Established in 1904

foreign trade

OTTAWA, MAY 10, 1958 Vol. 109, No. 10

cover Our cover picture was taken at the site of the Maple Leaf cement factory at Dandkhel in India undertaken under the Colombo Plan with the assistance of Canadian firms as main equipment suppliers. Much of the cement made here will be used in the Canadian-built Warsak dam. In this issue, several articles feature various aspects of the export of Canadian engineering skills under competitive trade conditions, particularly to under-developed regions. They also tell of the success Canadian firms are having in this field. —Photo by Richard Harrington

Published fortnightly by the Department of Trade and Commerce.
The Hon. GORDON CHURCHILL, Minister, JOHN H. ENGLISH, Acting Deputy Minister

Please forward all orders to: The Queen's Printer, Government Printing Bureau, Ottawa.
Price: $2.00 a year in Canada; $5.00 abroad. Single copies: 20 cents each.

CANADA

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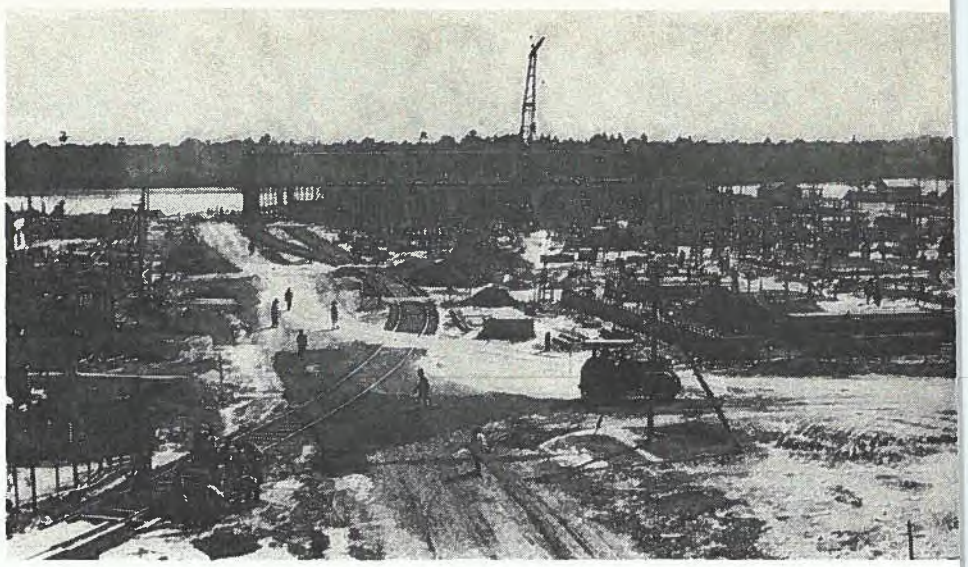
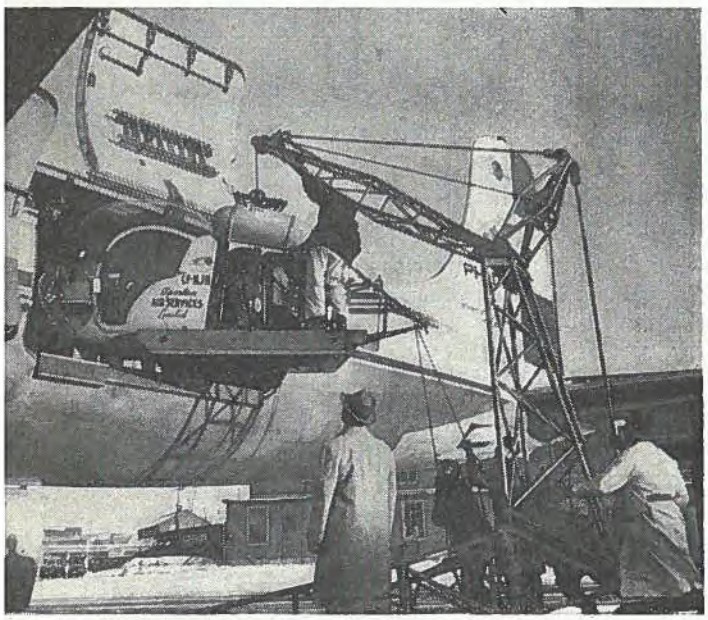


Canadian engineering firms—Sandwell & Co. Ltd., consultants, and Provincial Engineering Ltd. and Balfour, Beatty & Co. (Canada) Ltd., joint venture contractors—are building this newsprint and specialty paper mill at Khulna, East Pakistan.

Engineers and construction workers from Hewitt-Robins (Canada) Ltd. are at work in India building an iron ore conveyor system, similar to this one at the Bhakra dam, for a new mine at Barsua. It is being supplied under a "turnkey" contract.

Another phase of engineering services in which Canadians compete successfully abroad is aerial survey. In the Far East, two employees of Canadian Aero Service Ltd. erect a 50-foot receiving antenna for a ground navigation station.



For an aerial mapping job in Kenya, Spartan Air Services Ltd. loads one of its helicopters for the long flight to Nairobi. This company has "piggy-backed" helicopters before in Canada, but this is the first time it has air-freighted one overseas.

Engineering Services for Export

Many Canadian engineering firms are already selling their services successfully in foreign countries. Others hesitate, fearing problems they cannot solve. Here an experienced engineer talks encouragingly of the opportunities—and the difficulties—in the foreign field.

R. A. FRIGON, *Chief, Engineering and Equipment Division, Commodities Branch.*

EVERYONE is aware of the urgent programs for economic development under way in almost all countries, in particular those in the undeveloped regions of the world. These development programs offer interesting opportunities for engineering industries, including consulting engineering firms, construction contractors, and manufacturers of equipment. Such firms will find opportunities for employment of their capacities which will tide them over periods of slackness in the home market for engineering services. Many difficulties stand in the way of full exploitation of overseas opportunities but they may not be insurmountable—even for firms that consider they are not in a position to compete abroad.

What Are the Opportunities?

The opportunities range over a wide field but for convenience they may be broadly classified into the following categories: preliminary surveys, design studies, construction, supervision of construction, equipment supply, management services. The firms likely to be interested include consulting engineering firms (and individual consultants), consultant research laboratories, aerial and resources survey firms, general and specialized contractors, inspection firms, equipment manufacturers, and engineering/construction companies and consortiums for undertaking complete projects.

Examples of the types of projects include dams, bridges, roads, railways, pipelines, harbours, resources surveys, aerial mapping, oil-well drilling, electrical frequency conversion and many others.

What Are the Benefits?

Most engineering firms, whether they are consultants, contractors or manufacturers, have a common concern —extensive fluctuations in demand in the home market and the intense competition to meet what demand there is. Opportunities on the home front are not to be found every day because only a limited number of engineering projects are being contemplated at a given time. And for those projects that have been undertaken, valuable experience, staff and equipment have been accumulated which must be put to use if the

A third Canadian aerial survey company, Photographic Survey Corp. Ltd., is working in Pakistan under the Colombo Plan. Two of its technicians, a Canadian and a Pakistani, are developing photographs in the firm's Karachi headquarters.

53895-9—2

firms are to continue with their forces intact. But throughout the world many projects are being considered; the world market offers the opportunity of filling in the troughs in the curve of domestic demand. Undertaking foreign work not only assists firms in making full use of plant, equipment, offices and staff but also helps keep engineering staff faced with the challenging tasks that they need if they are to continue developing their full talents.

What Are the Problems?

The problems that lie in the way of firms wishing to exploit foreign markets vary according to the type of firm (consultant, manufacturer, etc.) and the degree of foreign experience that it possesses. The difficulties occur at different stages: in the initial reconnaissance for work, in the development of a contract, and in the execution of the work.

• *Prospecting for Work:* Manufacturers and contractors, generally speaking, do not encounter quite the same difficulties as consulting engineering firms in searching for assignments. Calls for tenders for construction or supply of equipment are often published world wide, though admittedly it is difficult to keep in touch. More often than not, the need for consulting engineering services is not generally broadcast. It is necessary to keep in close touch with local developments and to be known when a requirement arises. Consulting firms must rely a good deal on personal visits, very often at high cost in time and money. Consulting engineering involves a personal approach that is not always needed in the manufacturing and construction fields. (The negotiated contract, where personal selling abilities can be paramount, is perhaps an exception.)

There are no effective substitutes for personal initiative and investigation on the spot in seeking out assignments. The difficulties of becoming established in foreign work can be great but interested firms can take a first step by making their abilities known to such agencies as the Foreign Trade Service of the Department of Trade and Commerce, the International Bank, the International Finance Corporation, the United Nations, etc.

• *Development of a Contract:* Once an opportunity is known, the development of an actual contract usually requires travel. But appointment of an agent, or partnership with a local firm, may reduce this requirement and can often enhance the chances of obtaining a contract. In dealing with local people, a firm will need advice on local business customs, local costs of construction (contractors will need these to make effective bids), technical requirements, local skills, etc. Consulting engineers will want to know local practices in negotiating contracts for consulting work; these may be quite different from those followed by professional engineers at home. Manufacturers and contractors will wish to be kept advised of such matters as alterations in tender dates (which are prone to change with little warning), local firms with which they may co-operate or enter into a partnership, etc. The Foreign Trade Service, through officers at headquarters in Ottawa and Canadian Trade Commissioners located (as may be seen from the list on page 29 of this issue) in over fifty trading centres throughout the world, can assist in dealing with such problems.

• *Financing Projects:* Financing is a problem met frequently in the foreign field. Many foreign-project sponsors seek medium or long-term credit. Financing may come in whole or in part from the supplier's own resources or from outside sources. In Canada the Export Credits Insurance Corporation, a Canadian Government agency, provides export credit insurance which can be the means of securing a bank loan. With the security provided by an export credits insurance policy, many Canadian exporters have found no difficulty securing loans from Canadian chartered banks covering projects involving payment terms extending up to five years. Any Canadian supplier interested in exporting might well discuss his problems with his bank and the Export Credits Insurance Corporation.

It should be borne in mind that the investor often determines the source of supply for services and equipment. Canadian firms will find that more foreign work will tend to come their way as they become more closely associated with the initiators of foreign projects.

Canadian suppliers should not neglect the possibilities presented by projects financed by the International Bank, the International Finance Corporation, and United Nations special funds. These projects financed by agencies that Canada helps to support financially offer not only the advantage of built-in, long-term financing but also international tendering, a guarantee of payment, and in many instances the provision of dollars. Projects financed by the U.S. International Co-operation Administration, when these are on world tender, also offer opportunities.

• *Execution of the Work:* Once the contract has been secured, consulting engineers and contractors and, to a lesser degree, manufacturers encounter certain problems in carrying it out. Firms engaged in providing services—i.e., consultants and contractors—must transplant themselves into the foreign environment. Manufacturers need to take into account local conditions, but to a lesser degree. Firms providing services must work with local technical personnel and other persons; they may be subject to local laws such as income taxes; they must work with local conditions of climate and geology. A solution is a partnership with a local firm

which will not only secure adequate local knowledge but also local influence, which can be essential. The Foreign Trade Service can help where required in finding suitable local firms and advising on many other matters.

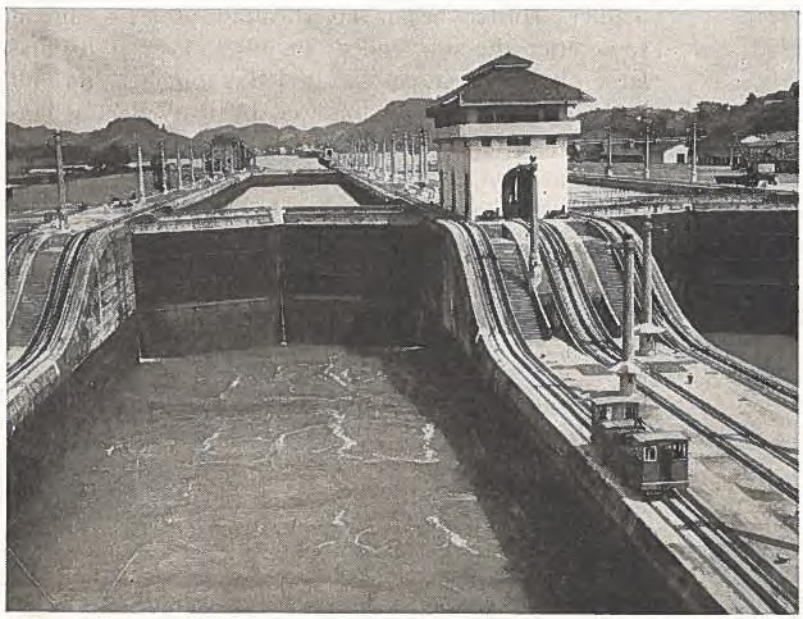
Partnerships, standing or ad hoc, with experienced foreign firms is another effective approach. The partnership combines the experience of the firms involved and provides the advantages offered by a Canadian-based operation. A number of Canadian firms in the several fields of consulting, construction and manufacturing already have such partnership arrangements with United Kingdom, French and United States firms; the overseas contract is then undertaken from Canada as a base.

What Can Canadian Firms Offer?

It is too often suggested that Canada cannot compete effectively overseas in this field. Such a statement is usually based on the argument of Canada's high prices or the fact that Canada has herself relied heavily on imports of engineering. Although the argument has an element of truth, it is not the whole story. Competition in the engineering field is not necessarily based on price—though of course, other things being equal, price is paramount. Other factors that must be considered include ability to deliver at a given time and to keep the delivery date promised, superior or unique technical specifications, and perhaps intangible factors such as those that enter into a negotiated deal. The quoted price of capital equipment or a tender for construction is based upon many factors, some of which no one knows with any degree of accuracy. Equipment prices may include general overhead, development and research, design costs and publicity. A quoted price may include all, some or none of these costs, depending upon the pricing policy adopted for the occasion. A firm may decide, for instance, to leave out all or part of research and development costs or even design costs, depending upon eagerness to obtain the contract, idle plant capacity, prospects for future sales, etc. Prices tendered by construction firms also vary considerably, depending upon eagerness to obtain the contract with a view to securing special experience or entry into a country, willingness to take a chance on limited knowledge of the geology or foundation conditions, and other risk-taking aspects that are characteristic of construction contracting throughout the world.

Contrary to the belief that Canada cannot compete abroad, it may come as a surprise to many that special machine tools manufactured in Canada to North American standards compete effectively in certain foreign markets.

Canadian technology has been born and bred in the demanding school of pioneer development. Other countries in the throes of rapid economic and social expansion require resourceful and adaptable engineering. Canadian engineering firms who will investigate will find in foreign markets, if not something of a solution to the ups and downs in domestic demand for engineering services, at least an opportunity to engage in assignments that will challenge their engineering and business abilities and, at the same time, give valuable technological assistance to countries in need of it. ●



—Official Panama Canal Photo

The Miraflores Locks in the Panama Canal complete the second stage of the descent to the Pacific. The photograph shows the west lane of the locks looking north. Canadian Comstock Company Limited is carrying out frequency conversion work on this part of the canal through its foreign operations company, Consolidated International Electric.

Engineering Services for Export—as the Businessman Sees It

One Engineer's Export Experience

A Montreal consulting engineer who has handled many overseas assignments discusses the assets and some of the problems that Canadian firms have in competing for foreign business.

A. T. HURTER,
president, Stadler, Hurter & Company,
as told to O. Mary Hill.

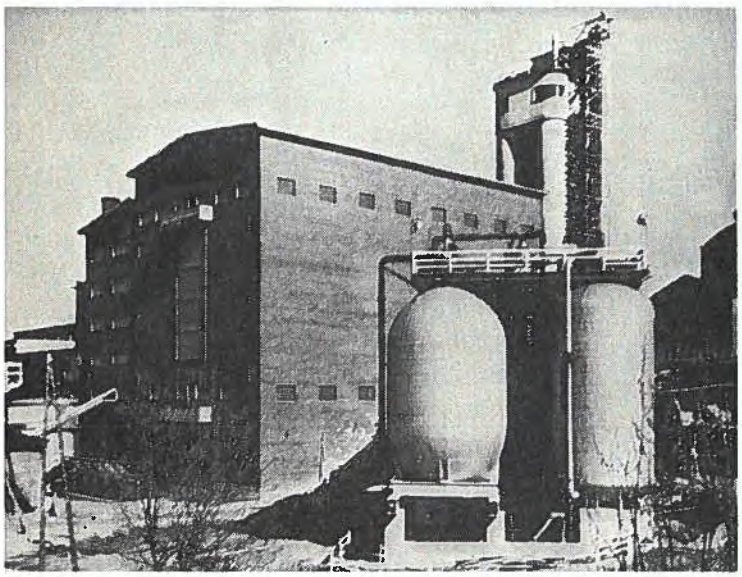
IN a sprawling office above Montreal's busy St. Catherine Street, a 75-man staff of engineers and technicians is today hard at work on projects taking shape in half-a-dozen countries. Stadler, Hurter & Company —headed by Swiss-born Alfred T. Hurter, who came to Canada in the 1920's and joined the firm as a draftsman—is one of a small but increasing number of Canadian consulting engineering firms engaged in selling their services in export markets as well as here at home. Their success advertises Canada's industrial skills and capacity in the best possible way. It also opens up export opportunities for Canadian firms making and selling industrial machinery of many kinds.

Like most other consulting engineers, Stadler, Hurter at first concentrated almost entirely upon work in Canada. Before the war, in fact, it undertook only two overseas *assignments*—a newsprint mill in Finland and the installation of a woodhandling system at a French plant. But with the specialized tasks and experiences of war behind it, it was ready to broaden its scope.

This venture into foreign fields was, Mr. Hurter believes, a logical development. The swift growth of Canada in the past twenty years has kept most engineering firms fully occupied on work close at hand. But as a country reaches industrial maturity, the situation changes. Pulp and paper provides a good example. From now on, chances to build pulp and paper mills in Canada will be limited, but the know-how gained can be put to use elsewhere. The greatest scope probably lies in areas that we label "under-developed", where industrial evolution is still going on. But even in countries long past this stage, there are opportunities for Canadians to exploit.

A First in Finland

Stadler, Hurter began investigating projects abroad soon after the war ended; in 1949, it won its first large overseas contract—to design a sulphite pulp mill in Finland. This was followed by five other assignments in Finland, including a power plant. This proved to be a good beginning, for a number of overseas assignments have since come its way. They include acting as consultants for a cellulose plant in France, a kraft pulp mill in Brazil that uses eucalyptus wood as a base material, a kraft dissolving pulp mill in Japan, and a kraft pulp mill in Sweden. Altogether, the firm has undertaken work in 13 different countries in Western Europe, Latin America, Asia, and Australasia. Currently it is engaged in projects in five—



Stadler, Hurter were retained as consulting engineers by the Finnish company, Kymmene Aktiebolag, for the construction of this sulphite pulp mill. The mill is one of six projects undertaken in Finland by the Canadian company.

Sweden, France, Mexico, Brazil, and the Netherlands. Today over 60 per cent of its business is carried on overseas and Mr. Hurter himself estimates that he spends a quarter of his time abroad.

These projects do not fall into any set pattern. A firm such as Stadler, Hurter offers many types of service, ranging from introductory investigations and reports on the economic feasibility of a project and the preparation of preliminary layouts to the detailed designs and the putting together of complete specifications and bills of material. It will also, if the client wishes, call for tenders and advise which one should be accepted, supervise construction and, where necessary, initiate operations and train personnel on the job. In its experience, foreign assignments, however, commonly include only the preparation of a preliminary report on the project and of the complete engineering design and preparation. Actual construction is generally carried out and supervised by local firms, though a Stadler, Hurter man is usually on site when any plant that the firm has designed is going up. Not many of its staff have to work on location; most of the detailed process and design work is done in head office after someone has collected data in the field.

Competitive Assets Discovered

The export of engineering services differs widely from the export of goods. It is a business in which Canada has perhaps less experience than its chief competitors, but also certain undoubted assets. What these assets are Stadler, Hurter has discovered in the last nine years. One is goodwill towards Canada and Canadians, particularly in the under-developed countries. Another is the know-how that Canadian firms have acquired, especially in hydro-electric power, base metals, and the forest industries.

This know-how sometimes leads to unusual contracts. As examples, Mr. Hurter cites a number of assignments that his firm has carried out in the Scandinavian countries, where pulp and paper has long been a leading industry. His engineering staff designed an adjustable arm stacker and a figure-eight cable conveyor wood-handling system for a pulp mill in Finland, and also a new-type pulp mill in Sweden. The Canadian and the Scandinavian approach to certain fundamental operations differs. Canadian plants rely less upon labour and more upon materials-handling equipment to carry out certain operations. They also put greater stress upon the efficient layout of a plant so that operations will progress smoothly from one stage to another.

A third asset centers around the matter of costs, particularly of equipment. Though Canada is sometimes regarded as a high-cost country, for certain types of machinery Canadian prices may be lower than those of competitors. Mr. Hurter has found that this holds true when the labour content of the equipment is relatively low and the materials content relatively high.

Wanted: News of Opportunities

Though Canadian firms do have these advantages in competing for foreign business, they have their problems too. One of these the military man might call "intelligence"—that is, getting wind of planned projects early enough to study them carefully and put in a bid. Sometimes the time-lag between the first discussion of a project and its inception is long; on the other hand, when things start moving they often move quickly. If the site is far away, an interested firm may have little time to act unless it was alerted early.

Stadler, Hurter has found certain ways to minimize this problem. It obtains information about possible projects from many sources. One is the Canadian Trade Commissioners abroad and officers of the Department in Ottawa, who hear and pass on news of this kind. Another is articles and news items in trade journals and newspapers; a third is the firm's own contacts in foreign countries. Occasionally suppliers with whom Stadler, Hurter does business put opportunities in its way. These suppliers may be asked to quote on a complete project, a type of business that they are not equipped to handle. Instead, they refer the inquirer to a consulting engineering firm. Occasionally, the first hint of plans for a large project is interesting enough, says Mr. Hurter, to justify a special trip abroad. Or a visit to some plant under construction may make it possible to prospect for business in countries nearby.

Projects financed by the World Bank are open to international tender and notification of them goes to each subscribing country. None of the foreign assignments undertaken by Stadler, Hurter, however, has been sponsored by either the World Bank or the Colombo Plan.

Tackling the Credit Problem

A different type of problem also arises in exporting engineering services under current conditions—meeting the demand for long-term credit. The stipulation that payment be spread over a number of years is almost inevitable, Mr. Hurter has found, when a foreign government or government agency is sponsoring or helping to finance a project, especially in the under-developed countries. India, for example, now demands that payments under such contracts be spread over eight years. This growing trend towards long-term credit works hardship upon a small or medium-size firm because it ties up large amounts of capital for long periods. And it sometimes makes it more difficult for Canadian consultants to compete against their French, British, German and United States counterparts, despite the fact that the Canadian exporter of capital goods and services can obtain a medium-term export credits insurance policy running up to five years.

On balance, Mr. Hurter has found that it is harder for the Canadian firm to get long-term financing than it is for some of its foreign competitors. In the United States, for instance, many engineering contracts overseas are financed by the Export-Import Bank. In France, business tackles this problem in a way that, he feels, might be tried here. There bankers, machinery suppliers and engineering firms often join forces, pool their resources, and go out actively seeking business, especially in the Middle East. (Naturally, when a firm undertakes a contract financed by the World Bank or by ICA funds, there is no credit problem.)

The type of alliance which the French have found successful, or a consortium of responsible Canadian companies to look after the engineering, construction and erection of plants abroad, might help with a third problem also. In engineering consulting work, the money spent on preliminary study of a project soon mounts up and, if the contract goes to a competitor, it is not recovered. This bears heavily on a small firm without large resources. But when these expenses can be pooled with two or three others, they become less of a burden.

Other Obstacles Encountered

The fourth problem that Mr. Hurter meets in doing work abroad is the lack of research facilities available to Canadian firms for working out special problems. One such problem arose when Stadler, Hurter undertook to design a plant in Brazil to make pulp from eucalyptus wood. To get certain technical studies done and test runs made, he had to turn to a U.S. research organization. He finds that U.S. companies are in a strong competitive position partly because of the research services at their command. If a foreign government is sponsoring a project, the U.S. Government research councils will carry out any research needed, often without charge. In other cases, the charges are moderate.

The remaining problem is one familiar to all types of export business—the foreign exchange and import restrictions that operate in certain countries. Stadler, Hurter is trying out in two of them—France and Mexico—a way of surmounting this obstacle. In each it has become associated with an independent consulting engineering firm. These firms draw on its technical knowledge in basic process development of such projects as pulp and paper plants. Much of this process work can be done in Canada or, if necessary, in the foreign associate's office. Arrangements such as this may mean continuing assignments in areas hedged about by currency and import controls.

Widening Effects

In its nine years of doing business abroad, Stadler, Hurter has been impressed by the widespread effect upon Canadian industry of the business done by consulting engineering firms in foreign countries. One project alone may bring to Canada orders for $8 to $10 million worth of machinery, much of it custom-built to exact specifications. Stadler, Hurter does not necessarily recommend only Canadian equipment for an overseas plant. But where Canadian-made machinery will fit in and is competitive in price, orders will be placed here. On Mr. Hurter's advice, for example, a French firm bought a $45,000 paper-wrapping machine from a Canadian firm, and another purchased Canadian-made pulp-mill agitators. And this is often just the beginning: an installation usually leads to recurring orders or to additional business placed by foreign engineers who see the equipment at work and decide to use it themselves.

It is this—the fact that exports of materials and equipment go hand in hand with exports of technical knowledge—that makes the sale of engineering knowledge to foreign countries a vital business for large segments of Canadian industry. As Mr. Hurter emphasizes, firms like his demonstrate in a graphic way that Canada is a growing industrial power, competent to handle many types of foreign assignments. And the business it obtains has repercussions that reach far beyond its own confines.

Help for the Business Traveller

The businessman travelling abroad will often find that Canadian Trade Commissioners can do much to make his trip pleasant and profitable—provided that they have advance notice of the date of the visitor's arrival, his main interests, and his itinerary. Too often, Canadian businessmen fail to take full advantage of a Trade Commissioner's help by dropping in on him without warning.

If you are travelling abroad on business and think the Trade Commissioner might assist you, you should give early notice of your trip to the Trade Commissioner Service of the Department of Trade and Commerce in Ottawa. Give the Service your itinerary and say whether you would like the Trade Commissioners in the countries you will visit to collect information in advance of your arrival, to arrange appointments, or to assist in other ways. If you prefer, you may write directly to these officers at their posts asking for their co-operation. If you are planning to initiate new business, it may be helpful to forward samples and descriptions of your products so that the Trade Commissioner will have a chance to make a market survey beforehand.

Engineering Services for Export

Projects in the Making

Large-scale engineering projects involving the expansion of equipment and facilities or the construction of dams, harbours, roads, railways and other heavy works offer interesting opportunities for consulting engineering firms, construction contractors, and manufacturers of equipment. Many of these projects are being planned or executed in various parts of the world, especially in the under-developed countries where development programs are under way. Some of the chief ones currently receiving a measure of world-wide publicity are reviewed here, to draw attention to the types of opportunities that are open to engineering firms.

Mekong River Basin

SITE: The Mekong River rises in the snow-topped mountains near Tibet, flows some 2,500 miles, and empties into the South China Sea. It is more than twice as long as the St. Lawrence and in places its flow is five times larger. Around its lower basin in Cambodia, Laos, Viet Nam and Thailand live over 17 million people. No man-made bridge spans it throughout its entire length. Ships up to 2,500 tons can now navigate it from the mouth to about 400 miles inland. Smaller ships can be used on it in certain sections beyond this point.

PROPOSED DEVELOPMENT: Development of the Mekong Basin is proposed because it would benefit the four countries mentioned above. By building storage dams, controlled water might be provided for 23 million acres—more than the current cultivated area. The river has a hydro-electric potential of an estimated 4.21 million kilowatts and the basin probably contains useful mining and timber resources.

In a 1956 reconnaissance report prepared by the Economic Commission for Asia and the Far East, three construction projects were proposed:

- A dam above Vientiane, capital of Laos, for irrigation, navigation and hydro-electric power purposes (the Pa Mong project).
- A dam in the middle reaches of the river, also for multiple-purpose development (the Sambu project).
- A dam that would regulate the flow of water between the great lake, a natural reservoir near Pnom-Penh, and the river (the Tonle Sap project).

STEPS TAKEN: A committee formed by the Governments of Cambodia, Laos, Thailand and Viet Nam requested the UN Technical Assistance Administration to review existing studies, advise about the collection of further essential data, and plan comprehensive development of the river, including the three projects.

Accordingly a United Nations team, headed by General Raymond Wheeler and including a Canadian (John W. McCammon, former commissioner and general manager of the Quebec Hydro-Electric Commission) reported early this year that a co-ordinated survey program would be necessary for the careful planning of development projects. This survey would take five years and cost $9.2 million.

IMPLEMENTING THE PROJECT: The most urgent need is the establishment of hydrologic stations and the survey of river and tributary levels from the Burma-Laos border to the mouth. Aerial mapping of the river in Laos and Thailand from Luang Prabang to Nong Kai, and again south from Nakorn Phnom/-Takhek to Pakse, and from Kinak upstream of Khone Falls in Laos to Kompong Cham in Cambodia would have first priority. This priority also calls for supplementary spot-levelling on land in the Vientiane plain in Laos and the Udorn area in northeast Thailand, as well as in the Great Lake and Tonle Sap area of Cambodia. Total cost of first-priority projects is set at $5.7 million.

Second priority operations, to cost an estimated $3.5 million, call for aerial mapping on the Mekong from the Burmese border to Luang Prabang, from Nong Kai to Takhek and from Pakse to Kinak, as well as some mapping of its tributaries in Laos and in Thailand. Aerial mapping of the tributaries in Cambodia is also requested. Finally, supplementary spot-levelling is suggested for the entire area stretching south from Phnom Penh, Cambodia, to the Mekong Delta in Viet Nam.

At the same time, special studies of fisheries, agriculture, irrigation, flood control, drainage, forestry, mineral resources, navigation, transportation, the power market and the general economy of the whole basin

should be undertaken, with particular attention paid to the sites for the three proposed projects.

The United Nations team recommended that responsible firms of engineers be employed to plan and execute the proposed survey operations and to train local personnel. Included in the estimates are eight survey boats and eight work boats, at a total cost of $296 thousand. Aerial mapping of 31,200 square km. of river valley is estimated to cost $1,740,000. Geological investigation may cost $710 thousand and a soil survey $190 thousand.

PLANS FOR FINANCING: The co-ordinating committee which requested this report has asked the United Nations for assistance in implementing the team's suggestions. The Technical Assistance Administration has already allocated $200 thousand for urgent needs, the United States has promised a donation of $200 thousand, France the equivalent of $140 thousand, and New Zealand $100 thousand. Japan and Russia have also offered technical assistance. If and when the team's recommendations are implemented, interesting opportunities for Canadian engineering firms to participate in the Mekong survey may arise.

—W. G. HUXTABLE,
Assistant Trade Commissioner, Singapore.

Inga Site, Lower Congo

SITE: The Inga Rapids on the lower Congo River in the Belgian Congo, about 25 miles (as the crow flies) from Matadi and 80 miles from the Atlantic Coast. The hydro-electric potential is estimated at between 25 and 28 million kw. (Grande Coulee Dam has an installed capacity of 2 million kw.)

PROPOSED DEVELOPMENT: The plan is to develop ultimately 25 to 30 million kw. of hydro-electric power at an estimated cost of roughly $3.5 billion, by damming the river and using the stored waterpower to generate electricity. During the first stage, about 5 to 6 million kw. would be developed—about 1.2 million kw. in the initial phase. To make economic use of this large amount of power, industries employing it in quantity would have to be established nearby. Among those suggested are electro-chemical industries, the production of aluminum from bauxite mined in Africa, refining of titanium, uranium enrichment, etc. The supply of power to parts of adjoining French Equatorial Africa has also been discussed, though the French have plans for development at Kouilou.

It is believed that power could be developed at an eventual cost of 5 centimes per kwh. and an initial cost of 12 centimes per kwh.

PRELIMINARY STEPS: Interest in the Inga proposal goes back many years, but detailed studies began soon after the war ended. The site was surveyed in 1952, and in 1954 and 1955 a United States team, under the Foreign Operations Administration, examined it.

In June 1956 the Belgian Minister for the Colonies asked four groups of engineering consultants (three of them Belgian, one Swedish) to prepare plans for the development, in stages, of the hydro-electric potential and to suggest ways in which the power could be used. Last April a jury of experts appointed by the Minister (including one Canadian) met to examine the plans. Recently the "National Institute of Studies for the Development of the Lower Congo" was set up by the Belgian Government to study both the project itself and the financing of it and members of the Institute have been appointed.

IMPLEMENTING THE PROJECT: In November 1957, the Belgian Government announced that it intended to proceed with the first stages of the project and there are reports that the turning of the first sod will take place some time in 1958. At this rate, the first power may be supplied in 1964. There are rumours of negotiations going on between France and Belgium over whether the Inga project or the Kouilou project in French Equatorial Africa shall have priority.

PLANS FOR FINANCING: The Belgian Government's plans for financing the Inga project have not been announced.

Litani River Project

SITE: The Litani River in Lebanon, 106 miles long, and draining an area of 860 square miles. At certain spots the river runs through deep gorges.

PROPOSED DEVELOPMENT: A hydro-electric and irrigation project on the river that would double current power-generating capacity in Lebanon, relieving the power shortage, and also irrigate 8,500 acres of land along the Mediterranean Coast. A dam is to be built at Karaoun to create a reservoir with a capacity of 60 million cubic metres. A 5½-mile tunnel bored through the Lebanon mountains will be used to divert water from the reservoir into the Bisri River. Two power plants are to be constructed—one on the Bisri that will develop 60,000 kw. and one at Joun to develop 24,000 kw. Sixty miles of transmission lines will connect the two power plants with the Beirut power system. Another 25-mile line will transmit power along the coast between Saida and Beirut.

The irrigation scheme will cover a narrow coastal strip running south to Beirut and Saida. Water from the Karaoun reservoir, directed to the Joun power

These are the Inga Rapids on the lower Congo between Léopoldville and Matadi where the Belgian Government plans to build a dam and power station. Engineers estimate that ultimately some 25 to 30 million kw. of power could be generated—in the first stage about 5 to 6 million kw. When completed, this power project would permit industrialization of the whole of central Africa.

station, will then be channelled into the main irrigation canal.

STEPS TAKEN: The Litani project was first examined by engineers of the Lebanese Government and during 1951-54 was studied in detail and plans for it drawn up by U.S. experts as part of United States technical assistance to Lebanon. Later the Lebanese Government applied to the World Bank for a loan to carry out the scheme and a World Bank mission visited Lebanon in 1954. As a result of its recommendations, the loan was granted in August 1955.

IMPLEMENTING THE PROJECT: The Government set up in 1954 the Litani River Authority to look after the carrying-out of the project. An association of French firms, Le Groupe Francais du Litani, is acting as consulting engineers and has opened an office in Beirut.

The project was formally inaugurated at an official ceremony in September 1957, when a first charge of dynamite was set off at the entrance to the projected tunnel. The contract for this tunnel was awarded to a French-Italian group in August 1957. At the time of writing, this was the only tender let. Tenders for other portions of the project are being called from official lists.

The first phase is to be carried out between 1958 and 1961 and will include the Karaoun Dam, the making of the tunnel, and the irrigation of the Bekaa Valley. The power plants are expected to be fully under load by 1965.

PLANS FOR FINANCING: The World Bank 25-year loan to the Litani River Authority will furnish $27 million of the proposed total outlay of about $40 million. The $27 million is intended to cover the services of foreign consultants and contractors, plus imports of power-generating equipment, transmission lines and substations, construction equipment and supplies, and other materials. The Lebanese Government will provide $13 million in local currency, to be repaid ultimately from earnings.

Modernizing Peruvian Railways

SITE: The central and southern areas of Peru, served by the Central Railway and the Southern Railway, Peru's most important railway systems, covering 830 route miles.

PROPOSED DEVELOPMENT: These two railways wish to replace obsolete rolling stock and equipment, improve the roadbed, install a centralized traffic control system, etc., with the objective of giving better service at lower cost. The whole project, including the building or renovation of railway shops and the securing of freight-handling equipment, is expected to cost $20 million. These railways are operated by the Peruvian Corporation Limited, a wholly-owned subsidiary of a Canadian company, the Peruvian Transport Corporation Limited.

IMPLEMENTING THE PROJECT: The following railway equipment will be bought, all under a system of international tenders:

34 diesel electric locomotives for mainline operations.
Six diesel electric locomotives for shunting.
36 passenger coaches.
275 freight cars.

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Plans also call for the replacement of old rails and sleepers, the obtaining of facilities to handle freight, and the buying of equipment for traffic control. Railway workshops will be set up and equipped. The whole project is expected to be completed by 1960.

PLANS FOR FINANCING: In April the World Bank granted a $15 million loan to the Peruvian Corporation Limited, to cover three-quarters of the $20 million total cost of this program. The Corporation will finance the other $5 million. The 15-year loan is guaranteed by the Government of Peru.

Improving Indian Ports

SITE: The Indian port cities of Calcutta and Madras, two of the most important ports in India.

PROPOSED DEVELOPMENT: Improvement of transportation, and especially of ports and railways, holds an important place in India's Second Five Year Plan, now under way. Rehabilitation proposed at *Calcutta* will mean that the port can handle about two million additional tons of traffic a year and that the current congestion will be relieved. Berthing capacity, transit and storage facilities, and the water supply will be improved, the railway marshalling yards extended, and dredging and river training works carried out on the Hooghly River, on which Calcutta is situated. Among the equipment to be bought will be harbour floating craft, electric cranes, mechanical cargo-handling equipment, floating cranes, etc.

At *Madras,* the port is to be enlarged to handle four million tons of cargo compared with the present 2½ million. Current congestion is to be relieved by speeding up turn-around time; costs will be lowered and efficiency improved. Six new berths will be built, two old ones reconstructed, two berths for handling manganese ore and coal will be set up, and a new railroad marshalling yard built.

Equipment needed for the modernization job includes a dredge, a 60-ton floating crane, four tugs and other harbour floating craft, cargo-handling and port workshop equipment.

PLANS FOR FINANCING: The cost of the improvements at Calcutta will total the equivalent of an estimated $59 million and at Madras $32.2 million. In April, the World Bank granted a $29 million loan to the Trustees of the Port of Madras. The Commissioners with the help of the Indian Government will meet the remaining costs at Calcutta and the Port Trustees at Madras.

The improvements to both ports are scheduled to be completed by 1962. ●

A Look at World Trade

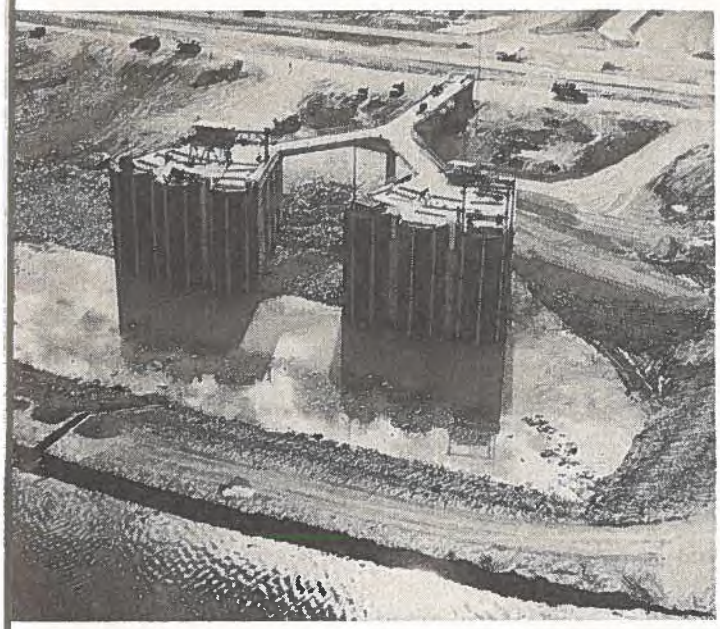
CONTINENTAL Western Europe and the dollar countries vied for top trading honours in the non-Communist world in 1956, according to figures in the UN *Statistical Yearbook* published recently. It surveys trade in the years between 1938 and 1957.

The dollar countries provided almost 31.5 per cent of the world's exports in 1956, the *Yearbook* reveals, 2.5 per cent more than the countries of continental Western Europe (including Turkey but excluding Finland, Spain and Yugoslavia). They took about 25 per cent of world imports, 7 per cent less than Western Europe. The foreign trade of the sterling-area countries has been steadily increasing in value and in 1956 made slight gains over 1955. Even so, these countries have been out-paced by their trading rivals. The sterling area's share of world imports slumped sharply from 32.5 per cent in 1938 to 24 per cent in 1956, and exports decreased from 26 to 23 per cent of the world total. The Far-Eastern non-sterling countries also failed to maintain their prewar share of world trade. In 1956 their exports accounted for less than 5 per cent and their imports for only 6 per cent of world totals.

The value of exports from the dollar countries in 1956 rose 524 per cent over 1938 and of imports into these countries, 560 per cent. In Western Europe, export values rose 345 per cent over 1938 and import values 328 per cent. Sterling countries followed next in line, with an export increase of 291 per cent and an import increase of 211 per cent.

How have individual countries fared? The *Yearbook* shows that the United States' share of world exports expanded from 15 per cent in 1938 to 21 per cent in 1956 and its share of imports from 9.5 to 13 per cent. On the other hand, the U.K. has been playing a noticeably smaller role: her share of world exports slipped from 12 per cent in 1938 to 10 per cent in 1956 and of imports from 18.5 to 11 per cent.

Of the other four leading trading nations—West Germany, Canada, France and Japan—only West Germany recorded an export surplus in 1956: it rose from US$341 million in 1955 to $741 million in 1956. Canada's import surplus increased from $365 million to $853 million; France swung from an export surplus of $172 million in 1955 to an import surplus of $1,015 million in 1956, and Japan's import surplus increased from $461 million in 1955 to $729 million in 1956. ●



This scene shows the water intake gates at the Guarico project.

Venezuela Boosts Agricultural Production

R. D. SIRRS,
Assistant Commercial Secretary, Caracas.

with a five year livestock development plan and large irrigation schemes aimed at producing more food for the growing population. These projects offer Canadian firms opportunities to supply construction know-how, breeding stock, and farm equipment.

AGRICULTURE, the mainstay of the Venezuelan economy before the discovery of oil in 1917, is receiving new impetus from government attempts to build an economy less dependent on oil. Agricultural output has not been able to meet consumer demand, in spite of an over-all 44 per cent increase in production from 1950 to 1956. The Government has therefore announced a Five Year Livestock Development Plan (still under study) with the aim of increasing the herds of beef cattle by one million head, boosting meat production, and cutting down on imports.

Helping the Farmer

The scheme calls for systematic credit facilities to farmers in areas potentially suitable for beef cattle development. Over $197 million, invested over a five-year period, will be distributed among 2,500 selected farms. Every year, each of 500 farms will receive $78,000 repayable over 16 years; the money will be used for general farm improvement. Steps will be taken to ensure enough water for irrigation and for livestock by drilling wells or establishing artificial ponds. Silage facilities will be provided and suitable breeds of livestock will be purchased (2,000 Brahma bulls and 200 thousand cows), as well as farm machinery and implements, 15,625 miles of fencing material, fertilizers and pesticides.

When the Venezuelan Agricultural Bank receives a request for a loan, government inspectors will examine the prospective farm sites to determine their suitability for development. According to preliminary estimates submitted by the Ministry of Agriculture, the over-all plan will include the seeding and improvement of 2.47 million acres of pasture and an additional 445 thousand acres of land which will be sown with suitable grasses to be cut and stored for feed.

Irrigation Is Needed

Among the Government's other plans for helping the beefstock industry, perhaps the most dramatic and spectacular is the Guarico River irrigation scheme. This project, which is entirely separate from the Five Year Plan, is now in the final stages. Several problems have arisen, including insufficient operating capital and

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credit facilities to farmers, drainage difficulties, and administration problems in supervising the budding Guarico colony. The dam itself has presented some structural difficulties. The project is, therefore, being studied by the Ministry of Agriculture & Livestock, which has not yet decided on the procedure for making it fully economic. However, the scheme is now in partial operation. Because of its size, it may be useful to outline in a general way the approach taken in implementing it.

Over $145 million has been poured into the project, which has resulted, among other things, in a nine-mile earth dam equipped with Canadian-made flood-control gates, a series of irrigation canals, and plans for 550 fully equipped farms. Modern elaborate administration headquarters are provided on the site itself in the city of Calabozo, 170 miles south of Caracas. Plans have also been laid for a slaughterhouse and refrigeration and storage facilities to add to the compactness and effectiveness of the scheme. Its central location, almost equidistant from the main market centres and linked by an excellent highway network, makes it an ideal distribution point.

The venture, like the Five Year Plan, is directed specifically towards higher yields in beef-stock production. Accordingly, 272 thousand acres of low-productivity terrain are being transformed into rich pasture, mainly by irrigation and flood control over the affected area. The controlled distribution of water is expected to overcome the problem of extreme dry and wet seasons prevalent in this part of the country.

Soil deficient in nitrogen and organic matter presented a further obstacle to progress. This is being remedied through the use of fertilizers, now imported but soon to be produced locally.

It is estimated that, as a result of these moves, the improved area will be able to support over three head of cattle per hectare—a striking contrast to the present llanos, which support only one head for every ten hectares.

Model Farms Transform Plains

The project has been divided into 550 fully equipped standardized farms of 494 acres each. Each farmstead includes a comfortable residence, cattle shelter, tool and implement shed, and basic farm equipment. The equipment and livestock can be purchased on long-term credit extended by the Agricultural Bank. Only 51 sites are occupied so far, though the process of filling the remainder is under way. A discriminating government selection program assesses each candidate on the basis of agricultural experience, financial status, size of family, age, etc. The Government looks forward to these citizens becoming an important part of a developing middle class. It is hoped to settle the area with 40 per cent immigrants and 60 per cent native Venezuelans.

The fully equipped farms have reportedly been sold for $116 thousand each, payable over a maximum of thirty years. This by no means covers the total cost of the project. The tenants do not have to make any payments for two years. After that, they will pay reasonable annual instalments at a nominal rate of interest. After deducting operating expenses and annual amortization fees, and under optimum conditions, the farmer can presumably clear over $9,000 a year.

Though the primary purpose of the project is beef production, the farmer is encouraged to use part of his land for crops. One-quarter of it is intended for growing rice, sesame and corn in rotation. At present, however, rice is the sole product. Provision for hog and poultry raising, fruit orchards, etc., is confined to an area of approximately 12 acres on each farm. The output is intended mainly for farmstead consumption, though sales of hogs and poultry will play an increasingly significant part in Venezuela's agricultural plans.

New Dam Involves Canadian Firm

A similar but much bigger venture is currently being studied. Known as the Bocono project, it has been designed to irrigate an area more than twice the size of Guarico (618 thousand acres). The 364-foot high concrete dam that would be built to store water would also generate 120 thousand kilowatts of electric power.

A call for tenders on the Bocono project was made towards the end of 1957. Although all tenders were cancelled shortly after the bids were announced in the press, it is encouraging to note that a well known Canadian firm was associated with the low bidder, a prominent Venezuelan company. The Canadian firm contributed to the technical aspects of the plan.

The whole matter is now in abeyance pending the outcome of a detailed survey. However, if the Government decides to proceed with the Bocono project, opportunities will again be available to participate in this large scheme. Canadian capabilities and achievements in the construction field have so far been little known here; this recent move may make our participation in other Venezuelan construction ventures easier.

What Canada Might Supply

Canadian firms should also consider other opportunities arising from Venezuela's recent agricultural progress. The value of farm machinery for the Guarico project has been estimated at over $6 million and the potential of the Bocono project is considerably greater. Purchases have been made in lots of thirty or more units, just before occupancy of a group of farms. For this

purpose, the Agricultural Bank issues a call for tenders at fairly regular intervals.

Tropical varieties of cattle, mainly Brahman breeds, will be used on the farms. However, other breeds may fit into the scene in the future; Brahman-Hereford and Brangus (Brahman-Angus) crosses have already made their appearance. In view of the progress made in pasture development and farm management, it is conceivable that Shorthorn or Aberdeen Angus breeds could be sold here. Their possible use, if only for cross-breeding purposes, must not be ruled out.

Sales of hogs and poultry will also play an increasingly important part in Venezuela's agricultural plans. The Government has recently announced that $5.59 million will be invested in suitable farms to augment the country's hog output.

The dairy industry, though not an integral part of these projects, is important to Canada because of its significant development. Canadian suppliers of pure-bred Holstein-Friesian cattle have increased their sales to this market threefold in the last two years. In 1957 Canadian sales of Holsteins to Venezuela amounted to Bs.1.7 million, making Canada a leading supplier of this breed of cattle. Smaller numbers of Ayrshires and Jerseys are also purchased from Canada.

A close check on significant agricultural developments in Venezuela could result in some rewarding business. However, a personal visit to the country is strongly recommended, not only to appraise opportunities at first hand but also to establish the all-important direct seller-buyer relationship.

Japan as a Fur Producer

THE fur industry in Japan has never reached the proportions that it has in some other countries. But recently the Government has begun to encourage mink ranching and this development has caused some concern among other producers and will warrant close attention in the future.

Virtually nothing is known of the secondary fur industry in Japan beyond the fact that the tanning process used for mink pelts results in a product said to be inferior to the Canadian type.

Wild Fur Production—Japanese mink, marten, red fox, squirrel, and tanuki (a species of raccoon) are the chief wild fur-bearing animals. The best specimens of Japanese mink and marten are taken on the northern part of Honshu Island where the climate is conducive to the growth of heavier pelts. Japanese mink production varies from 400 thousand to 500 thousand pelts a year, most of which are exported to the United States.

Marten can be trapped legally only from December 15 to February 15; the long closed season is an effort to increase numbers, and hence annual production, from the present 10,000 to the prewar level of 30,000. Kaga marten from northern Honshu are gold or canary yellow in colour and are considered the best variety. About 3,000 red fox are taken every year and annual production of flying squirrels reaches about 20,000 and of ordinary squirrels about 280 thousand a year. Tanuki are known locally as badger and have a skin of rather poor quality that is unimportant in the export trade. Annual production could probably reach about 50,000 if market conditions warranted.

Fur Farming—The hare, a well-furred animal used chiefly on the domestic market in imitation of more expensive furs, is raised most extensively on fur farms. Many of these skins find their way to the United States, Canada and the United Kingdom.

Mink ranching is not yet a large-scale business. Recently, however, the Government has subsidized the import of breeding stock to support the infant industry. Annual production even with this assistance is probably not more than 1,000 pelts, but producers in North America feel some trepidation over whether abundant quantities of fish at relatively low prices will permit the Japanese to produce pelts on a big scale and at a price below the world level. Practically all of this production if it materializes will go to the export market. Fox farming is virtually non-existent; not more than a thousand pelts of silver and platinum varieties are produced every year.

Export Trade—Domestic demand for furs is negligible and most of the production is exported. Most important of the furs shipped abroad is Japanese mink—a first cousin to our *Mustela vison*. Others are rabbit, hare, weasel, and flying and ordinary squirrels. Most of these find their way to the United States, Canada, and the United Kingdom.

—J. L. MUTTER,
Commercial Counsellor, Tokyo.

Fairs and Exhibitions

Venezuela Awards Second Canada Trophy

A champion Holstein-Friesian cow named *Peggy Lass Bogue* won the second trophy to be presented by the Canadian Government at an agricultural fair in Venezuela. The trophy, a silver tray, was awarded at the *Fifth Agricultural and Livestock Exhibition,* Maracay, Aragua, which took place on February 20-23. Approximately 1,200 exhibitors from the states of Miranda, Guarico, Carabobo and Yaracuy took part.

The champion cow originally came from Canada and belonged to David Down of Appin, Ontario, before being shipped to Venezuela. She was shown at the fair by her new owners, Díaz González and Sons of the Mamón Macho Ranch.

Attendance at the fair was excellent in spite of the disturbed political conditions, according to R. E. Gravel, Commercial Counsellor in Caracas. An official spokesman for the Ministry of Agriculture commended Canada as the first foreign government to award prizes officially at such events.

Auto Show Introduces Dutch Car

THE annual Automobile Show at Amsterdam is recognized as one of the great international exhibitions of passenger cars. There are no restrictions on imports of motor vehicles into the Netherlands and practically every maker in the Western world displays a full range of models.

The show this year from February 13 to 23 brought 190 exhibitors to Amsterdam. Thirty-four of them displayed passenger cars, 12 showed trailers, 100 exhibited imported parts and garage equipment, and 30 Dutch-made parts, supplies and accessories. A total of 63 complete ranges of models were displayed, from the stately Rolls Royce to the bubble-like Isetta.

The outstanding attraction was the DAF, a revolutionary new belt-driven Dutch car. It is a small, smartly-styled family car with a 22 h.p., two-cylinder, air-cooled, four-stroke engine that has a top speed of about 57 miles per hour. In addition to the patented automatic belt transmission, its makers claim that it does not need greasing. Its price has been quoted at about $1,000.

At the beginning of the exhibition, the manufacturers announced plans for 25,000 DAF cars a year by 1960, with mass production beginning in September of this year. Response was so enthusiastic during the fair that output will now be doubled. During the first week of the show, 3,000 orders came in from all parts of the world; 600 Netherlands auto dealers expressed their desire to handle the new car and agency applications were received from 42 countries.

International Trade Fair

FOR the second consecutive year, Montreal is exhibiting merchandise from all over the world as it boasts once again of sponsoring Canada's only International Trade Fair. The Fair will take place from May 30-June 8 and exhibition space has been leased by countries as widely separated as Mainland China, Sweden, Czechoslovakia, Morocco, and South Africa. Its success last year encouraged the entry into the 1958 fair of countries not exhibiting before; as a result of this response, the management has tripled the display area.

Canada has reserved 50 per cent of the space: the Department of Trade and Commerce of the Federal Government and Quebec's Provincial Government are both setting up information booths, and Canadian firms are displaying aluminum and petroleum products, business machines, aircraft, automatic communication systems, and other products and equipment. The United States, with only ten booths in the 1957 fair, has reportedly reserved 270 this year; the firms, all private and industrial companies, have been chosen by the U.S. Government.

Visitors will be impressed with the scope and variety of the displays. France, traditionally an exporter of luxury goods and a purveyor to gourmets, is launching into steel and heavy industry exhibits, though jewellery and wines will be there too. Czechoslovakia is one of the largest exhibitors, with some 60 tons of goods; cars, motorcycles, glassware, clothing, foodstuffs, radios, art objects, books, cameras—these are only a few of a long list. Mainland China is showing foodstuffs, handicrafts, silks, chemicals, wines, cotton,

wool and embroidery. Italy will be represented by her fine knitwear, cheeses, chocolates, espresso coffee and other foods. Morocco's participation marks a determined bid for a place in the Canadian market for its famous leathers, hand-tooled and crafted, oriental rugs, and agricultural products ranging from aromatic seeds to cork.

A special model of the St. Lawrence Seaway will be one of the highlights of the exhibition. The organizers of *The Montreal International Trade Fair* will also organize the 1959 St. Lawrence Seaway Exhibition, it is revealed. Thirty-two countries have been asked to participate, and some have already set up budgets.

Britain Plays Host

ANTIQUES—The 18th *Antique Dealers' Fair and Exhibition, London, June 11-26,* will include articles from British, Continental European, United States and Commonwealth collectors. It will be held in Great Hall, Grosvenor House, Park Lane, London, W.1.

CLOTHING TRADE—Manufacturers of every type of men's, women's and children's wear will participate in the *International Clothing Trade Exhibition, London, June 2-7.* This show, the only one of its kind, gives manufacturers and makers-up an opportunity to compare the prices and quality of the great range of supplies they use in their business. A display of the latest fabrics from which garments are made, the machines which inspect, cut and sew the fabrics, and other modern plant necessary to equip a clothing factory will give those who attend a chance to examine the newest developments in this field. The exhibition offices are at 9 Gough Square, Fleet Street, London, E.C.4.

CHEMICAL ENGINEERING EQUIPMENT—The *Chemical and Petroleum Engineering Exhibition, London, June 18-28,* will demonstrate dramatically Britain's achievements in oil refining in the last 20 years. Exhibitors will include contractors for complete refinery installations, pipelines, and civil and mechanical construction; designers of process plants for production of heavy chemicals, fertilizers, and plastics; specialists in equipment for distillation, heat transfer, exploration and oilfield equipment, electric generators, pumps, valves, pipes and fittings. More information about these and other types of exhibits can be obtained from F. W. Bridges and Sons Ltd., 641 Grand Buildings, Trafalgar Square, London, W.C. 2.

LAUNDRY AND DRY CLEANING—*The Laundry, Dry Cleaning and Allied Trades' Exhibition, London, July 17-26,* will show the best equipment the world has to offer for the laundry and dry cleaning business. Displays will include not only static machinery but equipment actually operating as if it were permanently installed in a laundry or dry cleaning plant. It is an international exhibition and is held only once every four years. Persons interested in attending should write to: F. W. Bridges & Sons Ltd., Grand Buildings, Trafalgar Square, London, W.C.2.

TEXTILE MACHINERY—Held once every four or five years, the *International Textile Machinery and Accessories Exhibition, Manchester, October 15-25* is a specialized exhibition devoted exclusively to machinery and ancillary equipment used in the production of textiles. Every process from preparatory to finishing is covered, and every major development that has taken place over the last four or five years is represented. Information on exhibits will be available on or about October 1. Communications of all kinds, including requests for accommodation which must be made before July 1, should be addressed to: Textile Recorder (Machinery and Accessories) Exhibitions Limited, Old Colony House, South King Street, Manchester 2, England.

ELECTRONIC COMPUTERS—The first of its kind in the world, the *Electronic Computer Exhibition and Business Symposium, London, Nov. 28-Dec. 4* will show computers and ancillary equipment from more than 40 British manufacturers. For more information write to: Exhibition Organizer, 11/13 Dowgate Hill, London, E.C.4.

Exhibitions in the United States

BOOKS—Publishers of books and periodicals from all countries will be able to reach the foreign book trade of the United States at the *Third U.S.A. International Book Exhibition, Atlantic City, N.J., June 2-6.* Two weeks later they will be able to show their latest titles again to millions of New Yorkers at the *New York International Book Exhibition, World Affairs Centre, United Nations Plaza, June 19-July 2.* These exhibitions deal exclusively with books published outside the United States. Last year, over 450 publishers took part in the first exhibition; Canada was among the 13 participating countries. Applications for space and inquiries should be directed to: U.S.A. International Book Exhibition, The A.P. Wales Organization, 36-38 Southampton Street, London, W.C.2.

HOME FURNISHINGS—The newest and best in merchandise to make homes bright, comfortable and distinctive will be featured in the *National Home Furnishings Show, New York, September 11-21.* Held every year, the show invites exhibitors from Canada and Europe. Officials emphasize that it presents opportunities for displaying and selling products under ideal conditions. Inquiries should be addressed to: National Home Furnishings Show, Inc., 134 Lexington Avenue, New York 16, N.Y.

Italy Buys More Fish

Imports of fresh fish rose in '57, though purchases of some canned varieties fell by over 14 per cent. Demand for Canadian cod continues and suppliers can expect a fairly firm market if quality is maintained.

K. F. OSMOND,
Commercial Secretary, Rome.

ITALY'S fish imports reached an all-time high in 1957, totalling 128,060 metric tons against 121,881 metric tons in 1956. Most of this increase resulted from larger imports of fresh and frozen fish and salted cod which together made up about 67 per cent of total purchases from abroad.

Various types of canned fish made up most of the remainder, but these imports fell off by over 14 per cent. This decrease can be attributed in part to larger imports of fresh and frozen fish, nearly half of which was used by local canneries.

Government Aids Industry

The Italian fishing industry, assisted by a number of government measures which provided loans and outright contributions, has made substantial progress in the past decade in constructing new fishing craft and in carrying out a program of modernization.

In spite of these improvements, the annual catch has increased very little during the past several years. In fact, landings in 1957 were down by 4.4 per cent, totalling 186,724 metric tons compared with 195,283 metric tons in 1956.

Additional funds have recently been allotted by the Italian Government for the further development of the fishing industry, part of which have been earmarked for research and study in the field of fisheries technology.

Imports Rise

Salted cod accounted for over 36 per cent of total purchases from abroad and, in the traditional pattern, led imports, followed closely by fresh and frozen fish. Italy's purchases from Canada were again confined almost entirely to salted cod and British Columbia canned salmon.

Salted Cod Popular

Although Italians prefer fresh fish to all other types, salted cod is in strong demand because of its high protein content (due to partial removal of water during salting) and comparative cheapness. Wet salted cod, which has been bled when caught and presents a white, attractive appearance, ranks first in popularity and is sold in all parts of Italy. There is, however, a strong demand in certain sections of the country for the hard-dried, light-salted cod produced on the coasts of Gaspé and Newfoundland. This type of cure is especially appreciated in inland areas where, apart

ITALIAN FISH IMPORTS BY TYPE

	1957	*1956*
	(metric tons)	
Salted cod	46,250	43,696
Stockfish	7,843	8,440
Fresh and frozen fish	39,433	31,733
Herring, salted or smoked	2,668	4,232
Pilchards, salted	625	783
Anchovies and sardines, salted	4,361	2,990
Crustaceans and molluscs	3,591	2,803
Other fish, fresh, salted or smoked	82	119
Salmon, canned	702	1,326
Sardines and anchovies, canned	6,791	9,496
Tuna, canned	7,955	8,936
Other fish, canned	7,759	7,327
Total	128,060	121,881

ITALIAN COD IMPORTS BY COUNTRY OF ORIGIN

	1957	*1956*
	(metric tons)	
Canada	3,500	3,222
Denmark	8,066	6,247
France	6,735	11,296
Germany (Federal Republic)	4,467	4,050
Iceland	14,075	10,669
Norway	6,462	5,064
*Other countries	2,945	3,148
Total	46,250	43,696

*Includes landings of Italian deep-sea trawlers.

from taste preferences, Canadian salted cod has been found to keep well despite the lack of adequate cold storage facilities.

Fish similar to the Gaspé and Newfoundland cures cannot be obtained in worthwhile quantities from other exporting countries. However, imports of dried, heavy-salted French and Faroese cod are offering serious competition to the lower grades of Newfoundland shore cure. Strict attention must therefore be paid to quality, if sales and prices are to be maintained.

Canned Salmon Imports Down

Total imports of canned salmon showed a further decline in 1957, and purchases from Canada fell off by over 66 per cent. Higher asking prices and a growing demand for less expensive types of canned fish were largely responsible for this decrease.

ITALIAN CANNED SALMON IMPORTS

	1957	*1956*
	(metric tons)	
Canada	357	1,064
Japan	327	243
Other countries	18	19
Total	702	1,326

Import Controls Continue on Some Varieties

Though imports of dried, salted and smoked fish are free, fish in other categories, including canned varieties, remain on the list of restricted items for which import licences must be obtained from the Italian authorities. It is highly probable that these restrictions will continue as long as sufficient supplies are available from other than dollar sources.

Because canned salmon cannot be obtained in volume except for payment in dollars, the Italian Government has during each of the past several years entered into a special arrangement with the Government of Canada for the purchase of British Columbia canned salmon. It is hoped that negotiations for a similar agreement this year will be successful, and that enough dollars will be forthcoming to cover Italy's requirements of this Canadian product.

Group Purchasing

Most of the salted fish entering Italy in 1957 was imported by two groups known as Canadafish and Astranova. The first of these groups is located at Naples and its purchases are confined to dried salted cod coming from Canada. The other group imports wet salted fish, mainly from Iceland, Denmark and Norway, and has its headquarters at Genoa. There are a few individual importers of both dried and wet salted cod, but the majority of the regular importers are members of one or both of these groups. A large proportion of the heavy-salted, dried cod from France is shipped overland directly to wholesalers in small lots. Both Canadafish and Astranova have their own selling organizations and sell directly to local wholesalers.

Market Prospects

The marketing of salted cod has been orderly during the 1957-58 season, due largely to group buying and selling. The competition among individual importers, which often led to unnecessary price-cutting, has been eliminated and as a result prices on the local market have shown very little fluctuation.

Stocks of salted cod on hand at the end of 1957, though larger than those at the end of 1956, were not considered heavy, and imports since the beginning of 1958 have been kept to a minimum.

Sales over the winter months have been fairly satisfactory, mainly because bad weather has hampered local fishing operations. Demand is expected to slacken in the next few months, but currently there is no indication of a large carry-over of Canadian salted cod into the new selling season, which begins in September. Canadian exporters should be able to look forward to normal sales provided that quality is kept up to the high standards demanded by the Italian market.

Prospects for increased sales of canned salmon to this market depend on lower prices, particularly in respect to chums which constitute the largest imports from Canada. Present prices are considered too high to allow a worthwhile turnover in sales, and the demand for canned salmon is being supplanted by requests for less expensive types of canned fish, particularly tuna. Today, canned salmon sales are largely limited to the luxury trade in the bigger cities, and there is every indication that this situation will continue unless prices are reduced.

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: Bolivia, Brazil, Chile, Colombia, Cuba, Dominican Republic, Egypt, 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.

The U. S. Lumber Market in '58

Indications that the number of houses built in the United States this year will equal and perhaps top the 1957 figure should interest Canadian lumber exporters.

G. F. J. OSBALDESTON, *Vice Consul and Assistant Trade Commissioner, Chicago.*

THE amount of Canadian lumber that will be sold in the United States in 1958 depends largely upon the housing industry there and how it fares as the year moves on. On balance, the situation at the moment appears satisfactory. But before discussing the main factors in the 1958 picture, it might be helpful to take a look at the 1957 record.

The physical volume of all new construction in 1957 (expenditure adjusted for price changes) was about the same as in 1956, but if private residential building is excluded, the constant dollar value (in 1947-49 prices) was up 3 per cent. Public outlays for residential construction (seasonally adjusted) rose steadily through the end of the year, largely because of the rise in apartment building. Expenditures for new construction in 1957 totalled $47.3 billion—about 3 per cent above the record $46.1 billion spent in 1956, according to preliminary estimates prepared jointly by the U.S. Department of Commerce and the Department of Labour. Spending on a large majority of the major types of private and public construction reached a peak in 1957 but there was a narrowing of year-to-year gains for some important components.

Fewer Private Homes Built

Primarily because of the decline in private dwelling construction shown in the following table, last year's over-all rate of increase in total construction activity was the smallest in the twelve years since the end of the war.

U.S. PRIVATE HOUSING STARTS

1946	662	thousand	1952	1,068	thousand
1947	846	"	1953	1,068	"
1948	913	"	1954	1,202	"
1949	989	"	1955	1,309	"
1950	1,352	"	1956	1,094	"
1951	1,020	"	1957 (est.)	991	"

New private housing activity, influenced by a shortage of mortgage funds, fell by 10 per cent in 1957 to $12.2 billion, about the same relative decrease as in 1956. By mid-1957, however, the two-year slide in private residential construction appeared to be checked. Declines in spending for work on new dwellings, in comparison with 1956, narrowed from 13 per cent in the first half of 1957 to 10 per cent in the third quarter and 5 per cent in the fourth quarter.

Chicago Permits Down

In the Chicago area, the value of building permits issued for all buildings in 1957 totalled $1.08 billion, less than the $1.16 billion reported in 1956, but higher than in any previous year. The first billion-dollar year was 1955. (The Chicago area includes the city itself, more than 100 suburbs, and the unincorporated areas of Cook, DuPage, Kane, Lake and Will Counties in Illinois, and Lake County in Indiana.)

The number of permits for housing units in the area dropped from 52,870 in 1955 and 48,632 in 1956 to 39,578 last year. The smaller number of home starts caused the drop: 30,884 were reported in 1957 compared with 39,919 in 1956 and 44,529 in 1955.

Housing Bill Passed

Hopes for greater activity in the home-building industry this year are based partly on the Housing Bill recently signed by President Eisenhower. This bill:

1. Reduces the minimum down payments for housing loans backed by the Federal Housing Administration.

2. Extends the Veterans' Affairs loan guarantee program for two years and authorizes $300 million for direct housing loans to veterans, in addition to raising the maximum interest rate on V.A. loans from 4½ to 4¾ per cent.

3. Authorizes an additional $1.5 billion for the Federal National Mortgage Association to use in purchasing F.H.A. and V.A. mortgages from private lenders.

4. Ends all restrictions on discounts on V.A. and F.H.A. home loans.

In addition, the housing industry has suggested that the Government provide capital or federal insurance for private water and sewage loans, revise trade-in

financing to make it more workable, and unfreeze funds authorized by Congress for military housing and other special housing programs.

The Administration may take further steps to increase construction and this could be an important factor in bringing the United States out of the current business recession. Reliable estimates now suggest that housing starts in 1958 may exceed the 991 thousand of last year.

What Canada Can Supply

With this in mind, a look at the types of Canadian lumber in demand in house-building, particularly in the Chicago area, may be useful. It will also serve to show that the Chicago market is important to Canadian shippers.

Framing Lumber—The average new $20,000 frame home around Chicago contains about 12,700 feet of lumber. The most popular framing lumber is Douglas fir from the U.S. West Coast and British Columbia. It is used because of its economy, quality and availability. It takes a load well and does not crook as it ages. Small scattered knots are acceptable for framing but not large spiked knots.

Builders feel that good kiln-dried yellow pine has more strength for framing, but it costs about 25 per cent more than fir, is scarcer here, and harder to work.

Subflooring and Roof Sheathing—for subflooring and roof sheathing, spruce is used most frequently. It comes from Colorado, Montana and Western Canada. It is economical and abundant, stays dry and sound, and is easy to work. Small scattered knots are allowed in good subflooring and roof sheathing.

Wood Flooring—About 98 per cent of wood flooring used here comes from Arkansas, Mississippi and Tennessee. Oak is favoured because of its durability and appearance. Currently it undersells Canadian birch and maple.

Trim—The wood around windows, doors and cornice members is mainly kiln-dried ponderosa pine from Oregon, California and Canada. It is easy to work and considered most economical.

Doors—Birch flushwood doors are chiefly used here. The birch comes from Wisconsin, Michigan and Eastern Canada; it is preferred because of its durability and beauty of grain.

Wood Panelling—Chicago builders are now using Cuban, Philippine and Honduran mahogany, limba wood from South America, walnut and oak from the South and cherry from scattered states.

Exterior Siding—Redwood is most popular here today and it is considered a lifetime material. Red cedar siding from the U.S. West Coast and British Columbia also enjoys a good market.

Interest Shown at Fair

Chicago buyers continue to show interest in Canadian woods, though information about the uses and characteristics of Canadian lumber still needs to be actively distributed. At the *National Association of Home Builders Convention* in Chicago in January, over 100 buyers requested information about nearly 500 grades and specifications of Canadian lumber and wood products. These inquiries were noted and passed on to Canadian firms who have indicated an interest in export trade. Copies of the inquiries are available from the Canadian Consulate General, 111 N. Wabash Ave., Chicago, Illinois.

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 Hong Kong

LIU LIAN and LOH WE LI, representatives of the China Resources Company, Hong Kong, have arrived in Canada and will spend the next three months visiting Canadian businessmen. Their firm is owned by the Mainland China Government and acts as the official representative of most of the state-owned trading corporations. Messrs. Liu and Loh have been authorized to appoint agents, make sales and enter into contracts for the purchase of Canadian goods.

Businessmen interested in meeting these men should contact the Department of Trade and Commerce in Vancouver and Ottawa, the Toronto and Montreal Boards of Trade, or the Canadian Wheat Board, Winnipeg.

▶ from the United Kingdom

R. J. RICHARDSON, director of Brown Lenox & Co. Ltd., Pontypridd, Glamorgan, South Wales, will visit Canada from July 2-15. His company manufactures ships' cables and mooring equipment and Mr. Richardson would like to meet potential customers and agents. Interested businessmen may get in touch with him through the United Kingdom Trade Commissioners in Toronto, Ottawa, or Montreal.

Commodity Notes

Aluminum

PERU—The site for a new aluminum refinery, construction of which is being considered by the principal mining company in Peru, has been reserved in Paracas, a small port about 200 miles from Lima. The possibility of using for the project the potential power of the River Mantaro in the central Andes, estimated at about 750 thousand kilowatts, is being studied.

Canadian aluminum is being shipped to a new extrusion plant recently opened near Lima. Imports of ingots for this plant in March amounted to 13½ tons—Lima.

Automobiles

AUSTRALIA—A £A9 million expansion program to increase production of Holden motor vehicles to 125 thousand a year was announced on March 13 by General Motors-Holden's, Melbourne. The new program, scheduled for completion by 1961-62, will bring General Motors-Holden's postwar expenditure on new plants, machines and equipment to more than £A57.5 million. Most of the expansion will take place in South Australia. Plans were also announced for the stepping-up of production of Vauxhall, Bedford, Chevrolet and Pontiac vehicles—Melbourne.

Borax

ARGENTINA—Argentina is now producing 36,000 tons of crude borax, 18 to 20,000 tons of refined borax and 2,400 to 3,000 of boric acid every year. All of the boric acid and up to 50 per cent of the refined borax are used by Argentine industry. Production is increasing and exports are becoming more important —Buenos Aires.

Chemical Pulp

NORWAY—Production of chemical pulp reached a new high of about 650 thousand tons in 1957, 9 per cent more than in the previous year, consisting of 533 thousand tons of sulphite and 117 thousand of sulphate pulp. Stocks rose by about 12,000 tons during the year. Approximately 50 per cent of the production is used locally to make paper and rayon and the remaining 50 per cent is exported in the form of pure chemical pulp. In 1957 these exports were valued at approximately kr.330 million.

Domestic prices of chemical pulp rose by 5 per cent during the year and export prices for bleached pulp for paper production dropped by kr.40 per ton. According to the Norwegian Chemical Pulp Producers' Association, a buyers' market has developed, and competition from American mills has been felt increasingly. At present, Norway has 16 manufacturers of sulphite and six of sulphate pulp. Of these, five produce only pulp, and 17 both pulp and paper —Oslo.

Chipboard

FINLAND—The Finnish chipboard industry uses as its raw material small pieces of wood derived from forest cutting, and waste material accumulated during milling processes and plywood manufacture. At present two factories are producing chipboard and two more will soon come into operation; the annual production capacity will then total about 120 thousand cubic metres. Part of this output is for domestic consumption in the furniture industry but the majority is for export; Sweden, the Netherlands, the Soviet Union and East Germany are the leading purchasers—Stockholm.

Dried Cod

WEST GERMANY—Reliable newspapers report that a plant for the artificial drying of cod has been set up in Kiel. It was built on Danish plans by the Kieler Seefischmarket GmbH and is operated by the United Fish GmbH, a joint enterprise of the Hamburg import-export firm Ernst Katzenstein and United Fish of Copenhagen. This is the only artificial cod-drying plant now in operation in West Germany; others have been opened in the past but have had to close down because they could not be operated economically. The new company intends to sell most of its fish in Brazil.

The firm is improving the processing of Danish cod which have been cleaned and salted at sea. The

plant can process 50 tons of raw fish in a month; it dries them down to 35 per cent of original water content by putting the fish two or three times through an eight-metre-long, oilheated drying tunnel—Hamburg.

Frozen Fish

NORWAY—Sales of Norwegian frozen fish fillets and fillet products reached approximately 20,000 tons in 1957. Of this, some 17,000 to 18,000 tons were exported; the main customers were the United States, the Soviet Union, Sweden, Czechoslovakia, Israel, and Holland. Norway has recently been successful in introducing frozen fillets on the Australian market. The distribution system has not yet been built up sufficiently to allow regular frozen fish exports to other markets—Oslo.

Iron Ore

BRAZIL—Exports of iron ore in 1957 totalled over three million tons, worth some US$42 million, compared with 2.7 million tons worth US$35.2 million in 1956. More than 300 ships were used to transport the ore which went to 13 different countries, including Canada. Principal buyers were the United States 1.48 million tons, Great Britain 699 thousand, and Germany 408 thousand. In the period January-November, Canada purchased 285 thousand tons worth Can.$3.5 million. All of this ore came from the Vale do Rio Doce in the state of Minas Gerais—Rio de Janeiro.

Newsprint Machine

NORWAY—The well-known Norwegian pulp and paper firm A/S Union, is now installing a new newsprint machine at its factory in Skien. It will have an annual output capacity of some 45,000 tons and will be the largest one in Norway. When it is ready to go into operation, some of the firm's old newsprint machines will close down. The newsprint production of A/S Union will increase by about 30,000 tons a year and total capacity will reach about 130 thousand tons—Oslo.

Paper

FINLAND—Finland exported 1.24 million tons of paper and paperboard in 1957 compared with 1.22 million in 1956, including 134 thousand tons of board and carton (105 thousand in 1956). Exports of 1.11 million tons of paper (one million in 1956) included newsprint 550 thousand tons, kraft paper and kraft liners 326 thousand, greaseproof and parchym 28,500, and writing and printing paper 153,000—Stockholm.

Plastics

WEST GERMANY—Total sales in the West German plastics processing industry in 1957 amounted to DM1.6 billion compared with DM1.2 billion in 1956, an increase of some 34 per cent. Plastic products exports rose by 32 per cent to DM236 million; approximately two-thirds of these were shipped to OEEC countries and one-third to other foreign markets. West German imports of plastic products also increased; main European suppliers were Italy, the Netherlands, the United Kingdom, Sweden, and Denmark—Bonn.

Tractors

SWEDEN—A total of about 12,000 new tractors are sold here each year for agricultural and industrial use, of which about 75 per cent are light and 25 per cent heavy tractors. Ford Motors of London has recently introduced its light *Dexta* tractor to the Swedish market which, at kr.12,075, is expected to enjoy good sales in Sweden—Stockholm.

Wheat

BRAZIL—Officials of the Wheat Expansion Service believe that this year's wheat crop will not exceed 450 thousand tons. Initially, a crop of one million tons had been estimated, a figure later reduced to 800 thousand tons because of bad climate and currently to 450 thousand tons. Up to the end of February, the crop in Rio Grande do Sul was some 270 thousand tons, half of which will be retained to meet needs of local mills. An edict issued by the Ministry of Agriculture on March 7 now permits normal imports of foreign wheat—São Paulo.

Wire Rope

AUSTRALIA—A Newcastle, N.S.W., firm is undertaking a 50 per cent expansion of its facilities for making wire rope. The firm hopes to export to New Zealand and Asiatic countries in addition to supplying the Australian market. There is a growing demand for wire rope produced from Australian steel, because of the many mining projects in South East Asia—Sydney.

Whale Oil

NORWAY—Production of whale oil this year totalled 121.5 thousand tons, some 20 tons less than last year, and sperm oil production increased by 3,400 tons to 19,800. This is considered well above average. Up to the present, 50,000 tons of whale oil have been sold at £77.10.0 per ton; no sperm oil has yet been sold. Assuming that the price holds for the remainder of the whale oil and that an average price obtains for sperm oil, total output this season should reach a value of kr.220 million, 60 million less than last year—Oslo.

PULP AND PAPER

Greece Offers Small Market

Three paper mills buy about 35,000 tons of wood pulp a year, but lower European prices and high tariffs work against Canadian suppliers. Newsprint enters duty-free but Canadians must match Scandinavian prices and terms.

A. B. BRODIE, *Commercial Secretary, Athens.*

GREECE today has three leading paper mills that turned out an estimated 50,000 metric tons of finished paper last year. To produce this, Greek papermakers imported over 35,000 tons of wood pulp, mainly from the Scandinavian countries. Canada sells Greece both pulp and newsprint but must overcome certain obstacles if it is to win a larger share of this market.

The three paper mills—in Patras, Aegion and Athens—have modernized their equipment in the last five years. The "EGL" plant in Patras, in particular, made remarkable strides in this direction by adding a fourth Escher-Wyss papermaking machine in 1957. This company will probably produce over 30,000 metric tons in 1958.

Greek imports of all grades of wood pulp have averaged about 30,000 metric tons a year during recent years. The breakdown is roughly:

	(in metric tons)	
Sulphite:		
Bleached (soft)	15,000	
Unbleached (hard)	2,000	17,000
Sulphate:		
Bleached	7,500	
Unbleached (kraft)	1,500	9,000
Mechanical (dry)		4,000

Sweden leads all other suppliers, shipping nearly 24,000 tons of wood pulp and waste paper to Grecian mills last year. The table below gives details of suppliers.

The only end user of dissolving pulp (sulphite) is the Greek ETMA rayon industry which has been importing small quantities (about 1,000 metric tons).

The three paper mills plan to step up production and by 1959 may well be importing 50,000 tons of wood pulp a year. If Canadians want to obtain a share of this larger market, they must match both Scandinavian prices C.I.F. Piraeus and terms of payment, and overcome the tariff obstacle as well.

Scandinavian wood pulp shipments to Greece in 1957 were quoted at US$160-$162 per metric ton C.I.F. Patras for prime bleached sulphite and US$133-$135 per metric ton C.I.F. Patras for prime unbleached sulphite. Dissolving sulphite pulp quotations have been reported at US$195-$200 per metric ton C.I.F. Piraeus. At the moment, payment terms vary from three to six months after date of arrival.

Selling Newsprint

Greece produces only about 1,200 tons of newsprint a year and had to import over 15,000 metric tons last year to meet its needs. The leading daily newspapers here know and appreciate the quality of Canadian newsprint. But here again, Scandinavian suppliers, quoting a price of $165 per metric ton C.I.F. Piraeus, (a price that will continue into the first quarter of 1958), have made things difficult for the Canadian exporter. Some European offers for inferior quality newsprint were as low as $145 to $148 per metric ton, C.I.F. Piraeus.

WOOD PULP AND WASTE PAPER IMPORTS, BY COUNTRY

	1955			*1956*			*1957 (9 mos.)*		
	Waste	*Chem.*	*Mech.*	*Waste*	*Chem.*	*Mech.*	*Waste*	*Chem.*	*Mech.*
					(in metric tons)				
United Kingdom	597	....	....	1,427	....	....	1,350	....	....
Sweden	317	....	16,108	887	5,417	16,581	1,045	6,018	9,980
Finland	92	....	3,339	147	....	4,067	177	....	2,874
Austria	....	....	1,161	....	3,261	3,144	....	4,068	1,249
CANADA	....	4,198	....	....	1,400	....	....	300	....
Other	174	....	5,251	310	1,061	966	128	5,309	1,314
Total	1,180	4,198	27,859	2,771	11,139	24,758	2,700	15,695	15,417

The following table gives newsprint imports over the past few years.

	1955	*1956*	*1957 (9 mos.)*
Austria	1,490	3,887	1,235
CANADA	3,229	2,182	1,840
Norway	528	1,625	1,727
Sweden	1,754	1,574	1,788
Finland	4,642	5,487	5,163
Other	759	626	42
	12,402	15,381	11,795

(NOTE: About 80 per cent of the rolls shipped were 86 cm. wide and 20 per cent were 43 cm.)

Under recently published import regulations covering newsprint, payment can now be effected over a period of six months in lieu of partial letter-of-credit basis with balance cash against documents on arrival. It is unlikely that the more serious European suppliers in 1958 will adopt this method of payment.

Duties on Paper High

Newsprint with continuous and parallel watermark lines five centimeters apart enters Greece duty-free. Other grades of printing and writing paper, however, are subject to exorbitant duties reaching as high as 80 per cent ad valorem. This protective tariff precludes Canadian suppliers from selling in the Greek market under normal trading conditions. From time to time, however, the Greek State calls for tenders on specialty papers. The Canadian Commercial Secretary in Athens will provide potential exporters with details on these tenders at their request.

Trade and Tariff Regulations

Australia

LICENCES TO IMPORT PERSONAL GOODS—The Federal Government has cancelled an import licensing rule under which dollar area citizens living in Australia could import dollar goods freely for personal use with funds in their home countries. In future, dollar area citizens will be on the same basis as any Australian when applying for licences to import personal goods. This means, in practice, that they will be refused licences as the tight restrictions on dollar imports debar Australians from licences for any but essential goods. Reports to the Government are understood to have shown that in some years the landed value of the goods imported under these licences was as high as $1 million—Sydney, April 18.

Cuba

CONSULAR STAMP REQUIRED ON INVOICES—Under Cuban documentary regulations the signed declaration for goods entering Cuba must be entered with the Consular Stamp affixed on the reverse side of the commercial invoice. The Cuban Customs Administration recently informed the Institution of Customs House Brokers in Havana that there have been many infractions of this regulation, and that they intend rigorously to enforce it.

The Cuban Consul General in Montreal has confirmed that the Consular Stamp is always affixed to the signed declaration. Accordingly, in order to avoid penalty, exporters to Cuba should be careful to ensure that their declaration appears on the reverse side of the commercial invoice.

Finland

ADDITIONAL DOLLAR IMPORTS LIBERALIZED—In *Foreign Trade* of January 18, 1958, we outlined a system of automatic licensing in effect in Finland for certain commodities of interest to Canadian exporters. Although licences are required for such imports, they will be granted automatically if the goods originate in and are purchased from Canada or another dollar country. Effective April 10, the following products have been added to the list of liberalized items reported in that issue:

Various hand tools including hammers, picks, saws, files, drills, etc.
Mineral mixtures for flour and road covering, excluding ordinary building cement
Titanium dioxide
Rubber articles for technical purposes, such as joints, valves, and brake shoes
Ceramic products for technical purposes

Compressors and airpumps
Compressing air apparatus for spraying or dispersing material, calenders
Centrifuges and presses
Refrigerating machines, excluding refrigerators
Machinery and apparatus for handling and processing species of earth
Machinery and apparatus for preparing leather, hides and skins, and for the manufacture of leather products
Apparatus for heating and cooling
Machinery and apparatus for the manufacture of articles of paper and paperboard, book-binding machines
Machines and apparatus for preparing and treating textile materials, auxiliary textile machinery and apparatus
Pneumatic machines and tools
Weighing apparatus, automatic, but not precision scales
Calculating machines and cash registers
Certain electric machine tools
Accessories for industrial trucks

Information concerning particular commodities on the Finnish list of liberalized dollar imports may be obtained from the International Trade Relations Branch of the Department.

India

CONTROLS ON NON-FERROUS METALS—Under an order dated April 2, 1958, the Indian Ministry of Commerce and Industry has instituted controls over the purchase and sale of copper, lead, tin, and zinc, in different forms, at a price not exceeding an amount represented by an addition of 3½ per cent to its landed cost.

Under the order, no person shall acquire or agree to acquire any non-ferrous metal, except under a permit issued by the controller. The order also requires importers of non-ferrous metals to notify the controller of any quantity of a non-ferrous metal imported or cleared on or after April 3, 1958.

The Chief Industrial Adviser has been designated as the controller. For the time being, the order is to apply to imported copper only, but it is expressly stated that the Central Government may extend the order at any time to cover any other non-ferrous metal—New Delhi, April 7.

Mexico

DUTIES ON IMPORTS INCREASED—Increases in import duties on a wide range of articles were announced by the Government of Mexico on April 14. Products of interest to Canadian exporters on which increases have been made include the following important groups:

The rate on railway rails has been increased from one centavo per kilo plus 15 per cent ad valorem to 5 centavos per kilo plus 30 per cent ad valorem.

The specific duty on billets of pig iron is up from ½ cent (U.S.) per gross kilo to 1.2 cents.

The ad valorem rate on zinc in ore form has increased from 4 per cent to 8 per cent.

The ad valorem rate on calculators and adding machines is increased from 20 per cent to 30 per cent.

The rate on typewriters is increased to 15 per cent.

The duties on fuses, switches, sockets is raised from 30 per cent to 60 per cent ad valorem.

The rate on radio apparatus is increased from 5 per cent to 10 per cent ad valorem.

Full details are being mailed to Ottawa and will be available from the International Trade Relations Branch of the Department of Trade and Commerce —Mexico City.

Peru

INDISPENSABLE MEDICINES EXEMPTED FROM IMPORT DUTIES—In order to make medicines available to the general public at a reasonable price, those preparations which are considered as indispensable have been exempted from the payment of import duties, and the profits of the importers of pharmaceutical products have been limited to 20 per cent over cost, instead of 30 per cent as before. This 20 per cent includes transport, general expenses and other costs. Drug stores have also had their mark-up reduced from 30 per cent to 20 per cent, and laboratories which use imported raw materials, free of duties, are also limited to a 30 per cent mark-up on the cost of their products. Pharmaceutical products not free of duties are permitted to be increased in price by 10 per cent—Lima, April 15.

Portugal

REGULATIONS FOR SALE OF PHARMACEUTICALS—According to Decree Law No. 41,448, issued by the Ministry of Economy, the following procedure must be observed before a locally-manufactured or foreign pharmaceutical product can be sold in Portugal:

Submit to the Ministry of Health:

1. Descriptive memorandum in the Portuguese language, signed by the technical director of the manufacturer, indicating the pharmacological characteristics of the product and showing the advantage that the introduction of the product to the Portuguese market will give to the general public.

2. Scientific statement in the Portuguese language justifying the therapeutical value of the product.

3. Method of analysis.

4. Official document, officially translated into the Portuguese language, proving the existence of the manufacturer or laboratory that produces the product and that the product in question is legally sold in the country of production.

5. Two samples of the product and examples of the literature in the Portuguese language that will

be provided with the product, as well as an example of the labelling of the product.

If the Ministry of Health authorizes the sale of a product, it is then necessary to submit details to the Regulating Commission on Pharmaceutical Products in order to obtain approval of the selling price to the public in Portugal; approval is based on the selling price that has been established in the country of origin—Lisbon, April 17.

Rhodesia and Nyasaland

MERCHANDISE MARKS ACT—The Merchandise Marks Act, which became effective on March 7, 1958, prohibits the sale or import of goods to which any forged trade mark or false trade description is applied, or to which any trade mark or a mark so nearly resembling a trade mark as to be likely to deceive is falsely applied.

The Act also prohibits the import for sale or distribution for advertising purposes of goods of external manufacture or samples of such goods to which there is applied:

(*a*) any name being or purporting to be the name of any manufacturer, producer or trader in the Federation or the name of any town, place or district in the Federation, or,

(*b*) any trade mark or trade description which contains a direct or indirect reference to any town, place, district or country,

unless there is added to that name or trade mark or trade description in a conspicuous manner the name of the country in which such goods were made or produced so as to indicate that they were made or produced in that country. (Section (*a*) above will not apply to articles to be used as coverings, labels or reels, or to articles in or with which goods manufactured or produced in the Federation are to be sold, if the name or trade mark so applied is the name or trade mark of a manufacturer, producer of or trader in those goods in the Federation and the name or trade mark is applied with his consent.)

If goods required to be marked in the manner indicated above are not marked on import the Customs may, on being furnished by the importer with proof of the country in which the goods were made or produced, permit the importer to mark them and after they are so marked, within the time specified, the goods may be permitted to be imported.

The Act states further that no person may import goods to which there have been applied without specific authority (*a*) the Royal Arms, (*b*) the armorial bearings of the Federation or any reasonable copy of these or a reproduction of the ensign of the Federation, or (*c*) the armorial bearings of a territory of the Federation. This does not prohibit the rights of the proprietor of a trade mark containing any such Royal Arms or other emblem from using such trade mark.

The Minister of Commerce and Industry is authorized under the Act to prohibit the import for sale of any class of goods to be specifically mentioned in future orders, unless these goods comply with the special marking regulations which he may designate.

United States

TARIFF HEARINGS ON TEXTILES AND LEATHER PRODUCTS—The United States Tariff Commission has announced public hearings, beginning at 10 a.m. on Tuesday, June 3, 1958, on schedule 3 and part 1 of schedule 7, of the proposed revised and consolidated tariff schedules.

Schedule 3, entitled Textile Fibres and Textile Products, is broken down into eight parts: (1) textile fibres and yarns, fibre wastes; (2) cordage; (3) woven fabrics; (4) fabrics of special construction for special purposes; (5) bedding, linens, and other textile furnishings; (6) wearing apparel and accessories; (7) textile floor coverings, and (8) miscellaneous textile products.

Schedule 7, entitled Miscellaneous Products, is broken down into 12 parts, but the hearing on part one is the only one scheduled at the present time. Part one is broken down into five sub-parts: (1) footwear; (2) headwear; (3) gloves; (4) luggage, women's and children's handbags, billfolds, card cases, coin purses, and similar flat goods, and (5) miscellaneous articles of leather and of fur.

Requests to appear at the hearings of these schedules must be filed in writing with the Secretary of the United States Tariff Commission not later than May 23, 1958.

Hearings have been held on Schedule 1 (Animal and Vegetable Products), Schedule 2 (Wood and Cork and Products thereof; Paper and Paper Products), Schedule 4 (Chemicals and Related Products), and Schedule 8 (Special Classification Provisions). Notice of these hearings was given in previous issues of *Foreign Trade*. Readers who would like to receive information of forthcoming hearings in advance of publication in *Foreign Trade* may do so by writing to the International Trade Relations Branch. The only hearings which have not been scheduled yet are those on Schedule 5 (Non-metallic Minerals and Products thereof), Schedule 6 (Metallic Ores and Other Metallic Raw Materials; Metals, and Metal Products); and the remainder of Schedule 7 dealing with Miscellaneous Products.

SPECIAL CUSTOMS INVOICE INTRODUCED—A new Special Customs Invoice (U.S. Customs Form 5515), required for goods subject to ad valorem rates

of duty by the United States and valued in excess of five hundred dollars per shipment, is now available. Only the original invoice is required for customs purposes; formerly four copies were necessary.

These forms, and instructions for their completion, are now available from United States Consular offices and U.S. Treasury Representatives in Canada. Since these forms may be reproduced, it is expected that supplies will be available from commercial stationers also.

Venezuela

PROPOSED CHANGE IN CUSTOMS TARIFF NOMENCLATURE—The Venezuelan Ministry of Finance has disclosed that in the near future Venezuela will discard its actual system of tariff classification and adopt the international system that was drawn up by a special committee of the United Nations. The change in nomenclature will not affect the import duties currently in force—Caracas, April 14.

Trade Commissioners on Tour

The following officers of the Trade Commissioner Service are on tour in Canada. Their itineraries are:

R. W. BLAKE, formerly Trade Commissioner in Port-of-Spain, Trinidad:

Winnipeg—June 2-3
Saskatoon—June 4-6
Vancouver—June 16-24
Regina—June 27
Toronto—June 30-July 4

M. P. CARSON, Trade Commissioner in Singapore:

Vancouver—May 5-16
Calgary—May 20
Regina—May 21
Winnipeg—May 22-23
Toronto—June 2-10
Hamilton—June 11

The remainder of Mr. Carson's tour will be published later.

T. G. MAJOR, Commercial Counsellor in Melbourne, Australia:

Montreal—May 26-30
Toronto—June 4-6

W. J. MILLYARD, formerly Trade Commissioner in Salisbury, Federation of Rhodesia and Nyasaland:

Toronto—May 27-June 3
Quebec City—June 4
Saint John—June 5-6
Montreal—June 9-17
Winnipeg—June 19-20
Vancouver—June 23-27

J. L. MUTTER, Commercial Counsellor in Tokyo, Japan:

Vancouver—May 20-29
Victoria—May 30
Calgary—June 2
Regina—June 3
Winnipeg—June 5-6
Hamilton—June 9
Toronto—June 16-20
Ottawa—June 23-July 4
Montreal—July 7-11

B. I. RANKIN, Commercial Counsellor in Berne, Switzerland:

Southern Ont.—June 2-7
Toronto—June 9-18
Winnipeg—June 19-23
Vancouver—June 24-July 3
Edmonton—July 4

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

Tours of Territory

W. G. BRETT, Assistant Commercial Secretary in Caracas, Venezuela, will visit Maracaibo early in June.

R. E. GRAVEL, Commercial Counsellor in Caracas, Venezuela, will visit Barcelona, Puerto La Cruz, Guanta and Nueva Esparata during the latter part of June.

W. G. HUXTABLE, Assistant Trade Commissioner in Singapore, will visit Bangkok, Thailand, from May 24 to June 7.

W. VAN VLIET, Trade Commissioner in Guatemala City, Guatemala, will visit Panama City and Colon, Panama, May 12-17.

Businessmen who would like these officers to undertake assignments should get in touch with them at their posts as soon as possible. Write to Mr. Brett and Mr. Gravel at Caracas, Mr. Huxtable at Singapore, and Mr. Van Vliet at Guatemala City.

foreign trade service abroad

* No Foreign Trade Officer at this post. Bentley's Second Phrase Code is used by Canadian Trade Commissioners

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bissett Commercial Counsellor G. E. Blackstock Assistant Commercial Secretary	Canadian Embassy Bartolome Mitre 478 BUENOS AIRES	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 33-8237
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	J. C. Britton Commercial Counsellor for Canada	7th Floor, Berger House 82 Elizabeth Street SYDNEY	*Mail:* *P.O.* Box 3952 G P.O. *Cable:* CANADIAN *Tel.:* BW 5696
Australia (Victoria, South Australia, Western Australia, Tasmania)	T. G. Major (absent) Commercial Counsellor for Canada H. S. Hay Acting Commercial Secretary	83 William Street MELBOURNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* MU 4716
Austria Czechoslovakia, Hungary	R. K. Thomson Commercial Secretary for Canada	Opernringhof Opernring 1 VIENNA I	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 34-55-54
Belgian Congo Angola, French Equatorial Africa	K. Nyenhuis Canadian Government Trade Commissioner	Forescom Building LEOPOLDVILLE 1	*Mail:* Bolte Postale 8341 *Cable:* CANADIAN *Tel.:* 2706
Belgium Luxembourg	L. H. Ausman Commercial Counsellor K. G. Ramsay Commercial Secretary J. R. Roy Assistant Commercial Secretary	Canadian Embassy 35 rue de la Science BRUSSELS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 11-33-88
Brazil	V. L. Chapin Commercial Counsellor C. M. Kerr Assistant Commercial Secretary	Canadian Embassy Edificio Metropole Av. Presidente Wilson 165 RIO DE JANEIRO	*Mail:* Caixa Postal 2164 *Cable:* CANADIAN *Tel.:* 42-4140
Brazil	C. E. Butterworth Consul and Trade Commissioner R. C. Anderson Vice Consul and Assistant Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 SAO PAULO	*Mail:* Caixa Postal 6034 *Cable:* CANADIAN *Tel.:* 36-6301
Ceylon	W. R. Van Commercial Secretary	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO	*Mail:* P.O. Box 1006 *Cable:* CANADIAN *Tel.:* 91341
Chile	H. M. Maddick Commercial Secretary	Canadian Embassy 6th Floor Av. General Bulnes, 129 SANTIAGO	*Mail:* Casilla 771 *Cable:* CANADIAN *Tel.:* 64189
Colombia Ecuador	P. A. Savard Commercial Secretary and Consul N. L. Currie Assistant Commercial Secretary	Canadian Embassy Avenida Jimenez No. 7-25 Office 613 BOGOTA	*Airmail:* Apartado Aereo 3562 *Surface Mail:* Apartado 1618 *Cable:* CANADIAN *Tel.:* 30-065
Cuba	G. A. Browne Commercial Secretary	Canadian Embassy Edificio Ambar Motors Avenida Menocal 16 HAVANA	*Mail:* Apartado 1945 *Cable:* CANADIAN *Tel.:* UO-9457
Denmark Greenland, Poland	C. F. Wilson Commercial Counsellor	Canadian Embassy 4 Trondhjems Plads COPENHAGEN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Tria 1602
Dominican Republic Puerto Rico	W. B. McCullough Commercial Counsellor	Canadian Embassy Edificio Copello 408 Calle El Conde CIUDAD TRUJILLO	*Mail:* Apartado 451 *Cable:* CANADIAN *Tel.:* 8138

Territory	Officer	City Address	Mail and Cables, Office Telephone
Dominican Republic—*con.*	J. J. B. Mountain Assistant Commercial Secretary (Fisheries)		
France Algeria, French West Africa, Morocco, Tangier, Tunisia	R. Campbell Smith Commercial Counsellor J. H. Bailey Commercial Secretary	Canadian Embassy, 35 Avenue Montaigne, PARIS 8e	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* BALzac 99-55
Germany Federal Republic	J. A. Stiles Commercial Counsellor S. G. Barkley Commercial Secretary Commercial Secretary	Canadian Embassy 22 Zitelmannstrasse BONN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Bonn 21971
Germany	E. H. Maguire Consul J. M. T. Thomas Vice Consul	Canadian Consulate 69 Ferdinandstrasse HAMBURG	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 326149
Ghana Gambia, Nigeria Sierra Leone	M.B Bursey Commercial Counsellor	Office of the High Commissioner for Canada E 115/3 Dodowah Road ACCRA	*Mail:* P.O. Box 1639 *Cable:* CANADIAN *Tel.:* 4824
Greece Israel, Turkey	A. B. Brodie Commercial Secretary L. D. R. Dyke Assistant Commercial Secretary	Canadian Embassy 31 Vassilissis Sophias Ave. ATHENS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 74044
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	Wm. Van Vliet Canadian Government Trade Commissioner R. M. Dawson Assistant Trade Commissioner	5 Avenida 10-68, Zone I GUATEMALA CITY, C.A.	*Airmail:* P.O. Box 400 *Surface Mail:* P.O. Box 444 *Cable:* CANADIAN *Tel.:* 5590
***Haiti**	Chargé d'Affaires, a.i. and Consul	Canadian Embassy Route du Canape Vert St. Louis de Turgeau PORT AU PRINCE	*Mail:* 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 T.M. Pope Assistant Trade Commissioner (attached for temporary duty)	Hong Kong and Shanghai Banking Corporation Bldg. HONG KONG	*Mail:* P.O. Box 126 *Cable:* CANADIAN *Tel.:* 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	*Mail:* P.O. Box 11 *Cable:* CANADIAN *Tel.:* 40191
India Calcutta, Madras, Goa	T. F. Harris Canadian Government Trade Commissioner W. J. Collett Assistant Trade Commissioner	Gresham Assurance House Mint Road BOMBAY	*Mail:* P.O. Box 886 *Cable:* CANADIAN *Tel.:* 255154
Indonesia	M. B. Blackwood Commercial Secretary	Canadian Embassy Djl. Budi Kemuliaan No. 6 DJAKARTA	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Gambir 1313
Ireland	H. A. Gilbert Commercial Counsellor for Canada	66 Upper O'Connell St. DUBLIN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.*. 44251

Territory	Officer	City Address	Mail and Cables, Office Telephone
Italy Libya, Malta, Yugoslavia	S. G. MacDonald Commercial Counsellor K. F. Osmond Commercial Secretary J. G. Ireland Assistant Commercial Secretary	Canadian Embassy Via G. B. De Rossi 27 ROME	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 861-951
Japan South Korea	J. L. Mutter Commercial Counsellor W. G. Pybus Commercial Secretary R. G. Woolham Assistant Commercial Secretary	Canadian Embassy TOKYO	*Mail:* Canadian Embassy *Cable:* CANADIAN *Tel.:* 48-4116
Lebanon Iraq, Jordan, Persian Gulf area, Syrian Region of United Arab Republic	C. O. R. Rousseau Commercial Secretary	Canadian Legation Alpha Building Rue Clemenceau BEIRUT	*Mail:* Boîte Postale 2300 *Cable:* CANADIAN *Tel.:* 30794
Mexico	C. J. Van Tighem Commercial Counsellor D. B. Laughton Commercial Secretary A. A. Lomas Assistant Commercial Secretary	Canadian Embassy Melchor Ocampo 463, 7th Floor MEXICO 5, D. F.	*Mail:* Apartado 25364 *Cable:* CANADIAN *Tel.:* 25-15-60
Netherlands	B. C. Butler Commercial Counsellor W. R. Hickman Commercial Secretary B. Horth Assistant Commercial Secretary	Canadian Embassy Sophialaan 5-7 THE HAGUE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 61-41-11
New Zealand Fiji, French Oceania, Western Samoa	J. MacNaught Acting Commercial Secretary	Office of the High Commissioner for Canada Government Life Insurance Bldg. WELLINGTON	*Mail:* P.O. Box 1660 *Cable:* CANADIAN *Tel.:* 70-644
Norway Iceland	J. C. Depocas Commercial Counsellor	Canadian Embassy Fridtjof Nansens Plass 5 OSLO	*Mail:* P.O. Box 1379—Vika *Cable:* CANADIAN *Tel.:* 33-30-80
Pakistan Afghanistan, Iran	H. J. Horne Commercial Secretary J. D. Blackwood Assistant Commercial Secretary	Office of the High Commissioner for Canada Hotel Metropole, Victoria Rd. KARACHI	*Mail:* P.O. Box 3703 *Cable:* CANADIAN *Tel.:* 50322
Peru Bolivia	D. H. Cheney Commercial Secretary L. D. Burke Assistant Commercial Secretary	Canadian Embassy Edificio Boza, Carabaya 831 Plaza San Martin, LIMA	*Mail:* Casilla 1212 *Cable:* CANADIAN *Tel.:* 72760
Philippines	H. L. E. Priestman Consul General and Trade Commissioner W. J. Jenkins Vice Consul and Assistant Trade Commissioner	Canadian Consulate General Ayala Building Juan Luna Street MANILA	*Mail:* P.O. Box 1825 *Cable:* CANADIAN *Tel.:* 3-33-35
Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	Richard Grew Commercial Counsellor	Canadian Embassy Rua Marques de Fronteira No. 8—4° D° LISBON	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	L. S. Glass Canadian Government Trade Commissioner	Offices 110-113 Central Africa House Corner First St./Gordon Ave. SALISBURY	*Mail:* P.O. Box 2133 *Cable:* CANTRACOM *Tel.:* 26571

Territory	Officer	City Address	Mail and Cables, Office Telephone
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	M P. Carson (absent) Canadian Government Trade Commissioner W. G. Huxtable Acting Trade Commissioner B. C. Steers Assistant Trade Commissioner	Rooms 4, 5 and 6 American International Building Robinson Road and Telegraph St. SINGAPORE	*Mail:* P.O. Box 845 *Cable:* CANADIAN *Tel.:* 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	*Mail:* P.O. Box 715 *Cable:* CANTRACOM *Tel.:* 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	*Mail:* P.O. Box 683 *Cable:* CANTRACOM *Tel.:* 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	*Mail:* Apartado 117 *Cable:* CANADIAN *Tel.:* 47-54-00
Sweden Finland	A. P. Bissonnet Commercial Secretary	Canadian Embassy Strandvagen, 7-C STOCKHOLM	*Mail:* P.O. Box 14042 *Cable:* CANADIAN *Tel.:* 67-92-15
Switzerland	B. I. Rankin Commercial Counsellor N. W. Boyd Assistant Commercial Secretary	Canadian Embassy Kirchenfeldstrasse 88 BERNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 4-63-81
United Arab Republic Egyptian Region Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia, Yemen	D. S. Armstrong Commercial Secretary	Canadian Embassy 6 Sharia Rouston Pasha Garden City CAIRO	*Mail:* Kasr el Doubara Post Office *Cable:* CANADIAN *Tel.:* 23110
United Kingdom	H. L. Brown Minister (Commercial) G. H. Rochester Commercial Counsellor (Timber) D. A. B. Marshall Agricultural Counsellor W. Gibson-Smith Commercial Secretary S. G. Tregaskes Commercial Secretary	Office of the High Commissioner for Canada Canada House Trafalgar Square LONDON, S.W.1	*Mail:* (City Address) *Cable:* SLEIGHING *Tel.:* Whitehall 8701 *Cable:* TIMCOM
United Kingdom (Midlands, North England)	A. W. Evans Canadian Government Trade Commissioner	Martins Bank Building Water Street LIVERPOOL	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Central 0625
United Kingdom (Northern Ireland)	H. A. Gilbert Canadian Government Trade Commissioner	36 Victoria Square BELFAST	*Mail:* (City Address) *Tel.:* 21867
United States Delaware, Maryland, Virginia, West Virginia	Dr. W. C. Hopper Minister (Commercial) Wm. Jones Commercial Secretary W. A. Stewart Assistant Commercial Secretary	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* DEcatur 2-1011
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen Deputy Consul General (Commercial) C. R. Gallow Consul and Trade Commissioner H. E. Lemieux Consul and Trade Commissioner	Canadian Consulate General 620 Fifth Ave NEW YORK CITY 20	*Mail:* (City Address) *Cable:* CANTRACOM *Tel.:* JUdson 6-2400

Territory	Officer	City Address	Mail and Cables, Office Telephone
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	*Mail:* (City Address) *Tel.:* 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 G. F. J. Osbaldeston Vice Consul and Assistant Trade Commissioner	Canadian Consulate General 111 North Wabash Avenue CHICAGO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* RAndolph 6-6033
United States (Michigan, Ohio)	M. J. Vechsler Consul and Trade Commissioner J. R. Midwinter Vice Consul and Assistant Trade Commissioner R. A. Bull Vice Consul and Assistant Trade Commissioner	Canadian Consulate 1139 Penobscot Building DETROIT 26	*Mail:* (City Address) *Tel.:* WOodward 5-2811
United States California (the ten southern 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	*Mail:* (City Address) *Tel.:* VAndike 2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	C. T. Charland Vice Consul and Acting Trade Commissioner	Canadian Consulate General 215-217 International Trade Mart NEW ORLEANS 12	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* JAckson 5-2136
*United States California, (except the ten southern counties), Wyoming, Nevada (except Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General 3rd Floor, Kohl Building 400 Montgomery Street SAN FRANCISCO 4	*Mail:* (City Address) *Tel.:* SUtter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General The Tower Building Seventh Avenue at Olive Way SEATTLE 1, Washington	*Mail:* (City Address) *Tel.:* MUtual 3515
Uruguay Paraguay Falkland Islands	C. B. Birkett Commercial Counsellor	Canadian Embassy No. 1409 Avenida Agraciada Piso 7° MONTEVIDEO	*Mail:* Casilla Postal 852 *Cable:* CANADIAN *Tel.:* 96096
Venezuela Netherlands Antilles	R. E. Gravel Commercial Counsellor W. G. Brett Assistant Commercial Secretary R. D. Sirrs Assistant Commercial Secretary	Canadian Embassy Edificio Pan American Avenida Urdaneta Puente Urapal, Candelaria CARACAS	*Mail:* Apartado 9277 *Cable:* CANADIAN *Tel.:* 54.34.32
West Indies (Barbados, Tobago, Trinidad, Windward and Leeward Islands) British Guiana, French Guiana, Surinam, Guadeloupe, Martinique	R. G. C. Smith Commissioner for Canada P. T. Eastham Assistant Commercial Secretary	Colonial Building 72 South Quay PORT-OF-SPAIN	*Mail:* P.O. Box 125 *Cable:* CANADIAN *Tel.:* 34787
West Indies (Jamaica) Bahamas, British Honduras	H. E. Campbell Canadian Government Trade Commissioner M. S. Strong Assistant Trade Commissioner	Barclays Bank Building King Street KINGSTON	*Mail:* P.O. Box 225 *Cable:* CANADIAN *Tel.:* 2858

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 dollars equivalent multiply by 1.031260.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent April 28	Units per Canadian dollar	Notes (see below)
Argentina	Peso	Official	.05387	18.56	(1)
		Free	.02229	44.86	
Austria	Schilling		.03730	26.81	
Australia	Pound		2.1855	.4576	
Belgium, Belgian Empire and Luxembourg	Franc		.01945	51.41	
Bolivia	Boliviano	Free	.0001093	9149.13	
British West Indies	Dollar		.5691	1.76	(2)
	Pound		2.7318	.3661	(3)
British Honduras	Dollar		.6830	1.46	
Brazil	Cruzeiro	General Category*	.006436	155.37	*March 26 (4)
		Special Category	.002740	364.88	
		Official buying	.05283	18.93	
Burma	Kyat		.2036	4.91	
Ceylon	Rupee		.2049	4.88	
Chile	Peso	Free	.001430	699.30	(5)
Colombia	Peso	Certificate	.1426	7.01	
Costa Rica	Colon	Official	.1727	5.79	
		Controlled free	.1460	6.85	
Cuba	Peso		.9697	1.03	tax 2%
Czechoslovakia	Koruna		.1347	7.42	
Denmark	Krone		.1404	7.12	
Dominican Republic	Peso		.9697	1.03	
Ecuador	Sucre	Official	.06465	15.47	
		Free	.05909	16.92	
Egypt	Pound	Official	2.7845	.3591	(6)
El Salvador	Colon		.3879	2.58	
Fiji	Pound		2.4611	.4063	
Finland	Markka		.003030	330.03	
France, Monaco and North Africa	Franc		.002309	433.09	(7)
French colonies in Africa	Franc		.004618	216.54	(8)
French Pacific	Franc		.01270	78.74	(9)
Germany	D Mark		.2312	4.33	
Ghana	Pound		2.7319	.3660	
Greece	Drachma		.03232	30.94	
Guatemala	Quetzal		.9697	1.03	
Haiti	Gourde		.1939	5.16	
Honduras	Lempira		.4848	2.06	
Hong Kong	Dollar	Free*	.1661	6.02	*April 18
		Official	.1707	5.86	
Iceland	Krona	Official	.05954	16.80	(6)
India	Rupee		.2049	4.88	
Indonesia	Rupiah	Effective buying	.03202	31.23	April 18 (6)
		Effective selling	.02562	39.03	
Iran	Rial	Certificate	.01280	78.12	
Iraq	Dinar		2.7151	.3683	
Ireland	Pound		2.7319	.3660	
Israel	Pound		.5387	1.86	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent April 28	Units per Canadian dollar	Notes (see below)
Italy	Lira		.001557	642.26	
Japan	Yen		.002694	371.20	
Lebanon	Pound	Free	.3069	3.26	
Mexico	Peso		.07758	12.89	
Netherlands	Florin		.2562	3.90	
Netherlands Antilles	Florin		.5162	1.94	
New Zealand	Pound		2.7319	.3660	
Nicaragua	Cordoba	Effective buying	.1469	6.81	
		Official selling	.1376	7.27	
Norway	Krone		.1358	7.36	
Pakistan	Rupee		.2049	4.88	
Panama	Balboa		.9697	1.03	
Paraguay	Guarani	Official	.008860	112.87	
Peru	Sol	Certificate	.04244	23.56	
Philippines	Peso		.4848	2.06	
Portugal & Colonies	Escudo		.03384	29.55	(10)
Singapore and Malaya	Straits dollar		.3187	3.14	
Spain and Dependencies	Peseta	Controlled free	.02309	43.31	(6)
Sweden	Krona		.1874	5.34	
Switzerland	Franc		.2263	4.42	
Syria	Pound	Free	.2710	3.69	
Thailand	Baht	Free	.04682	21.36	(6)
Turkey	Lira		.3463	2.89	
Union of South Africa	Pound		2.7319	.3660	
United Kingdom	Pound		2.731875	.366048	
United States	Dollar		.9696875	1.031260	
Uruguay	Peso	Free	.1442	6.93	
		Basic buying	.6369	1.57	
		Principal selling	.4608	2.17	(6)
Venezuela	Bolivar		.2895	3.45	
Yugoslavia	Dinar		.003232	309.40	(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. Portugal: approximately same rate for Portuguese Territories in Africa.

Tourists Bring Britain Dollars

More and more North and South Americans are visiting Britain, bringing dollars with them. Last year they spent about $486 million—a major contribution to British trade.

H. LESLIE BROWN, *Minister (Commercial), London.*

TOURIST spending in the United Kingdom in 1957 is estimated to have reached about $486 million, of which 71 per cent was spent in the country and 29 per cent on fares paid to British transportation companies. The tourist trade, if we regard it as the equivalent of an export, ranked sixth in 1956, coming immediately below exports of iron and steel. The foreign exchange that it earned equalled the cost of Britain's imports of tea, coffee, cocoa and chocolate. As an industry, it employed more people and had a greater turnover than any other.

Overseas visitors to Britain in 1957 totalled 1.18 million, nearly twice the number in 1950. About 59,000 Canadians came to the U.K. in 1957 and spent a total of $44 million—$28.3 million in the country and the remainder in payments to British carriers. Receipts from 263 thousand United States tourists amounted to $133.3 million and visitors from other areas such as some Latin American countries also brought in dollars.

How Dollars Are Spent

On the basis of the estimate that visitors spend four shillings of each pound in the shops, Britain's stores did about $70 million worth of business with tourists in 1957. Some specialty stores depend heavily on this trade and many others find it a valuable "extra" in their turnover. Popular lines include cashmere and other knitwear, furs, cotton and woollen piecegoods, worsteds, tweeds and dress materials. China, glass, pottery, silverware, cutlery, perfumes, leather goods, toys and souvenirs also sell well.

Under the Personal Export Scheme, visitors can buy without paying the British purchase tax by having the goods delivered to them as they leave the United Kingdom. In 1956, United States tourists bought about $2 million worth of goods under the Scheme and Canadians about $300 thousand. However, sales on this basis dropped by 13 per cent in the first nine months of 1957. The scheme is declining in importance because many visitors wish to use articles as soon as they buy them and because the saving is so small that it is not worth the inconvenience.

The largest part of tourist spending, about 45 per cent, goes to hotels and restaurants; this reached some $160 million in 1957. Theatres and other forms of entertainment earned an estimated $54 million from visitors last year. (In 1956, no fewer than 8,000 visitors from the United States went to see a well-known play.) More than 16,000 tourists in 1957 purchased automobiles which they took home with them after their tours; this direct export was worth about $27 million.

Tourist Industry Makes Plans

The British Travel and Holidays Association expects an annual increase of 5 to 10 per cent in tourist arrivals. As the traffic grows, there will be even greater need for more and better accommodation and catering facilities. Last year London added about 600 new hotel rooms but another 3,000 are needed in this city alone. More travel by automobile should stimulate the construction of motels and the expansion of camping facilities.

The Association is working on plans to attract more visitors during the winter and giving greater attention to business and conference travel during the slack season. London is to have a new three-language telephone information service for tourists: by dialling certain numbers, visitors can hear in English, French or German what important events are taking place during the day. ●