

AUGUST 29, 1959

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foreign trade



THE WEST AFRICAN MARKETS (pages 2-9)

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foreign trade

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COVER

Accra, capital of Ghana, has no proper harbour and cargo can only be brought ashore in small surf-boats, like those shown here. This is but one of the many insights into the market in Commonwealth West Africa given in the articles on pages 2 to 9. They are directed to Canadian exporters who may want to take a fresh look at these areas, following the liberalization of imports from dollar countries.

—UN Photo.



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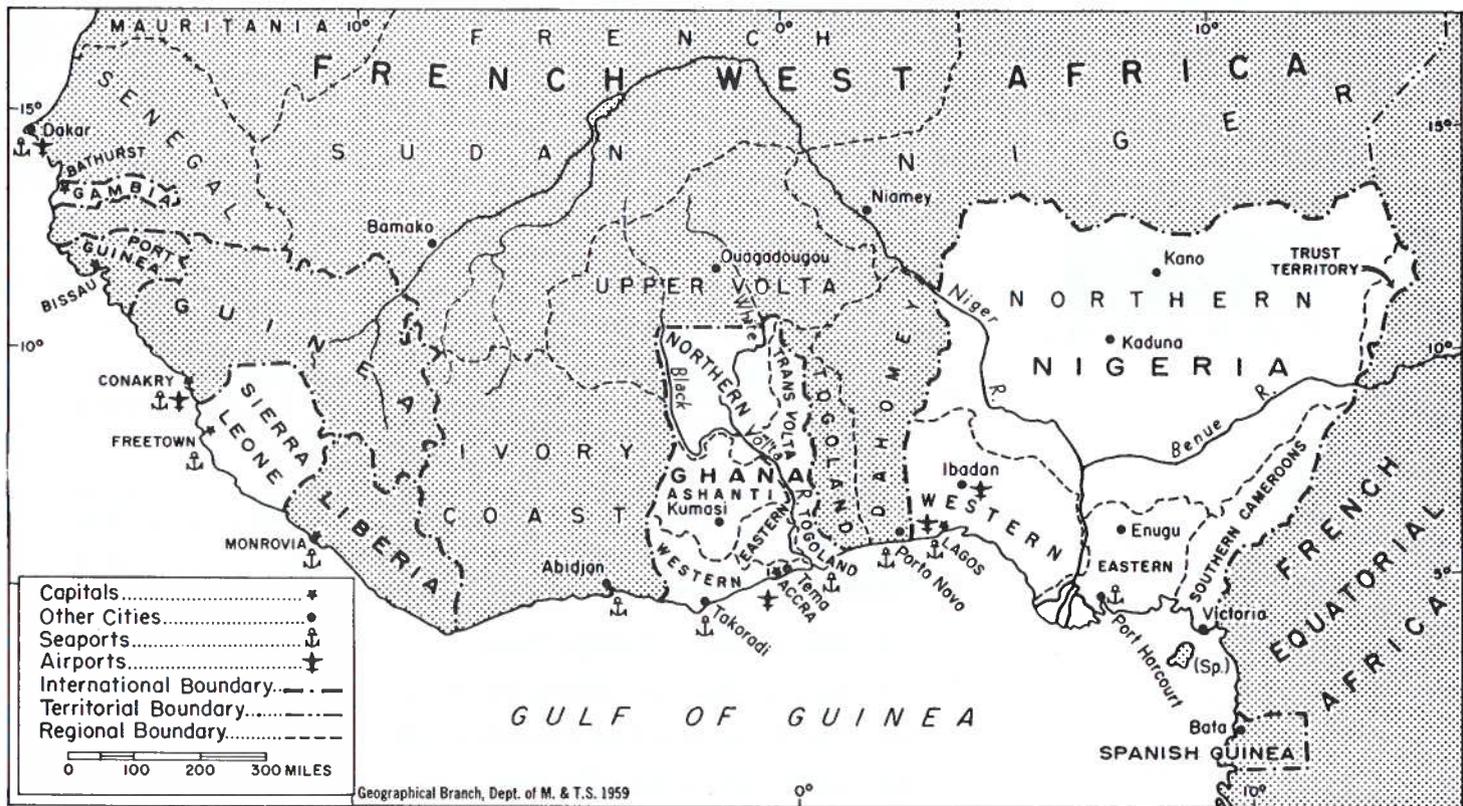
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The West African Markets



The techniques of selling in these countries, with their distinctive trading pattern, relatively low incomes, many illiterate consumers, and strong brand loyalty are vividly presented in this article written for Canadian exporters.

M. B. BURSEY, Commercial Counsellor, Accra.

THE pattern of trading throughout the four West African countries of Ghana, Nigeria, Sierra Leone and the Gambia differs appreciably from that of European and American countries. Private trade is still largely in the hands of non-African firms that normally maintain head offices in Europe and operate branches throughout the area. In certain cases they have established West African subsidiary companies. Their imports cover the whole range of goods bought by the peoples of West Africa and their operations include wholesale and retail sales. They also engage to a varying extent in the export trade of the country in which they are established and in certain cases act as approved agents for government marketing boards. (Recently, however, the local subsidiary of the largest European firm operating in West Africa announced its decision to withdraw from cocoa purchasing.) Although the opinions and recommendations of their local managers no doubt influence the head offices of these firms to a considerable extent, nevertheless it is the head office in Europe that establishes and executes purchasing policy and distributes in bulk to the West African branches. The value of regular and personal contact with senior executives at these head offices is therefore apparent.

There are, of course, a number of smaller merchant firms—mainly Lebanese and Indian—that have been established for many years on the coast and recently the number of African export and import traders has increased sharply. Occasionally these traders place their orders direct with overseas suppliers, but on the whole they have neither the capital nor the experience to commit themselves to large orders and tend to handle small quantities of consumer goods with a quick turnover.

Obtaining Representation

For a variety of reasons, therefore, it is usually best for a newcomer to the West African market

to try to find a manufacturers' agent willing to introduce and promote the sale of a new line of goods. There are many excellent manufacturers' representatives who have been established on the west coast of Africa for many years and who know a great deal about local trading conditions. The successful appointment of such an agent affords valuable and necessary protection of the interests of a supplier who is not able to visit his sales area regularly. Unfortunately, all of the best agents are already heavily committed and it is not easy to persuade a successful representative to accept new agencies unless he sees a good prospect of quick returns. There are three types of agents—non-stockists, those who hold small quantities of buffer stocks, and those who are a mixture of both.

This office will do all it can to help put Canadian exporters in touch with suitable agents. However, we would like to offer the following advice. All correspondence with West Africa should be sent airmail because surface mail from Canada takes anything up to six weeks. It is advisable to forward on by registered mail all commercial samples and any correspondence of importance, such as price lists, etc. English is the universal language, both written and spoken. Agents require full details of the products offered, including prices *in sterling* quoted c.i.f. a West African port. Illustrated catalogues, sample labels and as much descriptive material as possible should always be supplied.

Containers Important

The question of sales promotion in West Africa deserves particular attention. The African market is intensely conservative and the buyer is highly suspicious of any new lines or unfamiliar brand name. Corned beef, for instance (which has a universally large sale) is only acceptable when packed in a tapered tin and agents insist that suppliers conform to this type of pack. Packers of goods destined for West Africa probably do not en-

visage the uses to which the purchaser subsequently puts their packages and containers. Kerosene tins, wine flagons and all tins and bottles have a high resale value as water storage and drinking containers. Flour and salt bags are made into shirts and dresses, lubricating oil tins are used as dance-band drums, laundry tubs, chicken coops, etc., and any attractive looking container is resold, occasionally for a higher price than its contents. Plastic containers and covers are very popular and the love of brilliant and multi-coloured goods is universal.

Canadian firms unfamiliar with the humid atmosphere of West Africa would be almost incredulous at the rapid deterioration of goods not packed well enough to withstand destruction by termites and infiltration by damp. All perishable goods should be packed in airtight containers and/or in waterproof materials.

Extending Credit

There are at present no bankruptcy laws in West Africa and only one or two debt-collecting agencies (in Nigeria) and under local conditions their effectiveness is limited. Unfortunately inexperienced and enthusiastic small importers tend to over-trade and to ask for extended credit. This is obviously undesirable and exporters should not allow themselves to be manoeuvred into a position where they have large sums of money outstanding. Distress shipments, particularly of flour, have a very low resale value in view of the already mentioned rapid deterioration of stocks. Unless the credit status of the importing firm is extremely good, terms should not be more favourable than sight draft against documents.

Methods of Purchase

In the three dependent territories of Nigeria, Sierra Leone and the Gambia and also in Ghana, all supply undertakings, such as water, electricity, railways, etc., and all major industrial development projects are either government-con-



M. B. BURSEY was the first Canadian Trade Commissioner posted to the new nation of Ghana; he arrived in Accra to open the office in December 1957. Until the entry of Newfoundland into Confederation he served with the Newfoundland Government as a Fisheries Board Representative in the West Indies, as a member of the Board, and as Newfoundland Trade Commissioner in New York. He then became a member of the Canadian Trade Commissioner Service and remained in New York as Consul and Trade Commissioner (Fisheries). In 1954, Mr. Bursey was posted to the Dominican Republic and subsequently

to Ghana. Back in Canada, he begins a tour of Canadian centres on September 17 in Ottawa (see itinerary page 22). On its conclusion, he will transfer to Oslo, Norway, as Commercial Counsellor.

trolled or government-sponsored. Nearly all the supplies that these undertakings require are at present purchased through the Crown Agents for Overseas Administrations, 4 Millbank, London, S.W.1. who from time to time call for international tenders on behalf of these governments. The important role that this vast organization plays was described in a helpful article in the February 14, 1959, issue of *Foreign Trade*. Local purchases by government or quasi-government organizations are therefore normally restricted to emergency needs for an insignificant quantity of materials; this accounts for the reluctance of local merchants to hold large stocks of technical and engineering equipment.

Types of Traders

African trade throughout all the countries can be broken down into the following stages:

- (1) Large bulk importing firms selling to local wholesalers
- (2) Small traders buying possibly by the case
- (3) Local itinerant traders selling by the packet
- (4) The smallest of petty traders (usually female) who will sell by the single item—i.e. one cigarette, a sweet or a tinned pilchard, and who expect to make a profit of about 60 per cent on these minute sales.

It is these three last types of traders who are the important links in this selling chain and it is they who decide what goods shall be bought and in what type of package. No would-be importer can afford to ignore the dictates of this powerful, usually illiterate band of petty traders. This demonstrates clearly the desirability of colourful, attractive packing, the need for extreme simplicity in presentation and (bearing in mind the illiteracy of the ultimate consumer) the futility of the printed word and the difficulty of popularizing any article that requires written operating instructions or any detailed care in maintenance.

In all but the larger towns, there is no electricity supply and often no piped water, and the access roads test the effectiveness of packaging to an alarming degree. The necessities of Western living—such as electric cookers, stoves, refrigerators and washing machines—are replaced in these areas by the simplicity, ease of operation and universality of the kerosene lamp, the candle, plain bar soap and a bucket. These are the things that sell in the hinterland. To offset this, however, in the larger towns, where the population is rapidly catching up to Western ideas of civilization, the possession of the more sophisticated Western aids to living carries an even greater social cachet than in

westernized countries themselves and there is still room in the luxury trade for new and more varied items.

Visits Vital

The number of business visitors to West Africa from all over the world has increased steadily during the last few years and the scarcity of visits by Canadian businessmen has not passed unnoticed. The importance of visits to West Africa by business executives, first to learn personally of trading conditions and then to maintain regular contacts and keep up with the rapidly changing economic situation here, cannot be over-emphasized. The timing of visits is also important as trade is seasonal and varies according to the success or otherwise of the production and marketing of local products.

Travel to West Africa is no longer looked upon as a hazardous adventure, and although the climate can be trying, particularly the lack of changes in temperature, there is no great risk to health provided sensible precautions are followed and anti-malarial prophylactics are taken *without fail*. Travellers should not expect Canadian standards of accommodation and advance bookings are desirable, if not essential. Commonwealth citizens travelling throughout Commonwealth West Africa need no visas, but must have yellow fever inoculation and small-pox vaccination certificates. There is no difficulty in obtaining temporary visitors' entry permits valid for 28 days in the whole area. Business travellers should be prepared to pay customs duty on many items that they would not usually consider of commercial value, such as advertising materials—diaries, playing cards, ashtrays, etc.—even when these are clearly marked with the name of the firm. There is no customs duty on commercial samples re-exported within three months but it is usually necessary for a security for the amount of duty payable to be deposited with the Customs. This is refunded on re-export. ●

Nigerian Opportunities Widen

Coming of independence next year may mean that Nigerians will turn to new sources for goods. Canadians should study market now.

M. B. BURSEY, *Commercial Counsellor, Accra.*

THE Federation of Nigeria, at present the largest British dependent territory, is bordered on three sides by French-governed areas and by the Gulf of Guinea on the south. It covers about 650 miles from east to west and 700 miles from the coast to the north on the fringes of the Sahara desert. The climate is typical of West Africa and the topography and vegetation vary from the low-lying mangrove swamps of the coast to the tall tropical forests of the Middle Belt and the arid desert of the extreme north. The trust territory of the Cameroons is administered as an integral part of Nigeria and consists of upland savannah and hilly ranges. The main tribes are the Yorubas in the southwest, the Ibos in the southeast, and the Hausas and Fulanis in the north. The latter are mainly Muslim both in religion and customs.

People

The economy of Nigeria is predominantly agricultural and the majority of Nigerians go in for farming on a small scale. In the middle belt and the south, the prevalence of the tsetse fly precludes livestock and dairy farming, which is confined to the north. With over 32 million people, Nigeria is the most populous country on the African continent. The average density is about 85 persons per square mile, living mainly in scattered villages or in small towns, although the more urbanized Western area has about twelve towns of more than 50,000 inhabitants. The average living standard is low and the per

capita income is about £21 (\$59) a year. About four-fifths of the population earn their livelihood as farmers, fishermen, cattle herdsmen and loggers.

Places

The country will attain full independence within the Commonwealth on October 1, 1960, and already has full internal self-government. It is at present controlled by four regional governments and the federal government at Lagos. The capital of the Northern Region is at Kaduna, the Western Region

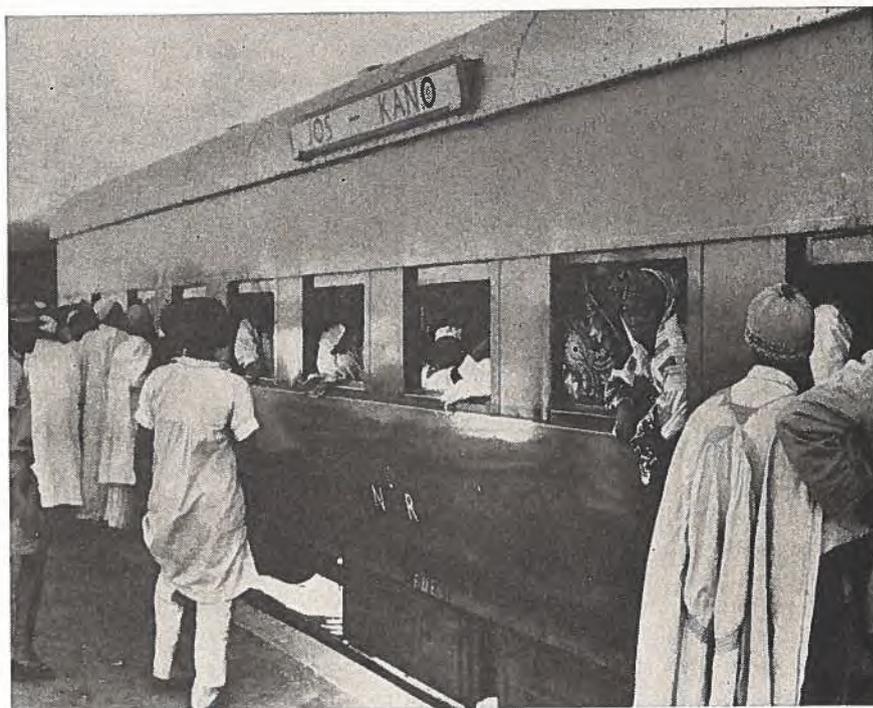
at Ibadan, Eastern Region at Enugu, and the Southern Cameroons at Victoria.

Port Harcourt is the main trading centre of Eastern Nigeria and has reasonable port facilities. Lagos, however, is the main port and is well served by sea and air connections with most other countries. There are fortnightly passenger steamship services from the United Kingdom and regular shipping connections, both passenger and cargo, from Western Europe and North American ports. There is a daily air service from Lagos to London, a weekly service via Lisbon, a weekly service from New York to Kano (in the north) and to Central and South Africa.

All regional capitals are on internal air routes connecting with Lagos and air travel is generally

—IBRD Photo.

The railroads carry much of the freight and passenger traffic throughout Nigeria, though bus and air services are also expanding. This train is about to depart from Jos, on the central plateau, for Kano the capital of the Northern Region.



accepted as the best method of getting about in Nigeria. Europeans do not use the bus services and although all-weather roads make travel by car possible, many secondary roads become impassable during the rainy season (generally speaking, April to October). Travel by rail is slow and usually hot.

Markets

Although the average Nigerian has no spare cash for luxury goods it should be possible to find markets for Canadian staple consumer products, such as canned salmon and sardines, textiles, hardware, etc. Fishing nets, building materials, paints, varnishes and enamels durable enough to withstand the ravages of the tropical climate, all types of machinery and equipment, automobiles and other transport vehicles are also in demand.

Each regional government has full independence in administering its local affairs. As previously described, most large-scale purchases by regional governments are still made through the Crown Agents. There are, however, many quasi-government corporations, not directly controlled by regional governments, that are becoming increasingly willing to place orders directly with manufacturers or their agents and who prefer to specify the manufacturer's name even when placing orders with the Crown Agents. Visiting businessmen should therefore not overlook the importance of making personal contact with regional government departments.

Opportunities

Effective January 1, 1959, Nigeria liberalized imports from dollar countries. In effect, the extent of liberalization of dollar imports is the same as that in the United Kingdom except that Open General Licence does not fully apply and certain products are restricted to import permits. Previously flour was the only item under Open General Licence for import from dollar countries.

As for Canadian trade with Nigeria, up to the end of 1958 the only item of importance that we supplied to this market was flour. This has been mainly due to the fact that the only imports permitted from dollar countries were highly essential items and few if any of these were supplied by Canada. Now that Nigeria has relaxed considerably its import restrictions on goods from the dollar area, this country is worth the attention and personal study of Canadian firms that wish to increase their export connections. Although the amount of business likely to be obtained at present may not fully justify travel expenses involved, Nigeria could well be included in an itinerary

covering Central and South Africa.

The value of Nigeria as a market is rising rapidly and as the pace of development quickens, the range of commodities in demand is likely to expand. Until now, the United Kingdom has been by far the largest supplier and for some time to come this tradition will naturally be hard to overcome. But, as the experience in Ghana proved, the attainment of independence brings with it an urge to seek out new sources. Canadian businessmen should therefore look ahead to the time when trading with dollar countries in a large variety of products will be the order of the day and, by staking their claims now, obtain a foothold in this potentially valuable market. ●

Ghana's Needs Grow

... as the country develops, the buying power of its people increases, and their tastes become more sophisticated.

M. B. BURSEY, *Commercial Counsellor, Accra.*

OF the four Commonwealth territories described above, Ghana is the first to become fully independent within the Commonwealth. For administrative purposes the country is divided into five Regions—the Eastern, Western and Northern Regions, Ashanti, and Trans-Volta Togoland. By far the largest geographically but economically the poorest is the Northern Region, with an area of about 38,000 square miles, or about one-third of the total area of Ghana.

The wealth of the country is concentrated in the cocoa-farming areas of Ashanti, the Western mining areas, and the coastal belt. Of an estimated population of five million there are only about 10,000 non-domiciled Europeans.

The climate resembles that of other territories lying within the

tropics and near the equator but humidity throughout Ghana is high—rising occasionally to over 90 per cent in the south and seldom dropping below 70 per cent. The general average temperature is about 80 degrees with a known maximum and minimum of 109 and 45 degrees.

In the south the country consists of large areas of bush or secondary forest. This forest extends northwards for about 80 to 100 miles and includes the cocoa-growing areas (cocoa grows best in the shade of large trees). To the north of Ashanti the forest thins and opens out to the savannah country of the Northern Region, with many miles of open territory, few inhabitants and little water. Except in the far north, where it is hot

and dry—particularly when the red, gritty harmattan wind sweeps down off the Sahara in January—it is impossible to escape from the oppressive dampness.

Cocoa Country

By far the most valuable of Ghana's exports is cocoa, produced basically by small African farmers. There are no large estates in the Western sense of the word; the average Ghanaian farm covers about 15 acres. By African standards the owner of a cocoa farm is wealthy and often earns five or six times the average per capita income for the whole country of £57 (\$160) a year. The cocoa farmer employs many immigrant labourers whose low wages are instrumental in reducing the average daily rate of labour to 5/6d. (68 cents).

Although revenue from cocoa is about seven times that from any other export, the country's other exports of gold, diamonds, manganese and bauxite are by no means insignificant. Finally, mahogany, sapele and teak trees and other valuable and comparatively rare woods provide Ghana with an increasingly flourishing timber industry, with exports valued in 1958 at £7.9 million. Ghana's general development is exemplified in the expansion of public revenue in the ten years 1947-57 from £10.2 million to £48 million.

What Buyers Want

Because of this vast cocoa industry (Ghana still produces more cocoa than any other one country in the world) and the timber industry, the majority of Ghana's people are agricultural. Their needs, in common with agriculturalists in many parts of the world, tend to be simple and they demand value for their money and durability. In spite of this, imports of consumer goods to Ghana in 1958 came from as widely varying sources as the United Kingdom, the Netherlands, West Germany, and the United States to nearby French West Africa and South Africa, and faraway

Japan. The emphasis on valuable cash crops such as cocoa, timber, oilseeds and peanuts has meant that the Ghanaian is able to use his profits to buy things that he would otherwise have to grow himself—witness the large quantities of foodstuffs imported from other countries.

Among the wide variety of other goods for which these valuable exports pay are cotton and rayon piecegoods, alcoholic drinks, tobacco, building materials, petroleum products, motor vehicles, machinery and a vast range of consumer goods from sewing machines, portable gramophones, plasticware and enamelware to needles, knives, cosmetics and brass bedsteads.

Tariffs

In addition to flour, which may be imported without restriction from North America, Ghana has relaxed controls, effective July 1959, on the import of the following goods from the dollar area: cash registers and parts, tractors and road motor vehicles and spares, earthmoving and timber machinery and spares, salmon and salmon trout, and newsprint. Other goods remain subject to individual licensing. There is a special invoicing

procedure for goods liable to ad valorem duties. Certificates of origin are not required. There is no Commonwealth preferential tariff applying to any imports because, under the Niger River Convention of 1871 between the Netherlands and the United Kingdom, Ghana is still precluded from entering into any preferential tariff arrangement and Canadian imports pay the same customs duties as those from all other countries.

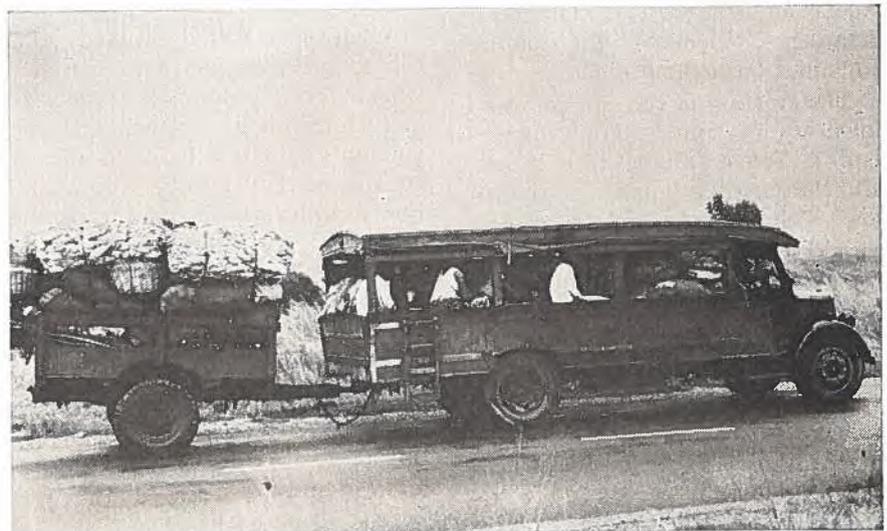
Airports and Seaports

Accra is the capital city of Ghana, by far the largest centre of commercial activity, and the usual site for local head offices of all of the major companies and leading importers. The International Airport can accommodate all types of aircraft and is served by almost daily direct flights from London and thrice weekly flights between New York and Johannesburg. There are also many shorter local flights to other West African centres.

Although Accra is a seaport, its coastline is geographically unsuitable for a modern harbour and the main harbour is at present Takoradi, in the Western Province. It is 122 miles away, but has all the modern facilities for handling cargo.

—Ghana Information Services.

Ghanaians often transport goods on "mammy wagons"; the photograph shows one of them. These heavily laden trailers attached to trucks are so named because they remind Africans of a small baby strapped to his mother's back as she moves about.



At Accra there is only a small surf port where goods are brought ashore in paddled surfboats from ships lying one to three miles offshore. The beaching of these canoes by chanting boatboys attracts tourists but, as can be imagined, the damage to crates from manhandling and occasionally from total immersion in the sea is high and it is advisable to route fragile stores through Takoradi. There are railway links between Takoradi and Kumasi and Accra and from Takoradi to the Western mining areas. Goods are forwarded from Kumasi to the Northern Region by road transport—that is, “mammy-wagons” so nicknamed because of the inevitable trailers attached to the backs of the lorries, reminiscent of the way that African women carry their babies by strapping them on their backs.

Accra's Influence

Accra is growing rapidly and is fast acquiring western sophistication. Its development is far quicker than that of the rural areas but it must not be forgotten that Accra still represents only a small proportion of the population. Although it presents a picture of thriving local trade, it is unrepresentative of the commerce of the country as a whole. Its influence on the aspirations of the people of the smaller towns and villages is, however, great and this contrast between Accra and the rest of Ghana is creating a demand for similar amenities throughout the country.

The creation of the new port and township of some 80,000 inhabitants at Tema, 18 miles from Accra, and the possible implementation of the Volta River power project should further stimulate Ghanaian purchasing power and bring a rise in the standard of living that will be reflected in the demand for overseas consumer goods in the next few years. Canadian exporters, engineering and manufacturing firms should therefore take all possible advantage of this continued period of prosperity. ●

B.C.'s Stake in Foreign Trade

...Foreign sales play an important part in the prosperity of Canada's West Coast industries.

JUST how important is foreign trade to British Columbia? In 1958 Canada's West Coast province exported \$800 million worth of products. Out of every dollar of B.C. produced goods sold in 1958, 40 cents came from foreign buyers. Imports into British Columbia last year totalled \$440 million.

The dependence of British Columbia's economy on export sales was the subject of a paper given by D. H. Mollison at the first Industrial and Trade Conference held last May in Vancouver. Mr. Mollison, who is the assistant to the Deputy Minister of the Provincial Department of Trade and Industry, pointed out that B.C.'s importance as a world trader is out of all proportion to its million-and-a-half population. He also emphasized that the impact of export sales is felt not only in the industries producing raw materials, but throughout the entire economy.

He stressed that if British Columbia is to maintain its economic growth, efforts must be made to preserve established markets and products sold abroad must be kept competitive both in price and quality.

Forest Products

What types of B.C. products contribute most to this export trade? One is forest products, an industry that in 1956 had a net value of production of \$638 million. Its output goes to markets all over the world. For example, 90 per cent of the province's newsprint production is sold abroad, and 64 per cent of its pulpwood. Of the remaining 36 per cent of pulpwood, almost all is sold to local paper mills where the finished product is eventually destined for export. B.C. sawmills exported 60 per cent of their lumber output in 1956 and just over a quarter was purchased by local manufacturers.

A percentage of the wood sold locally is eventually fabricated into finished goods available for export.

In contrast to other sections of the industry, finished plywood products are sold chiefly in other parts of Canada. Just 6 per cent was shipped abroad in 1956, and an estimated 85 per cent sold on the prairies and in Eastern Canada.

Mineral Products

The B.C. mining industry also depends upon world markets. The United States and Japan purchase almost the entire output of its copper and iron ore. The non-ferrous metals industry relies on foreign sales also, but to a slightly smaller extent. Sixty-five per cent of the zinc, lead and refined aluminum produced in the province is sold directly to foreign purchasers and it is estimated that a large proportion of the sales made to Eastern Canada goes into products eventually exported.

In the province's still developing natural gas industry, figures show that in 1958, 87 per cent of the gas piped from the Peace River field was sold in the United States. But B.C. Government officials feel that this figure will decline over the next few years as local consumption expands.

Food Products

One part of the economy has already begun to rely less on export sales. It is estimated that in 1956, 34 per cent of the fisheries catch was exported. Formerly about half the production was sold abroad each year but the dependence on foreign sales has decreased with the growth of the Canadian population.

The apple farmers, however, still rely to a large degree on foreign markets; about 43 per cent of the 1958 pack was sold abroad. ●

Selling Electrical Appliances

This small but growing market is wide open to Canadian suppliers of electrical appliances. None are made locally, supply of electric power is growing rapidly, and the standard of living is rising.

H. W. RICHARDSON,
Trade Commissioner, Guatemala City.

THE five republics of Central America, with their low but rising standard of living and fast expanding electric-power capacities, offer increasing opportunities for the sale of electrical appliances. The market situation is good, judging from the recent growth in sales, and varies only slightly from country to country. Guatemala, which is fairly typical of all five republics, has been chosen as an example in this article. El Salvador (with the largest hydro-electric capacity) and Costa Rica should offer opportunities equal to or slightly better than in Guatemala; total sales in Honduras and Nicaragua may vary from 35 to 50 per cent below the Guatemalan figures. Businessmen may judge prospects in these countries accordingly.

Power Plants Built

Empresa Eléctrica de Guatemala S.A., a subsidiary of American & Foreign Power Company, supplies electric power to Guatemala City and to the nearby cities of Escuintla and Antigua. In the rest of the country there are only a few small local electrical plants based on diesel and hydro power. Because of rapid residential and industrial development around the capital, the Guatemala Electric Company has not always been able to produce all the necessary power, though recently installed oil thermal units will carry peak loads for three to four years. The last twenty years have seen the following growth in power capacity and peak demand:

GUATEMALAN POWER

	Capacity	Demand
	(kilowatts)	
1938	6,300	7,979
1948	12,100	13,979
1953	17,170	18,000
1958	29,170	30,000

To improve service, Empresa Eléctrica has just opened a second oil thermal plant at nearby Lake Amatitlán that generates 12,650 kw. This new installation increases capacity by 43 per cent. Last year's output totalled 143,920 million kilowatt hours, which

included a 15 per cent increase over 1957; it was produced by several small hydro-electric plants, a thermal plant, and a number of small diesel generators. Transmission lines were enlarged to 57 kilometres of main and 95 kilometres of secondary lines.

Most electrical appliances for domestic use are imported from the United States and West Germany, though Canada contributes a small share. So far there is no possibility that Central America will make its own appliances because of the lack of domestic raw materials and the relatively small market. Therefore it will continue to develop as an attractive outlet for such finished goods without import restrictions.

What Appliances to Sell

Electric stoves are becoming more popular as power output increases. Before the Guatemalan power company produced enough electrical energy to supply the demand, people used mostly propane gas and kerosene stoves and heaters. In late 1956 the electrical company announced that sufficient energy was available for heating and cooking. Imports of electric stoves for 1957 and 1958 were valued at \$218,201* and \$189,725, and of portable stoves at \$8,659 and \$11,215. In future these imports should increase as the power company expands its capacity.

Electric irons are imported mainly from West Germany because of the low price of the German product. The most common is the type with no heat control that retails for US\$3.00. Imports for the years 1956, 1957 and 1958 were valued at \$37,877, \$63,015 and \$80,258, respectively.

Electric hot-water heaters have made little headway in Guatemala. Traditionally, clothes have been washed in cold water. With improved electrical servicing, use of electric water heaters has shown some increase but propane gas heaters are still more popular. They are even installed in most new houses.

Radios and record players are growing in popularity and sales have shown a constant increase. The introduction of credit sales and the entrance into the market of European radios that are usually sold at lower prices than U.S. models have greatly increased consumption. For 1955 imports were valued at \$303,977; 1957, \$1,069,886; 1958, \$1,093,829; mostly from the U.S., West Germany and the Netherlands.

*F.O.B. for all import values given.

ELECTRIC CURRENT IN CENTRAL AMERICA

	Type and frequency of current	Number of phases	Nominal voltage
Guatemala ¹	a.c. 60	1, 3	110/220
Honduras	a.c. 60	1	110/220
El Salvador	a.c. 60	1	110/220
Nicaragua ²	a.c. 60	1, 3	120
Costa Rica	a.c. 60	1, 3	110/220

¹The voltage throughout Guatemala varies from minus 30 per cent to plus 10 per cent of the nominal voltage shown.

²Actual voltage is very low at times.

Source: U.S. Department of Commerce.

Television sets sold best in Guatemala in 1957, when imports were valued at \$800,778. Two new television stations that present evening programs (mainly local productions), are broadcasting to a growing audience and sales of sets have increased.

Refrigerators, like radios, are being sold in larger quantities, partly because of easy payment terms. Imports for 1957 totalled \$848,392 and for 1958, \$896,771. Local prices for small units run about \$350.



Aluminum

JAMAICA—The Aluminum Company of America has acquired a joint interest with Caribex, a subsidiary of American Metal Climax Incorporated, in prospecting for bauxite in the Mocho area—Kingston.

Automobiles

UNITED KINGDOM—The production of automobiles for the first six months of 1959 in the U.K. totalled 573,796—a 27 per cent gain over the same period in 1958. Similarly, export shipments climbed 14 per cent over 1958 figures, reaching a total of 282,537 units. The output of trucks rose from 157,725 in the first half of 1958 to 168,311 for the similar period this year—London.

SOUTH AFRICA—The sale of cars from Continental Europe is rising rapidly in the Union of South Africa.

A wide range of models at various prices are available from the United States and Germany.

Other domestic appliances have enjoyed a steady increase in sales. Washing machines are being used more and more because of the higher standard of living and the growing shortage of cheap labour. Imports for 1948 reached \$182,354. Vacuum cleaners, polishers, fans and other electrical apparatus cater to a much smaller market, but sales nevertheless are rising.

Approaching the Market

Most well-known brands are now selling in Central America through separate distributors for each country. Some are organized only as central distributors in the capitals and others, to cover more territory, use sub-distributors throughout the country. This is the case in each of the five republics except Honduras. It has two trading centres: the capital Tegucigalpa and San Pedro Sula on the north coast.

Canadian exporters who are interested in selling to this market should send literature and prices (by airmail) to the Canadian Government Trade Commissioner, 5 Avenida 10-68, Zone I, Guatemala City, C.A. ●

Commodity Notes

From a total of 10,400 sold in 1955, the figure has risen to over 48,000 for the first ten months of 1958. The U.K. continues to be the biggest supplier, although during the period mentioned above sales of British cars have registered smaller gains than those of Continental makers. For example, in 1955 sales of German motor cars totalled about 6,500, whereas in the first 10 months of 1958 they reached over 30,000. Sales of U.S. cars have slumped since the war; in 1938 they held first place—Johannesburg.

Copper

AUSTRALIA—Six Japanese smelters have agreed to invest about \$432 thousand in a mine that has one of the largest copper deposits in Western Australia. The investment is expected to expand the output of copper ore and concentrate at the mine from the present 400

tons monthly to 600 tons. A large part of the production will be exported to Japan—Melbourne.

Diamond Drill

SOUTH AFRICA—By September of this year a diamond core drilling machine designed and manufactured in the Union of South Africa and capable of drilling to a record depth of 15,000 feet will be in operation. It is believed that this is the first diamond drill capable of reaching such a depth—Johannesburg.

Diamonds

SOUTH AFRICA—In the first five months of this year, sales of diamonds through the Central Selling Organization totalled approximately \$102 million—a 40 per cent increase over the similar period of last year. Gem stones contributed about \$68 million and industrial about \$33 million to the total—Johannesburg.

Fibre

UNITED KINGDOM—In the first half of 1959, production of yarn and staple fibre totalled 232.4 million pounds, compared with 218.8 million in the half-year ended June 1958. Production in June 1959 reached a record-breaking 41.54 million pounds—London.

Fibreboard

SWEDEN—The fibreboard factory of Holmens Bruks AB in Vrena will be extended at a cost of about kr.14 million. Production will thus be increased from 20,000 tons to about 50,000 tons a year. The new section of the factory should be completed by the end of 1961—Stockholm.

Household Appliances

PERU—Peru's first large plant for manufacturing refrigerators, washing machines, stoves and other domestic electrical appliances will begin operating early in 1960. The equipment will be manufactured under patents and technical assistance will be provided by foreign appliance manufacturers. Initial investment is estimated at \$400 thousand—Lima.

Hydro-Electric Power

BRAZIL—Brazil's Economic Development Bank has signed a contract with Companhia Hidrelétrica de São Francisco for a loan totalling Cr.\$600 million. The money will help the power company to increase the capacity of its Paulo Afonso power plant in north-eastern Brazil from 180 thousand to 300 thousand kw.

and to complete transmission lines and sub-stations—Rio de Janeiro.

Iron Ore

MALAYA—The largest iron ore mine at Bukit Besi in the Federation of Malaya will continue in operation for at least ten more years because of the discovery of substantial new reserves. The mine will turn out two million tons of ore a year. Additional new finds at Rompin in Malaya will be producing one million tons a year by 1962 and two million by 1963—Singapore.

BRAZIL—Brazil's principal producer and exporter of iron ore, Companhia Vale do Rio Doce in the State of Minas Gerais, has been granted a \$12.5 million loan by the United States Export-Import Bank. The money is to be used to buy railroad, port and mining equipment in the United States. The mining company plans to double its annual output of iron ore to six million tons a year and to export more of its production. The loan becomes due in 1965 and is repayable over a ten-year period—Rio de Janeiro.

Oil

FRANCE—Oil production in 1958 reached a total of 2,408,000 tons, of which 1,680,000 came from Metropolitan French fields, and the rest from new fields in the French Sahara and French Equatorial Africa. This is a 44 per cent rise over 1957. Present French reserves are estimated at 400 million metric tons. Processing in French refineries rose to about 29.7 million metric tons of crude, a 19 per cent increase, and refining capacity increased to 35 million metric tons—Paris.

BRAZIL—Brazil's oil output has expanded twenty times over the last five years. In 1954 production stood at 992,409 barrels and in 1958 at 18,922,738. Average daily output last December was 62,252 barrels, compared with 51,843 for the same period in 1957. Authorities believe that if this rate of increase continues, Brazil will be self-sufficient in 1961. Exports of paraffin oil in 1958 totalled 1,144,000 tons valued at \$233,987,000—Rio de Janeiro.

Petrochemicals

ITALY—Italy's chemical giant, Societa Montecatini, has recently begun construction of a new petrochemical plant at Brindisi in Southern Italy. The new plant, costing over \$80 million, will be one of the largest in Europe and the company's seventh petrochemical operation. When completed, it will cover 1,235 acres and employ 2,500. Total production will eventually

reach 700 thousand metric tons a year of such products as plastics (including polyethylene and moplen), polymers for synthetic fibres, aldehydes, alcohols and organic solvents. A thermo-electric power station will make the plant self-sufficient in power—Rome.

Pig Iron

NORWAY—A new electric pig iron furnace with an annual capacity of 70,000 tons has recently been put into operation at the Bremanger Smelteverk in western Norway. The plant is owned by Christiania Spigerverk, Oslo, and has been expanded and modernized in recent years. A new 8,000 kw. ferro-silicon furnace was installed ten years ago, a 25,000 kw. hydro-electric plant has been built, the quays have been extended and modernized, as have also the storage facilities, etc. Last year the works turned out 21,000 tons of crude iron and nearly 10,000 of ferro-silicon. Since 1949, Christiania Spigerverk has had some of its crude iron produced by A/S Aardal & Sunndal Verk (Norway's largest aluminum producers) at the latter's works at Aardalstangen. The agreement between the two firms expired on March 1. Since then all the crude iron required by Christiania Spigerverk for its production of iron wire, nails and tacks has been produced at Bremanger Smelteverk—Oslo.

Rubber

MALAYA—The Rubber Research Institute of the Federation of Malaya is actively experimenting with "special purpose" rubber because increasing world demand indicates that it is one of the most promising developments ever to emerge from its laboratories. The chief use of special purpose rubber has been in extrusions—surgical tubing, car window frames, or any product for which rubber must be forced through a die—Singapore.

Sulphate Pulp

SWEDEN—Skogsagarnas Cellulosa AB has opened its new \$14.6 million sulphate pulp mill in Monstera. The mill has an official capacity of 75,000 tons of bleached and unbleached cellulose a year and production is expected to double when it is completed in 1961. Total cost is estimated to be about \$24 million.

The largest pulp mill to be built in Sweden in the past 25 years, it boasts a practically ice-free deep harbour. Backing the investment are 60,000 Swedish private forest owners—Stockholm.

Television Sets

UNITED KINGDOM—During the first six months of 1958 Britain's television industry made and sold or rented more than one million sets. Total sales for 1959

are likely to reach 2.25 to 2.5 million sets. By the end of this year more than ten million television sets will be in British homes, or one set for each five persons. Demand for sets is still high, and will probably not be met effectively until 1961. By that time, an estimated 12-13 million sets will be in operation—London.

Uranium

FRANCE—A new uranium plant at Malvezie, in Southern France, has been completed ahead of schedule and is due to go into production almost immediately.

The new plant was constructed by two chemical companies under the direction of the French Atomic Energy Commission. It is expected to produce about 1,000 tons of uranium a year for nuclear purposes and will be operated for the French Government by the Société d'Études et de Traitement de l'Uranium. The Malvezie installation will treat uranite to produce uranium and will also recycle the uranium liquid coming from the Marcoule atomic energy plant—Paris.

SOUTH AFRICA—In 1950 an agreement between the South African Atomic Energy Board and the Combined Development Agency provided for the large-scale production of uranium from four gold mines. Supplementary agreements have followed, under which a total of 29 mines have been approved as uranium producers. Currently, 26 of the approved mines are producing. To finance the cost of the plants required to produce uranium oxide and the sulphuric acid used in the extraction process, loans totalling approximately \$190 million were obtained from British and United States sources. About \$165 million has been spent on uranium plants and auxiliaries, and another \$25 million on sulphuric acid plants.

The individual mines have contracts with the Atomic Energy Board and the Combined Development Agency which expire between 1963 and 1967. By that time the capital loans will presumably have been redeemed. As from July of this year, the Agency's purchases are fixed at a ceiling of 6,200 short tons a year. In South Africa uranium is nearly always mined as a by-product of gold, hence the resources of the gold mining industry, with its unique co-operative system, are available to help make the production of uranium economic and the selling price competitive. The Union retained its position as the third largest producer of uranium concentrates in the western world in 1958, with an output of approximately 6,245 tons. From 1956 to 1958 the Union's exports of uranium oxide rose from 4,365 to 6,153 tons, and during those three years exports totalled 16,227 tons worth \$350 million. The current estimate of reserves of uranium in the Union is 330 thousands tons—Johannesburg.

BRITISH GUIANA

The Market Opens Up

First in the Caribbean area to liberalize nearly all imports from dollar countries, British Guiana now presents a wide range of sales opportunities to alert exporters.

R. G. C. SMITH,
Commissioner for Canada, Port-of-Spain.

THE recent moves in British Guiana towards eliminating exchange restrictions on nearly all products imported from the dollar area were explained in an article in *Foreign Trade* of July 4, 1959. This move was in step with the latest round of liberalization introduced by Britain, and also with the assurances given at the Commonwealth Economic Conference in Montreal last autumn. British Guiana was the first in the Caribbean area to publish its new regulations, well before the July 1 deadline. Barbados also moved smartly and published its 'negative list' (i.e., goods still under dollar discrimination) effective the first of July. It also announced that licences would be issued freely for all other goods, regardless of country of origin (with certain countries excepted), until such time as the necessary legislation doing away with the need for licences is prepared. Jamaica has also followed suit, but its negative list is considerably longer. The Windwards and Leewards appear to have agreed to the removal of restrictions but in some cases the enabling orders have not yet been published. Nevertheless, to all intents and purposes trade with the dollar area has been liberalized in these small islands except for the basic list of products still controlled for balance-of-payments purposes.

Only in Trinidad is nothing changed as yet. The delay here has been caused by the difficulty of framing legislation during the critical period when the new constitution was being put into operation. There is no doubt that Trinidad will liberalize shortly.

Market Expanding

Because British Guiana has led the field in this liberalizing movement, it is worth having a quick look at the trading possibilities for Canadian exporters that have suddenly opened up there.

AUGUST 29, 1959

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British Guiana is an enormous country sparsely inhabited. Although bauxite is one of its major sources of revenue, the economy is still basically agricultural because it is in the sugar and rice fields that the majority of the population finds employment. Nevertheless industrial development is increasing and encompasses such industries as shipbuilding, rum distilling, rice milling, pharmaceutical and perfumery production, lithographing, and the making of shirts and dresses, biscuits, margarine, soap, beer and cigarettes. Industries in the planning stage include a pulpboard mill, feed mill and furniture manufacture. In the agricultural field, there is a large and modern poultry industry that will soon make the colony independent of imports of poultry meat and possibly independent of imports of eggs in the not too distant future.

Although purchasing power is low, the British Guiana market does offer a wide range of possibilities because nearly all consumer goods and most foods must be brought in from abroad and the sugar, mining, forestry and shipbuilding industries need a considerable amount of machinery and other industrial materials. Moreover, like most of the Caribbean markets, British Guiana has developed its imports at an astonishing rate—in fact, more rapidly than its exports. In the ten years since 1949, both imports and exports have more than doubled in value. However such a comparison leaves out of account the devaluation of sterling in 1949 and of course does not allow for the considerable dose of inflation swallowed during the period.

Nevertheless, the market has expanded steadily during the last few years, as the following table shows:

TOTAL TRADE OF BRITISH GUIANA

	1949	1955	1956	1957	1958
	(in thousands of West Indian dollars)				
Imports	49,783	94,518	99,877	118,469	116,026
Exports	46,013	90,533	94,692	108,086	96,228
Balance	— 3,770	— 3,984	— 5,185	— 10,384	— 18,799

The figures in this and all other tables are given in West Indian dollars. A rough conversion factor would be to multiply the figures by .6 to arrive at a Canadian dollar equivalent. On that basis, the market is now worth some \$70 million Canadian.

A brief reference to the exports of British Guiana illustrates the extraordinary dependence on the production of a few items. It also shows how little the economy has changed over the last few years, although there has been a significant start in industrialization.

TOTAL EXPORTS OF MAIN COMMODITIES

	1949	1955	1956	1957	1958
	(in per cent)				
1 Sugar	45.7	44.5	46.1	49.6	56.4
2 Bauxite	26.1	27.4	31.0	27.2	21.2
3 Rice	6.9	13.8	10.4	8.5	4.9
4 Rum	10.6	3.5	4.0	3.7	3.5
5 Molasses	.9	.8	1.0	2.0	2.6
6 Timber sawn	1.0	1.6	1.6	1.5	1.9
7 Timber round	1.3	1.5	1.6	1.5	1.6
8 Uncut diamonds	2.6	1.5	1.4	1.3	1.4
Total	95.1	94.6	97.1	95.3	93.5
Total 1, 4, 5	57.2	48.8	51.1	55.3	62.5
Total 6, 7	2.3	3.1	3.2	3.0	3.5

The reader will note that the sugar industry (sugar, rum, molasses) consistently provides more than half the total exports. The considerable jump in the share of exports of sugar and its products in 1958 was due to the drop in bauxite shipments caused by the world slump in aluminum imports. Rice is more fickle, because production fluctuates with the vagaries of the weather. Nevertheless rice is also most important because the growing of it employs a large amount of labour and it is a major support of a large segment of the peasant population.

Imports Diversified

It is not possible to give a concise table of the major imports because they are legion. It may be assumed generally that nearly all commodities are saleable in British Guiana in some volume. A reference to the last part of the British Guiana negative list for continued exchange control will suggest the types of commodities that are being produced locally and for which the import market is correspondingly nil or limited, but at any rate subject to control through the device of exchange regulations. These products include corn-meal, starch, margarine, soap, shirts, pyjamas, underwear, matches, milk, cigarettes, poultry meat, and eggs.

Clearly, with the relatively low purchasing power, price is more of a factor than quality but a surprising variety of new and sophisticated goods are being sold in this interesting market. Oddly enough, a breakdown of imports by main groups shows remarkably little change over the last few years. (A longer-term comparison is not possible, because the method of compiling statistics was changed fairly recently.)

TOTAL IMPORTS BY MAIN GROUPS

	1955	1956	1957	1958
	(in per cent)			
Food	20.8	20.6	18.4	19.0
Beverages and tobacco	2.4	2.1	1.8	1.6
Crude materials, inedible, except fuels	.6	.6	.8	.6
Fuels, lubricants and related materials	8.0	8.4	7.9	7.2
Animal and vegetable oils, and fats	.5	.7	1.0	1.2
Chemicals	7.7	8.3	7.6	8.0
Machinery and transport equipment	21.9	23.0	23.7	24.6
Manufactured goods	26.9	25.6	27.7	27.6
Miscellaneous manufactured articles	10.9	10.5	10.8	9.8

The table suggests that the industrialization of British Guiana has had little impact on the import business. This is not surprising in view of the immense size of the sugar and bauxite industries, the major consumers of imports under the heading of machinery and transport equipment. Nevertheless, if the table does suggest any trend, it is that imports of machinery and manufactured goods are growing at the expense of foods, beverages and tobacco.

Sales Possibilities

A few brief extracts from the 1958 import statistics follow, more as an appetite teaser than as a suggestion that it is in this direction that most opportunities for the Canadian exporter lie. *What is important for the exporter to realize is that the market is largely freed from the troublesome dollar restrictions and that nearly all goods can be sold to some degree in British Guiana.* He should therefore do all he can to exploit the opportunity. The Commissioner for Canada's office in Port-of-Spain, Trinidad, will be pleased to comment on possibilities and to try to arrange satisfactory connections for any Canadian exporter not represented there.

The principal imports in 1958, expressed in Canadian dollars calculated very roughly by using the conversion factor of .6 and omitting imports clearly of no interest to Canada; were:

- *Food*: dairy products, eggs and honey (mostly in powder and tins) \$3 million; cereals (mostly flour) \$3 million; fruits and vegetables, (potatoes, dried beans, peas, etc., onions) \$2.4 million; fish (dry salt pollock and cod, sardines) \$1.1 million; meats (pickled pork, salt beef) \$1.15 million.

- *Beverages and Tobacco*: whisky \$160,000; beer \$90,000; stout \$120,000; leaf tobacco \$550,000.

- *Inedible Crude Materials except Fuels*: wood and lumber \$205,000.

● *Animal and Vegetable Oils, Fats and Greases:* tallow \$216,000.

● *Chemicals:* manufactured fertilizers (ammonium sulphate, muriate of potash, phosphatic fertilizers) \$1.8 million; medicinal and pharmaceutical products \$1.2 million; essential oils, polishing and cleaning materials (toothpaste and cosmetics, toilet soap, detergents), \$895,000.

● *Manufactured Goods:* textiles, yarn, and manufactures (cotton fabrics, bleached and printed and coloured, rayon, other synthetic fabrics and mixtures) \$6 million; manufactures of metal (finished structural parts iron or steel, uninsulated industrial wire cables, nails and spikes, hand tools, household utensils, non-electric stoves) \$4.7 million; base metals (structural steel shapes and reinforcing steel, rails, steel tubes and fittings) \$3 million; non-metallic mineral manufactures (manufactures of asbestos, glass bottles) \$2.6 million; paper and manufactures (newsprint, writing and printing paper, wrapping paper, paperboard, paper bags, envelopes, exercise and similar books) \$1.3 million; rubber manufactures (tires and inner tubes, all kinds) \$828,000; manufactures of wood, excluding furniture, (fibreboards, cooperage) \$614,000.

● *Machinery and Transport Equipment:* machinery other than electric \$9.8 million; electrical machinery, apparatus and appliances (motors, dry cell batteries, radios and gramophones, telephone apparatus, household appliances, aircraft and vehicle appliances, insulated electrical cables) \$2.7 million; transport equipment (automobiles, trucks, buses and parts, railway rolling stock parts, bicycles and parts, boats) \$4.1 million.

● *Miscellaneous Manufactured Articles:* prefabricated buildings and parts \$4.8 million; lamps and lanterns other than electric, and parts \$200,000; beds \$153,000; clothing (nylon stockings, cotton underwear, shirts, dresses, coats and blouses, hats and caps, handkerchiefs and other accessories) \$1.2 million; footwear (all types of leather, canvas rubber-soled) \$1.3 million.

Markets for British Guiana

British Guiana regularly markets over 80 per cent of all its exports in the United Kingdom, Canada and the United States, as the following figures show:

DESTINATIONS OF EXPORTS

To	1949	1955	1956	1957	1958
	(in per cent)				
United Kingdom	36	36	32	40	48
Canada	48	36	40	37	32
United States	5	9	11	7	6
	89	81	83	84	86

From the foregoing it will be noted that Canada ranks next to the United Kingdom as a market for British Guiana products. Bauxite and sugar constitute the main shipments to Canada and the relatively smaller share of total exports taken by Canada in 1958 was the direct result of the world slump in aluminum.

Canada's Sales

In the import market, Canada's recent record has not been encouraging:

SOURCES OF IMPORTS

From	1949	1955	1956	1957	1958
	(in per cent)				
United Kingdom	48	48	45	44	46
Canada	15	6	8	9	7
United States	15	13	13	18	16
	78	67	66	71	69

It will be noted that Canada's share is less than half what it was ten years ago; the United States, on the other hand, has increased its 1949 share, in spite of the fact that this dropped by two percentage points compared with 1957. In part, this shift resulted from the increase in flour shipments from the United States at the expense of Canada, but it is by no means the only cause of the decline, as the following table will show. This table is made up by accrediting all the flour imports to Canada and deducting them from the total of United States figures, in the last two columns.

TOTAL IMPORTS OF FLOUR

	Actual		With all flour from Canada	
	Can.	U.S.	Can.	U.S.
	(in per cent)			
1949	15.3	14.3	15.3	14.3
1953	13.8	11.5	14.4	10.9
1955	6.3	12.9	10.5	8.6
1956	8.6	12.9	11.3	10.2
1957	8.6	17.7	11.8	14.4
1958	7.4	15.9	10.2	13.1

It will be noted that even by making this most favourable supposition, Canada's share of the import trade has declined substantially since 1949, but the United States share has declined only slightly.

It is difficult to suggest why Canada has not done better in the British Guiana market in recent years. Certainly the trading climate could not have been more favourable. The reasons probably include increasing competition from Europe and Japan, the premium on the Canadian dollar, and perhaps some lethargy caused by the problems of trading with the sterling area. This latter handicap has now been removed in nearly all cases and consequently Canadian firms are in a position to take advantage of the openings and, in addition, to benefit from the preferential tariff treatment that Canada receives in British Guiana. ●

The Portuguese

Like

Canadian Cod

Wide-ranging Portuguese fishing fleets do not net enough cod to satisfy local needs and large quantities must be imported. Canadian cod is much prized, especially if the size of fish and market price meet local needs.

RICHARD GREW, *Commercial Counsellor, Lisbon.*

PORTUGAL has sent its fishermen to the cod-fishing grounds off the coasts of Newfoundland, Labrador and Greenland for more than two centuries to obtain food for a fish-eating people. Before the last war, working conditions were severe. Since the war, however, the cod-fishing industry has been extensively reorganized and things have improved greatly. The sales organization too has been revamped.

To the Sea in Ships

The Portuguese fishing fleet is divided into two parts—the line-fishing fleet and the trawlers. The line-fishing boats, some 55 vessels in all, make one voyage a year to the fishing grounds. Most of them leave Lisbon in late March or early April after a colourful religious ceremony in which the fleet is blessed by a prelate of the church. When the families of the fishermen have bade goodbye to their menfolk, the vessels set sail, some for the Azores to pick up additional crew, and others directly for the cod banks. They do not return to Portugal until late September or early October.

The trawlers, approximately 22 in number, generally make two voyages a year, leaving Portugal in February and returning in June; the second trip usually lasts from July or August to November. There have been

occasions, depending on fishing conditions, when they made only one trip. This happened during the 1958 fishing season, when only about half the trawler fleet headed out the second time because of the short run of cod and bad weather.

A line-fishing vessel carries about 50 dories, each one operated by one fisherman. If the weather is good, each lone fisherman leaves the ship early in the morning and does not return until his dory is filled to capacity, or until night falls.

Local Output Insufficient

All the cod netted by the Portuguese fleet is brought home wet-salted. It is then processed for drying either in the sun or in modern drying plants. Practically all cod consumed in Portugal is dry salted or “bacalhau”, as it is called; a shrinkage of approximately 30 to 35 per cent occurs in the process. Production of dry salted cod—or what is termed “national” fish—is shown in the accompanying table.

PORTUGUESE PRODUCTION OF DRY SALTED COD

	Metric tons
1958	41,735
1957	48,167
1956	49,131
1955	49,316
1954	46,806

The output of national fish is not large enough to meet local needs and a good deal must be imported. The principal supplying countries are Iceland, Norway, the Faroe Islands, France, Germany and Canada. With the exception of purchases from Norway and Canada, imported fish is of the wet-salted type. The following table shows the amount of cod imported from each country on the basis of dry salted:

PORTUGUESE IMPORTS OF SALT COD

	1958	1957	1956	1955	1954
	(metric tons)				
Iceland	7,604	7,386	9,698	5,897	4,191
Norway	5,099	8,499	14,248	5,694	2,400
France	2,559	5,029	3,630	1,100	1,029
Canada	1,702	345		2,043	1,270
Germany	1,404	863			
Faroe Islands	829				
Total	19,197	22,122	27,576	14,734	8,890

How Trade Is Organized

The codfish trade of Portugal is thoroughly organized through the Grémio dos Armazenistas de Mercearia (Wholesalers Grocers' Guild) and the CRCB—Comissão Reguladora do Comercio de Bacalhau (Cod-

fish Board). In addition, the owners of cod-fishing vessels have an organization for buying supplies, arranging insurance, building new vessels, etc.

All purchases of imported cod are arranged through the Grémio with the approval of the C.R.C.B. Approval of the board is needed, particularly when the supplying country makes an offer at a considerably higher price than before, or if the purchase involves hard currency.

Because bacalhau is a staple food for a large part of a population with relatively low purchasing power, the retail price is controlled and has been kept steady for more than five years. There is just one purchasing agency in Portugal, the Grémio; therefore supplying countries are more or less forced to accept the prices the Grémio is prepared to pay if they wish to maintain their position in the Portuguese market.

The first step in the internal distribution of bacalhau is at the sales in the "bolsas" (exchanges) by the Grémio to the wholesalers. These sales are usually held twice a month in both Lisbon and Oporto. The wholesalers then distribute their supplies to the retailers at fixed prices and they in turn sell to the consumer at a controlled price. Although prices are controlled, they vary according to the size and quality of the fish, as the following table shows. These prices have been maintained for the past seven years.

RETAIL COD PRICES, PORTUGAL

(in cents per pound)

	National	Foreign
Crescido—extra large	17	31
Corrente—large	13	25
Miudo—small	10	20
Sortido 2a—assorted 2nd class	9	18
Sortido 3a—assorted 3rd class	5	11

Larger Fish Wanted

The Portuguese prefer the larger varieties of cod to any other; it is said, in fact, that if more crescido (extra large) cod were available, more would be sold, as long as prices were right. Light salted Canadian cod is popular, especially in northern Portugal, and indeed for many families a large Canadian light salted cod is the equivalent of the traditional turkey for Christmas. Total sales of dry salted cod in 1958, according to size and country of origin, are given in the following table.

The export of cod from Newfoundland to Portugal dates back to the eighteenth century. After the last war, however, trade began to decline, though it picked up again last year. Our sales have gone down for a variety of reasons. Chief among them are the change in the type of fishing now in vogue in Newfoundland and the determination of Portuguese authorities to maintain a price level consistent with the general standard of living of the largest proportion of the population. This

SALES OF DRY SALTED COD IN PORTUGAL, 1958

From:	*Extra large	Large	Small	Assorted 2nd class	Scale	Assorted 3rd class	Total
	(metric tons)						
Portugal	2,126	16,514	19,440	3,490	104	60	41,734
Faroe							
Islands	153	492	77	105			827
France	33	542	1,536	402	37	8	2,558
Germany	2	333	972	95		2	1,404
Iceland	1,982	5,616	247	2,310		74	10,229
Canada	29	317	1,101	239		2	1,688
Norway	1,051	5,234	203	180		1	6,669
	5,376	29,048	23,576	6,821	141	147	65,109

*These descriptions are not based on length but on the average number of tails per bale of 60 kilos.

price, however, is not especially attractive to Newfoundland exporters.

Although the question of foreign exchange is not a problem insofar as other supplying countries are concerned, it is believed that enough dollars would be available for buying Canadian light salted cod if sufficient quantities of large-sized fish could be offered at prices that the Portuguese consider reasonable in relation to established controlled prices. On the last contract for Canadian cod, Portuguese authorities took a loss in order to maintain the controlled price. They realized that there would be a loss and this, of course, was offset by profits from other transactions, but they were disappointed that such a small percentage of the shipment consisted of extra large and large fish.

Canada Exports Safflower

Prairie farmers are growing a new cash crop on dry-land acres formerly given over to wheat and are selling a substantial amount of it abroad. The new crop is safflower and some 45,000 acres were sown in 1958—18,000 in Alberta and 27,000 in Saskatchewan. Exports last year totalled over 14 million pounds, valued at more than \$637 thousand. Japan was the biggest buyer, followed by Belgium and the United States.

According to the Department of Agriculture, safflower appeals to farmers who wish to cut down on cereal acreage because it fits into local crop rotations like any spring-planted crop. It is easily handled with regular machinery and seeding is done in the usual way.

The safflower plant is a bushy, annual thistle which grows to a height of 20 to 36 inches. Its seeds are as big or bigger than barley and weigh from 35 to 40 pounds per bushel. A good crop yields about one-third oil, plus a feed supplement rich in protein. The paint industry prizes this oil because it is colourless and will not yellow with age.

Chile Plans Copper Expansion

The Government's plans to boost production of copper, which earns 50 per cent of Chile's foreign exchange, include 40 per cent increase in output, geological surveys to make new finds, and encouragement of foreign investments.

H. M. MADDICK, *Commercial Secretary, Santiago.*

CHILE, the second largest copper producer in the world, with known reserves of some 30 million tons, turns out about 15 per cent of the world's supply. Now it plans to boost production—boost it by 40 per cent in the next three years, according to a recent announcement by the Government Copper Department.

Four Large Mines

Where does all this copper come from? Ninety per cent is produced by the big mines, the "gran minería" as they are known locally, that turn out not less than 25,000 tons a year. There are four such mines in Chile at the moment, all of which are operated by subsidiaries of United States companies. They are Chuquicamata, Potrerillos and El Salvador in the north and El Teniente near Santiago. Chuquicamata is said to have the world's largest known reserves of copper and it has the only electrolytic refinery in Chile. El Salvador is a new mine recently opened; Potrerillos, which is owned by

the same company as El Salvador, will gradually cease production when the new mine is in full swing.

Chile's copper output last year totalled 485 thousand tons. This year the gran minería are producing at a monthly rate of 40,000 tons. Therefore, with an estimated output of 4,000 tons a month from the small mines, Chile's 1959 production should zoom above its wartime high.

How Much by 1963?

Plans for the future call for a 15 per cent increase in Chuquicamata. El Salvador is expected to be turning out 100 to 120 thousand tons a year by 1962 and, with the closing down of Potrerillos, the net increase in production should work out to about 60,000 tons a year. Another new mine at Rio Blanco is expected to refine about 45,000 tons a year by 1963. In addition, the Government estimates that the small mines will increase production by 35,000 tons a year.

A projected estimate for 1963 might, therefore, be as follows:

Chuquicamata	265,000 tons
El Salvador	100,000 "
El Teniente	200,000 "
Rio Blanco	45,000 "
Others	80,000 "
TOTAL	690,000 tons

Foreign Firms Interested

In addition to increases in output from known deposits, the Government has asked the United Nations for assistance to carry out an 80,000-square-mile geological survey of northern Chile. Experts are confident that large ore bodies will be discovered there during the next five years. The Government also plans to encourage foreign capital to develop any deposits that are discovered.

At the moment, there appears to be a good deal of foreign interest in copper mining in Chile. During the past six months Japanese companies have bought properties and several Canadian companies have investigated the possibilities of operating mines.

The Chuquicamata mine, operated by the subsidiary of a U.S. company, is said to contain the world's largest reserves of copper ore. The open-pit method of mining is used, and both electrolytic and blister copper are produced.



The Copper Law passed in 1955 has been largely responsible for the incentive to increase production. Under the legislation in force before that time, the companies were obliged to sell their copper to the Central Bank of Chile at a fixed price of 24½ cents per pound and any over-price obtained by the bank from exports was kept by the Chilean Treasury. In addition, local currency requirements necessary for operating had to be obtained from the bank at a fixed rate of 19.37 pesos to the dollar, while the free rate ranged from 110 to 200 pesos. The copper companies also had to pay the normal tax of 60 per cent on their profits. It is obvious that under this system there was no incentive for the companies to expand.

Under the 1955 law, the companies can now sell their copper freely, subject only to the intervention of the Government Copper Department if sales are contrary to the national interest. The companies are also free to sell foreign exchange at the current free rate of 1,050 pesos to the dollar. In addition, taxation is now fixed at 50 per cent on profits from actual production, plus a 25 per cent surtax on basic production (which is 95 per cent of the average of each company's output between 1945-1953). In order to encourage companies to produce, the surtax is reduced in proportion to any production increase until it vanishes when output is boosted 100 per cent. At the same time, if production falls below 80 per cent of the basic volume, the tax rate is automatically increased to 80 per cent. Any new company classified as "gran minería" pays only the 50 per cent tax on profits without surtax.

Where Copper Goes

Ninety-five per cent of Chile's copper is exported in the following forms:

Electrolytic. It is produced only in Chuquicamata and exported mainly to Europe.

CHILEAN COPPER EXPORTS 1958

(metric tons)

Exports to:	Electrolytic	Blister	Fire- Refined	Concentrates	Total
United States	55	97,180	78,236	57,176	232,647
Britain	21,252	13,443	42,757		77,452
Germany	44,695	6,883	17,160		68,738
Netherlands	17,228		8,107		25,335
Italy	10,222	1,667	5,675		17,564
Spain		1,491	8,084		9,575
Sweden	7,165			1,383	8,548
Japan				4,714	4,714
Belgium	915		1,931	821	3,667
Switzerland	356		2,917		3,273
Denmark			102		102
Others			66		66
TOTALS	101,888	120,664	165,035	64,094	451,681

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Blister, which is refined at Chuquicamata, El Teniente, El Salvador and the national refinery of Paipote. Blister from Chuquicamata, El Teniente and El Salvador goes mainly to the United States and that from Paipote to West Germany.

Fire-refined copper, also produced at El Teniente and exported mainly to the United States and Europe. Some of the small mines send concentrates to the United States and Germany, but this will cease when the Government's new smelter at Las Ventanas comes into operation. This smelter will have a capacity of 32,000 tons a year and should be big enough to take care of the production of the small mines.

Increased Investment Seen

Copper is Chile's lifeblood and accounts for more than 50 per cent of its foreign exchange earnings. An industry of such importance is bound to be of vital interest to the Government. Its present policy therefore is to give every encouragement to expansion and to create a favourable climate for foreign investment.

Since the Copper Law was passed in 1955, it is estimated that the big companies have invested about \$140 million for expansion. All indicators point to higher investment and increased production in the future. A big factor in Chile's favour in attracting foreign capital is that most of its large deposits are high-grade ore with an average copper content of about 1.5 per cent.

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.

Recent rise in wool prices, good grain harvest, and improvement in beef market have brightened the outlook for Australia's farmers.

T. G. MAJOR, *Commercial Counsellor, Melbourne.*

THE past few months have witnessed a remarkable recovery in the outlook for Australian agriculture and, indeed, for the economy as a whole. The continued decline in wool prices that began during the 1957-58 marketing year gave rise to fears that the country would face a heavy external trading deficit. Sparked by the improvement in economic conditions in Europe and North America, buying interest increased in March and the fiscal year has ended with wool sales estimated at about \$621 million*, only \$98 million less than in the 1957-58 season. Preliminary figures indicate that for the fiscal year ended on June 30, 1959, Australia had an over-all favourable trade balance of about \$14.8 million. Not as great as the \$58.2 million in 1957-58, it is enough to make Australians optimistic about the coming year, taken in combination with the upward trend in wool prices, generally satisfactory conditions in the grain and meat industries, and continued expansion in secondary industry.

Rural Output Rises

Agricultural production during the year was notable for one of the largest wool clips on record, estimated at 1,544 million pounds, greasy equivalent. Seasonal conditions throughout most of the grain-producing regions resulted in the harvesting of some 213.7 million bushels of wheat, 59 million bushels of barley and 75 million bushels of oats, compared with 97.6 million, 30.5 million and 31.4 million bushels respectively in 1957-58. These crops, with increased production of rice, sugar cane and tobacco and substantially higher output of meats and dairy products, more than counter-balanced the decline in potatoes and grapes. On balance, the Commonwealth Bureau of Agricultural Economics in June estimated the index of the volume of rural production (basis 1936-37 to 1938-39 average =100) at 145, compared with 123 in 1957-58 and 131 in 1956-57.

The gross value of rural production and output did not show the same proportional increase; it is estimated at \$3,377 million, about midway between the 1957-58 value of \$2,172 million and the \$2,548 million of 1956-57. The large crops of the principal grains contributed \$218.7 million and cattle slaughterings a further \$86.7 million towards overcoming the drop of

*Converted at the rate of A£1=\$2.14 Canadian.

Australian Agri

\$113.2 million in the value of the wool clip. Fruit crops in general were lower in value than during the previous season, but farm income from dairy products higher.

Agricultural Exports Down

Exports of rural origin during the twelve-month period ended June 30, 1959, did not have as satisfactory a showing. The decline in wool prices resulted in total sales abroad of 1,482.6 million pounds of raw wool (greasy) equivalent, with a value of only \$670.7 million, in comparison with exports of 1,331.9 million pounds valued at \$813.8 million in 1957-58. Slow export sales of wheat and wheat flour, resulting partly from subsidized exports by other wheat-producing countries, prevented Australia from taking full advantage of the great recovery from the small, drought-stricken crop of 1957-58. One of the brightest spots in the export scene was the improvement in the British market for quality beef and the sudden development of an outlet for lower-grade beef in the United States. There was a satisfactory upswing in butter and cheese exports, but exports of fresh apples and pears dropped in both volume and value. On balance, the total value of exports of rural origin during the fiscal year 1958-59 is estimated to have fallen to \$1,335 million from \$1,344 million in 1957-58 and \$1,663 million in 1956-57.

Promoting Wool Sales

So much for the statistical picture of the past year. The fall in the world price of wools and growing evidence of strong and continuing competition from the man-made fibres has resulted in a searching examination of wool production and marketing. The debate has been carried on on a national scale and out of it has come a deeper realization of the vital position that the 150-million-sheep industry occupies in the economy. It is too soon to judge the practical effects but it is worth noting that the requirements of the ultimate consumer are receiving greater attention. It is becoming clear that if wool is to retain its position in the world market, something more must be done than merely reiterating that "wool is best". The Commonwealth Scientific and Industrial Research Organization has extended its research investigations into sheep and wool production and the treatment of the fibre for manufacturing. The federal and state governments also have stepped up their research and

Wool Industry Recovers

experimental programs in production and marketing. All in all, it is apparent that a forward-looking movement is developing in Australia's most important industry.

Wheat Acreage Up

Despite a probable carryover of some 70 million bushels of wheat at the end of the current crop year, an increase of possibly 25 per cent in the acreage sown to the new crop is evident. This is the result of favourable seeding conditions in most grain areas, and of low prices and plentiful reserve stocks of oats inducing a switch to wheat. The low prices obtained for wool during the greater part of the selling season are also partly responsible for this shift. This trend is particularly apparent in New South Wales and steps are being taken to provide greater storage capacity in case export

These sheep being branded on a large sheep station represent one of the major sources of Australian wealth. In 1958-59, wool sales realized about \$621 million; the clip reached a near record.



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markets both for wheat and flour continue to be restricted. The Government has been urged to stimulate exports by giving support to long-term credit sales to countries such as India, which find it difficult to make cash purchases. Legislative steps have been taken to provide funds and machinery for accelerated and extended research in improved cultural methods and in the breeding of higher yielding and better varieties. New markets are being sought through trade agreements; the agreement with Japan has proved useful in maintaining the flow of exports. Segregation of higher protein varieties is being effected in areas of Queensland, New South Wales and South Australia, where soil and climate favour their production. Generally speaking, a vigorous effort is being made to meet the challenge of increasing competition in world markets.

Dairy Products Subsidized

Although higher prices for butter have eased the situation in the dairy industry, it still faces complex problems of quality, price, promotion and diversification in all the dairying districts. Federal aid has been in operation for some time. There are stabilization and equalization schemes, butter and cheese are subsidized, and orderly marketing schemes operate in both the home and overseas markets. Assistance is given in research and extension through the Dairy Industry Research and Promotion Scheme and the Commonwealth Dairy Industry Extension Grant. Dairy products are included in the trade publicity campaign in the United Kingdom and the sale of margarine in the various states is restricted. Diversification in types of cheese production in Victoria may increase domestic consumption. These measures apparently are insufficient to place the industry on a sound basis and the Prime Minister has announced the Government's intention of setting up an impartial committee of inquiry which is expected to begin functioning shortly.

Fruit Sales Slip

The past season has been somewhat disappointing for the export apple industry centred mainly in Tasmania. Sales to United Kingdom markets are down from 1957-58 and restrictions have continued in Germany and other Northern European markets. To meet competition in the British market the industry is testing new packaging methods. Although sales of raisins and other dried fruits are smaller, prices have been satisfactory. The wine industry is making strenuous efforts to increase the use of wines both at home and abroad and has been particularly successful in brandy. Improvements in leaf quality and the raising of the proportion of domestically grown tobacco in cigarettes, plus increased aid in research, has stimulated the production of tobacco, although marketing problems continue.

Mention also should be made of the development of improved barley varieties particularly suited to the Japanese market. New outlets are being developed for

malting barley in the United States; the opening of the St. Lawrence Seaway is aiding this movement. New rice-production areas in the Northern Territory and the Kimberley region of Western Australia are being developed with an eye to export markets in South East Asia.

Beef Demand Develops

One of the most spectacular developments in Australian agriculture during the past year has been the strong demand for the lower grades of beef for the hamburger and canning trade in North America. This is the direct result of the freeing of these grades from the operation of the 15-year agreement with the United Kingdom. Fortunately, it came at a time of shortages in the United States. Because of the temporary nature of this situation, steps have been taken, in co-ordination with New Zealand, to ensure orderly marketing in the hope of deferring (if not preventing) demands for import restrictions on the part of the American cattle industry. So great has been the increase in slaughtering that fears of injury to breeding-stock supplies have

been expressed. There has been a steady demand for quality grades of beef in the United Kingdom, with the over-all effect of raising prices on the home market. Severe drought caused heavy losses in parts of Queensland and the Northern Territory, but generally the feed and pasture situation is good.

Outlook

Although the immediate future of the wheat market is somewhat cloudy because of large world stocks, the general feeling is that the year just begun could be a good one for Australian rural exports. The impact of the European Common Market on Australian grain sales cannot yet be gauged. However, the recovery of the North American economy from the 1958 recession and the evident buoyancy in overseas funds and gold reserves in Europe is expected to mean good demand for Australian produce. In the domestic market, the continued inflow of overseas capital is stimulating industrial expansion which, with a steadily rising population now past the ten-million mark, should provide a growing outlet for the products of rural industry. ●

Trade Commissioners on Tour

The following officers of the Trade Commissioner Service are undertaking tours in Canada. Their itineraries are:

S. V. ALLEN, Deputy Consul General (Commercial) in New York:

Vancouver—Sept. 14-17

D. S. ARMSTRONG, Commercial Counsellor in Cairo, Egypt:

Vancouver—Oct. 5-9	Hamilton—Oct. 28
Calgary—Oct. 13	Guelph—Oct. 29
Winnipeg—Oct. 14-16	Fergus—Oct. 29
Toronto—Oct. 19-23	St. Catharines, Welland, Niagara Falls—Oct. 30
Windsor—Oct. 26	Montreal—Nov. 2-13
Sarnia—Oct. 26	Ottawa—Nov. 16-27
Brantford—Oct. 27	

M. B. BURSEY, Commercial Counsellor in Accra, Ghana:

Ottawa—Sept. 17-18	Toronto—Sept. 25-Oct. 2
Winnipeg—Sept. 21-23	Montreal—Oct. 5-Oct. 10

When he completes his tour, Mr. Bursey will be posted to Oslo, Norway, as Commercial Counsellor.

C. O. R. ROUSSEAU, Commercial Secretary in Beirut, Lebanon:

Montreal—Aug. 31-Sept. 4	Winnipeg—Sept. 17-18
Toronto—Sept. 8-14	Vancouver—Sept. 21-23
Hamilton—Sept. 15	

R. CAMPBELL SMITH, Commercial Counsellor in Paris, France:

Vancouver—Sept. 16-18

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, Winnipeg and Edmonton, the Trade Commissioners make their headquarters at the offices of the Canadian Manufacturers Association; in Windsor, Ontario, at the offices of the Greater Windsor Industrial Commission; 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

H. E. CAMPBELL, Trade Commissioner in Kingston, Jamaica, will visit the Bahamas from September 1-8.

M. P. CARSON, Trade Commissioner in Singapore, will visit North Borneo, Sarawak and Brunei from September 12-15.

D. H. CHENEY, Commercial Secretary in Lima, Peru, has postponed his visit to Bolivia until the latter part of October.

B. C. STEERS, Assistant Trade Commissioner in Singapore, will visit Kuala Lumpur from September 8-10.

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. Campbell at Kingston, Mr. Carson and Mr. Steers at Singapore, and Mr. Cheney at Lima.

Jamaicans Change Their Eating Habits

... from fish to meat and from salt fish to the fresh and canned varieties, as per capita income rises. What will this mean to Canadian suppliers of these products?

The bauxite companies in Jamaica must keep their concessions under cultivation and return the mined land to agriculture. Here is a fine herd of Angus-Indian crossbred cattle that has been raised on one of Alumina Jamaica's properties.



AUGUST 29, 1959

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

JAMAICA during the past 24 years has enjoyed steady expansion; population has risen by 47.4 per cent to an estimated 1.6 million and per capita income has risen from £15 a year to £112. Increased prosperity has brought a higher standard of living and changed eating habits. Per capita consumption of fish, for many years the Jamaican's main source of protein, is declining and consumption of meat—particularly fresh meat—is increasing.

JAMAICAN FISH AND MEAT CONSUMPTION

	Average Annual Figures*	
	1934-38	1954-58
Fish		
Imports	lb. 26,898,753	29,531,008
Production	" 7,000,000	13,000,000
Consumption	" 34,898,753	42,531,008
Per capita consumption	" 31	27
Per capita income	£ 16	94.1
Meat		
Imports	lb. 3,369,089	10,901,489
Production	" 32,500,000	45,000,000
Consumption	" 35,869,089	55,901,489
Per capita consumption	" 31.7	35.6
Per capita income	£ 16	94.1

*Jamaican Department of Agriculture.

What are some of the sources of this rising prosperity that is changing the Jamaican's centuries-old reliance on fish as his main source of protein? The answer lies in the growth of industry, which is beginning to challenge farming as the biggest employer, and in expanding exports of bauxite. Bauxite, in fact, has recently overtaken sugar as the largest single export. However, sugar and other agricultural products such as bananas, citrus, coconuts, coffee, cocoa and tobacco are still the island's economic mainstay.

Since the war, industrial development has gone ahead rapidly. At the end of 1958 factory registrations totalled 119, including 68 in the Kingston-St. Andrew Corporate Area and 51 in rural areas. Twelve new factories began production last year, giving employment to 350 workers; it is expected that this number will increase to 700 in the near future. At the end of 1958 it was announced that four new firms expected to begin manufacturing this year. They represent a total capital investment of over £2½ million and will employ an estimated 1,000 workers. A large number of other applications to set up manufacturing industries under various industrial development schemes, including construction of an oil refinery, have been approved or are being considered.

The rapid pace of industrial development is reflected in electricity statistics issued by Jamaica Public Service Co. Ltd. In 1958, 208 million kwh. were used,

compared with 163 million in 1957—an increase of 28 per cent. Industry alone was responsible for consumption of 42 million kwh., up 12 per cent over the previous year.

All this development means more money for the Jamaicans and more diversity in the food they eat. The changes are particularly striking in the import and consumption of fish and meat, shown in the accompanying tables.

More Canned Fish Bought

Average annual per capita consumption of all types of fish in Jamaica during the past five years has fallen to 27 pounds, compared with 31 pounds during the 1934-38 period. However, consumption of fresh and canned fish has gone up sharply.

Fresh fish made up 14.3 per cent of average annual fish consumption from 1934-38, compared with an average of 30.5 per cent in the five-year period 1954-58; the increased supply resulted almost entirely from higher local production. In the postwar years the Jamaican Government has helped and encouraged fishermen to build larger boats, fitted with engines, that can be used to fish the offshore banks. New fishing banks have been explored and much bigger catches are expected in future.

Average annual imports of canned fish have risen from 1.3 million pounds during 1934-38 to an average of 4.9 million in the years 1954-58. Higher sales of canned fish in this market reflect the greater purchasing power of the Jamaicans. A change-over to self-service grocery stores has also boosted sales.

JAMAICAN FISH AND MEAT IMPORTS

(in pounds)			
	Fish		Meat
	Total	from Canada	Total
1934	25,843,823	25,027,887	3,997,664
1935	26,009,921	24,914,859	3,614,612
1936	26,604,606	25,713,287	2,729,591
1937	26,459,741	24,750,558	3,143,210
1938	29,575,674	28,263,087	3,360,370
Average			
1934-38	26,898,753	25,735,936	3,369,089
1954	27,224,823	24,745,658	6,089,927
1955	28,255,876	26,320,198	7,815,355
1956	29,153,873	26,551,930	11,825,175
1957	33,853,236	29,628,272	12,749,164
1958	29,167,231	20,265,260*	16,027,825
Average			
1954-58	29,531,008	25,502,264	10,901,489

*Decline due mainly to purchase of six-months' supply of salt cod from Iceland.

Meat Consumption Rises

Even more spectacular than the change in fish consumption are the rising sales of meat in this market. Although annual per capita consumption has only risen

from 31.7 to 35.6 pounds, (see table on page 23), demand in recent years has swung heavily from pickled meats to the fresh and canned varieties.

From 1934 to 1938, Jamaicans consumed 60.7 per cent of pickled beef and pork products and 39.3 per cent of other types, including fresh, canned, smoked and sausages. In the 1954-58 period, the ratio was almost reversed and the average percentage was 31.8 per cent of pickled meats and 68.2 per cent of other types. The import of canned meats also climbed from an average of .6 million pounds to an average of 2.5 million.

The development of two types of cattle, Jamaican Red and Jamaican Black, ideally suited to local conditions, plus government assistance in improvement of pastureland, have considerably stepped up meat production. Since bauxite mining began, the mining firms have been required to keep the land on which they have concessions under cultivation and, after it is mined, return it to agriculture. A large portion of this land has been found suitable for cattle-raising and this has contributed greatly to increased beef production.

JAMAICAN AVERAGE ANNUAL IMPORTS OF FISH AND MEAT

Main Fish Products	1934-38	1954-58
	(pounds)	
Fresh fish	26,940	113,396
Salt cod	16,166,591	16,872,340
Pickled mackerel	6,855,078	4,341,387
Pickled herring	818,263	2,172,830
Pickled alewives	1,575,160	1,134,637
Canned fish	1,323,139	4,880,555
Meat Products		
Total	lb. 3,369,089	10,901,489
Fresh meat, ham, bacon, sausages, canned meats	lb. 1,323,432	7,438,751
Percentage of total	39.3	68.2
Pickled beef and pork products	lb. 2,045,657	3,462,738
Percentage of total	60.7	31.8

What of the Future?

The economic outlook for Jamaica appears bright and its gross national product should continue to rise, bringing with it improvement in living standards. Better fishing methods and government assistance to the fishing and cattle-raising industries will no doubt boost future yields from these industries. As a result, Jamaica may well become less dependent on imports of fish and meat to satisfy her protein needs. A government scheme to build cold-storage facilities in rural areas will also make fresh meat and fish more accessible to a larger number. Indications are that Jamaicans will buy more meat and less fish in future, and that they will prefer higher-priced fresh products to salted and pickled types. ●

France Increases Liberalization

Further liberalization of French imports, announced late in July, affects about 650 items; opens the door to a virtually new market for many categories of Canadian exports.

WILLIAM BRETT, *Commercial Secretary, Paris.*

FRANCE last year took significant steps in the direction of freer trade and payments. The franc was devalued and made externally convertible. A period of fairly steady advancement followed and this included substantial liberalization of imports in January 1959. At that time, approximately 65 per cent of what might be termed traditional Canadian exports were freed. France, it appears, has developed the necessary economic stamina to withstand and indeed benefit from the freer flow of trade. On July 23, 1959, the authorities announced further significant advances. Some 650 items were removed from control, bringing the total number to approximately 1,500—of which all but some 200 are liberalized from the dollar area as well. Some officials estimate that these new measures mean in effect that 60 per cent of imports by value in the base year 1953 is now opened to exporters.

Optimism Justified

Several of the more promising products figuring in this last decree are listed at the end of this article. Details are available from the Commercial Division of the Canadian Embassy in Paris or from officials in Ottawa, but meanwhile a few general remarks and a preliminary examination of the items freed might be useful.

First, this development takes place against a background of rising production in France and in Europe generally. French industrial output increased from an index figure of 100 in 1952 to 152 in 1958, a rise of over 50 per cent. On the same basis (1952 equals 100) exports were 182 and imports less than 140. More concretely, France at the end of the first half of 1959 had a positive trading balance of some fr. 50 billion against a negative balance of fr. 223 billion for the first six months of 1958. One of the most important indicators—foreign exchange holdings—is also heartening. At the end of 1958, France held reserves of US\$1,104.6 million; by the end of June 1959, holdings had increased to US\$1,633 million.

These traditional economic gauges indicate actual progress but they merely hint at facts of equal importance, such as the psychological atmosphere pervading

France today. Buoyant confidence is generally a feature of the whole French market. The new spirit seems durable and permanent in character. Most economic clinicians, many of whom have long followed the course of postwar France, hold a moderately optimistic view. It is no doubt because of these encouraging factors that French authorities have indicated the probability of further liberalization in the fall and winter of this year. But now let us examine the salient features of the recent liberalization.

Promising Items Examined

It is possible to isolate a number of items that will benefit from recent liberalization. Among these are certain agricultural products, such as canned, fresh and frozen salmon and several other categories of fish. Lobster, certain types of ham, and eggs without shell can also look forward to expanded markets. Perhaps of lesser importance are maple and corn sugar, prepared soups and certain marine oils. Typically, agricultural products account for only about 15 per cent of French imports, so the greater challenge will be in the field of raw or semi-fabricated materials. Here great care must be taken to establish firmly that such and such a commodity is or is not freed for import. Often the change has affected only one or more sub-items of a given tariff category. Among those showing promise, we should list most inorganic chemicals, sera and vaccine, artificial textile fibres, vitamin A, ferro-chromium steel, pulp-mill machinery, certain agricultural implements, concentrated sulphite lye, surgical and hospital equipment, abrasives, pigments, gold for industrial uses and certain types of mining equipment. These items are mentioned at random and they cover only a small proportion of the potentially interesting categories.

This increased freedom to import is, then, a substantial step forward that will be welcome to many Canadian exporters who will now find opportunities in what is virtually a new market for many of them. They may perhaps be unfamiliar with the methods of trade here. For instance, several main categories of imports are bought through purchasing agencies (*groupements*)

of French industry. Commerce in France is also quite tightly knit, with intra-industry associations; there is close liaison with various government entities. The first thing for the Canadian exporter to do is to establish whether recent changes make sales of his product possible. If so, he should assess the extent of the market and consider the appointment of a representative. The main houses are, of course, centered in Paris, but they have branches or agencies throughout France. Canadian Trade Commissioners in Paris will welcome inquiries from Canadian businessmen probing possibilities in this new market.

Partial List of Liberalized Products

Edible meat offals
 Filleted fish (frozen)
 Stockfish
 Guts, bladders and stomachs of animals (other than fish)
 Linseed (for sowing)
 Plants and parts of trees, shrubs and other plants, of kinds used primarily in perfumery, pharmacy or for insecticides, fungicides or similar purposes
 Cod and halibut liver oils
 Oleic and stearic acids
 Caviar substitutes
 Canned salmon
 Other canned fish (excluding sardines or tuna fish)
 Maple sugar and corn sugar
 Infant foods (preparations of flour, starch or malt extract)
 Prepared soups (in liquid, solid or powder form)
 Gin
 Sulphur
 Roasted iron pyrites
 Titanium ores
 Tar sands, natural bitumen
 Most inorganic chemicals (excluding carbon, acetylene and anthracene blacks; silicon compounds; chromium oxides and hydroxides; cobalt oxides and hydroxides; titanium oxides; lithium hydroxides; cobalt chloride and sulphate; alums; lithium and cobalt carbonates; borates; isotopes other than radioactive; thorium and uranium compounds; boron carbide)
 Ethylene, propylene, isobutylene
 Isopropylbenzene
 Napthalene, anthracene, dodecylbenzene
 Tri and tetrachloroethylene
 Phenols, cresols, xylenols
 Diethyl and diphenyl ethers
 Methanol, paraldehyde
 Methyl, ethyl, propyl, isopropyl, vinyl acetates
 Oleic and stearic acids and salts and esters thereof
 Phthalic anhydride
 Citric acid, crude calcium citrate
 Benzofuran (coumarone)—carbazole, pyridine and derivatives
 Vitamin A
 Cocaine and salts
 Sera and vaccines (with previous authorization from Central Pharmaceutical Service)
 Tanning extracts of vegetable origin
 Pigments—(mineral blacks, lithopone and other zinc sulphide pigments, cadmium derivatives, ferrocyanides, ultramarine, etc.)
 Varnishes and lacquers
 Adhesives (excluding gelatine and derivatives)
 Tall oil
 Lignosulphanates
 Residual lyes from the manufacture of wood pulp by alkali process
 Aminoplast resins (urea formaldehyde types)
 Alkyd resins

Polyvinyl chloride (in powdered form) and polyvinyl acetate
 Coumarone resins
 Apparel and clothing accessories of unhardened vulcanized rubber
 All hides, skins and leathers
 Leather goods (other than travel goods)
 Leather wear (articles of apparel, excluding gloves other than protective or sports gloves)
 Most wood manufactures
 Yarns of continuous artificial textile fibres
 Papermakers' felts (containing less than 15 per cent in weight of artificial or synthetic fibres)
 Footwear: overshoes and other footwear with outer soles and uppers of rubber or artificial plastic material (not passing the ankle)
 Grindstones, grinding wheels and the like (of natural or artificial abrasives)
 Fabricated asbestos and articles of asbestos
 Silver and alloys, unwrought or semi-manufactured
 Gold and alloys, unwrought or semi-manufactured
 Platinum and other metals of the platinum group, unwrought or semi-manufactured
 Pig iron and cast iron
 Ferro-manganese, ferro-aluminum, ferro-chromium, ferro-molybdenum, ferro-titanium
 Semi products of high-carbon steels and of certain alloy steels
 Steel-wire goods
 Stoves, ranges and other space-heaters (non-electric)
 Copper and copper alloys, and bars, rods, angles, shapes, sheets, plates, strip, tubes and pipes, foils, etc., thereof
 Nickel powders and flakes
 Nickel wire-goods
 Aluminum bars, shapes, wires, sheets, plates, strip, foils, etc.
 Lead bars, rods, shapes, wire, plates, sheets, strip, foil, pipes, etc.
 Zinc bars, shapes, sheets, plates, foil, powders, flakes, etc.
 Tungsten, molybdenum, tantalum, cadmium, cobalt, titanium and various other base metals, and articles thereof
 Agricultural hand tools
 Mining drill-bits
 Tool-tips and plates, of sintered metal carbides
 Pumps (for liquids)
 Equipment for hoisting, loading, unloading, handling
 Excavating, boring or extracting machinery
 Ploughs, cultivators, harrows and other machinery for the preparation or cultivation of the soil
 Haymaking appliances
 Threshers
 Dairy machinery (including milking machines)
 Machinery for the milling or working of cereals or of dried leguminous vegetables
 Pulp mill machinery
 Printing machines
 Sewing machine needles
 Sliding lathes
 Screw-cutting and tapping machines (other than lathes)
 Shaping machines
 Slotting machines
 Milling machines (with adjustable heads)
 Polishing and grinding machines (without microscopic adjusting system)
 Woodworking machines
 Cash registers
 Mixing and kneading machines (for earths, ores, etc.)
 Concrete vibrators
 Rope- and cablemaking machines
 Pressure-reducing valves
 Shock absorbers for tractors and automobiles
 Hockey sticks

See, also "France" in the June 20, 1959, issue of "Foreign Trade" and "The French Market" in the July 18, 1959, number.



Trade and Tariff Regulations

Australia

IMPORT CONTROLS—The Australian Government has announced that further major steps have been taken towards the relaxation of import restrictions and the elimination of dollar discrimination.

Effective August 1, 1959, the yearly ceiling on total Australian imports was increased to A £850 million from A £800 million. Discriminatory controls against the dollar area have been relaxed or removed on imports of all goods with the exception of motor vehicles and lumber.

With this latest relaxation of discriminatory controls, the fourth such reduction within a year, over 90 per cent of Australia's import requirements can now be imported from Canada and other dollar countries as freely as from any other source.

The change in Australian import controls should substantially increase opportunities for expanding and diversifying Canadian sales in the Australian market, particularly of manufactured goods. Canadian exporters are encouraged to explore fully the possibilities of increasing sales.

Under the new regulations, imports from all sources into Australia will now be subject to the following types of licensing treatment:

1. *Goods Exempt from Import Licensing*—This group now includes:

Petroleum products; abrasives; pulp, paper shavings and waste paper for paper manufacturing; nickel ingots and shot; hog casings; cemented carbide tool tips; certain dry colours; optical glass blanks; bromine salts; specified cyanides and hydrosulphites; narcotic drugs; sodium borates; nitrate of soda; last blocks; unexposed film; books and printed matter (including fiction, magazines, etc.); rock phosphate; manures; samples; ores of manganese and chrome; feldspar; ferrous alloy ingots; abrasives, and certain metals.

2. *Freely Licensed*—This group includes:

Scrap iron and steel, gold and silver bullion and coin, vegetable and flower seeds, replacement parts for mining and metallurgical machines.

3. *Import Replacement*—This system enables importers of a particular commodity to obtain their requirements continuously from overseas up to the level of demand. It is not completely free, however, in that it provides for limits on the value of import licences which any importer may hold at a particular time. This category now

includes replacement parts for agricultural machinery and implements; replacement parts for motor vehicles; replacement parts for various types of machinery, including certain engines, air compressors, printing, board and papermaking machines, air-conditioning and refrigeration machines, business machines; whisky; synthetic sausage casings; nickel and nickel alloy angles, bars, etc.; office machines; certain hand tools including pneumatic and portable electric hand tools; drill steels; chain hoists; outboard motors, 30 horsepower and over; sparkplugs; welding rods; malleable iron castings; greases; calcium carbide; arsenic compounds; leather; potassium carbonate and chlorate; staves, casks and vats of wood; papermakers' felts and wires; cellulose transparent paper; fruit wrapping paper; ophthalmic instruments; scientific instruments; hides and skins.

4. *Goods Subject to Quota Restrictions*—Quotas for goods in this category will be established in favour of individual importers. This group includes:

Canned salmon and sardines; fine papers; textiles; apples; certain hand tools; iron and steel plate, sheet and tubing; wallpaper; abrasive cloths and papers, and most consumer goods.

Note: Ceilings of £5,000 per importer per licensing period have been established for dollar imports of wallpaper, footwear, floor coverings, hand luggage, and most electrical consumer durable goods. Dollar area textiles will be subject to an over-all ceiling of £25,000 per importer per licensing period.

5. *Goods Subject to Administrative Decision*—Applications for licences for goods in this group are considered individually on their own merits by the Department of Trade. In all instances, with the exception of lumber and motor vehicles, examination is made by the Department of Trade without reference to the origin of the goods.

The items of greatest interest to Canada in this group are:

Lumber; motor vehicles; airplanes and parts; agricultural machinery; capital equipment; electrical machine apparatus and appliances, including parts; synthetic rubber; newsprint; chemicals for industrial and agricultural uses; crude asbestos.

The above lists are not complete but indicate the licensing treatment accorded to some of the items of particular interest to Canadian exporters. Detailed information concerning specific products may be obtained from the International Trade Relations Branch.

Chile

IMPORT REGULATIONS MODIFIED—Under authority of new legislation embracing broad sectors of the Chilean economy, the Chilean Government has reduced import deposits on many products and has introduced lower deposit requirements for other products, together with an additional temporary ad valorem import tax. The imposition of import surcharges is an emergency measure taken by the Chilean Government as a first step towards eliminating the import deposit system entirely, as recommended by the IMF. The changes in import regulations are designed to allow larger imports of essential machinery and equipment for the expansion of Chilean industry. The Government has indicated on several occasions that, in order to check the high rate of inflation, Chile must produce more and these regulations would appear to be a step in that direction.

Commodity	Former deposit	New deposit	New special import tax c.i.f. value
	rate c.i.f. value	rate c.i.f. value (in per cent)	
Carbon steel for tools	5000	10	10
Special steel for springs	100	10	10
Alloys of nickel	5000	10	10
Taps, faucets and valves of cast iron, brass or copper	5000	150	150
Metal bolts, nuts and rivets	5000	100	—
Cutters for coal mines	600	200	—
Drills for mines	600	100	—
Prospecting drills	600	100	—
Other machinery, apparatus, utensils and tools for mining	1000	200	—
Sprayers for insecticides	600	100	—
Anti-acid pumps for pulp and sand	600	20	20
Centrifugal pumps without motors	5000	100	100
Gear pumps	600	100	100
Deep-well pumps with sub- merged motor	600	20	20
Tunnelling equipment	600	100	—
Equipment, machinery, cranes, tackle for loading, unloading and stacking goods	600	200	—
Machinery for making card- board boxes	5000	10	10
Pasteurizing machines	1000	10	10
Rotary disc wheat grinders	5000	10	10
Band saws for wood	5000	10	10
Transformers for fluorescent tubes of 20-40 watts and for bells	5000	100	100
Locomotives for mines	600	100	—
Spare parts for motor vehicles	100	50	—
Industrial fishing nets	5000	10	10
Wheeled tractors	600	200	—

Additional information on commodities affected by these regulations may be obtained from the Commercial Secretary in Santiago or the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

—H. M. MADDICK,
Commercial Secretary, Santiago.

Dominica

MOST DOLLAR IMPORTS LIBERALIZED—The Ministry of Trade and Production, Dominica, has announced almost complete dollar liberalization effective July 1, and that control of imports from dollar and OEEC sources will be abolished except for a comparatively small number of items. As a result, it will now be necessary to obtain import licences only for the items listed below:

Goods from dollar sources

Air-conditioning machines, self-contained, comprising elements for cooling, control of humidity, cleaning and circulating of air

Centrifugal drying and separating machines, other than of a kind used for domestic purposes

Compressors and exhausters, air and gas

Dredging equipment

Gas and chemical plant

Lifting, hauling and transporting machinery, the following: hoists, winches, pulleys

Oil-refining plant

Pile-drivers

Pumps of all kinds, including petrol and oil-measuring pumps, other than of a kind used in motor vehicles, ships, boats or aircraft, or for domestic purposes

Refrigerators and refrigeration machinery, other than of a kind used for domestic purposes

Separators for separating oil from mixtures of oil and water

Welding machines

Well-boring machinery and plant

Cocks, taps, traps and valves for controlling gases, liquids or vapours

Flexible tubing and piping, wholly or mainly of metal

Petroleum and shale oils, crude and refined (other than lubricating oils, waxes of all kinds including mixtures of waxes, wax residues, petrolatum and greases)

Motor vehicles, tires and spares

Goods from any source whatever

Sugar, rice, wheat and wheat products, fats and oils

Importers are requested to obtain import licences for the listed commodities before placing any orders.

Gibraltar

DOLLAR IMPORTS LIBERALIZED—The Acting Financial Secretary, Gibraltar, has announced that, effective July 1, 1959, most goods from the dollar area have been placed under Open General Licence, with the exception of the following which remain subject to specific licence:

Butter, flour, frozen meat, lard (compound), margarine, milk (tinned), edible cooking oil, sugar
 Diamonds and other precious stones mounted or otherwise
 Gold bullion, fully and semi-manufactured gold, including jewellery containing gold
 Petrol
 Petroleum and shale oils crude and refined (other than lubricating oils, waxes of all kinds including mixtures of waxes, wax residues, petrolatum and greases)
 Air-conditioning machines, self-contained, comprising elements for cooling, control of humidity, cleaning and circulating of air
 Centrifugal drying and separating machines, other than of a kind used for domestic purposes
 Compressors and exhausters, air and gas
 Dredging equipment
 Gas and chemical plant
 Lifting, hauling and transporting machinery, the following: hoists, winches, pulleys
 Oil-refining plant
 Pile-drivers
 Pumps of all kinds, including petrol and oil measuring pumps, other than of a kind used in motor vehicles, ships, boats or for domestic purposes
 Refrigerators and refrigeration machinery, other than of a kind used for domestic purposes
 Separators for separating oil from mixtures of oil and water
 Welding machines
 Well-boring machinery and plant
 Cocks, taps, traps and valves for controlling gases, liquids or vapours
 Flexible tubing and piping, wholly or mainly of metal
 Motor vehicles and spares

In so far as motor vehicles and spares are concerned, imports by recognized dealers under the quota system are allowed on the specific import licence, past performance in the motor car trade being taken into account.

Grenada

IMPORT CONTROLS RELAXED—The Controller of Supplies, Grenada, has announced that, effective July 18, 1959, an Open General Licence has been granted for the import of goods from the dollar area, with the exception of the following, which are subject to specific licence:

Air-conditioning machines self contained, comprising elements for cooling, control of humidity, cleaning and circulating of air
 Centrifugal drying and separating machines, other than of a kind used for domestic purposes
 Compressors and exhausters, air and gas
 Dredging equipment
 Gas and chemical plant
 Lifting, hauling and transporting machinery, the following: hoists, winches, pulleys
 Motor vehicles and motor vehicle spares
 Oil-refining plant
 Pile-drivers
 Pumps of all kinds, including petrol and oil measuring pumps other than of a kind used in motor vehicles, ships, boats or aircraft, or for domestic purposes

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Refrigerators and refrigeration machinery, other than of a kind used for domestic purposes
 Separators for separating oil from mixtures of oil and water
 Welding machines
 Well-boring machinery and plant
 Cocks, taps, traps and valves for controlling gases, liquids or vapours
 Flexible tubing and piping, wholly or mainly metal
 Petroleum and shale oils, crude and refined, (other than lubricating oils, waxes of all kinds including mixtures of waxes, wax residues, petroleum and greases)
 Rice
 Butter
 Eggs in shell
 Fish, fresh and frozen
 Poultry meat
 Live poultry except chicks one week old or under
 Sugar
 Fats and oils; all oil-bearing materials, vegetable, animal and marine fats and oils (edible and inedible) including manufactured products of which the principal component is fat or oil (such as margarine, lard, lard substitutes, shortening and soap), but excluding flaxseed and linseed oil, tung nuts and oil, castor beans and oil, fish liver oils, perilla seed and oil, oiticica oil, sperm oil and other waxes
 Gold bullion fully or semi-manufactured
 Gold (including jewellery)
 Soaps of all kinds and including soap substitutes
 Arms and ammunition

Italy

ADDITIONAL DOLLAR IMPORTS LIBERALIZED

—Detailed information has now been received on the Italian dollar import liberalization measure that took effect on June 9. A partial list of newly liberalized items of interest to Canadian exporters is given below. Information on specific products may be obtained from the International Trade Relations Branch.

Out of a total of over 5,200 items in the Italian statistical classification, the new measure increased the number of liberalized dollar items from about 1,000 to approximately 3,800. Some of these items are of little interest to Canada. However, the free admission of many other products, including those listed below, should create new opportunities for Canadian exporters. On the other hand, grains, aluminum, automobiles, certain synthetic resins, various foodstuffs and consumer goods are among products which remain subject to import restrictions.

Frozen salmon
 Eggs in the shell
 Eggs without shell, whole or yolks, without sugar
 Oilseeds for sowing
 Lobster and other crustaceans and molluscs, canned
 Sugar confectionery
 Chocolate and other food preparations containing cocoa
 Puffed rice, cornflakes and similar products
 Coffee extracts, essences or concentrates

Mustard flour and prepared mustard
 Carbon black and lamp black
 Various organic and inorganic chemicals
 Leather
 Fur skins, dressed
 Fur garments
 Printed matter including advertising matter
 Metallic yarn and fabrics
 Rugs and textile floor coverings
 Footwear
 Various mineral heat and sound insulating materials and products
 Asbestos products including gaskets of all kinds
 Platinum
 Jewellery other than of gold
 Alloy steel strip, shapes, certain sheets and bars
 Tin wire, bar, sheet and tubing
 Certain hand tools including hoes, shovels, picks, spades, rakes, shears, hay and straw knives
 Locks of all kinds including door locks
 Hardware for furniture, doors, windows, travelling bags, etc.
 Automobile motors and outboard motors (only some kinds were on earlier liberalization list)
 Pumps
 Industrial cooking equipment
 Various industrial machines
 Various machine tools
 Certain office machines
 Electric motors up to 30-watt
 Accumulators
 Electric shavers
 Electric industrial furnaces
 Electric signalling apparatus
 Railway locomotives and rolling stock
 Tractors of a cylinder displacement over 7,000 cubic centimeters (earlier liberalization list included only tractors over 17,000 cubic centimetres)
 Wheel chairs without motor, and baby carriages
 Aircraft weighing up to 1,500 kilograms (heavier aircraft were liberalized earlier) parachutes, catapults, and ground flying trainers
 Ships of all kinds including pleasure boats
 Surveying, navigational and geophysical instruments
 X-ray apparatus for industrial and technical purposes
 Watches and clocks
 Musical instruments (earlier liberalization list included only electronic pianos and organs)
 Arms and ammunition including sporting guns
 Brooms and brushes

Musical instruments, tractors, machinery and equipment coming under the newly liberalized items remain subject to import licensing requirements if they are used or if they are new but in bad condition.

Jamaica

IMPORT OF MOTOR VEHICLES—The Trade Board, Jamaica, has advised importers that effective July 9, 1959, it is prepared to consider applications for licences to import reasonable quantities of motor vehicles from non-sterling sources.

Kenya

IMPORT RESTRICTIONS RELAXED—The Minister for Commerce and Industry, Kenya, announced on

June 26 that goods may be imported from the dollar area under Open General Licence, with some exceptions for which specific licences will be required.

Information concerning particular commodities for which specific licences are required may be obtained from the International Trade Relations Branch of the Department.

Nigeria

IMPORT RESTRICTIONS RELAXED—The Ministry of Commerce and Industry, Nigeria, has announced that, effective July 1, 1959, an Open General Licence has been granted for the import of goods from the dollar area, with the exception of the following for which specific import licences are required:

1. Sugar (beet and cane refined)
2. Coal, coke and briquettes
3. Petroleum products
4. (a) Gold chloride
 (b) Jewellery of gold, and goldsmith's wares
 (c) Gold watches
 (d) Gold clocks
 (e) Gold watch cases
 (f) Articles manufactured wholly or mainly of gold not elsewhere specified
 (g) Gold coin and gold bullion, unrefined gold and partly worked gold
5. Flexible tubing and piping, wholly or mainly of metal
6. Pumps of all kinds, including petrol and oil measuring pumps, other than of a kind used in motor vehicles, ships, boats or aircraft, or for domestic purposes
7. Lifting, hauling and transporting machinery, the following: hoists, winches, pulleys
8. Well-boring machinery and plant
9. (a) Centrifugal drying and separating machines, other than of a kind used for domestic purposes
 (b) Pile-drivers
 (c) Separators for separating oil from mixtures of oil and water
 (d) Dredging equipment
10. (a) Air-conditioning machines, self-contained, comprising elements for cooling, control of humidity, cleaning and circulating of air
 (b) Refrigerators and refrigeration machinery, other than of a kind used for domestic purposes
11. (a) Oil-refining plant
 (b) Compressors and exhausters, air and gas
 (c) Gas and chemical plant
12. Cocks, taps, traps and valves for controlling gases, liquids or vapours
13. Welding machines
14. Road motor vehicles
15. Motor spare parts and accessories imported from or through adjoining territories (by land or inland waterways)
16. Singlets
17. Second-hand clothing and household rummage

Singapore

IMPORT CONTROLS RELAXED—The Government of Singapore has announced that, effective August 1, goods from the dollar area may be imported under Open General Licence with the exception of the following for which specific import licences will be required:

- (a) Arms and ammunition
- (b) Bullet-proof vests, steel helmets and other articles of clothing intended as protection against attack
- (c) Coin or disc-operated amusement machines, including pin-tables, fruit machines, jack-pot machines, shooting galleries and similar machines and components and spare parts thereof, but excluding record players, juke boxes and coin or disc-operated cinematograph machines
- (d) Diamonds, rough or uncut, cut or polished and diamond-set jewellery
- (e) Eggs in the shell
- (f) Gold coin, gold bullion, and any gold in whatever state or form including articles of jewellery or ornament
- (g) Hides and skins of oxen, buffaloes, sheep, goats and pigs
- (h) Live poultry
- (i) Meats (including bones and offals), sausages and other meat preparations of bovine cattle, sheep, goats, swine, boars, whether fresh, chilled, frozen, pickled, salted, smoked, dried or cooked, but excluding any canned meats
- (j) Plants of all species
- (k) Rice in whatever form, including rice flour, rice bran and rice polishings (including from the Federation of Malaya)
- (l) Motor cars or trucks, passenger or commercial new or second-hand
- (m) Radio receivers, domestic
- (n) Watches

Because of the importance of the entrepôt trade to Singapore, the re-export of dollar goods will be allowed.

South Africa

REPRESENTATION RESPECTING THE TARIFF
—The South African Board of Trade announced recently that it had received the following representations respecting the tariff:

Increase in duty on:

1. Trunks, attaché cases, hat boxes and suitcases as provided for under tariff item 59 (2), from 20 per cent ad valorem to 50 per cent ad valorem in the maximum column of the tariff.
2. Sluice valves from 5 per cent ad valorem to the following specific duties in the maximum column of the tariff:
 - (a) £2.10s. each for sizes 2" to 3" inclusive,
 - (b) £3 each for sizes above 3" to 8", and
 - (c) £5 each for sizes above 8".

Canadian firms exporting these goods to South Africa may wish to have their views placed before the Tariff Board. They can do so most effectively by having their South African agents act for them. Action should be taken as soon as possible because tariff inquiries normally begin soon after they are announced.

DECIMAL COINAGE SYSTEM PROPOSED—A bill to provide for a coinage system on a decimal basis has recently been introduced into the House of Assembly of the Union of South Africa.

Under the provisions of the bill, the pounds, shillings and pence system will be replaced by a decimal coinage system to be known as the rand (R) and the cent (C). The following table shows the denominations of the new coinage and their respective values in terms of the coinage currently in circulation in the Union:

Proposed New Coinage	Values Compared with Current Coinage
Gold coins	
Two Rand	Pound
Rand	Half-pound
Silver coins	
Fifty cents	Crown
Twenty cents	Florin
Ten cents	Shilling
Five cents	Sixpence
Two-and-a-half cents	Threepence
Bronze coins	
Cent	Twelve-tenths of a penny
Half-cent	Twelve-tenths of a half penny
Quarter-cent	Twelve-tenths of a farthing

Provision is also made in the bill for the establishment of a Decimalization Board. Its function will be to facilitate the transition to the new system and to compensate owners of machines and instruments for the costs they incur or losses they sustain as a result of the introduction of the system.

In anticipation of the change-over, the South African Government in February of this year placed an import ban on used pounds, shillings and pence machines. This was done to prevent persons from importing these and then making claims to the Government for the cost of converting them to the new system. The import ban will remain in effect until the question of compensation has been settled.

South Africa

IMPORT LICENCES—The Government has announced a further issue of import licences for general merchandise. This latest increment will amount to 10 per cent of the quota and will bring to 50 per cent the amount of the quota for general merchandise issued so far this year. The allocation for this year is now at the same level as that made available last year. The increment will only be issued to importers who apply for it and who have provided the authorities with information about their business in past years that will justify their quota—Johannesburg.

United States

TARIFF COMMISSION WILL INVESTIGATE IMPORTS OF LEAD AND ZINC PRODUCTS—Since October 1, 1958, absolute quotas on unmanufactured lead and zinc have been imposed on imports into the United States. These quotas were imposed by Presidential Proclamation following an escape-clause investigation by the United States Tariff Commission. (*See Foreign Trade* of October 11, 1958.)

The United States Tariff Commission has been receiving reports from various United States sources that since the quotas on unmanufactured lead and zinc were put into effect, imports of lead and zinc products (said to be attributable primarily to the existence of the quotas on unmanufactured lead and

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	B. Horth Assistant Commercial Secretary		
New Zealand Fiji, French Oceania, Western Samoa	J. H. Stone Commercial Secretary	Office of the High Commissioner for Canada Government Life Insurance Bldg. WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Tel.:</i> 70-644
	J. MacNaught Assistant Commercial Secretary		
Norway Iceland	Commercial Counsellor (absent)	Canadian Embassy Fridtjof Nansens Plass 5 OSLO	<i>Mail:</i> P.O. Box 1379—Vika <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
Pakistan Afghanistan	L. A. Campeau Commercial Secretary	Office of the High Commissioner for Canada Hotel Metropole, Victoria Rd. KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Tel.:</i> 50322
	J. B. McLaren Assistant Commercial Secretary		
Peru Bolivia	D. H. Cheney Commercial Secretary	Canadian Embassy Edificio Boza, Carabaya 831 Plaza San Martin, LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 72760
	W. J. Jenkins Assistant Commercial Secretary		
Philippines Republic of China (Taiwan)	H. L. E. Priestman Consul General and Trade Commissioner	Canadian Consulate General Ayala Building Juan Luna Street MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Tel.:</i> 3-33-35
	R. H. Gayner Vice Consul and Assistant Trade Commissioner		
Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	Commercial Counsellor (absent)	Canadian Embassy Rua Marques de Fronteira No. 8-4° D° LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	L. S. Glass Canadian Government Trade Commissioner	8th Floor Grindlays Bank Chambers Baker Avenue SALISBURY	<i>Mail:</i> P.O. Box 2133 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 26571

Territory	Officer	City Address	Mail and Cables, Office Telephone
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	M. P. Carson Canadian Government Trade Commissioner B. C. Steers Assistant Trade Commissioner	Rooms 4, 5 and 6 American International Building Robinson Road and Telegraph St. SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Tel.:</i> 74280
South Africa (Natal, Transvaal, Orange Free State), Madagascar, Mauritius, Mozambique, Reunion	C. R. Gallow Canadian Government Trade Commissioner L. J. Taylor Assistant Trade Commissioner	Mutual Building Harrison Street JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-2628
South Africa (Cape Province), St. Helena, Southwest Africa	M. R. M. Dale Canadian Government Trade Commissioner	602 Norwich House The Foreshore CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 2-5134/5
Spain Balearic Islands, Canary Islands, Gibraltar, Rio Muni, Rio de Oro	M. T. Stewart Commercial Counsellor	Canadian Embassy Edificio España Avenida de Jose Antonio 88, MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Tel.:</i> 47-54-00
Sweden Finland	A. P. Bissonnet Commercial Counsellor P. A. Freyseng Assistant Commercial Secretary	Canadian Embassy Strandvagen, 7-C STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Tel.:</i> 67-92-15
Switzerland	S. G. MacDonald Commercial Counsellor J. H. Nelson Assistant Commercial Secretary	Canadian Embassy Kirchenfeldstrasse 88 BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 4-63-81
United Arab Republic Egyptian Region Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia, Yemen	W. J. Collett Acting Commercial Secretary	Canadian Embassy 6 Sharia Rouston Pasha Garden City CAIRO	<i>Mail:</i> Kasr el Doubara Post Office <i>Cable:</i> CANADIAN <i>Tel.:</i> 23110
United Kingdom	B. C. Butler Minister (Commercial) W. Gibson-Smith Commercial Secretary S. G. Tregaskes Commercial Secretary D. B. Laughton Agricultural Secretary E. J. White Commercial Secretary (Timber)	Office of the High Commissioner for Canada Canada House Trafalgar Square LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701 <i>Cable:</i> TIMCOM
United Kingdom (Midlands, North England)	A. W. Evans Canadian Government Trade Commissioner	Martins Bank Building Water Street LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Central 0625
United Kingdom (Northern Ireland)	W. R. Van Canadian Government Trade Commissioner	36 Victoria Square BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21807
United States Delaware, Maryland, Virginia, West Virginia	Dr. W. C. Hopper Minister (Commercial) D. A. B. Marshall Agricultural Counsellor T. M. Burns Commercial Secretary W. A. Stewart Assistant Commercial Secretary J. D. Blackwood Assistant Commercial Secretary	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEcatur 2-1011
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen Deputy Consul General (Commercial)	Canadian Consulate General 680 Fifth Ave NEW YORK CITY 19	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400

Territory	Officer	City Address	Mail and Cables, Office Telephone
United States--con.	H. E. Lemieux Consul and Trade Commissioner		
	F. I. Wood Vice Consul and Assistant Trade Commissioner		
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	J. C. Depocas 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)	H. J. Horne Consul and Trade Commissioner	Canadian Consulate General 111 North Wabash Avenue CHICAGO	Mail: (City Address) Cable: CANADIAN Tel.: RANDolph 6-6033
	G. F. J. Osbaldeston Vice Consul and Acting Trade Commissioner		
United States (Michigan, Ohio)	M. J. Vechsler Consul and Trade Commissioner	Canadian Consulate 1139 Penobscot Building DETROIT 26	Mail: (City Address) Tel.: WOODward 5-2811
	R. V. N. Gordon Consul and Trade Commissioner		
United States California (the ten south- ern counties), Clark County in Nevada, Arizona, New Mexico	H. J. Horne Consul and Trade Commissioner	Canadian Consulate General 510 West Sixth Street LOS ANGELES 14	Mail: (City Address) Tel.: MADison 2-2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	T. F. Harris Consul and 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), Wyom- ing, 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	Blair 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	Canadian Embassy Edificio Pan American Avenida Urdaneta Puente Urapal, Candelaria CARACAS	Mail: Apartado 9277 Cable: CANADIAN Tel.: 54.34.32
	R. D. Sirrs Assistant Commercial Secretary		
	J. E. Montgomery Assistant Commercial Secretary		
West Indies (Barbados, Trinidad and Tobago, Windward and Leeward Islands) British Guiana, French Guiana, Surinam Guadeloupe, Martinique	R. G. C. Smith Commissioner for Canada	Colonial Building 72 South Quay PORT-OF-SPAIN	Mail: P.O. Box 125 Cable: CANADIAN Tel.: 34787
	R. F. Renwick Commercial Secretary		
	R. L. Richardson Assistant Commercial Secretary		
West Indies (Jamaica) Bahamas, British Honduras	H. E. Campbell Canadian Government Trade Commissioner	Barclays Bank Building King Street KINGSTON	Mail: P.O. Box 225 Cable: CANADIAN Tel.: 2858
	C. G. Bullis Assistant Trade Commissioner		

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 the banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

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

Rates used exclusively in non-merchandise trading are *not* included in the table.

For conversion to United States dollar equivalent multiply by 1.04987.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Aug. 17	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Free .....	.01148	87.11	(1)
Austria	Schilling .....	.....	.03681	27.17	
Australia	Pound .....	.....	2.1416	.4669	
Bahamas	Pound .....	.....	2.6770	.3735	
Belgium, Belgian Congo and Luxembourg	Franc .....	.....	.01907	52.44	
Bermuda	Pound .....	.....	2.6770	.3735	
Bolivia	Boliviano	Free .....	.00008337	11,994.72	
British Guiana	Dollar .....	.....	.5577	1.79	
British Honduras	Dollar .....	.....	.6493	1.54	
Brazil	Cruzeiro	General Category* .....	.005281	189.34	*July 15 (2)
		Special Category .....	.002978	335.78	
		Official selling .....	.05061	19.76	(3)
Burma	Kyat .....	.....	.2000	5.00	
Ceylon	Rupee .....	.....	.2008	4.98	
Chile	Peso	Free .....	.0009054	1,104.48	(4)
Colombia	Peso	Certificate .....	.1488	6.72	
Costa Rica	Colon	Official .....	.1696	5.89	
		Controlled free .....	.1433	6.98	
Cuba	Peso .....	.....	.9525	1.04987	tax 2%
Czechoslovakia	Koruna .....	.....	.1323	7.56	
Denmark	Krone .....	.....	.1383	7.23	
Dominican Republic	Peso .....	.....	.9525	1.04987	
Ecuador	Sucre	Official .....	.06350	15.75	
		Free .....	.05390	18.55	
Egyptian Region, United Arab Rep.	Pound	Official	2.7352	.3656	
		Export account selling ..	1.8100	.5525	
El Salvador	Colon .....	.....	.3810	2.62	
Fiji	Pound .....	.....	2.4117	.4146	
Finland	Markka .....	.....	.002977	335.91	
France, Monaco and North Africa	Franc .....	.....	.001943	514.67	(5)
French colonies	Franc .....	.....	.003886	257.33	(6)
French Pacific	Franc .....	.....	.01069	93.54	(7)
Germany	D Mark .....	.....	.2276	4.39	
Ghana	Pound .....	.....	2.6770	.3735	
Greece	Drachma .....	.....	.03175	31.49	
Guatemala	Quetzal .....	.....	.9525	1.04987	
Haiti	Gourde .....	.....	.1905	5.25	
Honduras	Lempira .....	.....	.4763	2.10	
Hong Kong	Dollar	Free* .....	.1653	6.05	*Aug. 7
		Official .....	.1673	5.98	
Iceland	Krona	Official .....	.05849	17.10	(8)
India	Rupee .....	.....	.2008	4.98	
Indonesia	Rupiah	Effective buying .....	.03146	31.79	*Aug. 3
		Effective selling .....	.02516	39.74	(8)
Iran	Rial .....	.....	.01257	79.53	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent Aug. 17	Units per Canadian dollar	Notes (See below)
Iraq	Dinar		2.6670	.3749	
Ireland	Pound		2.6770	.3735	
Israel	Pound		.5292	1.89	
Italy	Lira		.001535	651.46	
Japan	Yen		.002646	377.93	
Lebanon	Pound	Free	.3023	3.31	
Mexico	Peso		.07620	13.12	
Netherlands	Florin		.2521	3.97	
Netherlands Antilles	Florin		.5080	1.97	
New Zealand	Pound		2.6770	.3735	
Nicaragua	Cordoba	Effective buying	.1443	6.93	
		Official selling	.1351	7.40	
Norway	Krone		.1338	7.47	
Pakistan	Rupee		.2008	4.98	
Panama	Balboa		.9525	1.04987	
Paraguay	Guarani	Official	.007872	127.03	
Peru	Sol	Certificate	.03440	29.07	
Philippines	Peso		.4763	2.10	
Portugal & Colonies	Escudo		.03324	30.08	(9)
Singapore and Malaya	Straits Dollar		.3123	3.20	
Spain and Dependencies	Peseta		.01587	62.99	
Sweden	Krona		.1841	5.43	
Switzerland	Franc		.2209	4.53	
Syrian Region, United Arab Rep.	Pound	Free	.2659	3.76	
Thailand	Baht	Free	.04534	22.05	(8)
Turkey	Lira		.1058	9.45	(8)
Union of South Africa	Pound		2.6770	.3735	
United Kingdom	Pound		2.6770	.3735	
United States	Dollar		.9525	1.04987	
Uruguay	Peso	Free	.08783	11.38	
		Basic buying	.6289	1.59	
		Principal selling	.4545	2.20	(8)
Venezuela	Bolivar		.2843	3.52	
West Indies Fed.	Dollar		.5577	1.79	(10)
	Pound		2.6770	.3735	(11)
Yugoslavia	Dinar	Official	.003175	314.96	(8)
		Settlement rate	.001507	663.52	

*Latest available quotation date.

Notes

1. Argentina: Effective Jan. 1, 1959, a single fluctuating exchange rate was introduced. Exports are subject to retention taxes of either 10 or 20 per cent ad valorem under this system.
2. 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.
3. For imports of wheat, newsprint and petroleum, the effective rate of exchange is the official selling rate plus a surcharge of 61.18 cruzeiros.
4. Chile: free rate applies to exports and to imports, except prohibited imports. Chilean importers must deposit local currency in amounts ranging from 5 to 5,000 per cent, depending on product, prior to shipment of goods.
5. France: territory includes Algeria, Tunisia, Morocco, Guiana, Guadeloupe, Martinique.
6. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
7. New Caledonia, New Hebrides, Oceania.
8. Additional rates are in effect.
9. Portugal: approximately same rate for Portuguese territories in Africa.
10. Barbados, Trinidad, Tobago, Leeward and Windward Islands.
11. Jamaica.



Businessman's Bookshelf

The U.S. Missile and Aircraft Market

Los Angeles Chamber of Commerce. 60 pages. \$5.00.

PREPARED by the Los Angeles Chamber of Commerce, this survey is aptly subtitled "A Report to Sales Managers." A collation of material on the dynamic missile industry, it is preceded by an excellent summary on the procedure followed in doing business with the U.S. Department of Defense Procurement.

The American Armed Forces purchasing offices in the Los Angeles Region are listed and a small bibliography of pertinent U.S. government publications dealing with defence contracts is given.

The survey lists first manufacturers of missiles and component parts and then lists projects, thus providing a cross-reference. The second list offers detailed information on about 175 projects, with the missile's name and type, the prime contractor, a general description of the contract, and the current status of production. The names and addresses of the American manufacturers of civil and military aircraft also are included.

Canadian engineering or manufacturing companies with long-range plans for participating in this fast-growing industry will find this publication useful.

Order from: The Industrial Market Development Committee, Los Angeles Chamber of Commerce, 404 South Bixel Street, Los Angeles 54, California.

Contemporary Canada

by Miriam Chapin. 320 pages. \$7.50.

AMERICAN-BORN and educated, Mrs. Chapin has lived in Montreal since 1932 and for the past 12 years has been a correspondent for the *Christian Science Monitor*. This is her third book on Canada. After previously dissecting Quebec and the Atlantic Provinces, she now has broadened her scope to include the entire nation.

Mrs. Chapin systematically analyzes the country's geography, its politics, economy and people. Her knowledge of Canadian affairs is up-to-date and detailed. Her analysis is original. A Canadian reading the book can appreciate the job of factual reporting that the author has done, accept the criticism, and

probably disagree with most of the sweeping conclusions.

In her appraisal, Mrs. Chapin seems convinced that Canada is still a conglomeration of scattered ethnic groups and a nation split according to sectional interests. She emphasizes the historic differences between French and English Canada and doubts whether any unifying influence has yet appeared on the Canadian scene.

If Mrs. Chapin's book were the reader's first contact with Canada, he might well wonder how the country has been able to survive for almost a century without continual civil war or secession to the United States. Most Canadians should, however, find this book interesting—and at times irritating.

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

Year Book and Guide to East Africa, 1959

Year Book and Guide to Southern Africa, 1959

Edited by A. Gordon-Brown. 493 and 911 pages. \$3.00 each.

"THE road, as it climbs the hills out of Umtali, presents a constantly changing sequence of fine views: over the town of Christmas Pass, and over the Portuguese East African plains broken here and there by isolated kopjes . . . seen at their best in the blue haze of early morning or towards sunset." These are the kind of passages that keep one turning the pages of these attractive looking books and finding new and interesting things on almost every one. The 1959 editions have been enlivened with full-page photographs and there is the usual collection of maps in full colour, with separate large-scale folding maps in the pockets.

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