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COVER . . . This pipeline—through which water will flow to irrigate the land and provide power for industry—symbolizes Pakistan's prosperous future. Under the Six-Year Development Plan, blueprints for industrial projects are becoming a reality. (See report page 570.)

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# Pakistan's Future Takes Shape

*Industrial projects blueprinted just after Partition are becoming a reality, as Pakistanis, with energy and enthusiasm, work to build up their new state.*

by C. E. Butterworth  
Assistant Commercial Secretary for Canada

**K**ARACHI—At the time of Partition in 1947 Pakistan, taking stock of assets, found itself with only 44 industrial plants. Many of them were small ones. Immediately the country set to work to develop blueprints for building up industry. From these came the Six-Year Development Plan and the supplementary Two-Year Development Plan.\*

A basic difficulty in implementing these plans soon arose—the attraction of more capital. Both domestic and foreign investors seemed reluctant to put money into new industry. The Government therefore created the Industrial Finance Corporation, to make long and medium-term credit available at moderate rates of interest. The annual report of this Corporation for the year ending June 1951 shows a net profit of Rs.230,390 and loans to some 27 varied industries.

## **Investment Capital Lacking**

Although the Industrial Finance Corporation was a success, it was not considered adequate to implement all plans. In April 1951 the Industrial Development Corporation was set up with authority to participate directly in the creation of certain industries such as jute, paper, heavy engineering, shipbuilding, heavy chemicals, and fertilizers.

Another interesting government experiment was the establishment of an Industrial Trading Estate at Karachi. Similar Estates are planned for Hyderabad, Sukkur and possibly elsewhere. The Government provides roads, electric power, water, and a railway line for industrialists who wish to lease the land and build their own factories. Recently, with the easing of the water shortage and increased supply of electricity, developments at the Estate have been stepped up.

Despite these accomplishments the rate of advance is still slow, largely because of a continuing lack of investment capital. The report of the Public Investment Inquiry Committee, published in August 1951, made certain recommendations to improve this situation. These included rationalization of taxation; greater state participation; improvement of banking facilities; voluntary or compulsory savings schemes; development of power resources; facilities for technical education, and establishment of stock exchanges on sound and regulated lines.

However, notwithstanding this lack of capital, some results have been achieved. The textile industry has been the most active. It has expanded existing mills and established seven new ones, practically doubling the

\* See *Foreign Trade* of April 5 for further details.

1947 spindlage to 315,418 spindles. Of the five jute mills planned for East Pakistan, one began operations this year and one more will be completed in each successive year of the Six-Year Development Plan. The major part of the machinery for Asia's largest paper mill near Chittagong has been received and construction and installation is proceeding fast. The sugar factory at Mardan (the largest on the continent, with a capacity of 50 thousand tons) has started production and a number of other industries have made good progress. The details follow.

**TEXTILES**—In 1947 there were 16 cotton mills with about 167 thousand spindles and 4,300 looms. Today there are 23 mills, with 315,418 spindles and 5,330 looms. Pakistan now produces about one-third of her total cloth requirements. An interesting development took place in October 1951 when the Sind Co-operative Society arranged with Spain to purchase a 10 thousand spindle textile plant. The Spaniards are willing to enter into a 50-50 partnership, run the mill for the time being, and provide Spanish technicians to train Pakistani operators.

The Government plans to increase domestic production to meet about 60 per cent of the country's requirements. The target is one million spindles by the end of 1952 and 2.5 million by the end of 1957.

The sites for two government woollen mills, one at Bannu, N.W.F.P., and the other at Harnai in Baluchistan, have been chosen and a purchasing mission is abroad acquiring the necessary machinery and equipment. Negotiations are under way for two other mills, both in the Punjab, and plans are being made for a third and private mill to be located in the Northwest Frontier Province.

**JUTE**—In pre-Partition days, all of East Pakistan's raw jute went to Calcutta for baling and export or for milling. Thus in 1947 Pakistan found herself without mills and with only 31 Standard baling presses. Today the country has the baling capacity to press more than 50 per cent of the crop and her first mill—the Bawa Jute Mills Limited—was opened on May 18, 1951. Two others, each of 1,000 looms, are under construction at Narayanganj. The machinery for these mills has been ordered and they will probably go into operation in 1952 and 1953. The Government has also agreed to help establish three other jute mills—two of 500 looms each and one of 1,000 looms.

**PAPER**—In two years' time Pakistan hopes to have Asia's largest paper mill. Delivery of plant and machinery and development of the site progressed during 1951. The mill, when finished, is expected to produce 100 tons of fine and writing paper per day. The main fibrous raw material used will be bamboo extracted from the Chittagong hill tracks close by.

**CEMENT**—Until the middle of 1950 Pakistan was self-sufficient in cement, with five factories and a total capacity of 600 thousand tons per annum. In fact, a certain amount was exported. However, with the Six-Year Development Plan, building of canals, barrages, national highways, industrial development, it was found by 1951 that requirements were running at one million tons a year. Plans to increase production include the receipt of one cement plant from Canada of 100-thousand-ton capacity under the Colombo Plan, and additional plant capacity totalling about 426 thousand tons for the Associated Cement Company and Dalmia Cement Company.

Pakistan now has, in addition to the textiles, jute, paper and cement mentioned above, eight glass factories with another under construction; nine tanneries with an eventual 45 planned; one government printing press; two new pharmaceutical plants; four sulphuric acid plants; one soda ash plant; one coal briquetting plant; one cigarette factory; three small rubber factories; two soap factories; two electric steel remelting furnaces with about 32 rerolling mills, and 39 vegetable oil crushing plants.

### **COTTAGE INDUSTRIES**

The small-scale "cottage industries" are important to Pakistan because approximately five million people are dependent upon them for their livelihood. A variety of articles are produced—cotton carpets, saris, shirtings, fine muslins, woollen goods embroidered with silk, gold and silver lace, fancy stitched footwear, skin lamps, copper and brass work, and the famous pottery from Multan. Sporting goods, surgical instruments and cutlery from Sialkot City in the Punjab have sold well in overseas markets. The disruption of trade with India was something of a setback to the cottage industries and meant the loss of their major market. The Government, however, is trying to remedy this with loans, development of co-operatives, and better marketing. Display centres have been opened in the United Kingdom and the United States as well as a number in Pakistan itself.

Much of this industrial development depends upon power. Fortunately, Pakistan has an estimated potential waterpower of five to six million kilowatts. Hydro-electric projects have been given top priority and a goal of 500 thousand kw. set for 1953. (At Partition, of a total generating capacity of 40 thousand kw., only 10 thousand kw. were supplied by hydro-electric stations.) By 1955, demand for power will probably reach 200 thousand kw. To bridge the gap until these projects are completed, the Government has sanctioned purchase of thermal units to cost Rs. 125 million.

### **TRANSPORTATION PROBLEMS**

As industrial development advances, roads, railways and ports must be improved to handle increased volume of traffic. Conversion of the two main railways from coal to oil has been delayed because of the problem of getting equipment from abroad. During 1951 tenders were called for 13 meter-gauge shunting locomotives, ten broad-gauge locomotives, and nine broad-gauge main line express diesel electric locomotives. Passenger coaches were brought from France, 121 for the North Western Railway and 113 for the East Bengal Railway. It is now reported that Pakistan will earmark 50 per cent of the probable \$60 million loan from the World Bank to rehabilitate and develop her railways.

In February 1951 a Six-Year Road Development Plan was approved, with a target of 2,226 miles of new roads and 8,267 miles of improved existing roads. The Government believed that the most promising way of co-ordinating rail and road transport was the nationalizing of road transport services and giving the railways an interest in the capital and management of such services.

Karachi, the only port of West Pakistan, serves the country with increasing efficiency. During the year 1950-51 nearly 3½ million tons passed through the port as against 2½ million in 1948-49. Development

schemes now proceeding include a commercial drydock and reconstruction of the East Wharves. Chittagong too has developed admirably and now can handle two million tons of cargo a year. Orient Airways Ltd., which operates a schedule service between Karachi, Lahore and Dacca, and Crescent Air Transport, which runs a chartered line, are the only Pakistani air companies. A twice weekly Karachi-London service may soon be started; three *Super Constellations* have been ordered for this purpose. New equipment has been installed at Karachi Airport and the airfield received its first *Comet* jet aircraft.

In sum, sparked by the enthusiasm and energy of her people and with some aid from abroad, Pakistan's industrial future is moving from the blueprint stage to reality year by year.

*This report was prepared by Mr. Butterworth while he was stationed in Karachi. Later he returned to Cairo, and he is now on leave.—Editor.*

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## The Colombo Plan Reports Progress

**T**HE Colombo Plan for the development of South and Southeast Asia, conceived in January 1950, has made substantial progress in the last 18 months. The initial phase is past; the governments co-operating in the Plan—some of them new and inexperienced in international co-operative work when it began—have found a sound basis for working together. More important, these Asian countries are themselves undertaking vast development schemes and working energetically to raise living standards.

That is the report brought back to Canada from Karachi, Pakistan, by George J. McIlraith, Parliamentary Assistant to the Minister of Trade and Commerce. Mr. McIlraith travelled to Karachi late in March to represent Canada at the fourth meeting of the Consultative Committee on Economic Development of South and Southeast Asia. He also visited Ceylon, India, and other parts of Pakistan, the three countries in which Canada's \$25 million contribution to the Colombo Plan in the last fiscal year is being put to use.

On what projects was this Canadian grant spent? Here is the progress report as it was presented to the Consultative Committee:

### INDIA

1. Shipment of Canadian wheat—\$10 million. Under the agreement, India set aside the equivalent of \$10 million in rupees (counterpart funds). This is being used, with Canada's concurrence, on the Mayuraski irrigation and hydro-electric project in West Bengal. Eventually this project will irrigate about 600 thousand acres on which rice and other food crops will be grown.

2. Equipment, mainly electrical, for the Mayuraski project—\$.5 million.

3. Buses and trucks to improve service given by the Bombay Transport Corporation, which carries passengers and freight in the State of Bombay and areas close by—\$4.5 million.

#### PAKISTAN

1. Complete cement plant, to be erected in the Thal area—\$5 million. This plant is being supplied entirely by Canada and will turn out cement to be used in the Thal Development Project. Eventually, this project will irrigate 1,700,000 acres of new land, which will be subdivided and settled with displaced Moslems from India.

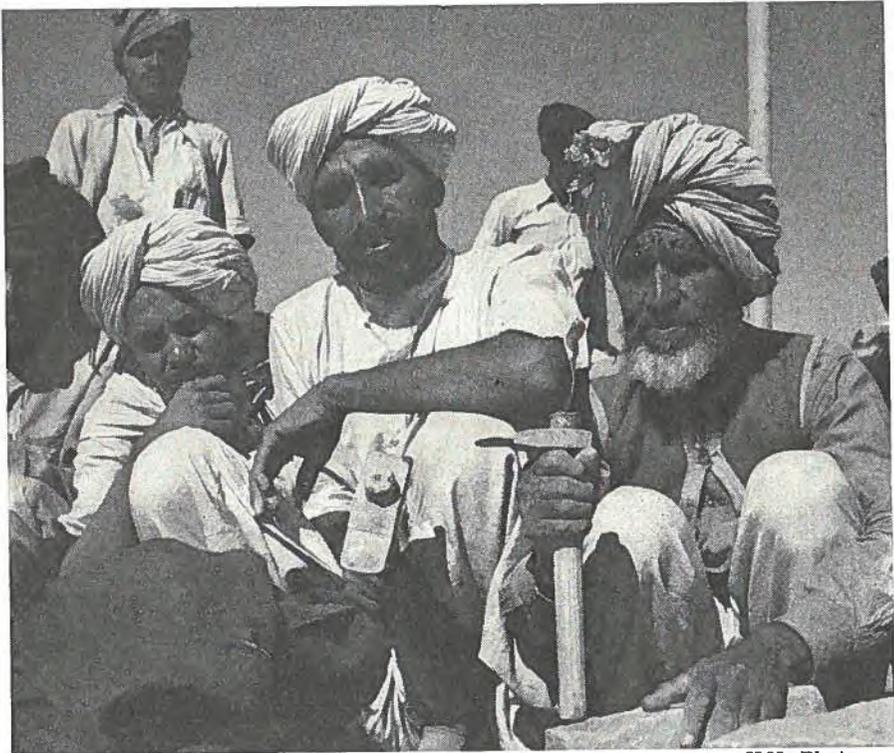
2. Railway ties, of West Coast timber, urgently needed to rehabilitate the Pakistan railway system—\$2.8 million.

3. Establishment of an experimental livestock farm in the Thal region jointly with Australia and New Zealand—\$.2 million. Canada's contribution is mainly agricultural equipment.

4. An aerial photographic and geological survey to assess Pakistan's natural resources—\$.2 million.

#### CEYLON

Though Canada did not undertake any capital projects in Ceylon in 1951-52, we are co-operating with that country in a different way. About eight months ago a Canadian, D. M. Haywood, went to the island as con-



—U.N. Photo.

*Raising the standard of living of the peoples of Southeast Asia is the objective of the vast development schemes being undertaken by governments in that area, aided to some extent by the Colombo Plan.*

sultant to the Government on the development of commercial fisheries. There he is directing research into new methods of fishing (much of it is still done from dugout canoes); refrigerating plants; fish curing yards, etc. Eventually the improved techniques of harvesting and storing the fish should cut down Ceylon's heavy imports of fish products. A Canadian refrigeration engineer, George M. Nixon, is assisting Mr. Haywood.

A third Canadian, E. A. Hardy, is also working in Ceylon. Stationed in Kandy, FAO auspices, he is investigating the problems of "dry farming" in the area.

#### **TRAINEES AND TECHNICAL MISSIONS**

In addition to sending these technical experts abroad, Canada offered, under the technical co-operation part of the Plan, 60 scholarships and fellowships—25 to India, 15 to Pakistan, 10 to Ceylon, and 10 to non-Commonwealth countries. Under this offer some 50 persons came to Canada during the past year to study a diversity of subjects. Three technical missions of senior officials in the fields of agriculture, hydro-electric development, and highways and bridges also visited Canada.

During the Committee's sessions, Mr. McIlraith noted a new attitude towards the whole matter of technical co-operation. Originally students at the junior level who received training in western countries returned home to apply their knowledge. Many of them found themselves handicapped without all the equipment to which they had grown accustomed during the training period. Today the trend is towards sending Western experts to teach students in their own country or, better still, building up permanent institutions for training technical personnel.

#### **PERSONAL CONTACTS IMPORTANT**

Cold statistics are one thing; seeing with one's own eyes the projects in the making and meeting the people who are doing the job another, and a more rewarding, experience. Accompanying Mr. McIlraith to the Karachi meetings as alternate Canadian representative was the man most directly concerned in the Colombo Plan—Nik Cavell, Administrator of the International Economic and Technical Co-operation Division of the Department of Trade and Commerce, and also G. D. Mallory, Director of the Industrial Development Division of the Department. Mr. Cavell personally visited every project in which Canada has a part and met the civil servants in the various government departments with whom he will be dealing. Now the contacts are on a person-to-person basis.

The outstanding impression left with Canada's chief delegate to this meeting was the sense of new life quickening these countries. They have the will and the determination to work out a new economic destiny. It is Canada's privilege to co-operate with them in their great ventures.

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#### **Farm Income a Record**

The Canadian farmer has his worries—but figures on farm income should make an optimist of him. Farm cash income reached an all-time high of \$2,825,500,000 in 1951—the previous record being 1949's figure of \$2,486,600,000. (These figures include grain equalization and participation payments on the previous year's crop, Newfoundland excluded.)

# Ceylon Sponsors a Unique Exhibition

*To mark the first anniversary of the Colombo Plan and to illustrate what it is trying to do, the Government of Ceylon successfully staged an unusual exhibition in which twelve countries participated.*

by T. M. Burns

Assistant Canadian Trade Commissioner

**C**OLOMBO—More than 1½ million people, about one-quarter of the total population of Ceylon, visited the Colombo Exhibition held in Ceylon's capital city February 23-March 22, and sponsored by the Ceylon Government. Designed to mark the first anniversary of the Colombo Plan and to advertise and explain what it is striving to accomplish, the Exhibition invited the participation of all countries interested in the plan. Of these, Australia, Cambodia, Canada, Ceylon, India, Laos, the Maldivé Islands, Pakistan, Indonesia, the United Kingdom (including Malaya and the Borneo colonies), the United States and Vietnam had individual pavilions in the national section.

The setting of the Exhibition was 36-acre Victoria Park, in the heart of the city. The government pavilions and trade stalls were erected amid a beautiful natural backdrop of trees, gardens, flowering shrubs, fountains and ponds. At night the grounds were illuminated and the trees wired with thousands of vari-coloured lights.

## **Pavilions of Varied Design**

The shapes and designs of the pavilions varied from the tall modern lines of the United Kingdom pavilion to the richly decorated Indonesian building, with a gold-pillared entrance and massive mural, and the Ceylon pavilion in its traditional Kandyan style of architecture. Canada put up a prefabricated contemporary structure in aluminum and cedar wood, distinctly different from the other buildings in the national section. Its floodlit exterior drew admiring comment from many visitors and the open-air design was well adapted to this tropical country.

The Asian countries had exhibits depicting their technical and capital requirements, using models and photographs of the development projects, irrigation systems, hydro-electric power plants, harbour improvement schemes, etc., which they were undertaking, either independently or under the Colombo Plan. They also had attractive and colourful displays of their traditional manufactures—textiles, ornamental metalware, carpets, basketware, wood and ivory carvings, etc.

The pavilions of the countries supplying technical and capital assistance for the Colombo Plan used murals, photographs, models, and, in some cases, samples of equipment, to indicate the ways in which they are giving or are prepared to give such assistance to the area. The Canadian pavilion illustrated Canada's progress in mechanized agriculture, transportation, power development and so on, to demonstrate to the peoples of this area how Canada might aid their economic development. The exhibit

which attracted visitors to the pavilion most was a working model of a hydro-electric plant, part of a feature on the role electric power has played in Canadian industrial growth. Ceylon people found this particularly interesting because a number of power development projects are being undertaken in this country at the moment. An attractive booklet specially produced for the Exhibition and describing Canada's part in the Colombo Plan was distributed to visitors to the pavilion. A number of school teachers and others commented on how useful this publication was.

The Ceylon Government itself had a pavilion in the national section of the Exhibition, and also arranged for exhibits from each of its departments and agencies. These displays were designed to show the people of Ceylon the services provided by government departments and to illustrate their plans for the future. The Irrigation Department, for example, constructed large-scale models of the Gal Oya and Walawe Ganga schemes, two of the most important irrigation developments in the Island. The Department of Industries exhibited models of the various factories which are being or will be built as government enterprises, including a cement plant, oil refining factory, iron and steel mill and a paper mill.

#### **Trade Fair Organized**

A Trade Fair, in which about 125 firms participated, was held in the grounds. The leading import firms in Ceylon displayed a wide selection of consumer and capital goods. There were particularly good exhibits of various types of mechanized agricultural equipment slowly coming into use in Ceylon. Canadian manufacturers of electric ranges and canned foodstuffs were represented by displays of their products by local agents.

The trade associations representing the three major Ceylon exporting industries—tea, rubber and coconut—also had exhibits in this section. Their displays showed the planting, cultivation and manufacturing techniques in the industries. There were models of tea and rubber factories and sections showing the various uses of rubber and coconut products.

#### **Cultural Attractions**

The cultural section of the exhibition included an international exhibition of paintings in which artists from Ceylon, France, Indonesia, the United Kingdom and Canada were represented. The Canadian paintings were supplied by the National Gallery in Ottawa and illustrated the theme "Canadians at Work". The Canadian paintings attracted much favourable attention.

An open-air theatre on the grounds featured groups of dancers from Ceylon, Thailand and Indonesia who performed their traditional dances in colourful national costumes, thereby adding to the appeal of the exhibition. This theatre was also used to show motion pictures supplied by participating countries. Canadian films from the National Film Board were shown every night to audiences ranging from 700 to 1,500 persons.

The Colombo Exhibition was judged most successful, not only from an attendance and revenue viewpoint but also for the opportunity which it afforded for the exchange of information on economic and cultural matters. The excellent results achieved suggest that similar exhibitions might be organized at intervals by various other countries in Southeast Asia to improve trade and promote general understanding between themselves and the free countries of the western world.

# IMC Studies

## Strategic Materials

*Set up to attempt the orderly distribution of scarce and strategic raw materials, the International Materials Conference reports on 14 months' work.*

by **M. P. Carson**  
Assistant Commercial Secretary for Canada

**W**ASHINGTON, D.C.—The International Materials Conference has completed 14 months of intensive work on the free world's supply of, and demand for, scarce and strategic raw materials. Canada, an important member of the Conference, has played its part in the solution of serious problems confronting the Conference.

### **Organization of IMC**

The Conference comprises a Central Group (which services the committees and provides the secretariat for the conference) and seven Commodity Committees. Six of these were created by the original sponsoring governments—Copper-Zinc-Lead, Manganese-Nickel-Cobalt, Tungsten-Molybdenum, Sulphur, Cotton-Cotton Linters, and Wool. One, the Pulp-Paper Committee, was set up later by the enlarged Central Group. The committees' terms of reference are “. . . to consider and recommend to governments the specific action which should be taken, in the case of each commodity, in order to expand production, increase availability, conserve supplies, and assure the most effective distribution and utilization of supplies among consuming countries”.

The committees work directly with their member governments, independent of any veto power of the Central Group or of appeal to it. Recommendations to member governments are usually unanimous. Unanimity has not always been possible but, for the most part, the response has been sufficiently favourable to ensure the fulfilment of most of the recommendations. An international agency of this sort can attempt to reconcile conflicting defence, civilian and development needs by weighing broad economic considerations against other factors. Such assessments may mean that normal commercial relationships have to be modified slightly to meet abnormal conditions. For the most part, however, the committee recommendations have recognized the need for as free a play of commercial factors as possible. In fact, none of them has involved allocation by source or destination, except in the case of a few limited emergency newsprint allocations.

Canada is represented on all the Commodity Committees except the Wool Committee. Each committee consists of representatives from 11 to 16 member countries, representing 80 to 95 per cent of the total free world production and consumption of these commodities. In effect, the Commodity Committees have assumed the role of trustee for the interests of non-member countries. All nations of the free world not directly

represented on committees are invited to present oral and written statements on their essential needs. They are also asked to supply statistics. Cases of maldistribution to individual countries are, as far as possible, dealt with sympathetically. Frequent press releases keep such countries informed of committee action. They also receive reports on committee decisions.

#### **Practical Recommendations Made**

The immediate aim of all committees was to agree as early as possible on an effective distribution of those scarce items which justified special action. The recommendations to member governments have rested on as complete data as possible, including figures on past and present consumption, production, defence and stockpiling needs. For some commodities, such extensive statistical data have never before been compiled. Other special factors in determining a country's share of the available supplies have also been considered.

In some cases, committees have failed to agree on the need for international action. In others, they have decided, after appropriate study, that no action is necessary. In a few cases, one or more member countries have disagreed with the recommendations accepted by a majority. The committees have dealt with problems on a short-term basis, usually a three-month period, so that changing circumstances can be taken into account.

Obviously, IMC has not been able to meet the full requirements of all countries as some of the shortages, in terms of total needs, have been large. The problem of increasing supplies through additional production has therefore also been studied. Because the Conference was only set up 14 months ago and because in most cases market conditions have favoured expanded production, it is difficult to gauge what direct effect the Conference has had on such increases, apart from the efforts which individual countries have made.

Increasing demand, particularly for the scarce metals, has outpaced production. The committees' assessments of supply and demand as a guide to member governments, even on a short-term basis, have influenced the establishment, extent and duration of control and conservation measures. Each country, however, is responsible for carrying out recommendations in the way it sees fit. The committees shape rules and criteria to suit individual problems. This makes for flexibility in operation and the acceptance of the series of distribution plans by all member governments. The autonomy of each committee, with its direct approach to governments, has also helped.

#### **Distribution Plans Begun**

For the first few months of IMC, committees were awaiting statistical returns and the completed data. For the third quarter of 1951 distribution plans for sulphur, tungsten and molybdenum were recommended to governments. These schemes were renewed for the fourth quarter of 1951, but with some revisions dictated by more up-to-date information. Recommendations on copper, zinc, nickel and cobalt for the last quarter of 1951 were also accepted by member governments of the committees concerned. Since April 1951, the Pulp-Paper Committee has recommended

four series of emergency newsprint allocations for 18 countries, totalling 33,650 metric tons. In addition, since plans for the fourth quarter of 1951 were announced, the scarce metals have been distributed internationally under first- and second-quarter 1952 plans. Sulphur is under allocation for the first six months of 1952 but no other committee has so far recommended distribution plans for as long as a six-month period.

### **Action Sometimes Postponed**

After studying detailed statistical data on production requirements of lead, manganese, wool, cotton, cotton linters, dissolving pulp and kraft pulp, the committees concerned recommended no international distribution. These commodities can be reviewed, however, whenever conditions warrant it. Of the commodities on which action has been taken, newsprint is the first in which the supply-demand position has improved. Consequently, the Pulp-Paper Committee recently announced that its members have accepted a recommendation that no newsprint be allocated at this time. However, the committee did foresee the possibility of changed conditions and all governments have indicated their willingness to participate in allocation plans if they should be required.

Committees are now measuring the success of their past recommendations. Initial studies indicate that the *ad hoc* schemes have helped to ease the immediate pressures on scarce supplies. It also appears that the attempted orderly distribution of certain raw materials has been a factor in levelling off prices from the immediate post-Korean level. It is certain that some countries which would otherwise have been unable to obtain materials and whose requirements are relatively small have shared in the supplies available.

The supply position of several commodities with which the IMC is still concerned is steadily improving. Forecasts for the rest of 1952, however, indicate a few continuing shortages. Zinc appears to be an exception, as supply and requirements are more closely in balance. Other items may be removed from active IMC consideration at the suggestion of the committees, provided the supply picture does not deteriorate. A number of important problems call for continued concern—such as increased production and the more efficient utilization and conservation of some commodities. Commodities such as tungsten, molybdenum, sulphur, cobalt, nickel and probably copper, will require IMC action for the rest of 1952.

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## **TRANSPORTATION**

**The Transportation and Communications Division of the Department of Trade and Commerce will be glad to supply shippers and others interested with information on water, rail, air and road transport services to and from Canada.**

**The Division has compiled a list of the principal Canadian trade routes and of the steamship companies maintaining services on them. To obtain this list and any further help with international transportation problems, write to the Director, Transportation and Communications Division, Department of Trade and Commerce, Ottawa.**

# Argentina Revises Its Agricultural Policy

*Worried by reduced crops of the agricultural products that bring in most of the country's foreign exchange earnings, President Peron's Government has introduced measures to raise agricultural yield.*

by W. B. McCullough  
Agricultural Secretary for Canada

**B**UENOS AIRES—The basic industry of Argentina is still agriculture, and on it the prosperity of the country largely depends. Traditionally, the country has exported large quantities of food products but this year the surpluses have been reduced or, in some cases, have disappeared.

There is not enough wheat for home consumption; butter and cheese, once important exports, are scarce on the local market. Argentina formerly led the world in exports of flax and linseed oil, but the export surplus is now only a fraction of prewar volume. There are only small quantities of coarse grains for sale abroad this year. The export surplus of meat has reached the lowest level in years because of the high per capita meat consumption and a population increase of 24 per cent since 1941. Only by restrictions on home consumption can beef be exported. Wool is the only major agricultural commodity for export but the international market continues weak and the country has huge stocks of wool resulting from the last two clips.

What is Argentina doing about this decline in exports and the loss in foreign exchange? Significant recent statements by President Peron and his Ministers during the past two months reveal the administration's grave anxiety over the situation—a natural anxiety, because agricultural commodities bring in over 92 per cent of the country's foreign exchange earnings.

## Factors in Decline

The decline in agricultural production in recent years, and particularly in grain, has resulted from drought in two consecutive seasons and the Government's policy of purchasing export crops at relatively low fixed prices and marketing them abroad, then using the profit to carry out the objectives of the Five-Year Plan initiated in 1946. This plan included the conversion of the country's economy from primarily agriculture to one of industry and agriculture combined.

Now, having achieved some of the objectives under the Five-Year Plan (many of them at the expense of agriculture) the Government has embarked on a new agricultural policy for Argentina, designed to stimulate and restore production to something like former levels.

In a radio broadcast on February 18th, President Peron announced his economic plan for 1952, frankly admitting the necessity for a program of

semi-austerity. The people were asked to consume less, waste less, spend less, and produce more. For the first time in the history of Argentina, nation-wide restrictions on the consumption of meat went into force. In addition, the President announced that public works projects would be reduced to a minimum and that further expropriation of private property would only be undertaken where it was absolutely essential. He also said that a program of mechanizing agriculture would be implemented and that the policy of fixing minimum prices in advance of planting time would be continued. It would take into account the cost of production and allow an adequate margin of profit to producers.

#### Producer Prices Increased

In the course of his speech, President Peron announced the new official minimum prices for the 1952-53 grain crops. This is the first time that the new prices have been announced for all grain well in advance of seeding. The extent of the increases, moreover, are unprecedented since Argentina initiated officially fixed producer prices for these crops. The new price for wheat is 50.00 pesos (approximately \$2.73 per bushel, at the basic export rate of 5.00 pesos to the U.S. dollar) per 100 kilos, in sacks, on rail, at ports, as against 34.00 pesos (\$1.85 per bushel) established for the previous crop. This represents an increase of about 47 per cent. The new price for flax, at 65.00 pesos per 100 kilos, shows a 30 per cent improvement over last year. Substantial increases were also announced for coarse grains.

The new prices were reported to be well received throughout the grain areas. But the farmer is inclined to judge them by past experience and fears that by harvest, increased cost of production may wipe out the apparent benefit. Despite these reservations, wheat sowings should increase substantially over last year as (probably unintentionally) there is a relative price advantage in favour of wheat over flax since the traditional price relationship has been three to two. In the provinces of Cordoba, Santa Fe and Entre Rios, one of the main cereal zones, wheat competes with flax and, if the climate favours it, farmers prefer to sow wheat. The new prices, and those fixed in preceding years, are shown in the following table:

	1952-53	1951-52	1950-51	1949-50	1948-49	1947-48
Wheat .....	50.00	34.00*	30.50	23.50	23.00	20.00
Flax .....	65.00	50.00	41.00	34.00	30.00	30.00
Rye .....	42.00	28.00	23.50	16.50	17.50	17.50
Oats .....	38.00	25.50	21.00	14.00	16.00	16.00
Barley .....	43.00	29.50	23.50	17.00	15.00	13.50

\* Basic price and does not include the bonus of 3.00 pesos or 5.00 pesos per 100 kilos established for specified drought-stricken areas of the provinces of Cordoba, Santa Fe, Entre Rios and Buenos Aires, according to intensity of drought.

Recently, in another move to step up agricultural production, the Minister of Finance made public the Government's program of agricultural loans under a new system to be known as the "Planned Agrarian Credits". This program was developed by the Banco de la Nacion and approved by the Central Bank. The Ministry of Agriculture has prepared an ecological map on the basis of three degrees of suitability of crops or livestock for each zone—optimum, good and medium. The agrarian loans

are to be based on the principle that, without neglecting diversification, the land must be used for the purpose to which it is best suited. The loans will be made only when they are indispensable, thus avoiding unnecessary credit expansion and keeping down inflation. The producer seeking credit must draw up his program and submit it to the local manager of the Banco de la Nacion, first listing his own financial resources and drawing on the agrarian credit for the remainder. The banks will seek to attain a proper ecological redistribution and intensified production.

In announcing the planned agrarian credits, the Minister of Finance gave the targets suggested by the Ministry of Agriculture for the 1952-53 sowings. The percentage of increases suggested over the 1950-51 seeded areas are as follows: wheat, 15 per cent; corn, 55 per cent; flax, 45 per cent; barley, 35 per cent; oats, 25 per cent and rye 15 per cent. These targets represent an overall increase of some 20 per cent on 1950-51 but on the 1951-52 sowings, which were reduced through drought, the increase would be nearly 50 per cent. These production goals will probably not be reached in the coming crop year, but the objective could be achieved during the next five years, the period covered by the second Five-Year Plan. At the end of that time, wheat sowings should reach 7.5 million hectares (6.5 million in 1950-51); corn, 3.7 million hectares (2.4 in 1950-51); and flax, 1.5 million, compared with 1.0 million in 1950-51.

#### **Eva Peron Agrarian Plan**

As one more step towards larger crops, the Fundacion Eva Peron (social welfare organization) has announced the organization of a plan to collaborate with the President's economic program for 1952. Named "Plan Agrario Eva Peron" and wholly financed by the Fundacion, this plan has been drawn up to help solve the problems of agricultural production. The first phase has already been decided upon—the sending out of ten mechanized units for ploughing and seeding cereals. Each unit comprises ten tractors with attachments for ploughing, harrowing and seeding. In addition, each unit is accompanied by trucks, travelling workshops, a cabin for workers, cookhouse, ambulance, and everything necessary for smooth and efficient operation. The rates established for grain are 45.00 pesos per hectare for ploughing and harrowing and 65.00 pesos for ploughing, harrowing and seeding. Included in the latter is a provision for seed at current official prices. For harvesting, contracts can be made with the Fundacion at official rates applying in the particular zone. The tractors and attachments have already been procured from the allocation of imported machinery held by the Ministry of Industry and Commerce.

#### **Livestock Controls Extended**

The Argentine Livestock Institute, a government entity, has gradually enlarged and extended its controls over virtually all phases of livestock marketing and export. Because of adverse weather in the past two years and the high domestic consumption of meat, the export surplus has been reduced to the lowest levels in years. Argentina now consumes over 80 per cent of its meat production. To exercise greater control over the industry and make quantities available for export, several important measures have gone into force.

Since 1946, the foreign-owned and nationally-owned packing plants have been operating for the Government and supplying meat for foreign

contracts and for the domestic market at stipulated prices. The Government, through I.A.P.I., makes up, at least partially, the operation losses. The Livestock Institute, through the Frigorifico Nacional, has an official buyer in Liniers market and through this representation and in other ways exercises control over the daily market prices.

In January, it was announced that some 70 small slaughterhouses near Buenos Aires were to be closed. The operators supplied meat to the suburbs and neighbouring towns largely outside the price control regulations. Consequently, they were competing for the limited supplies. There was sometimes a shortage of meat in Buenos Aires and the large packers were unable to obtain sufficient supplies of live cattle to supply their quotas on the domestic market and for export. There are now about 15 packing plants, foreign-owned and nationally-owned, that will be under the Institute's eye. In this way, it will exercise virtual control over the distribution of supplies and prices.

Since the first of February, Argentina has had one meatless day a week. All hotels, restaurants and boarding houses are prohibited from serving any meat or meat products, except poultry, on the stipulated day, Friday in the province of Buenos Aires and Thursday in the rest of the country. Retail butcher shops are not allowed to sell meat one day a week. This is in addition to the Sunday closing. The Ministry of Industry and Commerce has also adopted measures to increase the supplies and consumption of fresh fish.

#### **Anglo-Argentine Meat Contract**

The United Kingdom continues to be the principal market for Argentine frozen meat. In the contract year ending April 23, 1952, Argentina agreed to supply 200 thousand metric tons of fresh meat and offal and 30 thousand tons of canned meats. During the first nine months of the contract period, meat shipments were running below schedule. With the enforced measures to increase the quantities for export, the Livestock Institute has planned 50 thousand tons for March-April shipment to the United Kingdom. Thus, by squeezing domestic supplies, Argentina seems likely to come within 10 to 15 thousand tons of fulfilling the contract on frozen meat, closer than formerly anticipated. The contract for canned meat has been filled.

#### **Face Critical Year**

The year 1952 cannot help but be a critical one for Argentina. As a result of the small export surpluses of agricultural products, foreign exchange earnings will be sharply reduced from last year. Any increased production as a result of the programs outlined and of favourable weather cannot take effect until early 1953, when the new crops will be harvested and available for export. It is expected that the seeded area to grains for the next crop will show an improvement over last year but it is unlikely that it will reach the official production targets.

During the first three months of this year, drought prevailed in most areas. However, late in March the drought was broken with copious rains over wide areas. This moisture will improve pastures to the benefit of the livestock industry and will enable farmers to plough for grain crops. Much, of course, depends on the weather until harvest next December.

Argentina's natural wealth in agricultural production is well known and this country has shown a remarkable capacity to recover from crop failures. The Government now recognizes that the nation's prosperity basically depends on agricultural surpluses and official activities are largely concentrated on plans to stimulate the production of them. It is therefore reasonable to assume that the future will see the passing of some of the economic problems which are viewed so anxiously today.

—A full report on Argentina's flax production was published in the April 12th issue of "Foreign Trade".—Editor.

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## Mining and Lumbering in the Philippines

*Growing production has barely tapped this country's important mineral resources; log production has exceeded prewar figures for third successive year.*

by F. H. Palmer  
Consul General of Canada  
and Trade Commissioner

**M**ANILA—Mining and lumbering are important contributors to the Philippines' economy. Its diversified mineral resources have barely been tapped, although mining production has grown impressively. Log production also has shown a satisfactory increase and last year exceeded prewar output for the third successive year.

Of the total land area of 72.5 million acres only 3.7 million acres have been prospected for minerals, and only 25 thousand acres explored to any degree. Rehabilitation of prewar mines and development of new ones have proceeded slowly. To encourage the mining companies to carry on—in spite of higher wages, higher prices for equipment, and import difficulties—tax reductions and financial aid have been proposed.

Total mineral production in 1951 was valued at \$58.3 million, compared with only \$2 million in 1946. Gold production valued at \$35 an ounce totalled \$22 million in 1951 against \$10,392 in 1946. These figures should actually be higher because gold mines are obliged to sell only one quarter of their production at this price to the Central Bank. The Philippines now ranks tenth among world gold producers.

The value of copper production has also increased, from \$1.5 million in 1947 to \$7.5 million last year. The combined output of chromite (both refractory and metallurgical) has tripled in value, from \$1.7 million in 1948 to \$4.5 million in 1951.

Before Pearl Harbour, iron ore production played an important part in the economy. Since 1948, output value has gradually increased from \$126 thousand to \$7.1 million last year.

Recent statistics show that 1.25 billion bd. ft. of timber (logs) were cut during 1951, an increase of 181.8 million bd. ft. over the 1950 total. However, output of sawn lumber last year at 479.2 million bd. ft., was 37 million bd. ft. below 1950.

Exports of logs increased fivefold to 168.9 million bd. ft., and exports of sawn lumber 2.5 times to 81.7 million bd. ft. Value of exports increased to \$17.8 million, four times the 1950 value.

Although the export statistics appear to be satisfactory, the Director of Forestry warned a recent meeting of the Philippine Lumber Producers Association of difficulties confronting the export trade, and recommended:

(1) The present grade classification of logs should be amended to increase the number of grades and improve the classification for each grade;

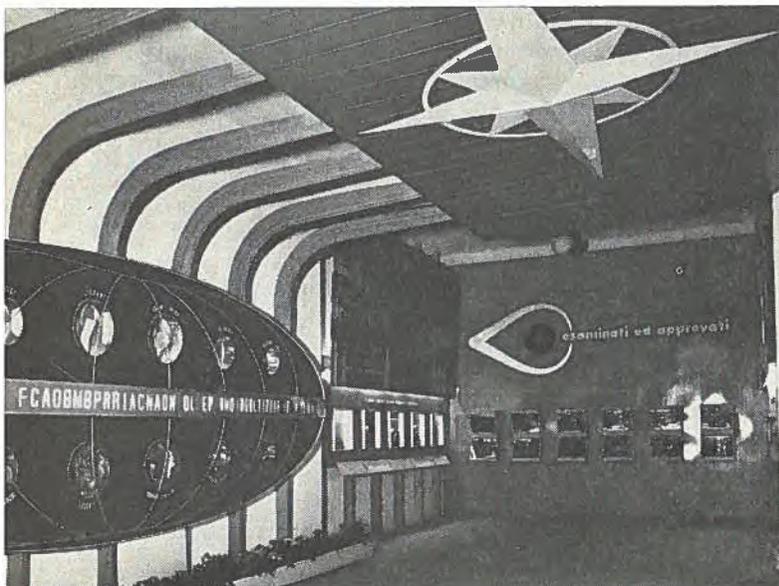
(2) A rigid and adequate inspection of logs and lumber for shipment should be imposed and loading of inspected logs and lumber only be permitted;

(3) Lumber certificates issued by the Bureau of Forestry should be valid only if the products they cover are shipped within 15 days from date of issue.

#### **Log Imports Lower**

Greater domestic production and strict import control lowered imports of logs during 1951 to only 8,460 bd. ft., compared with 343,956 bd. ft. in 1950. Imports of sawn lumber declined to 5,500 from 1,071,856 bd. ft.

Domestic consumption in 1951 amounted to 998.5 million bd. ft., slightly less than the one billion bd. ft. in the year before.



Canada's exhibit at the 30th Milan International Trade Fair carried out the theme of "Canadians, Producers of Quality Goods, Buyers of the World's Finest Products". Exhibitors at the Fair, held April 12-29, totalled 10,265 (3,045 from abroad) and over four million business visitors attended.

# General Notes

## AUSTRALIA

**Loan Under-Subscribed**—The 15th Security Loan of £75 million which closed on April 17 was under-subscribed by £14 million. Cash subscriptions amounted to £25 million and conversions to £36 million. The failure of the loan threatens a drastic cut in the States' public works programs in the next financial year unless other methods for raising money are found—Sydney, April 22, 1952.

## CHILE

**Barter Arrangement with Spain Modified**—Because of the considerable rise in price, it has been suggested that Spanish textiles no longer be imported on a compensation basis for nitrate, but that other Spanish products—such as olive oil—be substituted—Santiago, April 24, 1952.

**Agreement with Portugal Renewed**—Negotiations are under way to renew the commercial agreement with Portugal. The renewal is based principally on the import by Portugal of 30 thousand tons of nitrate, and on the part of Chile of selected merchandise, details of which are not yet public—Santiago, April 24, 1952.

**Credit for Nitrate Industry**—It is reported from Washington that the Export-Import Bank has agreed to accord a credit of US\$9 million for the extension of the Victoria Nitrate Establishment in Iquique to increase its present production of 12 thousand tons to 28 thousand. The credit is without fiscal guarantee and is the first granted to the nitrate industry. It is announced that the Bank will continue to assist in the development and progress of other nitrate groups, in accord with negotiations carried out by the President of Chile during his visit to United States—Santiago, April 25, 1952.

## CUBA

**Exports in 1951**—Cuba's exports in 1951 were valued at US\$766.1 million. Sales of sugar accounted for US\$631.5 million; honey, US\$40.6 million; distilled products, US\$2.8 million; manufactured and leaf tobacco, US\$39.6 million; minerals, US\$14.5 million; fresh fruits and vegetables, US\$2.9 million; and other merchandise, US\$34.1 million—Havana, April 28, 1952.

## HONG KONG

**Open Market Rates for U.S. Dollar**—The open market rate for United States dollars in Hong Kong fluctuated considerably during April but by the close of the month was markedly lower. Factors influencing the general downward trend included the current trade recession in the Colony because of the temporary halt in mainland buying, the signs of improvement in the international situation, and an increasing confidence in sterling.

At April 1 the U.S. dollar was quoted at HK\$6.70; by April 7 its value had receded to 6.45; by April 11 it had recovered to 6.53 from where it eased slightly to 6.49 over Easter, only to drop sharply on the 16th to 6.38. It then recovered to 6.45 on April 24, where it now hovers—Hong Kong, April 25, 1952.

### JAMAICA

**Agricultural and Industrial Development Corporations**—Practical evidence of the strenuous efforts to increase Jamaica's potential is the recent establishment of an Agricultural Development Corporation and an Industrial Development Corporation, each chaired by outstanding local personalities in their respective fields and with some ten members from wide and diversified interests. The only government member is the Financial Secretary. The programs for the expansion of agriculture and industrial production will be worked out during the next few weeks and in the case of the Industrial Corporation much will depend upon the recommendations of the World Bank for Reconstruction and Development mission, now in the Colony—Kingston, April 23, 1952.

### JAPAN

**Imperial Hotel to Re-open**—The internationally-known Imperial Hotel in Tokyo has been returned by Supreme Commander Allied Powers to its owners and will be opened to the public on April 1, 1952—Tokyo, March 26, 1952.

### PAKISTAN

**Insurance Corporation Proposed**—The Government of Pakistan proposes to establish a Pakistan Insurance Corporation. This corporation would assist the Pakistan insurance companies in arranging training for Pakistanis in the insurance business, and would help the growth and expansion of present and prospective indigenous insurance companies. The total number of insurance companies at present operating in Pakistan is 91, and the total number of Pakistan companies, 13—Karachi, April 5, 1952.

### SCOTLAND

**New Pharmaceutical Industry**—Glaxo Laboratories, Ltd., of Greenford, Middlesex, will acquire land and buildings in Montrose to develop new processes for pharmaceutical products. If the experimental processes prove successful, more land may be acquired for the erection of larger premises—London, March 20, 1952.

### UNITED STATES

**Pacific Coast Twelfth Trading Area**—With a total of \$2,272,900,000 recorded by the six Customs Districts in the area for 1951, the U.S. Pacific Coast now ranks twelfth among the trading areas of the world. Exports totalled \$1,318,700,000, and imports, \$954,200,000. California's three customs districts accounted for 60 per cent of the total. Also included in the area are Arizona, Oregon, and Washington—Los Angeles, April 7, 1952.

# New Zealand Dairies Step Up Production

*Increase in production of butter, skim milk and buttermilk products marked the 1950-51 season; outlook for coming season appears bright.*

by P. V. McLane  
Commercial Secretary for Canada

**W**ELLINGTON—Favourable weather and a larger dairy herd brought New Zealand a record dairy production during the 1950-51 season, ended June 30. Total butterfat production, estimated at 498 million pounds, was up six per cent from the previous period. Outstanding features of the dairy factories' production were the greater quantity of butter made and the growing output of skim milk and buttermilk products, largely because of the increased manufacture of buttermilk powder.

The outlook for the 1951-52 season appears favourable. During the last few months the output of butter, cheese and milk powder has been at a peak.

## Production Figures

Production figures for the 1950-51 and 1949-50 seasons were:

	1950-51	1949-50
	In Tons	
Creamery butter .....	179,000	166,000
Whey butter .....	3,000	3,000
Cheese .....	108,000	105,000
Whole-milk products .....	23,000	24,000
Skim milk and buttermilk products .....	48,000	33,000

The number of dairy cows in milk has fluctuated from a low of 1,648 thousand in 1943-44 to a total of 1,846 thousand at January 31, 1950.

Exports of total dairy factory production during the 1950-51 season are calculated as follows: creamery butter, 147 thousand tons; whey butter, 3,000 tons; cheese, 103 thousand tons; other milk products, 60 thousand tons. Practically all of the exports went to the United Kingdom under bulk contract arrangements. Other markets are being explored, however. During the past season Canada took 2,200 tons of butter and 4,900 tons of cheese; the United States, 4,400 tons of cheese; Caribbean areas, 1,900 tons of butter and 800 tons of cheese; the Middle East, 800 tons of butter and 200 tons of cheese; other countries, 8,300 tons of butter and 1,600 tons of cheese.

## Tour of Territory

E. H. Maguire, Canadian Government Trade Commissioner in Madrid, will visit Tangier at the end of May, and during his trip will pass through Granada, Malaga, Jerez de la Frontera, Sevilla, Cordoba and Gibraltar. Those interested in business contacts at these places should write Mr. Maguire at Madrid.

# Commodity Notes

## ANGOLA

**Manganese Sold to U.S.**—Angolan manganese has a secure market in the United States, which bought 42,100 tons of the 44,640 tons exported by Angola in 1951. During the last ten years the United States has bought 84 per cent of the Angolan manganese production—Leopoldville, April 22, 1952.

## ARGENTINA

**Cotton Export Quota Fixed**—The Ministry of Industry and Commerce has fixed the export quota for cotton at 25 thousand tons. Argentina is harvesting a record crop of cotton this year, the result of increased sowings and favourable growing conditions. If good weather continues, additional quantities may be available for export—Buenos Aires, April 21, 1952.

**Record Rice Planting**—The Ministry of Agriculture has announced that 61,200 hectares have been sown to rice for the 1951-52 crop. This represents a 13 per cent increase over the previous season's production of 141 thousand metric tons—Buenos Aires, April 15, 1952.

**Radioactive Monozite Discovered**—Radioactive monozite has been discovered in a number of rivers in San Luis Province, Argentina. No report has yet been issued on plans for exploiting the discovery—Buenos Aires, April 16, 1952.

**Will Manufacture Insulin**—Armour and Company, meat packers, are expected to begin the manufacture of insulin in Buenos Aires about October 1, 1952. To date, all insulin for about 70 thousand diabetics in the country has been imported. Some 70 per cent of the new plant's production will be consumed locally and the remainder exported—Buenos Aires, April 16, 1952.

## BRAZIL

**Will Produce Oil Equipment**—São Paulo factories will produce oil equipment for Brazil's petroleum program, it was decided in a meeting between the Director of the National Petroleum Council and the Federation of Industries. The Director explained that he wished to buy as much equipment as possible locally to save foreign exchange and was working out specifications for those parts and pieces of equipment which are used most, so that local manufacturers could decide which to produce. The President of the Sindicato de Maquinas stated that local industry was capable of producing 80 per cent of equipment needed for an oil refinery—São Paulo, March 6, 1952.

**Krupp to Make Heavy Locomotives**—Krupp will start manufacturing heavy locomotives in São Paulo in 1953. Sixty heavy locomotives per year are scheduled as a beginning, with 120 to be produced in the third year—São Paulo, March 6, 1952.

## CHILE

**Newsprint Produced from Local Pine**—The President of the Corporación de Fomento de la Industria del Pacífico, which is planning a newsprint factory near Concepción, reported that recent trials of making paper from Chilean Insignis pine have given excellent results. The manufactured paper has been sent to a number of newspapers to be tried out. The report of Laboratories Herty, which made the test, showed that the pulp produced from Chilean pine is superior to that extracted from pine in the United States—Santiago, April 22, 1952.

**Wool Exports Liquidated**—The Ministry of Economy and Commerce has authorized liquidation of 35 per cent of the value of wool exports at the free rate of exchange, and the remaining 65 per cent at the rate of Ch\$60 per U.S. dollar—Santiago, April 23, 1952.

## CUBA

**Tomatoes Marketed in New York**—The Export Division of the Ministry of Agriculture reports that during the month of March, 1,271 metric tons of tomatoes were sold at auction in New York for US\$225 thousand, representing an average price of \$4.43 per bulk. In March 1951, only one-third of this amount was sold, at an average price of \$4.21 per bulk—Havana, April 28, 1952.

**Santa Gertrudis Cattle Imported**—Over 1,000 head of Santa Gertrudis, a strain of cattle  $\frac{3}{8}$  Brahma and  $\frac{5}{8}$  Shorthorn developed by the King Ranch of Texas, are being imported into Cuba. The King Ranch, in conjunction with the Manati Sugar Company, has acquired a 30 thousand-acre ranch in the cattle province of Camaguey. This type of cattle is considered well suited to the semi-tropical Cuban climate. It has quicker maturing qualities than the Brahma and Criollo and is expected to help relieve annual beef shortages—Havana, April 28, 1952.

## JAPAN

**No Pyrites Imported**—Japanese production of pyrites in 1952, it is anticipated, will amount to 2,419,000 metric tons, 10 per cent above the 1951 output. No imports will be necessary in 1952 as production will exceed the domestic demand of 2,385,000 metric tons—Tokyo, March 22, 1952.

**Steel Plant under Construction**—The Kawasaki Steel and Iron Manufacturing Company is constructing a new steel plant near Chiba City, north of Tokyo. The blast furnace and power plant, capable of producing 350 thousand tons of pig iron per year, will cost 1.4 billion yen and is expected to be in operation in February, 1953—Tokyo, March 12, 1952.

**Shipbuilding Program Announced**—The Ministry of Transport has announced that 300 thousand gross tons of shipping will be constructed under the eighth shipbuilding program for the fiscal year 1952-53—Tokyo, March 12, 1952.

## NEW ZEALAND

**Wool Cheque Lower**—New Zealand's wool cheque for the current season is expected to be about £56 million, less than half of last year's record return of £122 million. There are still 154 thousand bales to be sold, but with values at recent auctions slumping close to the minimum floor price of 2/- per lb., the average return for the 1951-52 clip is not expected to be more than about 40d. per lb. Though higher than the 1949-50 return of 38d., it will be well below last year's average of 88d. per lb.—Wellington, April 7, 1952.

**Wool Exports Increased**—Figures released by the New Zealand Wool Board show that in the last six months of 1951, New Zealand shipped 558,996 bales of wool to 29 countries, compared with 287,947 bales to 24 countries in the corresponding period of 1950. Exports to the United Kingdom totalled 241,675 bales (or 43 per cent of the total) against 142,065 bales in the same period of 1950. Exports (in bales) to other countries from July-December, 1951, with figures for the corresponding period of 1950 in parentheses, included: United States 85,638 (54,090); France 73,123 (24,302); Germany, 35,712 (12,178); Canada 13,473 (10,865); and Italy 12,930 (4,896)—Wellington, April 7, 1952.

## PAKISTAN

**Cotton and Wool Imports**—Pakistan imported 672,450 yards of cotton piece goods and 20,458 yards of woollen and worsted piece goods from the United States from April, 1950 to March, 1951. During the same period, 66 million yards of cotton piece goods and 382,807 yards of woollen and worsted piece goods were imported from the United Kingdom. Pakistan's requirements of these two items are estimated at 6.4 million yards of woollen piece goods, 2.7 million yards of worsted goods, and 1,368 million yards of cotton piece goods—Karachi, March 27, 1952.

**Cotton Prices Supported**—Because of the steady fall in cotton prices since the beginning of the year, the Pakistan Ministry of Commerce will introduce a price support scheme. The scheme will ensure a price of Rs.90/- (\$27.10) per maund of 289F Roller Ginned, fully good 15/16" baled cotton, with the price differentials for the on-and-off points to be determined on the basis of types, staples and qualities. The Government has decided to buy raw cotton through the Cotton Board, as and when cotton is tendered for sale by the trade—Karachi, March 27, 1952.

## SCOTLAND

**Power Lifts for Tractors**—The only surviving hydraulic power lifts for agricultural tractors developed in Great Britain since the war are the Adrolic units built by the Milngavie firm, Adrolic Engineering Co. Ltd. This comparatively new light engineering industry is attracting attention in agricultural centres throughout the world and production is running at peak. The unit is built round a specially designed rotary hydraulic pump, in which oil pressure is increased to 2,000 lbs. per square inch. This

pressure is used to operate a ram connected to a three-point tractor-plough linkage, which lifts the plough bodily in a horizontal position instead of at an angle as in the two-point linkage type—London, March 6, 1952.

**Variable Speed Gear Developed**—The Scottish firm, Stewart Burns Engineering Co., Ltd., is working on an infinitely variable speed gear which, it is claimed, reduces to a minimum the loss of power in transmission. The gear gives a complete ratio from zero to maximum, thus providing the flexibility needed for maximum efficiency—London, March 6, 1952.

**New Flour Mills Established**—Joseph Rank Ltd., are erecting flour mills and silos at Leith Docks. The total cost of the project will be \$1.5 million. This new development includes the reclamation of 3½ acres of land and the building of two quays. When completed, the scheme will include a silo with 20,000-ton capacity, flour mills, and a warehouse—London, March 15, 1952.

### SOUTH AFRICA

**Value of Wool Clip Reduced**—The value of the wool clip for the year ending June 30 will be about £50 million, or slightly more than half last year's record clip of £91 million. Last year the average wool price was 95.8d. per lb. During the first seven months of the present season the average has been 53.3d. per lb. Despite the reduction in value, the clip by weight will be the highest in ten years—120 thousand tons, or some 6,750 tons in excess of last year—Cape Town, March 31, 1952.

### SWEDEN

**Automobile Plant Planned**—It is reported by the local automobile trade that the Goliath automobile factory in Bremen will build an assembly factory in Nykoping, to bypass the Swedish import restrictions. The plant will assemble initially about 100 automobiles per month—Stockholm, April 3, 1952.

**Uranium Deposits Discovered**—Reports in the local press indicate that uranium deposits have been discovered at Skovde, large enough to supply Swedish requirements and provide substantial exports. The deposits are so rich in uranium that 10 kilos of uranium can be obtained from every ton of "koln"—Stockholm, April 3, 1952.

### TURKEY

**Copper Production at New High**—Copper production of the Etibank-operated Ergani Copper Works in 1951 amounted to 14,200 tons, valued at approximately TL.20 million, a 25 per cent increase over 1950 production. Because of the high prices paid in European markets, no copper was sold to the United States in 1951. In 1950, 3,000 tons, valued at TL.2 million, were exported to the U.S.—Istanbul, March 1, 1952.

## UNITED STATES

**Wheat and Flour Exports Up**—The U.S. Department of Agriculture estimates that 303·4 million bushels (wheat equivalent) of wheat, flour, and macaroni were exported from July 1951-February 1952. Exports during the same period of 1950-51 totalled 178·4 million equivalent bushels.

Exports of other grains and grain products were estimated at 114·2 million bushels during July 1951-February 1952, as compared with 150 million bushels in the same period of 1950-51. These include corn, oats, grain sorghums, barley, rye, corn grits, hominy and meal, cornstarch and flour, oatmeal, and malt—Washington, April 9, 1952.

**Tungsten Discovered in California**—The discovery in California of a deposit of urgently needed tungsten has been announced by the United States Defence Minerals Exploration Administration. The new discovery is the third made under the Agency's program to aid and promote the discovery and development in the U.S. of additional deposits of minerals required by the national defence program. A find of strategic mica in North Carolina and one of manganese in Arkansas were announced recently. Under the exploration program, funds are provided on a modified matching basis to mining companies or individuals who meet specified requirements.

The California discovery is expected to provide a considerable quantity of commercially valuable tungsten. Most of the U.S. requirements of this metal are at present imported—Washington, April 9, 1952.

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# Trade and Tariff Regulations

## **British Guiana Restricts Imports of Animals**

Port of Spain, April 19, 1952—FTS—The Controller of Supplies and Prices, British Guiana, in a notice on April 16, advised importers that no animal or any part of it, or any fodder, litter or livestock container may be imported from Canada unless such shipments are accompanied by a certificate issued by a veterinary inspector, Health of Animals Division, Department of Agriculture, Canada. The certificate must state that the animal has not come within 100 miles of an area infected with hoof and mouth disease or, in the other cases, that the items have not originated in an infected area or been packed within 100 miles of it.

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## **Jamaica Abolishes Commercial Travellers' Tax**

Kingston, April 18, 1952—FTS—By Licences on Trades and Business (Amendment) Law, 1952, dated March 18, 1952, Jamaica abolished the licence fee of £50 per annum payable by non-resident commercial travellers.

## Trade Commissioners on Tour

**T**O familiarize themselves with conditions in this country and the special requirements of businessmen, Canadian Trade Commissioners return to Canada periodically. Exporters and importers are invited to discuss with the Trade Commissioner the markets and sources of supply in his territory.

**R. E. Gravel**, formerly Commercial Secretary for Canada in Lima, Peru, will become the first Canadian Government Trade Commissioner at Ciudad Trujillo, Dominican Republic. On May 8 he began a tour of Canada before taking up his appointment in the autumn. His detailed itinerary is:

Montreal—May 12-23  
Kingston and Brockville—May 26  
Toronto—May 27-June 5  
Hamilton—June 6-7  
Kitchener—June 10-11  
Vancouver—June 18-23

Ottawa—June 30-July 10  
St. John's—July 14-16  
Halifax—July 17-18  
Saint John—July 21  
Fredericton—July 22

**H. W. Richardson**, who has been Canadian Government Trade Commissioner in Bogotà, Colombia, since 1949, began his tour on April 15. His itinerary follows:

Montreal—May 12-22

**W. Gibson-Smith**, Canadian Government Trade Commissioner in Leopoldville, Belgian Congo, began a Canadian tour on March 24. His itinerary is as follows:

Winnipeg—May 11-13

Businessmen can reach these officers through the Canadian Manufacturers Association offices in Toronto and Winnipeg; Chambers of Commerce in Fredericton, Quebec, Kingston, Brockville, Hamilton and Kitchener; Boards of Trade in St. John's, Halifax, Saint John, and Montreal; the Department of Trade and Commerce, 355 Burrard Street, in Vancouver.

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### U.S. Steel Show

Canadian companies which supply equipment, products or services to the iron and steel producing industry are invited to exhibit at the 1952 Iron and Steel Exposition in Cleveland, Ohio, September 30-October 3. This thirty-year-old vertical Fair attracted over 10 thousand visitors in 1950, and this year will coincide with the annual convention of the Association of Iron and Steel Engineers, also meeting in Cleveland. Canadians interested either in exhibiting at or visiting the Exposition should write to Albert W. Erickson, Jr., Association of Iron and Steel Engineers, 1010 Empire Bldg., Pittsburgh 22, Pa.

# Nominal Foreign Exchange Quotations

The following nominal quotations may prove useful in checking prices or considering statistics.

Importers and exporters are, however, urged to check with their banks before making any financial arrangements for the purchase and sale of commodities.

Country	Monetary Unit		Nominal Quotations Sept. 17*	Nominal Quotations Apr. 28	Nominal Quotations May 5
Argentina.....	Peso.....	Basic Ex.	·2977	·1960	·1961
		Free	·2085	·0702	·0702
Austria.....	Schilling.....	Export		·0458	·0459
Australia.....	Pound.....		3-2240	2-2030	2-2015
Belgium and Belgian Congo.....	Franc.....		·0228	·0194	·0194
Bolivia.....	Boliviano.....		·0238	·0163	·0163
British West Indies (except Jamaica).....	Dollar.....		·8396	·5737	·5737
Brazil.....	Cruzeiro.....		·0544	·0529	·0530
Burma.....	Rupee.....		·3022		
Ceylon.....	Rupee.....		·3022	·2058	·2059
Chile.....	Peso.....		·0233	·0110	·0110
Colombia.....	Peso.....		·5128	·3920	·3922
Costa Rica.....	Colon.....		·1800	·1749	·1750
Cuba.....	Peso.....		1-0000	·9800	·9806
Czechoslovakia.....	Koruna.....		0-2000	·0196	·0196
Denmark.....	Krone.....		·2084	·1419	·1420
Dominican Republic.....	Peso.....		1-0000	·9800	·9806
Ecuador.....	Sucre.....		·0740	·0647	·0647
Egypt.....	Pound.....		4-1330	2-8141	2-8159
El Salvador.....	Colon.....		·4000	·3920	·3922
Fiji.....	Pound.....		3-6306	2-4809	2-4792
Finland.....	Markka.....		·0062	·0042	·0042
France, Monaco and French North Africa.....	Franc.....		·0037	·0028	·0028
French Empire—African.....	Franc.....		·0073	·0056	·0056
French Pacific Possessions.....	Franc.....		·0201	·0154	·0155
Germany.....	Deutsche Mark.....		·3000	·2333	·2335
Guatemala.....	Quetzal.....		1-0000	·9800	·9806
Haiti.....	Gourde.....		·2000	·1960	·1961
Honduras.....	Lempira.....		·5000	·4900	·4903
Hong Kong.....	Dollar.....		·2519	·1721	·1720
Iceland.....	Krona.....		·1541	·0602	·0602
India.....	Rupee.....		·3022	·2058	·2059
Iran.....	Rial.....		·0212		
Iraq.....	Dinar.....		4-0300	2-7537	2-7519
Ireland.....	Pound.....		4-0300	2-7537	2-7519
Israel.....	Pound.....		3-0000	2-7537	2-7519
Italy.....	Lira.....		·0017	·0015	·0015
Jamaica.....	Pound.....		4-0300	2-7537	2-7519
Japan.....	Yen.....		·0028	·0027	·0027
Lebanon.....	Piastre.....		·4561		
Mexico.....	Peso.....		·1157	·1133	·1134
Netherlands.....	Florin.....		·3769	·2579	·2581
Netherlands Antilles.....	Florin.....		·5308	·5197	·5200
New Zealand.....	Pound.....		4-0150	2-7537	2-7519
Nicaragua.....	Cordoba.....		·2000	·1960	·1961
Norway.....	Krone.....		·2015	·1372	·1373
Pakistan.....	Rupee.....		·3022	·2962	·2964
Panama.....	Balboa.....		1-0000	·9800	·9806
Paraguay.....	Guarani.....		·3200		
Peru.....	Sol.....		·1538	·0643	·0643
Philippines.....	Peso.....		·4975	·4900	·4903
Portugal and Colonies.....	Escudo.....		·0400	·0342	·0342
Singapore.....	Straits Dollar.....		·4702	·3212	·3211
Spain and Colonies.....	Peseta.....	Off. Free Mkt. Ex.	·0016	·0252	·0900
Sweden.....	Krona.....		·2783	·1894	·1896
Switzerland.....	Franc.....		·2336	·2262	·2265
Thailand.....	Baht.....		·1000		
Turkey.....	Lira.....		·3571	·3500	·3502
Union of South Africa.....	Pound.....		4-0300	2-7537	2-7519
United Kingdom.....	Pound.....		4-0300	2-7537	2-7518
United States.....	Dollar.....		1-0000	·9800	·9806
Uruguay.....	Peso.....		·6583	·6452	·6456
Venezuela.....	Bolivar.....		·2985	·2925	·2927
Yugoslavia.....	Dinar.....		·0200	·0032	·0032

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