inflated by non-recurring shipments of military aircraft and parts.

The principal commodities in Canada's exports were lumber, paper products including newsprint, kraft, writing paper and dissolving tissues, passenger vehicles and trucks (including parts for domestic assembly), primary and semi-manufactured aluminum, leather, drugs and chemicals, gas engines and parts, synthetic resin, tallow, sparkplugs, and fish products including salmon, sardines and miscellaneous frozen items.

Future Looks Promising

Evidences are all in favour of continuing and possibly expanding economic activity. Spending in the government sector of the economy has not only continued but is being stepped up; agriculture and mining are both going from strength to strength. In addition, the stability that has characterized industry will during the months ahead be replaced by planned expansion.

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, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, 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.

Pharmaceuticals

Swedish Industry Expands

Canada and Sweden already carry on a two-way trade in pharmaceuticals and fine chemicals—a trade that could be expanded, if Canadian exporters would enlist active agents to push sales in Sweden of both packaged and bulk products.

A. P. BISSONNET,
Commercial Secretary, Stockholm.

THE development of the pharmaceutical industry in Sweden, especially during the last ten years, should interest Canadian firms engaged in this business. With the production of pharmaceutical products and prepared medicines at present five times larger than in 1938, the Swedish industry can now supply a large part of the domestic demand. In 1956, its output was valued at \$21.6 million; during the past four years alone, it has risen by about 40 per cent.

This growth has brought a corresponding increase in the demand for imported chemical raw materials and some semi-processed products—a business in which Canadian firms might share. The following review of the Swedish industry may serve to point up some of the opportunities.

Leading Swedish Firms

The largest Swedish company (indeed the largest in Scandinavia) is *AB Astra* which is responsible for over 40 per cent of Sweden's output of pharmaceuticals. Astra has a wholly owned subsidiary factory in Toronto and subsidiaries and factories in several other countries. Among the many products of this company, perhaps the best known is the Swedish-developed Xylocain, used as a local anaesthetic. Among the other leading Swedish pharmaceutical firms are:

- *Ferrosan AB*, which developed paraminosalicylic acid and introduced to the European market the first synthetic anti-coagulant on bishydroxycoumarin.
- *AB Bofors*, a well known armament company which has developed a chemical section with a wide variety of products, including pharmaceuticals.

- *Ferring AB*, making hormones and hormone products.

- *Vitrum*, which manufactures biochemicals and amino acid preparations and also perfected and improved the process for production of long-acting insulin. In 1939 this firm co-operated with Professor Jorpes in the development of heparin, used to prevent thrombosis.

- *Kabi AB*, which recently introduced Restenil, a preparation for nervous disorders. It is also one of the leading research centres in Europe in developing preparations for diseases of the blood.

- *Pharmacia AB*, which produces Macrodex, Azulfidine, and Skopyl.

The State Bacteriological Laboratories are shortly going into production of its own type of poliomyelitis vaccine.

Products Enter Export Market

Most of the specialty products mentioned are offered for export and, with several others, are finding good markets. Businessmen interested in further details on Swedish pharmaceuticals offered for export should write to the Commercial Secretary at the Canadian Embassy in Stockholm.

In 1956, Sweden shipped 718 tons valued at approximately \$4.8 million to 55 different countries. Sweden's most important customers are its Scandinavian neighbours, West Germany, Italy, China, the United States, Australia, Brazil, India, France, and the Benelux countries. About seven tons of pharmaceuticals were shipped to Canada.

Prospects for the Swedish pharmaceutical industry appear to be good, particularly in the organic and biochemical branch where continued rapid advance is expected. The domestic market for these products is relatively large and well developed and Swedish medical research and hospitals have high standards—one reason why Sweden has held a leading position in

biochemical research and its application to medicine. There is admirable co-operation between workers in industrial laboratories and researchers in physiological, bacteriological and similar institutions.

What the Industry Imports

The pharmaceutical industry in Sweden is, as I pointed out earlier, partially dependent on imports of chemical raw materials and some semi-processed products. These come mostly from the United Kingdom, West Germany, France, Switzerland, Denmark, the United States, and Canada.

In addition to raw materials, however, Sweden continues to be an appreciable market for prepared pharmaceuticals and medicines. In 1956 a total of 1,475 tons of pharmaceuticals (including vitamins), to the value of approximately \$13.5 million, entered Sweden, compared with 1,242 tons valued at \$10.5 million in 1955. According to Swedish statistics, in 1956 Canada supplied four tons of pharmaceuticals at an approximate value of \$34.5 thousand, compared with five tons valued at \$47.5 thousand in 1955. The table in the opposite column analyzes import statistics for the principal supplying countries.

Other supplying countries included the Netherlands, Denmark, Norway and Japan.

IMPORTS OF PHARMACEUTICALS

From	1955	1956	
	(tons)		
United States	Acetphenolisatin, succinic acid, etc.	91	77
	Vitamins	6	11
	Oils, fine chemicals, broad spectrum antibiotics, etc.	49	57
Canada	Mostly medicinal herbs	5	4
West Germany	Vitamins	15	16
	Pharmaceutical chemicals and specialties	179	201
	Acetphenolisatin, succinic acid, etc.	44	34
United Kingdom	Vitamins	18	35
	Pharmaceutical chemicals and specialties, e.g., products of Parke Davis, Boots, Evans, Lilly, etc.	202	303
	Acetphenolisatin, succinic acid, etc.	52	19
Switzerland	Vitamins	36	38
	Pharmaceutical specialties, e.g., the products of Ciba, Sandoz, Hoffman, La Roche	124	140
	Acetphenolisatin, succinic acid, etc.	1	5
France	Vitamins	13	13
	Pharmaceutical specialties	157	162

Opportunities for Canadian Suppliers

Looking at this breakdown of Sweden's imports, the reader may wonder why Canada supplied only four tons compared with 145 tons from the United States and larger quantities from European countries. To find the answer to this question, I interviewed pur-

Swedes Exercise Strict Supervision

All processed pharmaceutical preparations, including imported products, must be approved by the Central Medical Board before they are offered for sale in Sweden. The following are the necessary steps in obtaining this approval.

- 1. The Medical Board is notified of the new preparation and samples are passed to the State Pharmaceutical Laboratory for testing.*
- 2. The Laboratory issues a report on the ingredients, gives an analysis, and checks on the advertising proposed. If it is approved, the preparation is placed on the so-called "free list" for sale. A certain time elapses before the preparation is actually registered.*
- 3. The authorities carry out periodic and unannounced inspection of the various preparations sold by Swedish pharmacists. Tests are made by the State Pharmaceutical Laboratory and should the preparation tested not be up to the required standard, the manufacturer is informed*

of the deficiencies and in some cases the product is withdrawn from the market. In this way, a producer is forced to adhere to the standard of quality originally approved.

Beyond routine customs examination, there is no government supervision of raw materials used in the pharmaceutical industry.

The official price for medicinal preparations is the price paid by the retailer for his purchases, i.e., the retailer's purchase price. When a new preparation is introduced to the market, the authorities must be notified of the retailer's purchase price. In order to obtain the retailer's retail price, the purchase price is multiplied by 1.25, and 0.60 kr. added. For instance, a preparation sold by a producer to a retailer at 10.00 kr. would retail at 13.10 kr.

In Sweden medicinal preparations may only be sold at a pharmacist's store. A pharmacist, in addition to medicinal preparations, may only sell ointments, toothpaste, first aid articles and chemical goods.

chasing managers of several large Swedish pharmaceutical houses. The general opinion seemed to be that Canadian products are not well known in Sweden—nor are the Swedish agents representing Canadian pharmaceutical producers. In a Swedish directory which lists agents for foreign pharmaceutical companies, I found none representing a Canadian producer. On the other hand, when I showed a list of products that the Canadian pharmaceutical and medicinal industry offers for export, Swedish purchasing managers seemed to be impressed and indicated that many of these are imported into Sweden from other sources. A few examples are:

ACTH	Mercuric oxide
Aloin	Mercury
Aluminum chloride	Pancreatin
Ascorbic acid	Pepsin
Benzoic acid	Phenacetin
Cadmium sulphate	Phenol
Caffeine	Potassium iodide
Calomel	Riboflavin
Citric acid	Silver nitrate
Guanidine	Sulfa drugs
Lecithin	Vitamins
Mercuric iodide	Zinc oxide

To introduce and sell pharmaceutical products in Sweden, the Canadian exporter must have an able, active agent (not necessarily a laboratory) who knows the market. Any agent, if he is to do a good job in this line, should be given a sufficient allowance to enable him to disseminate adequate information about the product. (The term advertising is not used in the Swedish pharmaceutical trade.)

Canadian firms engaged in the pharmaceutical business should consider Sweden as a potential market both for packaged and bulk products, the size of which, especially for bulk products and raw materials, should not be judged by population alone, but also by the relatively large export markets where Swedish processed and packaged products are sold. As in many other lines of business, the Swedish pharmaceutical industry uses substantial quantities of raw materials because of its large export trade.

Licensing or Reciprocal Arrangements

Canadian pharmaceutical firms should also study the possibility of licensing their products for manufacture in Sweden. United States producers have gone into this form of export business with apparent success. Another possibility worth study is a reciprocal arrangement with a Swedish firm which might export the processed product to Canada after purchasing raw materials from the Canadian company.

These suggestions are one way of saying that there is a worthwhile market in Sweden and more than one way to approach it. Better still, this is one of the few countries which permits almost 100 per cent unrestricted imports from the dollar area. ●

Diamonds from the Dutch

OUTPUT OF THE DUTCH DIAMOND INDUSTRY, it is estimated, has trebled in the postwar years. At the same time, production methods have improved so that 40 per cent less labour is needed to turn out the same volume.

Despite the small numbers it employs—between 700 and 800 diamond cutters compared with 3,500 prewar—the diamond industry earns for the Dutch important amounts of foreign exchange. Exports of rough and finished diamonds reached \$21,568,700 in 1956 (\$8.8 million in the first four months of 1957) and went to some 60 different countries. The United States is by far the largest market, taking an estimated 60 per cent of Dutch output; other important customers include France, the U.K., Italy, Sweden, Switzerland, Canada, and the Far East.

How is the diamond industry organized? Where does it obtain its rough stones? The answer to both questions is found largely in the operations of the Diamond Trading Company. This syndicate, with head offices in London, controls the sale of approximately 95 per cent of world output of rough diamonds. About 97 per cent of its supplies come from Africa—some 60 per cent from the Belgian Congo and about 13 per cent from the Union of South Africa. (However, because about 95 per cent of Congo output represents industrial diamonds rather than gem stones, South Africa is still the world leader in value of production.)

The Diamond Trading Company exercises great care in the sale of rough diamonds. Each month it makes allocations to its numerous clients. Only 26 Amsterdam firms are on the buyers' list and even a listing is no guarantee of receiving supplies. Firms which are unlisted must buy their rough stones second-hand.

Finished diamonds are sold both through the Amsterdam Diamond Exchange and directly to foreign buyers. About one-third of the value of Dutch diamond exports represents sales of industrial types.

The outlook for the Dutch diamond industry, based on performance since the war, appears reasonably bright, with some processors increasing their gross sales by over 400 per cent since 1946. Costs are rising but so is productivity, and the superior quality of Amsterdam diamonds remains unquestioned. With these advantages, the industry should prosper.

—B. HORTH,

Assistant Commercial Secretary, The Hague.



Fairs and Exhibitions

Featuring the Farm

VERONA will open its 60th International Fair of Agriculture and Horses on March 9, 1958. Italy's principal agricultural fair, the show runs until March 17th and includes both an Exhibition of Farm Machinery and a Bovine Fair. Foreign exhibitors will be granted special customs facilities and Italian government representatives abroad will issue free visas to those who present identity cards received from the fair organizers. For further information, write to the Commercial Attaché, Embassy of Italy, 172 MacLaren Street, Ottawa.

Milan Plans for Three P's

PRINTER, PUBLISHER AND PAPERMAKER will meet in Milan in 1959 for the International Show and Congress of Printing, Publishing and Paper Industries, being held in Italy for the first time. There will be no limitations on space nor on products, provided they are connected with paper and print. The show will take place in the Milan Fair grounds from October 3-11.

The ten divisions in which the exhibits will be classified give some idea of the great variety of products that will be shown: printing machinery; paper mill machinery and machines for processing paper and board; equipment, implements for other auxiliary processes; printing and reproducing; printing inks and types; paper, cardboard and plastic materials and finished products; printing trades; publishing, advertising, newspapers and magazines; specialized shows. Special displays will cover history of the printing trades, stamps, paper money and poster ads.

This show is also a congress and meetings on technical and economic subjects will be held in an auditorium fitted with simultaneous translation equipment.

Among the dividends for exhibitors and visitors will be art and cultural meetings, visits to publishing plants, printing machinery works and paper mills, and sight-seeing tours of the beautiful city of Milan and the lake country around it.

For information, write to: Congresso E. Mostra Internazionale G.E.C.-1959, Via Borgonuovo 26, Milan, Italy.

Canada in Brussels—a Preview

THE OVER-ALL THEME set by the authorities of the Brussels Universal and International Exhibition 1958 is the story of the world's people, how they live and how they contribute to the spiritual, cultural and social order as well as to the world's economy. In designing the exhibits for the Canadian Pavilion, the Canadian Government Exhibition Commission has followed this theme closely. An example is the agriculture exhibit which has already been shipped to Belgium. In it the technical aspects of agricultural production have been deliberately subordinated to the human element in Canadian farming.

Designed by Norman Hallendy of Ottawa and Toronto, the agriculture exhibit uses colour lavishly—golden grain is heaped in plexiglass pools of various sizes, hung at different heights from the ceiling and bathed in light; soft fruits are suspended with their branches and leaves in plexiglass tubes flooded with softly tinted light. Three detailed table models reflect important aspects of Canadian agriculture: one is a mixed farm, one a tobacco farm and the third is a large replica of a grain elevator with trains unloading at one side and ships loading on the other. The idea that in Canada families are the owners of all the land they can work is emphasized in a diorama of a Canadian marketing town and in transparencies, photographs and dramatic mural paintings which show various aspects of family life and community activities in rural Canada.

Humour enters the exhibit in the ranching and mixed farming sections. On one wall in the ranching section, a large steer has been outlined in metal and divided like a meat chart showing the different cuts of beef. These sections are the frames for colour transparencies in which many facets of ranch life are depicted. In the mixed farming section a brass profile of a big hen is trailed in perspective by outline eggs, and these ovals

are the frames for another series of colour transparencies.

All the elements in the agriculture exhibit have been integrated to tell a continuous story and picture the character of farm life across the nation.

1958—at Harrogate, London, Manchester

THE HARROGATE INTERNATIONAL TOY FAIR, January 11-17, 1958, is claimed to be the largest of its kind in the world and its exhibits include playthings for every age, income group and nationality. The show is concentrated in four first-class hotels, occupies a total of some 100 thousand square feet, and offers the buyer 250 thousand displays by over 300 exhibitors. Every exhibitor has an individual stockroom in which to display his samples. For information: The Secretary, Harrogate International Toy Fair, Finsbury Court, Finsbury Pavement, London, E.C.2, England.

THE FOURTH INTERNATIONAL HARDWARE TRADES FAIR, February 24-28, 1958, London, is open to trade buyers only. Each year over 25,000 buyers from all over the world examine the exhibits covering the whole hardware range. The show is housed in four halls in London's West End. For information: Universal Exhibitions Ltd., 74 Holland Park, London, England.

THE INTERNATIONAL TEXTILE MACHINERY AND ACCESSORIES EXHIBITION, October 12-25, 1958, in Manchester, is a specialized exhibition. The whole of the 140 thousand square feet of floor space is devoted to machinery, accessories and ancillary equipment used in the production of textiles. Every process from preparatory to finishing (excluding knitting) is covered. This show, organized by the Textile Recorder Exhibition Company, is held every four or five years. For information: Textile Recorder (Machinery & Accessories) Exhibitions Ltd., Old Colony House, South King Street, Manchester 2, England.

Importers' Fair at Zurich

THE SECOND ZUESPA, Zurich Importers' Fair, will be held from May 30 to June 8, 1958. Consumer goods will not be shown in the 1958 fair; the exhibits will be confined to "production and investment goods" (durable goods) and "articles of technical consumption" (components). Examples of the products that may be exhibited are: machine tools, woodworking machinery, miscellaneous machinery (except household), pumps, grinding and polishing discs, couplings, aggregates, rubber and asbestos, plastics for industry

and trade, industrial measuring and control apparatus, fixing plates, tools, blast furnace products (iron, steel, copper, metal alloys), pipes and profiles, screws and nails, accessories and parts for electric installations, and office equipment and machinery for commercial and technical use.

Space can be booked only through Swiss agents of overseas exhibitors. Country or prestige exhibits are prohibited. For information: First Secretary, Swiss Embassy, 5 Marlborough Avenue, Ottawa.

Dutch Show for Electronics

FIRATO, the Eighth Radio Fair, was held in Amsterdam from September 19-26 and drew over 154 thousand visitors, 24 per cent more than in 1956. The entire electronics industry, not just radio, was represented in the 197 exhibits which occupied a total space of about 24,000 square yards. Dealers and importers are reported to be very pleased with the business results of this year's fair and many of them have already reserved space in the 1958 fair.

Swedish Export Show Planned

AN EXHIBITION of Swedish export products, mainly for the benefit of foreign visitors in Stockholm, will be held next year between June 27 and August 24. It is estimated that during July and August about one million foreigners, many of them businessmen, pass through Stockholm. The exhibition is being organized by the Swedish Export Association and the Handicrafts Association in co-operation with the Swedish Tourist Federation. It will be held in Ostermans Hall which provides over 50,000 square feet of indoor space.

Textile Show in Portugal

OF INTEREST TO THE TEXTILE BUSINESS is the announcement that an international textile exhibition is planned in Portugal for July 1958. The fair will be held in the Palacio de Cristal in Oporto, Portugal's second largest city and centre of its textile industry, and is being organized by the Oporto Industrial Association.

The association invites foreign participation; it expects that 25 per cent of the exhibitors will be Portuguese. Textile products and accessories, textile machinery, chemical products and other products related to the better use of natural and artificial fibres in factories will be shown. The association feels the fair will provide an opportunity to study import possibilities for foreign machinery and chances of doing business between Portugal and other countries. ●

PULP AND PAPER

Mexico Increases Production

Output of pulp, especially of sulphate grades, is keeping pace with the rapidly expanding demand of the pulp and paper industry. Pulp imports are now starting to decline and newsprint imports will follow suit next year, when Mexico's first mill starts producing.

C. J. Van TIGHEM,
Commercial Counsellor, Mexico, D.F.

MEXICO'S EXPANDING PULP AND PAPER INDUSTRY has contributed greatly to the impressive increase in total production of goods and services which has taken place in the last two years (1955, 9.7 per cent greater than 1954; 1956, 7 per cent rise over 1955). The industry, based primarily on locally produced pulp, currently turns out a variety of papers and paperboard but no newsprint. However in 1958 the first newsprint mill, now being built in southern Mexico, will begin producing. Pulp imports have already declined because of the rising domestic output and a similar drop in newsprint purchases can be expected next year.

Pulp Production Expands

Meantime, domestic consumption has been going up. Based on import and production figures for the past three years, the apparent consumption of pulp increased 63 per cent from 1954 to 1956. No figures on inventory are available and actual consumption was undoubtedly somewhat less than the following table indicates:

APPARENT CONSUMPTION OF PULP (ALL GRADES)
(METRIC TONS)

	1954	1955	1956
Imports	48,900	70,500	68,700
Domestic production	75,600	97,900	133,500
Apparent consumption	124,500	168,400	202,100

Domestic production of pulp supplied about 66 per cent of the needs of the local paper and paperboard

manufacturers last year. In fact, its share of the market is increasing steadily: in 1954, it represented 60 per cent and may reach 75 per cent this year.

There are 30 major producers of paper and paperboard in Mexico and seven of these make some of their own pulp. Estimates for 1957 show that these seven manufacturers will produce 50 per cent of their total wood pulp needs. The remainder, and the total requirements of the other firms, will come from the plant of Celulosa de Chihuahua, S.A., the only independent producer of wood pulp in Mexico, and from imports.

Sulphate is by far the most important type of pulp produced in Mexico, as the table of 1956 output shows:

(in metric tons; percentage of total pulp imports in brackets)

Sulphate pulp		
Unbleached	80,000 (60%)	
Bleached	18,000 (13.5%)	98,000 (73.5%)
Other pulps		
Mechanical groundwood ..		28,000 (20.9%)
Unbleached sulphite		5,400 (4.0%)
Semi-chemical		2,100 (1.6%)
Total		133,500

Production of all grades of wood pulp is expected to reach 138,500 metric tons this year. The seven paper and paperboard manufacturers which make pulp will turn out about 90,500 tons and Celulosa de Chihuahua, S.A., plans to produce 48,000 (29,100 tons bleached sulphate and 18,900 unbleached sulphate). In addition, the manufacturers will use 12,000 tons of pulp made from sugar-cane bagasse and about 148 thousand tons of waste paper (84,500 tons will come from local suppliers).

Pulp Imports Declining

Imports of pulp are declining as domestic production rises in spite of the tremendous increase in consumption. This is apparent from the comparative figures for imports for the past three years in the following table. It is estimated that imports will not exceed 47,000 tons during 1957.



Rolls of Canadian newsprint, piled high on the truck to the right of the picture, are on their way to swell a publisher's stocks. Last year Canada sold \$7.5 million worth of newsprint.

TOTAL IMPORTS OF PULP INTO MEXICO

(metric tons)

	1954	1955	1956
Dissolving pulp	9,273	11,313	12,876
Mechanical pulp	350	292	515
Wood pulp for paper	39,363	58,897	55,349
Total	48,986	70,502	60,740

Source: Mexican Department of Statistics, Secretariat of Economy.

Mexican statistics indicate that the United States was the principal source of supply in 1956, followed closely by Sweden. Finland ranked third and Canada fourth. According to official statistics released by the Secretariat of Economy, imports of pulp for papermaking over the past three years were:

SOURCES OF SUPPLY FOR PAPER-GRADE PULP

(metric tons)

	1954	1955	1956
Germany	162	28	83
Canada	826	234	820
United States	21,084	40,266	27,991
Finland	1,191	4,027	3,543
Norway	348	.....	1
Sweden	15,752	14,316	22,687
Others .....	.....	26	225
Total	39,363	58,897	55,349

It is probable that the exports attributed to the United States in Mexico's statistics include shipments from other countries; exports originating from that country were probably considerably less than shown. As evidence of this, Canadian statistics show exports of 8,731 and 4,570 metric tons of paper-grade pulp in 1955 and

1956 respectively, compared with Mexican figures of 234 and 820 tons for the same years.

Restrictions Affect Pulp Imports

Buyers of all pulps except mechanical groundwood must obtain import licences. Because sulphate pulps predominate in the local production picture, the Mexican authorities decided last year not to grant permits for imports of this type. In addition, the paper and paperboard producers are given quotas which they buy from the sole independent producer of pulp in Mexico before the Government will grant them import permits. Licences are issued only for sulphite pulps and then only if the company has taken up its previous quarter's quota of locally produced sulphate. Under the system, importers are not able to buy pulp from abroad in amounts greater than the tonnage allocated under the quota.

The prohibition on sulphate pulp imports has affected not only the volume but also the composition of Canadian pulp exports to Mexico. Exports of all types of pulp in 1956 to Mexico from Canada totalled 5,027 tons compared with 9,604 tons in 1955 before restrictions were clamped on. Since the restrictions came into effect in 1956, we have not shipped one ton of bleached sulphate, unbleached sulphate or unbleached sulphite to Mexico; these three types represented 41 per cent of our pulp exports to Mexico in 1955. On the other hand, shipments of bleached sulphite pulp (dissolving grades) reached a new high of 3,935 tons for the first six months of 1957.

Still a Market for Newsprint

For many years Mexico has been a good market for Canadian newsprint, ranking third in importance after the United States and the United Kingdom. Canadian statistics show that we shipped to Mexico last year 55,979 tons of newsprint valued at \$7.5 million. However, now that Mexico will start producing newsprint next year it is likely that our sales will decline.

Three countries dominate the newsprint supply picture—Canada, the United States and Finland. Mexican statistics for the period 1954-1956 show the dominant position of Canadian newsprint. In the

NEWSPRINT IMPORTS BY COUNTRIES OF ORIGIN

(metric tons)

	1954	1955	1956
Canada	51,506	37,514	50,842
United States	7,518	8,749	12,594
Finland	4,021	.....	3,944
West Germany	1	.3	679
Switzerland .....	.....	.....	379
Netherlands .....	.....	.....	239
Sweden .....	.....	.....	180
Total	63,045	46,263	68,856

Source: Mexican Department of Statistics, Secretariat of Economy.

three-year period Canada supplied between 74 and 82 per cent of Mexican newsprint requirements, the United States between 12 and 19 per cent, and Finland approximately 6 to 7 per cent.

Agency Imports All Newsprint

At present Mexico imports all its newsprint and purchases are handled by the firm Productora e Importadora de Papel, S.A. (PIPSA) in which the Government has a controlling interest. This agency enjoys preferential customs tariff rates and has access to government credit facilities which enable it to import newsprint more cheaply than individual publishers or importing firms. No private firms compete in this trade and publishers do not usually arrange for shipments on their own account. To ensure continuous supply, PIPSA has adopted a system of buying newsprint on long-term contracts; there is little opportunity to dispose of spot shipments in this market.

The Mexican customs classification for standard newsprint provides that it must contain not less than 80 per cent mechanical wood pulp and must weigh between 50 and 60 grams a square meter; watermarks in the form of parallel lines spaced not more than 10 centimeters apart are required. There is little demand for newsprint in sheets (only 82 metric tons in 1956 out of total imports of 68,856 metric tons); the largest consumption is in rolls 156, 152, 78 and 76 centimeters wide.

The Newsprint Project

A newsprint mill located in the State of Oaxaca is scheduled to start production in March or April of next year. The mill, with a capacity of 30,000 metric tons a year, will supply an important part of the country's requirements when it is in full production. Shortage of power is expected to prevent capacity operation during 1958.

Plans are under consideration for a second newsprint mill with a capacity of 40,000 metric tons in the State of Michoacán. The engineering plans are complete and forest surveys show approximately one million acres available to supply pulpwood for the mill. No definite date has been set for start of construction, and the plant will not be a factor in the newsprint picture for several years.

The effect of domestic production will not be felt until the mill in Oaxaca has an adequate supply of power, probably in 1959. At full production the mill will supply about 40 per cent of the demand for newsprint based on current consumption figures. If the Michoacán project materializes, it will add another 40,000 tons a year and Mexico could cut imports substantially. Even without this mill, it is apparent that newsprint imports will drop off sharply by 1959. ●

Italy Exports Apples

ITALY HAS BECOME an important producer of apples, supplying growing local demand and various markets in Western Europe and the United Kingdom. In the past ten years, producers in northern Italy, where soil and climate are most favourable, have intensified production and have adopted latest growing and handling techniques. Last year with an output of 1.2 million metric tons, Italy emerged as the chief apple-grower among the OEEC countries, surpassing West Germany for the first time. There are indications that she will repeat this performance this year.

In 1956, Italy exported 455 thousand tons of apples, up from 190 thousand tons in 1953, 128 thousand tons in 1952, and only 40,311 tons before World War II. West Germany offers the best foreign market for Italian apples, taking 258 thousand tons last year; other principal importers were the United Kingdom (51,000 tons), France (30,000 tons), Austria (15,000 tons) and Switzerland (13,000 tons).

The development of apple-growing as a specialty crop in northern Italy has been largely responsible for the expansion of production in recent years. This area now has 46,000 hectares out of the total Italian 56,000 hectares in specialized apple orchards, providing 80 per cent of the apple crop. The Ferrara district, where some 2,630 square kilometres are in orchards, is the most highly organized. A growers' organization runs campaigns to control pests and provide hail protection and encourages the latest techniques of growing, harvesting, sorting, packing and storing. Forty refrigeration plants and hundreds of storehouses hold the crop and it is from this district mainly that Italy services its export markets over much of the year.

The growth of a modern apple industry has involved large outlays of capital and greater use of technical methods and services. Technical improvement has been accompanied by expansion of output and the trend towards further growth in the years ahead seems well established. Fruit-growers are confident that consumers in Italy and Western Europe will use greater quantities of fruits and vegetables in the future as their incomes rise. Those who raise apples in the north believe that their efficient industry can hold its own in competition with other fruit producers at home and abroad.

—S. G. MacDONALD,
Commercial Counsellor, Rome.

New Zealand

Lumber Industry Depressed

Producers of radiata pine facing grave situation; output has increased, prices have fallen, surpluses are piling up. Yet the demand for quality Canadian softwood lumber remains firm.

JOHN MacNAUGHT,
Assistant Commercial Secretary, Wellington.

NEW ZEALAND PRODUCERS OF LUMBER from the non-native species, mainly radiata pine, face a grave crisis unless some way can be found to increase domestic consumption. The volume of sales started to slacken last year and the market has continued to deteriorate; at present there is a considerable surplus of lumber on hand. Important factors in the current situation are that the house-building boom has filled the backlog of orders and that industry is returning to normal; recent government credit restrictions have reduced general building activity.

Radiata pine, however, has not proved popular for specialized construction work in New Zealand and is considered inferior for most purposes to native species. To fill the gap, even with the local lumber piling up, importers buy a considerable quantity of western red cedar and Douglas fir from Canada. The demand of this market for our lumber seems to bear less relationship to the excess supply on the home market than to the activity in the building industry.

Radiata Pine Creates Surplus

The total supply of lumber on the New Zealand market over the past two years has substantially exceeded demand and stockpiling has occurred. Nearly the whole burden has fallen on the producers of radiata pine because buyers much prefer the timber from native species; radiata pine has not won a big enough share of the domestic market to warrant the present expanded production. There is little hope that the export market can absorb domestic surpluses to any great degree within the immediate future. The produc-

tive capacity of the mills producing radiata pine now seriously exceeds the demand for this timber.

Official statistics are not available but New Zealand's lumber needs seem to total slightly more than 550 million FBM a year. Last year local mills turned out a record 625 million FBM (297 million FBM of radiata pine). This year (ended March 31) production fell slightly to 597 million FBM (273 million FBM of radiata pine); the cut of native or indigenous timber in the same period reached 312 million FBM. Exports total about 32 million feet of sawn timber a year and nearly all of this is radiata pine. Imports, mostly special timbers, average about 30 million FBM, not including railway ties, logs and poles.

Demand for Relief Grows

In his annual report, the Director of Forestry notes the plight of the mills producing radiata pine lumber.



In New Zealand's well known radiata pine forest at Tarawera, a Canadian-made chain saw is at work. These trees, planted about 35 years ago, are now reaching maturity. But over-supply has currently caused a glut on the lumber market.

He suggests that steps be taken immediately to increase domestic consumption. The Director warns that the present recession in demand is not temporary and any thought that it is will only cloud the issue; he feels it is imperative that this sector of the lumber industry receive some measure of direct relief.

Producers of course are now agitating for government action to help them market radiata pine. Many feel that the Government, in co-operation with the Dominion Sawmillers' Federation and the New Zealand Timber Merchants' Federation, could influence building loan institutions, particularly the State Advances Corporation, and local municipal bodies to modify their restrictions on the use of radiata pine—at least to the extent already approved by the National New Zealand Standards Institute. The Director of Forestry himself contends that it is an “inescapable conclusion that all wooden buildings erected by the Government should use a minimum of 50 per cent of the exotic or non-native species”.

Opposition Building Up

Building loan societies have indicated their willingness to permit greater use of radiata pine provided that it is specially treated beforehand. The lumber industry has reacted violently with protests against “the imposition of doubtful or unnecessary treatment requirements, unduly stringent or unrealistic grading specifications and even in some cases complete rejection of suitable grades”.

The question of suitable grades is, of course, the basic point of conflict between the builder and sawmiller. For example, radiata pine is little used in the weatherboarding market. The lumber is knotty and resin bleeding makes it hard to paint. Native timber such as rimu and totara enjoys an active demand for this purpose as does Canadian western red cedar.

Radiata pine has not yet proved satisfactory for structural work and framing; for this type of construction Douglas fir commands a premium. However, kiln drying and the use of certain preservatives have made the exotic timbers more acceptable to a wider section of the trade. No doubt as processing methods are improved and perfected, radiata pine will command a greater share of the domestic market. It should in time become more acceptable on the Australian market where it is now considered a marginal timber.

Canadian Lumber Still Sells

Canadian shippers should note that even if the industry is successful in getting the Government and building organizations to accept radiata specifications for construction, it is expected that demand would shift from the native species, not from imported western red cedar and Douglas fir. The building trade buys at least

a minimum quantity of Canadian lumber required for special purposes such as structural and exterior work.

Purchases of softwood lumber and plywood from Canada reached \$1.87 million last year, down from \$2.03 million in 1955 but close to the average for the past five years. Even today, when surplus stocks of locally produced lumber are depressing the market, the demand and prices for cedar and Douglas fir have remained firm. In fact, in the first six months of this year Canadian shipments of softwood lumber rose to nearly \$1 million against \$731 thousand in the first six months of 1956.

Importers feel that the slackness which has appeared from time to time over the past 18 months is not to any significant degree the result of excess supply of local lumber but rather of a lessening of building activity brought about by restrictive credit policies, and the fact that the urgent need for new buildings is lessening.

Canada-U.S. Trade Group Formed

To further trade and industrial relations between Canada and the Midwestern States, the Chicago Association of Commerce and Industry recently set up a Canadian-American Trade and Industry Committee. Named chairman of the new group was Ernest L. Schimmel, international vice-president of Bell and Howell Company and president of Bell and Howell (Canada) Ltd. About 60 representatives of firms with branch-plant interests in Canada attended the organization meeting at which R. G. C. Smith, the Canadian Minister (Commercial) in Washington, spoke.

The new committee will foster greater two-way trade and also promote good relations between Midwest firms and their affiliates in Canada. It will also observe, discuss, and make recommendations on trade and economic problems and on legislation of concern to both countries. At regular intervals, it will provide outstanding speakers on Canada-United States relations. The new move follows a survey which showed that Chicago manufacturers and commercial and financial firms contribute more to industrial and raw material development in Canada than organizations in any other section of the United States and ship more industrial and finished goods to Canada. The survey emphasized also that Chicago draws more goods from Canada than does any other U.S. area. Canada supplies raw and semi-finished materials for Chicago's 15,000 manufacturing plants and Canadian shippers from east and west take advantage of its vast and strategically located distribution system.



Commodity Notes

Australia

FOREST PRODUCTS—Australia is now producing about 80,000 tons of newsprint, almost a quarter of her needs, using material from her own forests. A group of eucalypts with nearly twice the density of overseas hardwoods is proving very satisfactory for this purpose. Bags, wrapping paper and container boards are also being manufactured at the rate of almost 250 thousand tons a year and some 75 per cent of Australian consumption of fine printing and writing paper is being made locally. A plant soon to go into production will probably be the first in the world to use a new "dry-felting" process to produce hardboard and insulating board of various thicknesses which will be smooth-faced on both sides—Sydney, Nov. 10.

Brazil

ATOMIC REACTOR—Governor Janio Quadros announced in London recently that São Paulo will buy a 30,000 kw. British atomic reactor to set up the first nuclear power station in South America. The reactor will be delivered during the second half of 1958 and by 1959 should be producing power for a state grid, which is also served by several new conventional power stations. The Governor explained that Brazil is working on an agreement to exchange her plutonium for pure uranium from Britain and prefers the British reactor because it uses pure (as opposed to enriched) uranium which Brazil eventually hopes to extract from her own rock. It is also reported from London that the banking firm of Rothschild and Sons has agreed in principle to finance the purchase of the reactor—São Paulo, Nov. 12.

Ceylon

COCONUT MILK—A process for the concentration and preservation of coconut milk has been developed by the Ceylon Institute of Scientific and Industrial Research. The export of fresh coconuts has been greatly restricted, mainly because of the heavy cost of transport and the high percentage of spoilage. As a result of the new process, it is expected that

this difficulty will be overcome and that the export of the new product will bring in considerable revenue. A company has been floated to exploit the process which has been patented in Ceylon and abroad—Colombo, Nov. 19.

India

HACKSAWS—In Calcutta, Steel and Allied Products Ltd. recently opened its modern plant purchased from Sweden, which also trained some of the factory personnel. Capacity output per month is rated at 8,000 gross of low-alloy blades and 1,000 gross of high-speed blades valued at about Rs.500 thousand. With India's industrial development under way, demand for hacksaws is expected to rise at least five to six times—Bombay, Nov. 5.

Italy

IRON AND STEEL—Preliminary figures for the first six months of 1957 indicate a new record for iron and steel output during a six-month period of 3.3 million tons. Pig iron production during the same period reached 1,026,000 tons, a 15.4 per cent increase over the 889 thousand tons of the first six months of 1956—Rome, Nov. 10.

Mainland China

PHARMACEUTICALS—China has ordered 60 tons of calcium p-aminosalicylate for use against tuberculosis from Japanese pharmaceutical firms. The order, for delivery in December of this year, was in addition to approximately 180 tons contracted for earlier this year—Hong Kong, Nov. 1.

Netherlands

EGGS AND POULTRY—Dutch egg exports during the first nine months of this year increased by 20 per cent, from approximately 1,400 million to over 1,700 million eggs, compared with the same period last year. However, lower prices meant that the money returns increased by only 7½ per cent. Total Dutch egg exports in 1957 are expected to rise to

2.5 billion, topping the record of 2.4 billion established in 1956. Exports of Dutch slaughter poultry from January to September 1957 advanced 20 per cent from 23,000 tons in 1956 to 28,016 tons, but their value increased by only 12 per cent. West Germany takes 90 per cent of Holland's total egg exports and 85 per cent of the slaughter poultry sold abroad. Italy tops the list of buyers of Dutch live poultry and the United Kingdom takes the largest share of Dutch exports of canned chicken and soups—The Hague, Nov. 10.

New Zealand

LUMBER—Production of lumber by New Zealand sawmillers in the year ended March 31, 1957, fell 29 million feet from the previous twelve months to 597 million board feet, the largest decrease since 1932. Exotic lumber output (which is nearly all radiata pine) decreased by roughly 24 million feet.

The Dominion Sawmillers' Federation states that despite strenuous efforts to increase sales, the domestic and the export markets progressively contracted during the year. In their view, the lower level of domestic demand resulted from reduced building activity brought about by the Government's restrictive financial policies—Wellington, Nov. 15.

Peru

MOTOR VEHICLES—During the first six months of 1957, Peru imported 2,966 automobiles and trucks for use as passenger vehicles, 2,405 heavy and small trucks, and 45 passenger buses—Lima, Nov. 8.

Rhodesia and Nyasaland

COPPER—The new Mangula mine, subsidiary of Messina (Transvaal) Development Company Ltd., is a £4,250,000 venture situated 40 miles north of Sinoia; it produces concentrates which are approximately 50 per cent copper. The output target is 10,000 tons of concentrates per year. Work has proceeded so fast that the mine is producing some 15 months ahead of schedule. The known ore reserves are 22 million tons—Salisbury, Nov. 15.

CHROME—Southern Rhodesia, one of the Free World's leading producers of chrome, hopes to boost its exports of ore to one million tons a year within the next two years. The Southern Rhodesia Government's Secretary for Mines said recently that this export figure would probably make Southern Rhodesia the Free World's foremost chrome supplier.

Until recently, shortage of railway rolling stock has forced Rhodesian producers to hold back production. This problem has been solved, stockpiles have been reduced, and production is being increased.

Last year Southern Rhodesia's mines produced about 450 thousand tons of ore and this year should produce more than 600 thousand. Provided the Rhodesia Railways maintain their present standards of capacity, and provided the world market remains stable, Southern Rhodesia may achieve a total production of about 800 thousand tons next year and one million the year after—Salisbury, Nov. 15.

Sweden

PULP-DRYING MACHINE—The Swedish company, Svenska Flaktfabriken of Stockholm, has recently signed a contract with the Bowater organization for the delivery of a large wood pulp drying machine to be installed in the sulphate mill now being constructed by the Bowater Carolina Corporation at Catawba, S.C. The dryer will be of the new "S.F. Airborne Pulp-Sheet Type" with a capacity of 400 tons per 24 hours. The first machine of this type was started up about a year ago in the Oskarstrom sulphite mill in Sweden and has a capacity of 285 tons a day—Stockholm, Nov. 18.

Uganda

COFFEE—Uganda was expecting to break its coffee production record this past season, which ended October 31, with an estimated production of 65,000 tons. Most of Uganda's coffee is of the Robusta rather than the Arabica variety and is sold through the Uganda Coffee Board. Some shipments are being made direct to Canada and the Board is anxious to develop its Canadian trade—Salisbury, Nov. 15.

West Germany

CHEMICALS—Chemicals rank second among West German exports and in the first six months of this year sales abroad reached a value of DM2.19 billion. The increase is mainly due to advances in plastics and pharmaceuticals. Exports of plastics totalled approximately DM232 million, of which 29 per cent was shipped to overseas countries as against 27 per cent in 1956. This shows that the German plastics industry was able to gain a firm foothold in foreign markets despite severe international competition. Imports of chemicals rose to DM765 million in the first half of the year; liberalization measures resulted in a 25 per cent increase in the import of coal-tar dyes—Bonn, Nov. 21.

Zanzibar

CLOVES—Zanzibar, the world's leading source of cloves, is expecting a bumper crop that will exceed \$12 million in value. Harvesting on the island of Pemba, where most of the cloves are grown, began in mid-October—Salisbury, Nov. 19.

Danish Farmers Face



Problems

Output of farm produce is still rising and Danish farmers have had to sell more for less money. Hog production has jumped sharply this year and the Government has moved to attract grains away from farm feeding and has restricted feed imports.

C. F. WILSON,
Commercial Counsellor, Copenhagen.

DENMARK'S FARMERS have found 1957 a good year from the standpoint of production, with the main agricultural commodities—bacon, butter, cheese, and eggs—and the volume of agricultural exports showing an appreciable gain. However, declines in prices for the main products reduced the value of exports and this loss of income poses a serious problem for producers who are struggling to bolster their revenues. The Government too is concerned because the decline in agricultural prices is adversely affecting Denmark's terms of trade. With prices of imported goods rising,

VOLUME OF DANISH AGRICULTURAL EXPORTS

	Bacon	Butter	Cheese (metric tons)	Eggs
Jan.-Sept. 1956	175,472	95,652	44,143	69,282
Jan.-Sept. 1957	183,761	95,018	47,003	74,145

VALUE OF DANISH EXPORTS AND IMPORTS

	1956 Jan.-Aug.	1957 Jan.-Aug.
	(million D.kr.)	
Agricultural products	2,658.2	2,607.4
Industrial products	2,025.3	2,298.5
Fisheries	128.0	139.9
Others	97.3	111.3
Total exports	4,908.8	5,157.1
Total imports	5,763.5	6,277.8

1 Danish krone=\$0.137 Can. approx.

the Government has had to adopt measures to relieve the strain on foreign exchange reserves; recently it borrowed D.kr.235 million from the International Monetary Fund.

The accompanying tables show how the volume of Danish farm exports has gone up and the trend in Danish exports and imports, which indicates the serious effect of the price decline in agricultural products.

How Prices Reacted

Over the past year, the total value of imports has risen sharply and the gap between imports and exports has widened in the current trade accounts. Gains in the export value of industrial products have only partly offset the loss in agriculture. Had agricultural prices remained steady, a larger trade-gap could have been avoided. But here is how prices have reacted:

Initial prices paid butter producers (which reflect export prices) fell sharply from the first of this year to the end of September from D.kr 7.00 to D.kr. 5.50 a kilo, cheese from D.kr. 3.76 to D.kr. 3.40 a kilo, and pork from D.kr. 4.77 to D.kr. 3.64 a kilo. The price of fluid milk for manufacturing gained modestly from D.kr. 42 per 100 kilos* to D.kr. 44 and egg prices rose from D.kr. 3.14 to D.kr. 4.03 per kilo in the January to September period.

Similarly, the monthly average price for domestic wheat in January was D.kr. 0.53 a kilo (about \$1.98 a bushel) but this fell to D.kr. 0.43 (about \$1.61 a bushel) in September. In the same period, prices of domestic barley fell from D.kr. 0.47 to D.kr. 0.38 a kilo; rye from D.kr. 0.47 to D.kr. 0.39 a kilo and oats from D.kr. 0.46 to D.kr. 0.34 a kilo.

*1 kilogram = 2.2 lb. Thus, for example, initial prices for 100 lb. fluid milk for manufacturing = $42 \times \$0.137 \times \frac{100}{200} = \2.61 in January, rising modestly to \$2.47 for 100 lb. in September.

Danish farm organizations are preoccupied mainly with the expansion in the hog population; numbers were relatively low in 1956 compared with this year. A heavy grain harvest of poorer quality because of rains during last year's harvest resulted in farmers having more feed grain on hand than usual. Producers kept more sows for breeding and each periodic census over the past year has seen increases in the number of sows and in the total pig population.

Hog Surplus Threatens

The August 24, 1957, census placed hog numbers at 5,446 thousand, a gain of 234 thousand since May 25 and 672 thousand more than in August 1956; in fact, the figure is only 81,000 less than the all-time summer record set in 1931. From January to September 5,192 thousand hogs passed through the processing plants, an increase of 9.18 per cent over the same period last year.

This increased production has had a marked effect on home and export markets. Early in October last year, the official price for Class I pork was D.kr. 4.46 a kilo in Denmark, and 314s. a cwt. for Class A bacon on the London Exchange. Early in October this year, the Danish price had tumbled to D.kr. 3.40 a kilo, and the price on the London Exchange to 250s. a cwt.

JANUARY-AUGUST BACON EXPORTS

<i>(in million kilos)</i>		<i>(in million D.kr.)</i>	
<i>1956</i>	<i>1957</i>	<i>1956</i>	<i>1957</i>
<i>Jan.-Aug.</i>	<i>Jan.-Aug.</i>	<i>Jan.-Aug.</i>	<i>Jan.-Aug.</i>
146.6	153.1	751.4	732.7

Bacon under Quota?

Since the end of August this year, the British, Danish and Netherlands agricultural organizations have met several times to consider proposals for bringing bacon to the United Kingdom market under a quota system. However, less interest has developed in implementing these plans and the latest meeting, held early in October in London, only agreed to appoint a committee to meet every two weeks to review developments in bacon production and marketing.

As early as last March, the chairman of the Danish Co-operative Bacon Factories urged a reduction of as much as 15 to 20 per cent in the number of sows. His appeal for voluntary action has had little effect, although the latest census shows that the number of sows has fallen by 19,000. However in some districts where there was a late harvest, the quality of this year's grain suffered from heavy rains. There is a danger that farmers in these areas will hold back this poorer grain for hog feeding.

Compulsory control of numbers, as an alternative, would not be popular among producers. For some months the farm organizations have contended that

the ample supplies of feed grains on farms have been causing the trouble. They recommended to the Government that it set a fixed price for domestic bread grains which would encourage farmers to sell their grains, thus forcing the mills to use a higher percentage of domestic grains in their grist.

The Government declined to establish a fixed price for bread grains, but it did act in July to broaden the use of domestic grains for human consumption by imposing the following regulations:

- Import licensing control on bread grains was intensified. Licences were formerly granted quite freely but for the present they will be restricted to the 50,000 tons which Denmark has guaranteed to take under the International Wheat Agreement.

- Millers must use not less than 50 per cent of Danish wheat in their grist during the period September 15 to October 15, and not less than 70 per cent thereafter. Similarly, millers must use not less than 70 per cent of Danish rye during the period August 15 to September 15 and not less than 90 per cent thereafter.

To strengthen domestic grain prices further, the Government revived a loan scheme which it set up two years ago. On July 31, it announced that where commercial storage is available, a farmer may place his grain in store and obtain a loan of up to 70 per cent of its market value. Repayment was due by November 20. Funds are advanced by the commercial banks under a guarantee from the National Bank.

Agricultural exporters feel that the new grain policies have not yet had time to influence the hog population. The results will not be known for several months.

Wheat and Rye Output Down

In the 1956-57 crop year, Denmark imported 248 thousand metric tons of wheat, 199 thousand tons of barley, 125 thousand tons of rye, and 45,000 tons of oats. No official crop figures are available for the 1957 harvest but the grain trade estimates that wheat production will total 250 thousand tons (down 16,000 tons from last year), rye 175 thousand tons (down 116 thousand tons), and barley 2,500 thousand tons (up 98,000 tons from last year). Stocks of barley and rye on hand early in August were considerably above last year at the same date; the quantity of wheat in store was about the same.

Generally the quality of this year's crop is superior to the 1956 crop. Early harvested grain came through in excellent condition, although rains reduced the quality of late crops in some districts. It is not yet clear to what extent the authorities will relax the present strict grain import controls in the rest of the crop year or to what extent the new policies will attract grains away from farm feeding, particularly hogs. ●



—Jamaica Tourist Board

This photo shows the Arawak Hotel at Mamee Bay, Jamaica, which is nearing completion. About one million dollars' worth of Canadian-made furnishings will be going into it.

Jamaica Pushes Tourist Trade

M. S. STRONG,
Assistant Trade Commissioner, Kingston.

THE TOURIST TRADE, in terms of value, is Jamaica's third largest industry. In 1956 the foreign exchange earnings of the tourist industry were surpassed only by the export earnings of sugar (equivalent of approx. \$32 million) and bauxite/alumina (approximately \$27.6 million). As a dollar earner, it came second only to bauxite and alumina. The amount spent by 160,886 tourists who visited Jamaica in 1956—almost entirely from the United States and Canada—is estimated at \$22 million, compared with 112,149 visitors spending \$18 million in 1955 and 112,808 tourists and \$15 million in 1954.

DECEMBER 7, 1957

Evidence of the importance of the tourist industry to the Jamaican economy is the interest taken by the Jamaica Tourist Board in its expansion and further development. The Board, a department of the Jamaican Government, also includes representatives of the island's hotels, airlines serving the island, shipping and inland transportation, travel agencies and other commercial interests. The Board has set up information offices in Miami, New York, Chicago and Toronto.

The present hotel-building boom in Jamaica has been greatly accelerated by government assistance to hotel licensees through the Hotel Aid Law and through the Income Tax Law. The former permits the entry into the country of all building material and equipment, free of customs duty and tonnage tax. The Income Tax Law allows hotel proprietors a five-year tax holiday in any of the first eight years of operation.

Total capital cost of the new hotels now under construction is estimated at \$15 to \$20 million. A number of other hotel and tourist resort projects to cost about \$20 million are past the blueprint stage and construction is scheduled to begin in 1958.

Jamaican tourist resorts and hotels can accommodate 3,500 visitors. This number will rise to 4,500 in February 1958 and by the 1962 season accommodation for 12,000 is expected to be available. The objective of the Jamaica Tourist Board appears to be to double tourist arrivals and tourist revenue by 1960, and it may well achieve this goal.

Opportunities for Canadian Products

The multi-million dollar hotel and resort projects, now under construction or in the planning stage, open a lucrative market for Canadian exporters of construction materials, hotel furnishings and equipment, and augur well for a continuing important outlet for Canadian processors of top-quality foodstuffs.

Roughly \$1 million out of every \$5 million of estimated capital cost of new hotels in Jamaica is spent for furnishings and equipment. This is usually contracted for while the hotels are in the planning stage. Preferential treatment is given to applications for dollar exchange for imports of goods essential to the tourist and hotel industries, and consequently Canadian exporters do not have to rely on allocations under the B.W.I. Trade Liberalization Plan.

A large part of the foods used in the island's hotels—particularly canned foodstuffs, jams, etc.—are imported. With greater numbers of tourists visiting the country, the demand for a wide range of food products is expected to increase.

Canadian exporters would be well advised to join the pilgrimage to Jamaica and, combining business with pleasure, make a careful study of the possibilities that await them in this expanding market. ●



Australia

AIRCRAFT—Australian agriculture is making increasing use of aircraft. Official figures show that in 1956 over one million acres of land were treated from the air. Superphosphate was used on half of this area and the remainder was sprayed with herbicidal and insecticidal preparations—Sydney, Nov. 16.

TOURIST TRADE—Last year Australia earned over \$13 million from 66,000 tourists. Shipping and aviation representatives have formed an Australian National Travel Association, which recently opened an office in San Francisco. The Association, in conjunction with similar ones in New Zealand and Fiji, is planning a "Come to the South-West Pacific" advertising campaign in America and expects to spend \$50,000 on this campaign during the next twelve months—Sydney, Nov. 16.

Brazil

INDUSTRIALIZATION OF SÃO PAULO—The city of São Paulo at present boasts nearly 23,000 factories and mills employing approximately 500 thousand workers. São Paulo produces 60 per cent of Brazil's textiles and chemicals and 80 per cent of its electrical materials, rubber goods and machinery. The State of São Paulo produces half of Brazil's entire coffee crop. In the past two years, Santos in São Paulo has become Brazil's leading port, with 13.5 million tons shipped in and out each year—São Paulo, Nov. 12.

U.S. INVESTMENT—More than 300 firms have invested over \$900 million in the São Paulo area, mostly through completely-owned subsidiaries. Biggest investment has been in auto-truck assembly plants, chemicals, pharmaceuticals and agriculture. Some late moves are: Cessna do Brasil has obtained government approval to import equipment to outfit a new plane factory; Willys has agreed to buy stock in the new \$175 million steel mill, Cosipa, to be built in São Paulo to supply the auto-truck industry, and Angus C. Littlejohn & Cia., representing such firms as W. R. Grace, Pittsburgh Plate Glass, Koppers

General Notes

and Quaker Oats, has organized an affiliate for Eaton Manufacturing Co. to produce valves and other auto parts—São Paulo, Nov. 12.

Chile

EXPORT-IMPORT BANK LOAN—The Chilean Minister of Finance recently announced to the press that a loan lately authorized by the Export-Import Bank will be used in this way: US\$15 million for the building of houses for employees and labourers and US\$25 million for the purpose of balancing Chile's foreign exchange budget for the year 1957—Santiago, Nov. 8.

Iran

PETROLEUM ACT—To promote rapid expansion of the oil industry, the Iranian Government has passed an Act which affects the refining, transportation and sale in Iran and overseas of oil produced outside the consortium's territory. The National Iranian Oil Consortium may negotiate and conclude agreements with any person under the terms of this Act, subject to approval by the Council of Ministers and the Legislature. The only restriction on foreign operators or contractors is that authority will not be granted to a foreigner if his country will not allow an Iranian subject to engage in similar operations within its boundaries.

The National Iranian Oil Consortium is dividing the country (including the continental shelf) into districts of not more than 80,000 square kilometres and can declare any district or part of it open and invite offers. One-third of all exploitable territory is to be held as national reserves—Karachi, Nov. 4.

Macao

TRADE WITH CHINA—Official statistics supplied by the Macao Economic Department reveal that during the first six months of this year trade between Macao and Mainland China totalled patacas 22,194,293 or approximately US\$3.8 million (US\$1=

P.5.78). Macao, with a population estimated at over 200 thousand, imported from China in this period goods valued at patacas 20,810,950, and exported to Mainland China goods to the value of patacas 1,383,343—Hong Kong, Nov. 8.

Spain

FLOOD LOSSES—The flood waters which burst suddenly on Valencia last October destroyed or damaged property valued at several billion pesetas. Loss of human life was fortunately low but the rampaging waters cut off the basic city services—power, gas, telephones, fresh water, and sewage disposal—clogged streets and basements with mud and caused extensive losses to the surrounding farming community. In the city thousands of small business people face complete ruin; floods and mud destroyed stocks of Christmas and general merchandise worth millions of pesetas.

As the flood waters ripped through the countryside, farmlands suffered severe damage from erosion and mud deposits when the waters receded. Many farm and other animals died in the flood and are buried in the mud; their decomposition adds to the sanitation problem. The citrus crop apparently escaped serious damage although much of the grape crop was lost. Vast quantities of rice, cotton, dried onions, peanuts and tobacco stored in warehouses were destroyed completely and other stocks damaged severely. Working and living conditions will undoubtedly return to normal in time but losses have been heavy and the region faces a difficult period of recovery—Madrid, Nov. 14.

Sweden

WOOD DELEGATION VISITS U.S.—Twenty or more representatives of leading Swedish wood industries spent a month in the United States recently to study production methods in wood industries and factories making woodworking machines. The delegation also contacted various U.S. importers with a view to promoting the sale of Swedish products—Stockholm, Nov. 12.

Uganda

AMERICAN LOAN POSSIBLE—The Uganda Government recently stated that it is seeking £2 million of American aid to help carry out its current five-year development plan. Under the last budget the United States set up a new overseas development fund to finance long-term projects which were not likely to be of immediate commercial interest. Accordingly, the United Kingdom was invited to submit proposals on projects in the Colonial Territories to which money from the fund could be

devoted, and the Uganda Government prepared its brief at the request of the Colonial Office in London. Since Uganda had already proposed to float a £4 million overseas loan to finance part of its development plan (and with not much prospect of raising the money on the London market), the American invitation came as a godsend and it is possible that Kenya and Tanganyika may also submit proposals for American aid—Salisbury, Nov. 4.

West Germany

CAPITAL EXPORTS—Under two regulations published in the *Federal Gazette*, the export of West German capital was freed from all controls effective October 19. In future, German residents will be allowed to buy foreign shares and securities at whatever price is agreed between buyer and seller; they can dispose of the acquired securities and shares at will, including mailing them abroad. They need not deposit them at German banks nor with accounts held at German banks abroad and they can buy such securities directly without making use of the services of banks.

This measure adds significantly to the degree of convertibility for German residents, since any German can now sell a part or the whole of his property and transfer the capital abroad without being subject to any restrictions—Bonn, Nov. 14.

EXPORTS TO DOLLAR AREA—During the first eight months of this year West German exports to the dollar area rose by 22.7 per cent over the same period of 1956. Sales to the United States increased the most, exceeding last year's by DM 304 million or 24 per cent. Total German exports increased by 19.8 per cent to DM 23,397 million (approx. \$5,800 million) in this period—Bonn, Nov. 14.

Tour of Territory

W. G. HUXTABLE, Assistant Trade Commissioner in Singapore, will visit Thailand for two weeks, beginning January 6, 1958. Businessmen who would like Mr. Huxtable to undertake assignments for them should get in touch with him at his post as soon as possible.

Paris Office Moves

The Commercial Counsellor in Paris and his staff are moving on December 20th from 3 rue Scribe to the new Canadian Embassy building. After that date, his address will be 35 avenue Montaigne, Paris 8e.

The Greek Market for Vehicles

Last year the number of vehicles on Greek roads increased by 3½ times over 1939. Improved living standards and planned renovation of the country's road network promise well for larger vehicle imports in the near future. Canada's share of this market in the first four months of 1957 reached about \$74,000, though competition from European manufacturers is keen.

C. SWIFT,

Office of the Commercial Secretary, Athens.

AN INCREASE IN THE NUMBER OF CARS, buses and trucks in Greece in the last few years promises well for larger imports of vehicles in the near future.

Vehicles of all sorts (excluding motorcycles, scooters, and tractors) increased in number from 14,878 in 1939 to 41,945 in 1954 and to 52,775 in 1956. In 1956 imports of vehicles accounted for 1.8 per cent of total imports, compared with 0.5 per cent in 1950.

Some 67 thousand vehicles are expected to be on Greek roads within the next decade. In order to cope with this increase and to improve the country's road network, which is inadequate (less than one-sixth of road mileage consists of first class or asphalted roads) the Greek Government is now studying plans for a more extensive and better road network. In Athens, for example, plans for an early reorganization of the public transport system are being drawn up. All these improvements are likely to increase the demand for automobiles, buses and trucks.

Greek Vehicle Strength

The following table gives a breakdown of the various types of vehicles in Greece at the end of 1956, compared with 1954 and prewar:

	1939	1954	1956
Passenger cars	6,200	16,555	24,713
Trucks	6,000	19,987	22,329
Buses	2,678	5,503	5,733
	<u>14,878</u>	<u>42,045</u>	<u>52,775</u>

Greece spent \$18.8 million on vehicles, parts and accessories during 1956, compared with \$16 million in the previous year.

Imports of new and used vehicles in the past two years were:

	1956	1955
Passenger cars	5,681	2,880
Buses and trucks	2,147	2,254
Passenger car chassis (with or without motors)	175	374
Bus and truck chassis	100	.....

It has been estimated that about one-third of all vehicles imported during 1956 were replacements for older models. Moreover, half of the automobiles brought in each year are second-hand cars which are purchased cheaply abroad by importers or private individuals. The near doubling of passenger car imports in 1956 reflected improved living standards. Imports of trucks, however, were down somewhat from 1955. The number of buses brought into the country did not vary much from the previous year. However, it has been reported that up to 1,200 new buses will have to be acquired during the next year or two, in order to implement the Government's plan for improved bus service.

Main Sources of Imports

The bulk of the vehicles imported in 1956 came from West Germany, which supplied 40 per cent of passenger cars, 64 per cent of buses and trucks, 25 per cent of automobile chassis, and 30 per cent of bus and truck chassis. The United States was the second main supplier, with 17 per cent of all the passenger car imports, and ranked third in the last two categories. Other main suppliers of passenger cars were the United Kingdom, Italy, France and Belgium-Luxembourg. Buses and trucks also came in from Sweden, Italy and Hungary. Sweden ranked second in automobile chassis and the United Kingdom supplied 31 per cent of bus and truck chassis.

Private motorists prefer European models, mainly German and British. The low price, the inexpensive state operating tax and the economy in fuel consumption are responsible for this preference. The large North American-type automobiles are mainly used as

taxi. But Greeks buy German and other European diesel makes of trucks and buses.

Accessories and Spares

Greek imports of tires and tubes, spare parts and accessories during 1956 amounted to about \$8½ million. Rubber tires and inner tubes for automobiles and trucks accounted for more than \$2 million and \$3 million respectively; the former was down by more than \$1 million from a year earlier. Spare parts and engines and chassis components accounted for more than \$2 million. Less than \$1 million worth of detached parts and accessories and accumulators were brought abroad.

The United Kingdom, the United States and West Germany supplied most of these accessories and spares. France, Italy, Sweden and The Netherlands also participated in this trade but to a lesser extent.

Payment Terms

Vehicles, spares and accessories may be imported free of restrictions from any source. Foreign exchange is readily available either in free dollars for imports from North America, EPU currencies for imports from most Western European countries, and under bilateral trade agreements or barter compensation for imports from certain others, including the Eastern European bloc. Vehicles may be imported only on irrevocable letter of credit or C.A.D. terms (L.C. only in practice). Furthermore the importer is required to make a 100 per cent cash deposit with a local bank when he applies for an import licence. On the other hand, spare parts and accessories, including tires and tubes, may be imported on credit up to six months, involving no prior cash deposit with a local bank by the importer.

Canadian Prospects

In recent years, Canadian sales to Greece of vehicles, spares and accessories have been comparatively small and limited to the items shown below.

	1956	1955	1954
Automobiles, passenger, new (over \$1,000.)	16,226 (10)	2,307 (1)	1,764 (1)
Pneumatic tires for passenger autos	34,032	41,795	13,104
Pneumatic tires for trucks and buses	165,893	199,714	87,361
Pneumatic tires for motor vehicles n.o.p .....	.....	752	.....
Inner tubes for passenger auto tires	28	54	137
Inner tubes for motor vehicles n.o.p	664	1,896	1,072
Automobile parts	3,041	1,958	.....
Batteries n.o.p and parts .....	.....	5,046	.....
Sparkplugs	5,970	24,220	48,012
Asbestos brake lining facings	11,956	5,935	3,734
	<u>237,810</u>	<u>283,677</u>	<u>155,184</u>

It is interesting to note that during the first four months of 1957, 46 automobiles valued at \$73 thousand, as well as one truck valued at \$1,459, were imported into Greece from Canada.

Price and economy of operation remain the deciding factors influencing vehicles sales in Greece; easy payment terms are added inducements for promoting the sale of spare parts and accessories. In addition, an aggressive and active distributor is essential for placing new or unfamiliar makes of vehicles and equipment on the Greek market in face of the strong and well-entrenched European competition.

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 South Africa

COLIN D. GORDON of Cherbar Agencies (Pty.) Ltd., Johannesburg, was expected to arrive in Montreal on December 2 for interviews with representatives of Canadian textile and clothing firms. Mr. Gordon is a manufacturers' agent and also buys on his own account; textiles sought include boys' and girls' outerwear and underwear, teen-age wearing apparel, and knitwear of all types. Manufacturers interested in meeting Mr. Gordon should write to him c/o The Royal Bank of Canada, Head Office, Montreal.

SIDNEY SIPSER, director Sidney Sipser and Co., Johannesburg, is expected to visit Montreal before mid-December, primarily to meet manufacturers of women's dresses, blouses and skirts who wish to have representation in South Africa. He is not interested in average price lines of dresses because of the domestic competition in South Africa but is looking for both inexpensive and high-quality models. He also wishes to meet Canadian manufacturers of children's wear and ladies' knitwear. Anyone wishing to get in touch with him should write or telephone to the American Express Co., 1200 Peel St., Montreal.

The Cotton Textile Industry

Cotton textiles rank as India's third most important earner of foreign exchange, after tea and jute products. Last year India came second only to the United States as a producer of cotton cloth and second only to Japan as an exporter.

T. F. HARRIS,
Trade Commissioner, Bombay.

LAST YEAR, INDIA PRODUCED over seven million yards of cotton cloth and the cotton textile industry provided 10 per cent of her export earnings. The larger part of these exports go to Britain and to African and Asian markets; Canada's purchases of Indian-made cotton textiles are small by comparison, but they are growing. In 1954, we bought \$1.55 million worth and last year the figure reached \$2.65 million.

The progress of India's textile industry is of interest to Canadians for another reason—it earns for India badly needed foreign exchange. Cotton textiles brought in last year Rs.569.7 million (\$114 million) out of total exports worth Rs.5,984 million (\$1,196.8 million).

Production Climbs

Since the first textile mill was established in Bombay in 1884, production has climbed steadily. In the last 16 years, output of mill cloth has risen from 4,100 million to 5,300 million yards. Production of handloom and powerloom cloth has also increased and in

MILL-MADE CLOTH CLASSIFIED ACCORDING TO COUNT GROUPS

	1956		1955	
	Million yds.	% of total	Million yds.	% of total
Coarse	719	13.5	572	11.2
Medium	3,797	71.6	3,759	73.8
Fine	444	8.4	462	9.1
Superfine	347	6.5	301	5.9
Total	5,307	100.0	5,094	100.0

1956 totalled 1,500 and 278 million yards respectively. Cotton yarn output in 1956 reached 1,671 million lb. An analysis of the production of mill-made cloth, classified according to count groups, for the years 1955 and 1956 is given in the table below.

The following table gives the quantity of cloth produced and classified according to processed groups during 1955 and 1956.

Year	Bleached	Printed	Piece-dyed
1955—million yards.....	1,483	446	669
1956—million yards.....	1,703	491	689

During 1956, nearly 32 per cent of the entire loom-state production of cloth was bleached, nearly 9 per cent was printed, and nearly 30 per cent was piece-dyed.

Sources of Raw Cotton

Most of the raw cotton which the industry uses is grown in India, an advantage over the United Kingdom and Japan, two of her main competitors in foreign markets, who must import their raw cotton. Efforts are continuing to increase the output of cotton and save foreign exchange. The aggregate yield of cotton, which was 2.20 million bales (of 392 lb. each) in 1948-49, increased to more than 4.72 million bales in 1956-57. The production target for 1960-61 set in the Second Five Year Plan is 6.5 million bales.

For the first time since independence, India was a net exporter of cotton in 1955-56. Imports in that year amounted to a little over 600 thousand bales and exports reached 630 thousand bales. Imports are now mainly confined to the long-staple varieties which cannot be produced in the country, but attempts are being made to acclimatize some of these varieties to Indian conditions and encouraging results are reported. The famous Sea Island cotton of the West Indies has been found suitable for growing in Malabar on the west coast. The United States (thanks to P.L.480) is currently the largest supplier, followed by Kenya, the Sudan and Egypt.



This Indian peasant going out to his day's work in the fields is dressed in cotton woven in domestic mills. Last year India turned out over seven million yards of cotton cloth, to become the world's second largest producer, after the United States.

Exports Follow World Trend

Total Indian cotton textile exports, following the trend towards declining world trade in this product, fell off from 752.3 million yards in 1955 to 743.6 million yards in 1956. However, because of higher prices the value of exports increased from Rs.477.5 million (\$95.5 million) in 1955 to Rs.569.7 million (\$114 million) in 1956, or 10 per cent of export earnings. The 1956 figure included the following: mill-made piecegoods—grey (unbleached) 384.3 million yards (1955, 354.7 million); white (bleached) 128.8 million yards (1955, 140.3 million), and coloured, printed or dyed

170.7 million yards (1955, 196.9 million); handloom piecegoods 59.8 million yards (1955, 60.3 million).

The Second World War gave a tremendous impetus to Indian exports of textiles. Cut off from supplies from the United Kingdom and Japan, South East Asia, the Middle East and Australia were forced to depend largely on India for their textiles. With the partition of the country in 1947, it became imperative for India to develop export markets for millions of yards of cloth normally consumed by Pakistan. But it was only in 1950 when export controls were relaxed that all-out efforts were made to promote exports. These efforts paid off not only in increased sales but also in wider markets.

The main markets for Indian textiles are the United Kingdom, Sudan, British West Africa, Indonesia, Malaya, Singapore, Aden, Australia, Ethiopia, British East Africa and Burma. Sales to Canada have increased steadily over the past few years, as the DBS statistics below indicate, with the trend towards greater purchases of grey cloth for conversion.

Measures to Promote Exports

The Cotton Textiles Export Promotion Council, made up of representatives from the cotton mill industry, the export trade and government, has been established to maintain and to promote exports. The Council's monthly Bulletin *Texprocil*, widely distributed abroad, is intended to acquaint overseas buyers with the variety and types of cotton textiles available for export. An inland edition of the Bulletin published twice a month strives to keep the cotton textile trade and industry informed about export markets for Indian mill-made cotton fabrics and yarn.

During the past year, the Council organized a series of displays of foreign textiles at such Indian textile centres as Bombay, Ahmedabad, Delhi, Calcutta, Madras and Bangalore. The purpose was to keep Indian manufacturers and exporters abreast of the changing preferences of consumers and dealers in overseas markets, and to show them how India's competitors are adapting themselves to these changes. In addition, the Council has opened offices in Bangkok, Aden, Mombasa, Lagos, Rangoon and Singapore to

CANADIAN TEXTILE PURCHASES FROM INDIA

	1954		1955		1956	
	Quantity lb.	Value \$	Quantity lb.	Value \$	Quantity lb.	Value \$
Cotton fabric not bleached.....	1,750,041	797,960	2,497,992	1,156,761	3,333,377	1,509,619
Coloured cotton fabric over 80 C.....	58,472	58,524	47,498	49,412	53,785	53,260
Coloured cotton fabric 50 to 80 C.....	793,721	450,521	1,214,112	683,203	1,317,289	762,926
Coloured cotton fabric under 50 C.....	533,975	239,392	971,680	448,617	703,686	319,055

assist prospective buyers in these areas and to publicize Indian cotton textiles. Other noteworthy steps are the preparation of packing standards and the introduction of a scheme of preshipment examination.

The Government also has taken measures to create a favourable climate for exports and to increase India's export potential. With the standard of living rising as a result of the Five Year Plans, internal demand has increased considerably. This has left the trade with little incentive to seek overseas markets, especially in view of the rise in prices. To arrest this tendency the Government has taken steps which include the imposition of an excise duty on mill-made cloth not applicable to exports, a credit squeeze on advances by banks against cloth stocks so as to discourage large-scale stocking, the stipulation that mills shall not hold

more than six weeks' stock, and a production incentive in the form of a rebate of excise duty of Rs.0.03 per sq. yard of cloth in excess of average production during January-August 1956, packed and delivered for civil consumption. To augment export potential, the Government has authorized the industry to install 14,600 additional automatic looms to produce 350 million yards of cloth for export.

The crucial factor for increased exports is low cost of production; this the industry was able to ensure until recently because of the comparatively low price of available cotton. But this advantage has been considerably narrowed down and whether the efforts to increase the competitive ability of the industry will succeed remains to be seen.

Trade and Tariff Regulations

Barbados

SPECIAL ALLOCATIONS OF DOLLARS—The Government of Barbados has announced that an additional allocation of dollars has been made to local importers to import from the dollar area specified items important to the economy of the Colony.

This allocation is additional to that granted under the British West Indies Trade Liberalization Plan.

Barbados

CUSTOMS EXEMPTIONS FOR DEEP WATER HARBOUR—The Government of Barbados has passed an act which exempts from duties all materials, equipment, supplies or goods, including vehicles and marine vessels, imported by or on behalf of the contractors of the deep water harbour, or purchased out of bond by the contractors. The articles are to be used exclusively in the construction of the deep water harbour on the certificate to that effect by the resident engineer.

Oil, including gas oil, kerosene, diesel and fuel oil, is included in the above exemption, but petrol or other motor spirits are subject to normal duties.

India

IMPORT CONTROL POLICY FOR STEEL—The Government of India announced in a recent *Press Note* that, due to foreign exchange difficulties,

licences to import steel will be granted only for certain special categories during the licensing period October 1957 to March 1958. For importers who resell, steel licences will be issued on the basis of past imports. Certain actual users will be granted licences on the basis of their minimum requirements.

The following categories of steel will be licensed to the importers who have imported these categories during at least two of the three years ending March 1955, 1956 and 1957: tin plate secondaries; steel wire; box strapping; industrial and rerollable scrap and tool, alloy and special steel.

The following categories of steel will be licensed to actual users who import for their own use and have imported before as actual users: prime and secondary tin plate; terne plate; steel wire; skelp; wheels; tires and axles; forgings, and tool, alloy and special steel.

United Kingdom

QUOTA FOR CANADIAN PEARS ANNOUNCED—The United Kingdom Government, in a *Notice to Importers* dated November 20, 1957, announces that import licences will be made available for imports of fresh pears from Canada during the period ending April 30, 1958, to the value of \$60,000 F.A.S. This is approximately the same as last year's quota, which was officially announced as £20,000 F.O.B.

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. Bisset Commercial Counsellor	Canadian Embassy Bartolome Mitre 478 BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Argentina	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> P.O. Box 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 <i>Tel.:</i> 34-55-54
Belgian Congo Angola, French Equatorial Africa	G. F. Mintenko Acting Canadian Government Trade Commissioner	Forescom Building LEOPOLDVILLE 1	<i>Mail:</i> Boîte Postale 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> Caixa Postal 2164 <i>Cable:</i> CANADIAN <i>Tel.:</i> 42-4140
Brazil	C. E. Butterworth Consul and Trade Commissioner Vice Consul and Assistant Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 SAO PAULO	<i>Mail:</i> Caixa Postal 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	H. M. Maddick 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	P. A. Savard Commercial Secretary	Canadian Embassy Avenida Jimenez No. 7-25 Office 613 BOGOTA	<i>Airmail:</i> Apartado Aereo 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
Denmark Greenland, Poland	C. F. Wilson Commercial Counsellor	Canadian Embassy 4 Trondhjems Plads COPENHAGEN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Tria 1602

Territory	Officer	City Address	Mail and Cables, Office Telephone
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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 Counsellor for Canada A. L. Neal Attaché J. H. Bailey Commercial Secretary	Canadian Embassy, 35 Avenue Montaigne, PARIS 8e	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> OPEra 42-30
Germany Federal Republic	J. A. Stiles Commercial Counsellor S. G. Barkley Commercial Secretary M. B. Blackwood 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 Cambodia, China, Laos, Vietnam, Macao Taiwan	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	B. A. Macdonald Commercial Counsellor 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 Djl. Budi Kemuliaan No. 6 DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Gambir 1313
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	K. F. Osmond Commercial Secretary (Fisheries)		
	J. G. Ireland Assistant Commercial Secretary		
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	M. S. Strong Assistant Trade Commissioner		
Japan South Korea	J. L. Mutter Commercial Counsellor	Canadian Embassy Tokyo	<i>Mail:</i> Canadian Embassy <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
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	A. J. Stanton Assistant Commercial Secretary		
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	D. B. Laughton Commercial Secretary		
	A. A. Lomas Assistant Commercial Secretary		
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	B. Horth Assistant Commercial Secretary		
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	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
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	J. D. Blackwood Assistant Commercial Secretary		
Peru Bolivia	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
	L. D. Burke Assistant Commercial Secretary		
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
	W. J. Jenkins Vice Consul and Assistant Trade Commissioner		

Territory	Officer	City Address	Mail and Cables, Office Telephone
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Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	W. J. Millyard Canadian Government Trade Commissioner	Offices 110-113 Central Africa House Corner First St./Gordon Ave. SALISBURY	<i>Mail:</i> P.O. Box 2133 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 26571
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	M. P. Carson Canadian Government Trade Commissioner W. G. Huxtable Assistant Trade Commissioner	Room E-3, Union Building SINGAPORE	<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	M. R. M. Dale 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
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United Kingdom (South of England, East Anglia, Scotland), British West Africa (Gambia, Ghana, Nigeria, Sierra Leone)	H. L. Brown Commercial Counsellor G. H. Rochester Commercial Counsellor (Timber) D. A. B. Marshall Commercial Counsellor (Agricultural) W. Gibson-Smith Commercial Secretary S. G. Tregaskes Commercial Secretary	Office of the High Commissioner for Canada Canada House Tratfalgar Square LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701 <i>Cable:</i> TIMCOM
United Kingdom (Midlands, North England, Wales)	A. W. Evans 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	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
United States— <i>con.</i>	Wm. Jones Commercial Secretary		
	W. A. Stewart Assistant Commercial Secretary		
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen Deputy Consul General (Commercial)	Canadian Consulate General 620 Fifth Ave NEW YORK CITY 20	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
	C. R. Gallow Consul and Trade Commissioner		
	H. E. Lemieux Consul and Trade Commissioner		
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	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
	G. F. J. Osbaldeston Vice Consul and Assistant Trade Commissioner		
	R. G. Woolham Vice Consul and Assistant Trade Commissioner		
United States (Michigan, Ohio)	M. J. Vechsler Consul and Trade Commissioner	Canadian Consulate 1139 Penobscot Building DETROIT 26	<i>Mail:</i> (City Address) <i>Tel.:</i> WOODward 5-2811
	J. R. Midwinter Vice Consul and Assistant Trade Commissioner		
United States California (the ten south- ern counties), Clark County in Nevada, Arizona, New Mexico	T.M. Burns Consul and Trade Commissioner	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), Wyom- ing, 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> 90096
Venezuela Netherlands Antilles	R. E. Gravel Commercial Secretary	Canadian Embassy Edificio Pan American Avenida Urdaneta Puente Urapal, Candelaria CARACAS	<i>Mail:</i> Apartado 9277 <i>Cable:</i> CANADIAN <i>Tel.:</i> 54-3431
	W. G. Brett Assistant Commercial Secretary		
	R. D. Sirrs Assistant Commercial Secretary		

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

Conversions into Canadian 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 1.03862.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent November 26	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Official .....	.05349	18.69	(1)
		Free .....	.02581	38.74	
Austria	Schilling ...	.....	.03703	27.00	
Australia	Pound .....	.....	2.1618	.4625	
Belgium, Belgian Empire and Luxembourg	Franc .....	.....	.01926	51.92	
Bolivia	Boliviano ..	Free .....	.0001105	9049.7	
British West Indies	Dollar .....	.....	.5630	1.77	(2)
	Pound .....	.....	2.7021	3.700	(3)
British Honduras .	Dollar .....	.....	.6755	1.48	
Brazil	Cruzeiro	General Category* .....	.01255	79.64	*Oct. 29 (4)
		Special Category .....	.04153	240.77	
		Official buying .....	.05246	19.06	
Burma	Kyat .....	.....	.2022	4.94	
Ceylon	Rupee .....	.....	.2027	4.93	
Chile	Peso	Free .....	.001392	718.39	(5)
Colombia	Peso	Certificate .....	.1832	5.45	
Costa Rica	Colon	Official .....	.1715	5.83	
		Controlled free .....	.1451	6.89	
Cuba	Peso .....	.....	.9628	1.04	tax 2%
Czechoslovakia ...	Koruna .....	.....	.1337	7.47	
Denmark	Krone .....	.....	.1394	7.17	
Dominican Republic	Peso .....	.....	.9628	1.04	
Ecuador	Sucre	Official .....	.06419	15.57	
		Free .....	.05601	17.85	
Egypt	Pound	Official	2.7648	.3616	(6)
El Salvador	Colon .....	.....	.3851	2.59	
Fiji	Pound .....	.....	2.4344	.4107	
Finland	Markka .....	.....	.003009	332.33	
France, Monaco and North Africa	Franc .....	.....	.002293	426.10	(7)
French colonies in Africa	Franc .....	.....	.004586	218.05	(8)
French Pacific	Franc .....	.....	.01261	79.30	(9)
Germany	D Mark .....	.....	.2292	4.36	
Ghana	Pound .....	.....	2.7022	.3700	
Greece	Drachma .....	.....	.03209	31.16	
Guatemala	Quetzal .....	.....	.9628	1.04	
Haiti	Gourde .....	.....	.1926	5.19	
Honduras	Lempira .....	.....	.4814	2.07	
Hong Kong	Dollar	Free* .....	.1639	6.10	*Nov. 15
		Official .....	.1689	5.92	
Iceland	Krona	Official .....	.05912	16.91	(6)
India	Rupee .....	.....	.2027	4.93	
Indonesia	Rupiah	Effective buying .....	.2387	4.18	*Nov. 15
		Effective selling .....	.2983	3.35	(6)
Iran	Rial	Certificate .....	.0127	78.67	
Iraq	Dinar .....	.....	2.6959	.3709	
Ireland	Pound .....	.....	2.7022	.3700	
Israel	Pound .....	.....	.5349	1.8690	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent November 26	Units per Canadian dollar	Notes (See below)
Italy	Lira .....	.....	.001546	646.83	
Japan	Yen .....	.....	.002675	373.83	
Lebanon	Pound	Free .....	.3049	3.27	
Mexico	Peso .....	.....	.07703	12.98	
Netherlands	Florin .....	.....	.2541	3.93	
Netherlands Antilles	Florin .....	.....	.5120	1.95	
New Zealand	Pound .....	.....	2.7022	.3700	
Nicaragua	Cordoba	Effective buying .....	.1459	6.85	
		Official selling .....	.1366	7.32	
Norway	Krone .....	.....	.1348	7.41	
Pakistan	Rupee .....	.....	.2027	4.93	
Panama	Balboa .....	.....	.9628	1.04	
Paraguay	Guarani	Official .....	.01605	62.30	(6) (10)
Peru	Sol	Certificate .....	.05067	19.73	
Philippines	Peso .....	.....	.4814	2.07	
Portugal & Colonies	Escudo .....	.....	.03360		(11)
Singapore and Malaya	Straits dollar	.....	.3153	29.76	
Spain and Dependencies	Peseta	Controlled free .....	.02292	3.17	(6)
Sweden	Krona .....	.....	.1861	43.63	
Switzerland	Franc .....	.....	.2247	5.37	
Syria	Pound	Free .....	.2695	4.45	
Thailand	Baht	Free .....	.04667	3.71	(6)
Turkey	Lira .....	.....	.3439	21.42	
Union of South Africa	Pound .....	.....	2.7022	2.90	
United Kingdom ..	Pound .....	.....	2.7021	.3700	
United States	Dollar .....	.....	.9628125	1.038623	
Uruguay	Peso	Free .....	.2224	4.49	
		Basic buying .....	.6060	1.65	
		Principal selling .....	.4587	2.18	(6) (12)
Venezuela	Bolivar .....	.....	.2874	3.47	
Yugoslavia	Dinar .....	.....	.003209	311.62	(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. Brazil: Exporters receive cruzeiros at official rate plus exchange premiums ranging from 18.70 to 48.64 cruzeiros per U.S. dollar, depending on product.
5. 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.
6. Additional rates are in effect.
7. France: Territory includes Algeria, Tunisia, Morocco, Guiana, Guadeloupe, Martinique.
8. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
9. New Caledonia, New Hebrides, Oceania.
10. Official rate applies to exports and essential imports. For non-essential imports there is a surcharge of 25 guaranis per U.S. dollar.
11. Portugal: approximately same rate for Portuguese Territories in Africa.
12. 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 are divided into eleven categories for exchange rate purposes. Depending on the product, the export rates which 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.



The Canadian Oxford Desk Atlas

Oxford University Press. 103 pages of maps. \$3.95.

HERE IS an excellent, clearly-printed world atlas only 7 $\frac{3}{4}$ " \times 10 $\frac{1}{2}$ " for the Canadian businessman who has to look up facts quickly. All the regions of the world are covered using uniform scales and detailed insets and diagrams provide extra information. The new pictorial shading used on many maps gives physical features a convincing three-dimensional effect.

The atlas pays special attention to Canada, with 28 pages of maps and a separate gazetteer with 5,200 place names. Maps show physical features, population, railways, roads, airports and ports, vegetation, climatic regions, soils, agriculture and forestry, geological formations, minerals and industry, the provinces and territories, and the seaway. A similar approach is used for regional and world maps.

Published by: Oxford University Press, 480 University Avenue, Toronto 2, Ontario.

Customs Simplification—Progress and Needs

The United States Council of the International Chamber of Commerce. 15 pages. 30 cents.

CANADIAN EXPORTERS doing business with the United States will find in this brochure a brief analysis of the progress made so far in cutting red tape under the recent Customs Simplification Act and proposals for further steps toward a better customs administration.

The Council's proposal calls for complete codification of the United States customs law so as to establish a single, simplified source of legal principles to govern customs administration. Other measures which the Council recommends include the elimination of "foreign value", and "American selling price" in the determination of value for duty purposes; amendment of the countervailing duty law so as to allow customs to impose such duties only when it is shown clearly that entry of the subsidized goods will injure an American producer; and clarification of the tariff terms "fair value", "industry", and

Businessman's Bookshelf

"injury" in determining when the anti-dumping duty should be imposed on goods. The Council condemns the use of quotas as a protective device and calls for an end to the system. It also recommends a long-term renewal of the Trade Agreements Extension Act when it expires in 1958.

Order from: The United States Council of the International Chamber of Commerce Inc., 103 Park Ave., New York 17, N.Y.

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