

MAY 21, 1960

foreign trade



PERU OFFERS AN IMPROVING MARKET (page three)

foreign trade

Established in 1904

OTTAWA, MAY 21, 1960

Vol. 113, No. 11

COVER

These hopeful pelicans are watching Peruvian fishermen shovel a day's catch of anchovies out of their boat. An enterprising Canadian firm introduced nylon nets to Peru's fishing industry some years ago; has reaped the rewards of initiative. Other exporters may wish to "go and do likewise." They will find in the articles on pages two to eleven an excellent briefing on this interesting South American market.



C A N A D A

3 Peru Offers an Improving Market . . . as problems that have plagued the country recede. But return of stability sharpens import competition.

6 Advertising Abroad: Peru . . . pays dividends to the Canadian company that knows how and where to reach potential buyers of its products.

8 Peru's Mines Seek Foreign Capital . . . and Canadian companies making mining machinery and equipment should follow this campaign carefully, in hope of finding new sales opportunities.

11 France Reconsiders Agricultural Policy . . . a close student of French agriculture reviews developments in past year; examines their implications.

20 Canada Goes to the Ideal Home Exhibition . . . three first-hand reports on the smashing success of Canada's large-scale drive for British customers at a top-ranking fair.

10 Peru in Brief

16 Markets for Paints and Varnishes

19 Cuba Grows More Potatoes

31 Canberra Office Opened

30 Commodity Notes

29 Tours of Territory

14 Fairs and Exhibitions

40 Trade Commissioners on Tour

38 Foreign Exchange Rates

28 Trade and Tariff Regulations

32 Foreign Trade Service Abroad

Published fortnightly by the Department of Trade and Commerce.

The Hon. GORDON CHURCHILL, Minister. JAMES A. ROBERTS, Deputy Minister.

Please forward all orders to: Queen's Printer, Government Printing Bureau, Ottawa.

Price: \$2.00 a year in Canada; \$5.00 abroad. Single copies: 20 cents each.

Material appearing in this magazine may be freely reprinted, preferably giving credit to "Foreign Trade".



All signs point to more stable and prosperous Peru in 1960 and Canadian exporters should benefit. Here is advice on entering or becoming more active in this competitive market.

D. H. CHENEY, *Commercial Counsellor, Lima.*

THE market in Peru seems much more promising today than it was in 1958 and the first half of 1959. Sparked by measures adopted by a new government that took office last July, the trend is toward internal and external stability. This has created an atmosphere of confidence and prosperity among the business and industrial community.

Peru Offers an Improving Market

The trade balance showed a surplus of U.S.\$20 million in 1959, in contrast to a deficit of U.S.\$44 million in 1958 and U.S.\$71 million in 1957. The 1959 foreign exchange receipts reached a record U.S.\$471.7 million (U.S.\$396.6 million in 1958), thanks to a 4 per cent gain in exports and a 17 per cent reduction in imports. The balance of payments also showed a surplus—U.S.\$14 million, as against a deficit of U.S.\$18.9 million in 1958 and U.S.\$30 million in 1957. As a result, the country has been able to build up its foreign exchange reserves and repay U.S.\$25 million against stabilization credits to the International Monetary Fund and

the Export-Import Bank. A series of measures adopted for financing the 1960 budget are expected to remove a threatened deficit of soles one billion (U.S.\$36 million). The rate of increase in the wholesale price and cost-of-living indexes has declined.

The tight money situation of a year ago has eased. Money in circulation has increased moderately and commercial banks have surplus reserves. In response to this and to stable exchange rates, imports in 1960 are expected to increase by some 12 per cent and possibly overtake the 1958 figure. Exports, it is estimated, will go up 20 per cent, because of larger shipments of metals, fish products and coffee, and better prices for cotton and sugar. New production of high-grade iron ore and the first shipments of copper from a U.S.\$300 million development in southern Peru will also add substantially to export earnings. So will income from the fisheries, some U.S.\$44 million in 1959. Real national income went up an estimated 5 per cent in 1959 compared with a fall of 5 per cent in 1958 and is expected to expand further this year.

All this points to a more stable and prosperous Peru in 1960 and better opportunities for Canadian exporters. But competition from the United States, Britain, Europe and Japan is extremely sharp and will increase. Exporters new to trade with Peru should not be misled by population figures. Although the total population is approximately ten million, the effective consuming population comes closer to 3.5 million. A middle class of salary and wage-earners is gradually emerging and will increase rapidly in the next decade.

D. H. Cheney (right), Canadian Commercial Counsellor in Lima, author of this report, and W. J. Jenkins, Assistant Commercial Secretary, were at dockside when a large shipment of Canadian wheat arrived at the port of Callao recently. Peru has long purchased our wheat; bought about 90,000 metric tons of it last year.

Peru's foreign trade picture, with comparative figures for 1958 and 1959, is as follows:

	1958	1959
	metric tons	
Imports	1,184,392	1,263,050
Exports	4,630,622	5,739,367
	U.S.\$ million	
Imports	335.4	294.1
Exports	291.4	314.2

PERU'S PRINCIPAL SUPPLIERS

Country	1958		1959	
	Value	%	Value	%
	U.S.\$ million		U.S.\$ million	
United States	\$157.5	47	\$132.7	45
Germany	36.9	11	32.5	11
United Kingdom	26.8	8	20.0	7
Argentina	11.3	4	14.7	5
Canada	12.1	4	12.3	4
Netherlands	10.0	3	11.8	4
Switzerland	10.0	3	8.8	3
Total, including all others	335.4	100	294.1	100

PERU'S PRINCIPAL IMPORTS

Commodity	1958		1959	
	Value	%	Value	%
	U.S.\$ million		U.S.\$ million	
Machinery and equipment	87.1	26	67.6	23
Foodstuffs, fats and oils	53.6	16	47.1	16
Vehicles and transport equipment	40.2	12	29.4	10
Minerals, metals and their manufactures	36.8	11	29.4	10
Chemicals and pharmaceuticals	34.7	10	38.2	13
Textiles and manufactures	12.2	4	5.9	2
Fuel and lubricants	12.2	4	14.7	5
Wood pulp, paper and manufactures	7.8	2	8.8	3
Lumber and manufactures	3.4	1	2.9	1
Others	47.4	14	50.1	17
Total	335.4	100	294.1	100

CANADA'S EXPORTS TO PERU

Year	Exports to Peru (Can.\$)	Canada's Share of Peruvian Market (per cent)	Exports of Wheat (Can.\$)	Other Exports (Can.\$)
1952	16,404,770	6.7	10,331,805	6,072,965
1953	15,107,628	6.7	8,278,222	6,829,406
1954	5,085,542	2.89	707,560	4,377,982
1955	6,001,263	2.22	377,168	5,664,095
1956	11,337,336	3.3	4,246,079	7,091,257
1957	10,108,193	3.0	2,687,580	7,420,613
1958	11,501,394	4.0	3,283,863	8,217,531
1959	11,697,258	4.0	5,666,524	6,030,734

The United States retained her position in 1959 as Peru's leading supplier, followed by Germany, the United Kingdom, Argentina and Canada.

What Canada Sells Peru

Peru is a traditional customer for Canadian wheat; in 1959 she purchased approximately 90,000 metric tons (or some 40 per cent of her wheat imports) from Canada. She is also a valued market for malt, mining machinery and parts, agricultural machinery, commercial fishing nets, and many other manufactured articles. Canadian exports other than wheat, however, contracted to Can.\$6 million last year from \$8.2 million in the previous year because of higher import duties and increased cost of imports in local currency. But larger wheat purchases by Peru more than offset this decline, bringing total Cana-

dian shipments to the highest figure since 1953.

Apart from wheat, the outstanding increases in Canadian shipments to Peru included the following commodities:

- barley
- malt
- fishing nets and twine
- papermaking felts
- oilcloth
- newsprint
- plates, sheets and strips of steel
- iron and steel bars
- aircraft engines and parts
- bolts and nuts of iron
- bookkeeping machines
- shoe machinery
- machinery n.o.p.
- lamps and lanterns
- manufactures of iron n.o.p.
- radio apparatus
- asbestos waste
- brake linings
- medicinal preparations
- nitrogen fertilizer
- calcium compounds
- drugs and chemicals n.o.p.
- aircraft parts

The following Canadian exports to Peru declined in volume in 1959 compared with 1958:

- wheat flour
- purebred cattle
- special leathers
- skim-milk powder
- synthetic fibre and thread
- sulphate kraft wood pulp
- wood manufactures
- gasoline engines
- spades and shovels
- parts for farm implements
- electric washing machines
- mining machinery
- primary aluminum
- brass valves
- copper tubing
- insulated copper wire
- dynamos and generators
- electric meters
- electric motors
- sparkplugs
- asbestos milled fibres
- acids
- ammonium sulphate
- synthetic resins and products
- photographic films

If there is anything that characterizes the market in Peru it is competition—competition in payment terms as well as price. The letter of credit is generally not acceptable, except in special cases, and not more than 10 per cent of Peru's total imports are now financed in this way. Most importers expect to receive sight draft terms, varying from 30 to 120 days from arrival of the goods in the customs, depending on the type of merchandise.

Import duties were increased substantially in 1958 and 1959 on a wide range of goods classed as non-essential. These, added to the depreciation of the sol by some 40 per cent since 1957, have driven up the local-currency cost of imports by 45 per cent. Exporters from the United States, Britain, Europe and Japan are competing vigorously for a bigger share of the market and price is therefore extremely important. During the past two years quality has been secondary in many instances but with the improvement in import demand, quality consciousness is reviving.

Promotion of Sales

A feature article on page 6 of this issue provides advice on advertising in Peru. The exporter should give some thought to an advertising plan, possibly on the basis of sharing costs with the agent or distributor. Exporters should be prepared to correspond in Spanish if necessary, although many Peruvian importers have a knowledge of English or French. For many lines, a good agent selling to distributors or importers throughout the country proves a distinct asset. He sees to it that orders are regularly solicited, keeps his principal advised of competition and market developments, and follows up delinquent accounts. He is also useful if complaints and claims develop. News of unsatisfied complaints spreads rapidly in Peru and can ruin a lucrative trade quickly.

If he has been selling through several distributors, an exporter should be well satisfied about which

one will obtain the best volume before granting an exclusive. There are times also when two or more distributors can work the same line well without conflict. There are many excellent agents and distributors in Peru and the Commercial Secretary will gladly report on their capability and status and the lines they handle.

Quotations in U.S. dollars c.i.f. Peruvian port are preferred and should be supplied whenever possible. The initial work this involves can be rewarding. Exporters should provide descriptive material about their products, including prices, when approaching a potential customer; an approach which does not include prices will probably be ignored. Commissions allowed to representatives and the calculation of them should be clearly specified before business is undertaken. There are no exchange restrictions in Peru and dollars are freely available to pay for imports.

Distribution within Peru

Peru's main distribution centers are Lima/Callao, Arequipa, Trujillo and Iquitos. Most of the large representatives and distributors have their headquarters in Lima and cover the entire country either with a travelling sales force or through branch offices. There are a number of excellent firms in Arequipa which cover the south. Peru's Amazon region is very isolated from the rest of the country. Several of the smaller centers are served by trans-Andean truck traffic from the coast. The main distribution center, however, is the river port of Iquitos, Peru's gateway to the Atlantic. It is usually advisable to appoint a separate agent or distributor resident in Iquitos to cover this area.

Tariffs, Shipping

Peru exchanges most-favoured-nation tariff treatment with Canada under the GATT, to which she acceded in 1951. Chile enjoys preferential tariff rates on a few products, mainly agricultural. Peru is also a member of the newly-

created Latin American Free Trade Association of countries which plan to abolish duties progressively on products traded among the group over a period of twelve years. A bilateral treaty between Peru and Argentina provides for the exchange of specified commodities, mainly food and raw materials, under a "swinging credit" arrangement.

Two steamship companies, Flota Mercante Grancolombiana and West Coast Lines Inc., now offer direct sailings on a regular basis from Canadian East Coast and Seaway ports to Peru.

The Peruvian Congress recently passed an Industrial Promotion Law providing wide tax and duty concessions to new industries. It is expected that it will be interpreted liberally. In the future, foreign exporters may be induced to establish branch plants or make licensing arrangements with local manufacturers.

Getting Started

Important points concerning tariffs, customs laws and treatment of Canadian exports, marking and documentation and shipping requirements may be cleared quickly with the Latin American Division, International Trade Relations Branch of the Department of Trade and Commerce in Ottawa. If you wish to approach the Lima office for an opinion and recommendations on the opportunities for your products, be sure to provide it with complete information at the start. This includes description of the product with illustrations if possible, its use, any special features which may be helpful as selling points, price and how this compares with U.S. and European competition, and policy on the use of agents or distributors. Try to offer the best possible arrangement on terms of payment and if possible some plan of shared advertising with the representative. A little extra time taken in appointing a good representative will be rewarding and avoid the later embarrassment of making a change. ●



Advertising Abroad

In Peru, newspapers claim the biggest share of the advertiser's budget. Foreign firms should enlist the aid of international advertising agencies, many of whom have offices both in Peru and in Canada.

W. J. JENKINS, *Assistant Commercial Secretary, Lima.*

PERUVIAN advertisers use all the media known in the business today and much of the advertising budget is spent on promoting imported goods. Running through the daily newspapers in Lima, one is struck by the number of ads for imported ballpoint and fountain pens, machinery for small industries, household appliances, pumps, truck motors, office machinery, generators, diesels for fishing boats, welding equipment, hardware, industrial belts, outboard motors, and mining machinery. Advertising of these products is usually done by the Peruvian representative of the companies but costs are shared with the foreign manufacturer.

Peru now has about 9.9 million people, of which about 6 million are rural and 3.9 million urban. An estimated 1.3 million of the city dwellers live in the Lima area. The concentration of buying power in Lima is enormous; per capita annual income is over 5,000 soles,* compared with an average of about 1,500 soles in most other regions of the country. Of the 49,000 cars registered in Peru, 39,600 are in the Lima area.

Illiteracy is high (about 55 per cent), particularly in the Andes highlands and eastern jungle areas. Sixty-three per cent of the labour force works in agriculture, 18 per

cent in manufacturing, 4½ per cent in commerce, and 3½ per cent in government. Despite the large mining industry, only 2 per cent of the labour force works in the mines or in mining operations.

Newspapers in the Lead

Most popular with international advertisers are Lima's two principal daily newspapers, *La Prensa* and *El Comercio*. Peru has 47 dailies with a total circulation of about one-half million but the seven biggest papers are published in Lima; 80 per cent of the subscribers are in and around the city. A major portion of the people who can afford to buy more than daily essentials are reached through the Lima newspapers.

The quality of newspaper printing is adequate. It is common practice to show a drawing of the product being advertised and frequently

a good deal of copy is used. The accompanying table indicates the cost of advertising in the main Lima dailies.

Magazines

The Spanish-language versions of the *Reader's Digest*, *Life*, and the Latin American edition of *Time* (English language) are the United States magazines found on most Peruvian newsstands. Other foreign magazines that are widely circulated are *O Cruzeiro* from Brazil, and *Visión*, published in Panama. There are over 100 Peruvian magazines with a total circulation of about 400,000 but probably only two of these would interest the international advertiser. These are *Caretas*, with a circulation of 24,000, and *El Mundo* with 5,000; both are published bimonthly.

Although the circulation of these magazines is comparatively small, they reach the middle and well-to-do classes. The quality of magazine advertising is generally good and more artistic than that in the newspapers. A full-page black-and-white ad in *Caretas* costs U.S.\$180, and a half-page colour advertisement U.S.\$240.

Peru has several trade journals that are well presented and of value to Canadian advertisers. The most important ones are published by the mining, agricultural, and industrial societies and are useful for advertising machinery and supplies.

Radio

With the exception of companies selling basic household goods, Peruvian radio advertising does not suit the needs of most international

ADVERTISING COSTS IN LIMA DAILIES

	Estimated daily circulation	Approximate cost per column per centimetre
La Prensa	70,000	\$0.80
El Comercio*	65,000	1.05
Ultima Hora	102,000	0.70
La Cronica†	60,000	0.70
La Tribuna	55,000	0.70

*two editions a day.

†three editions a day.

*29 soles (approx.)=one Canadian dollar.

A MEXICO

Directo
MARTES

SABADOS

Con el
confort de

*Canadian
Pacific*

AIRLINES

- SERVICIO
- COMODIDAD
- RAPIDEZ
- CONEXIONES
INMEDIATAS
A LOS EE.UU.



CONSULTE A SU
AGENTE DE VIAJES
O LLAMENOS AL
TELF 35684

advertisers. Radio is the only means of communication that manufacturers have with the low-income Peruvians. But because these people can frequently afford to buy only essentials, most radio advertising is of products such as soap, soft drinks, cigarettes, and beer.

Peru has 40 radio stations, 23 of them in Lima. Competition has resulted in low advertising rates, but with so many stations the number of people who listen to each is small. There are an estimated half-a-million radios in Peru, about 200,000 of them in Lima.

Television

Peruvian television was born only a year ago but it has won astonishing acceptance. Lima has four channels, with a fifth scheduled for the end of the year; Arequipa, Peru's second city, has one. There are about 40,000 TV receivers in Lima and another 500 in Arequipa.

Television is popular with advertisers because it provides a select market, though one Lima advertising agency discovered from a survey that many viewers were of more modest means than was generally believed. A practice among poor families in the congested areas of Lima is to buy a TV set on extended credit terms and then to invite neighbours in to watch television at the Peruvian equivalent of a nickel a show.

A one-minute spot on a Lima TV station from 7 to 10 p.m. costs about \$18. There are several Lima firms that can prepare TV films or dub Spanish dialogue into ready-made ones.

Cinema

Peru has many movie theatres and advertising between shows is common. There are 104 theatres

One Canadian company which finds it worthwhile to advertise in Lima newspapers is Canadian Pacific Airlines. It recognizes that clever little drawings add interest.

in Lima and 220 in the provinces, 50 of these can be considered first class and suitable for advertising. The average weekly audience in movie-houses is estimated at 1.2 million. Average seating capacity in Lima is 1,000 and in the provinces 600.

Short advertising films and colour slides are shown regularly between the news and the main feature. Films and colour slides can be made at a reasonable cost by reputable Peruvian companies. The audience expects to be amused and humorous advertising is most successful; cartoons are frequently employed.

A first-class Lima theatre charges \$49 to show an advertising slide three times a day for one month.

Miscellaneous Media

Direct-mail campaigns are practically unknown in Peru, probably because of fear of loss or pilferage. Billboard advertising is common but is not used as much as in Canada. No advertising is carried in streetcars and buses, though one international radio manufacturer is getting good results with large signs painted on the sides of Lima's streetcars. Counter display-cards are used for some types of commodities, such as ballpoint pens and drug-store items. If a brand name is already well known in Peru it is possible to use English text, but Spanish is always preferable. Neon and other luminous signs are favourites among advertisers, as a visitor to downtown Lima quickly realizes.

How to Place Advertising

Three of the big international advertising agencies have offices in Lima and dealing with one of these organizations is probably the most trouble-free way to advertise in Peru. Canadian firms can arrange Peruvian advertising through the branches of these agencies in Canada. Commission charges in Peru are the same as they are in Canada—that is, 15 per cent.

There are numerous Peruvian advertising agencies and the Canadian Commercial Secretary in Lima would be pleased to recommend several of the most reliable ones. The main local agencies are associated with big foreign advertising companies and the Canadian manufacturer can therefore do business through a Canadian office.

If the foreign firm arranges its own advertising, an important point to remember is that all text must be in Spanish and that translations should be done in Peru or by a Peruvian. Some words used in other Latin American countries are not used here, and vice versa.

In most instances the Canadian businessman considering advertis-

ing his products in Peru will already have a representative in this country; the advertising problem then is simple, because the Peruvian firm will make all the arrangements. Canadians who feel they could do more business if their products were better known should consider offering to share advertising costs with their Peruvian representatives. ●

Peru's Mines Seek Foreign Capital

A wealth of mineral deposits, some still unexploited; a liberal Mining Code, and a hospitable attitude towards foreign investors—these spell opportunity for foreign investors and for Canadian suppliers of equipment if the search for capital succeeds.

D. H. CHENEY, *Commercial Counsellor, Lima.*

MINING in Peru is almost entirely in private hands. A large proportion of the investment is owned abroad, particularly in the United States. The Government permits great freedom of operation and has created an attractive investment climate through liberal and progressive mining legislation. Many new projects, large and small, are under way but opportunities for development still remain. Peru's mining industry requires capital, technical assistance, and treating and refining facilities if it is to progress and assure its future development.

Investment opportunities cover all phases of mining activity, including prospecting and exploration of new regions; the development and exploitation of partially explored zones; exploitation of areas already known; installation of processing plants, power-houses, foundries and refineries; the purchase of minerals, concentrates and other metallurgical products, and transportation of mine products.

Peru produces 21 metals, including gold, silver, copper, lead, zinc, arsenic, antimony, bismuth, cadmium, tin, indium, mercury, iron, manganese, molybdenum, tungsten, thallium, selenium, tellurium, nickel and cobalt. She also produces 22 non-metallic minerals, as follows: coal, sulphur, lime, cement, salt, gypsum, mineral waters, clays, refractory clays, barium sulphate, gravel, prophyllite, silica, manganese sulphate, talc, diatomaceous earth, borax, quartz, kaolin, mica, asbestos, and salt-peter.

There are large and interesting deposits of iron ore, particularly in the south; two of these, situated near the coast south of Lima, are now being exploited. A number of others are being explored. Copper, mercury, manganese, nickel, cobalt, tungsten, molybdenum, vanadium, bismuth, arsenic, and antimony also offer interesting possibilities. Among the non-metallic substances worth noting are petroleum, asphalt, coal (anthracite, bituminous and peat),

sulphur, quartz, mica, asbestos, amianthus, barite, limestone, dolomite, gypsum, salt, gems, boron, saltpeter and guano. Although the petroleum industry has been established in northern Peru for many years, a new area of exploration and exploitation is emerging in the Amazon region of eastern Peru. The Government of Peru exercises a monopoly over the production of salt and guano. Discoveries of radioactive minerals in the mountainous regions of southern Peru have been reported but the importance of these finds is not yet known. The Government has established an Atomic Energy Control Board with control over the mining and production of radioactive minerals.

The Mining Code of 1950

Peru's mining legislation, unchanged for some 50 years, was revised in 1950 with the introduction of the Mining Code recognized throughout the world as a generous and progressive statute. Under this legislation subsurface mineral deposits belong to the State, which has the power to grant concessions. The Code was designed to stimulate the exploitation of Peru's mineral resources and capably combines laws dealing with constitutional rights,

PERU'S MINERAL PRODUCTION AND EXPORTS 1958

	Production	Volume of Exports	Value of Exports
Gold	4,495 kilos	2,461 kilos	U.S.\$ 2,554,568
Silver	867,965 "	776,166 "	20,676,837
Copper	54,630 metric tons	52,402 metric tons	22,328,256
Lead	136,088 " "	134,973 " "	24,397,157
Zinc	161,868 " "	136,454 " "	11,763,348
Tungsten	539,682 kilos	526,444 kilos	2,575,146
Antimony	2,057 metric tons	580 metric tons	119,011
Bismuth	768 " "	352 " "	1,507,631
Cadmium	86 " "	50 " "	171,782
Mercury	68,349 kilos	59,446 kilos	315,477
Manganese	866 metric tons	1,967 metric tons	179,528
Iron	2,016,543 " "	1,523,888 " "	16,599,340
Petroleum	18,732,134 barrels	4,976,241 barrels	13,026,427

taxation, social benefits, administration procedures, commerce, and registration.

Mining Code Set Up

The basic provisions of the Peruvian Mining Code of 1950 are:

- Either Peruvians or foreigners may be granted concessions for all metallic and non-metallic materials except petroleum, radioactive materials and a few other substances. Exploration concessions are limited to five years but may be extended indefinitely where exploitation is carried out. No distinction is made between metallic and non-metallic substances or between nationals and foreigners.

- Exploration may be carried out freely on unenclosed public or private land.

- Either cultivated or idle land may be included in the concession, provided that the holder of the concession compensates the owner for any damage.

- Water resources required for domestic or industrial development may be expropriated. The installation and transit of canals, lighting systems, piping, tanks, powerlines, etc., are provided for.

- Mining companies are exempt from the payment of export duties, unemployment taxes, and excess profits tax.

- Taxes on profits are levied according to the following scale:

7% on profits not exceeding	S/. 10,000
10% in excess and up to	30,000
12% " " " "	50,000
15% " " " "	70,000
17% " " " "	100,000
20% on profits exceeding	100,000

- A reserve for depletion, free of taxation and free of disposition, may be created up to 50 per cent of the net profit obtained from operations.

- The State undertakes not to vary the present rate of taxation for 25 years.

- Provision for the reduction of profits tax to 10 per cent and the granting of other assistance by the Government where marginal deposits are being exploited.

- The holder of the concession may charge the costs of construction of means of access to his deposits against the profits tax.

- All machinery, equipment and materials imported for use in the mining industry are exempt from import duties.

The beneficial results of this policy are shown by the fact that between 1949 and 1956 production of lead went up 100 per cent, zinc 136 per cent, silver 111 per cent, copper 64 per cent, gold 71 per cent and tungsten 509 per cent.

Financial and Technical Aid

The Banco Minero del Perú (Mining Development Bank), a government entity, assists small and medium-sized mines by granting credits and making available facilities for the processing of minerals. The Bank has an authorized capital of S/. 200 million (\$7 million). The National Engineering University has an excellent mining faculty that offers a high standard of training for mining engineers. The University of San Marcos trains geologists at its School of Geology and the Government provides train-

ing for craftsmen and foremen in its School of Arts and Crafts. A National Institute of Mining Investigation and Development offers many services to the mining community through experimental processing facilities, laboratories, meetings, museums, libraries, statistics, and the carrying on of geological and mining studies throughout the country. All material that the Institute collects is at the disposal of the mining industry.

Other organizations that supply scientific, technical and professional assistance include the National Mining Society, the Institute of Peruvian Mining Engineers, the Society for the Development of Small Mines, the Geological Society of Peru, the Lima Geographical Society, the Geographic Institute of Peru, and the Atomic Energy Control Board.

The Investment Climate

The over-all climate for investment in Peru is favourable. The country enjoys political and social stability and a diversified economy, free of import and exchange controls. The Government's attitude towards the foreign investor continues to be hospitable. If it can secure the money needed to develop its mining potential, Peru may become a useful market for Canadian firms in the mining equipment field. ●



Markets in Brief

PERU

Area: 506,000 square miles.

Population: 10 million.

Climate: dry and moderate on coast, cool in mountains, tropical in jungle.

Language: Spanish; sales literature in Spanish important.

Currency: sol; one sol equals Can.\$0.03476 at certificate rate applicable to all imports.

Weights and measures: metric system.

Capital: Lima, altitude 666 feet. Airport "Limatambo", altitude 600 feet.

Chief ports: Callao, Mollendo, Matarani, Salaverry, Chimbote, Iquitos (Atlantic via Amazon River).

Marketing centers: Lima including Callao, (population) 1.5 million; Arequipa 110,000; Trujillo 55,000; Iquitos 47,000.

Economy: agriculture, mining, fishing are main sources of foreign exchange. Opportunities for investment in mining

and manufacturing. Some local capital available but assistance from abroad welcomed.

Total Peruvian imports: 1959 (preliminary)—U.S.\$294.2 million; 1958—U.S.\$335.4 million; 1957—U.S.\$400 million.

Chief imports: 1958 (in per cent)—machinery and equipment 26; foodstuffs, fats and oils 16; vehicles and transport equipment 12; minerals, metals and manufactures 11; chemicals and pharmaceuticals 10.

Chief suppliers: 1958 (in per cent)—United States 47, Germany 11, United Kingdom 8, Canada 4, Argentina 4.

Value of imports from Canada: 1959—Can.\$11.7 million; 1958—Can.\$11.5 million; 1957—Can.\$10.1 million.

Chief imports from Canada: wheat; malt; milk powder; wood pulp; chemicals; asbestos; newsprint; aluminum ingots; industrial materials of metal; mining, industrial and agricultural machinery; electrical appliances (washing machines).

Total Peruvian exports: 1959 (preliminary)—U.S.\$314.2 million; 1958—U.S.\$291.4 million; 1957—U.S.\$330 million.

Chief exports: 1958 (in per cent)—minerals 37, cotton 26, sugar 12, marine products 7, coffee 5, petroleum 5.

Chief markets: 1958 (in per cent)—United States 38, Chile 10, United Kingdom 9, West Germany 7, Belgium 7, Netherlands 6.

Value of Canadian purchases: 1959—Can.\$4.0 million; 1958—Can.\$2.4 million; 1957—Can.\$2.8 million.

Chief Canadian purchases: metal ores, canned fish, raw cotton, green coffee beans.

Dollar exchange: freely available for all imports.

Prices: quotations in U.S. dollars c.i.f. preferred.

Samples: duty is payable on samples of commercial value; small samples of no commercial value are free.

Trade agreements: most-favoured-nation agreement with Canada. Special treaty with Chile granting reduced rates to a few Chilean products, mainly food. Bilateral trade agreement with Argentina. Peru is a member of the new Latin American Free Trade Area; equal tariff treatment of imports from all countries predominates.

Import controls, documentation, customs tariffs, marking and labelling: no import licences required for products from any country. On other points, consult the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Canadian banks: Royal Bank of Canada, Lima. Peruvian banks have correspondent relations with most Canadian banks.

Correspondence: airmail only; letters 10 cents per half-ounce.

For detailed information on this market write to:

Latin American Division
International Trade Relations Branch
Department of Trade and Commerce
Ottawa

or

Commercial Secretary
Canadian Embassy
Casilla 1212
Lima, Peru

(by airmail only)

Unrest among the farming community has spurred a re-examination of French agricultural policy.

What has been the result?

Will it affect our agricultural trade with France?

France Reconsiders Agricultural Policy

V. F. WIGHTMAN, *Agricultural Attaché, Paris.*

THE year 1959 was not a particularly good one for French agriculture. At the beginning, the farming community was upset by the widespread fiscal and monetary reforms that increased costs and abolished the tying of support prices to cost factors. Second, although the growing season began well and produced record grain crops, severe drought in the summer and fall reduced root crops and affected livestock production. The consequent squeeze on farm income—which had not been advancing in line with other sectors of the economy—led to considerable unrest by the end of the year. As a result, there has been a profound rethinking of French agricultural policy over the past few months.

Agricultural Unrest Widespread

Throughout the winter, farmers held recurrent meetings to protest against the relative stagnation in their income. Studies by the French Statistical Institute showed that farm income during the 1958/59 season rose by only 3 per cent as against a 5.5 per cent rise in the general price index and 10 per cent in the index of industrial goods used in agriculture. Another study on

income trends over the past decade concluded that by 1958 farm income had risen by only 24 per cent over 1949, compared with a gain of 46 per cent in other sectors. Farm groups therefore demand some type of guarantee of income parity and, in particular, the tying of support prices to certain cost indices.

The French Government would not accept the full application of the escalator clause (indexation), which had been criticised in the past for its built-in inflationary pressure and which limits direction of agricultural policy through prices. A compromise was reached early in March whereby support prices are weighted from 55 to 70 per cent, depending on the product, by indices of production costs. Grain is in the lowest bracket and milk in the highest. To take grain as an example, the yearly price will be adjusted 10 per cent by each of the following cost factors: minimum guaranteed agricultural wage, energy, pest-control products, machinery and equipment and other industrial goods used in agriculture, plus 5 per cent for building maintenance costs. The reference period is June 30, 1959.

In assessing the farm problem, the French Government has distinguished between the short-term financial difficulties arising from drought and the long-term, which stem from the profound adaptation in structure required to face new technological development in agriculture, evolving consumer demand, and new challenges from the Common Market.

To alleviate financial problems, the French Government introduced an element of parity pricing as indicated above and measures to facilitate the marketing of corn. It also withdrew certain liberalization that caused internal market upsets (eggs, poultry, onions), granted more liberal credit at reduced interest rates for current expenses, and brought in measures to support the wine market. For the long run, the French Government has promised a comprehensive program to strengthen and modernize agriculture. This will involve new legislation on agricultural education and investments, plus a health insurance plan for the farm community.

Other measures include a plan for regional abattoirs to cut marketing costs, a four-year program to improve animal health, and acceleration of industrial decentralization to give new employment opportunities and enlarged markets in certain critical areas, such as Brittany.

Progress in Modernization

Although current problems tend to focus attention on the weak points of French agriculture, the past decade has witnessed remarkable progress in modernization and productivity. French farm production had expanded to a quarter above the immediate prewar figure by the 1954/55 season. The following years brought some setbacks because of unfavourable growing conditions: a 30 per cent increase would have been achieved in 1959 had it not been for the drought. One study indicates that agricultural output has been rising at the

rate of 4 per cent per year, compared with 3 per cent in industry. At the same time, labour input declined by 14 per cent, to the advantage of industry and services.

Yields have advanced steadily. To take wheat as an example, from the equivalent of 23.2 bushels per acre in 1934/38, the national average reached 33.5 in 1954/58 and a record 39.5 in 1959. These averages hide considerable variations within the country; in certain areas of the north, yields average 52.2 bushels per acre and individual farms easily attain 70 bushels and over.

Farm mechanization has proceeded rapidly. The number of tractors on farms rose from 46,000 in 1946 to almost 700,000 by the end of 1959. The number of combines in operation has increased fourfold since 1952, with almost 50,000 in operation by last fall. Over the past year the pace of machinery purchases has slackened because of the squeeze on farm income, but the trend is clearly towards increased mechanization.

The above are merely a few concrete examples of the progress that French agriculture has made. At the same time, many basic problems remain that will not be solved quickly—such as consolidation of scattered holdings, better technical training for young farmers, expansion of extension services, the need for substantial investment in land-improvement projects, processing, distribution, rural housing and farm buildings. Probably the main problem working against an improvement in per capita farm income is the large population that still depends on agriculture for its livelihood. Although the agricultural population declines by about 1 per cent a year, a fifth of the active population is still on the land. French agriculture now accounts for only 12 per cent of the gross national product and its weakness lies in too many people producing food for other sectors of the economy. There is new urgency to such structural problems as the develop-

ment of the Common Market opens the door to greater competition. For the most part, French agriculture is in a relatively strong position, with most prices in the lower brackets.

Trade Outlook

Foreign trade plays a far smaller rôle in French agriculture than it does in Canadian. The principal traditional export has been wines and brandies. Over the past decade France has begun to export wheat and barley, but the volume has varied considerably from year to year, depending on crops. Fruit and vegetable exports have made some progress; this depends on the seasonal movement and is balanced by imports. Though 1959 showed a gain in meat (mainly beef) exports, they remain well below the postwar peak attained in 1955.

France is in a marginal position on many commodities and official policy has been to encourage agricultural exports to help pay the import bill for raw materials and fuel. Recently, however, exports of manufactured goods have surged ahead to bring French commodity trade almost into balance and agriculture's share has become proportionately less. The Third Modernization Plan for 1958/61 forecast a favourable trade balance in agriculture by 1961 of 1,350 million NF (new francs); nevertheless the deficit has continued at 300 million NF or more.

The Commission for the Modernization Plan now estimates that agricultural production in 1961 will rise only 18 per cent above 1956, instead of the 20 per cent forecast earlier. This eliminates much of the margin that would have moved into export. As a consequence, exports have fallen far short of the targets set for 1961. This has resulted from extremely variable growing conditions, including frosts in 1956 and 1957, heavy rains at harvest in 1958, and drought in 1959. Within the over-all picture, however, individual products have in some

years come close to production goals and one consistently good growing season would bring output close to the planners' forecasts.

Effect of Trade Liberalization

Over the past fifteen months France has adopted sweeping trade liberalization measures, freeing a large percentage of its trade with the dollar countries, the OEEC area, and with other countries. Action on agricultural products, however, remains marginal. OEEC liberalization of poultry and eggs, the first of the main farm products freed from control, led to internal marketing difficulties and early in March such imports were made subject to a minimum price system (see below). Beef and bovine cattle for slaughter have been liberalized from OEEC sources, but most of the other main branches of French agriculture remain protected by quantitative restrictions, often accompanied by state trading. These statements apply to such items as grain and grain products, dairy products, sugar beet or cane, some oilseeds, coffee, tobacco, and wine.

Liberalization of significant agricultural products from the dollar area is limited to hides and skins, fur pelts, whisky, animal byproducts, seeds, certain prepared sauces and condiments, and natural honey.

New Import Procedures

Two new methods of removing quantitative restrictions and yet avoiding price upsets on the domestic market have been tried: seasonal liberalization (apples) and minimum price system (eggs, poultry, pork, certain vegetables).

To take apples first, from February 15 to April 30 they may be imported from OEEC countries, Canada and the United States, provided prices of certain French varieties on the Paris wholesale market do not fall below a specified level. If this price drops for three successive days, imports may be suspended. From May 1 to July 31,

there is no control on imports. The French Government thus maintains protection from August to February, when the bulk of the domestic crop is moving onto the market. This spring, Canadian apples were exported to France for the first time in many years.

A minimum price system has been established for certain food imports from the European Economic Community, as proposed in the Rome Treaty. Certain key prices are pinpointed on the Paris wholesale market and below this, imports are cut off. For instance, provided first-quality chicken remains at a certain price, imports of all types of live or slaughtered poultry are permitted. The same applies to pork products, and a range of vegetables is subject to a similar minimum-price regime. On the other hand, a variable import levy on eggs is collected by the support board, to assure that imports do not undermine a range of monthly support prices established over the year.

Wheat Production

France both imports and exports wheat, and grain vies with wine and brandy for the top of the agricultural export group. During the calendar year 1959, grain exports fell below average, reflecting the smaller wheat crop in 1958. By contrast, the 1959 summer brought bumper grain crops, with 11.5 million tons of wheat, 4.9 million of barley, and 1.8 million of corn. Corn has registered the most spectacular rise latterly because of the introduction of hybrids and its extension into the northern half of France.

Though the current crop year ends only in July, wheat exports are expected to total slightly over a million and a half tons; this is higher than the previous crop year but still below exports of 2.3 million tons from a similar crop in 1957/58. There has been some shift in the trading pattern for the current season with larger quantities, (probably 700,000 tons) placed in the franc zone, because

of the soft-wheat deficit in Algeria. Outside the franc zone Germany is the principal client, taking 325,000 tons of soft wheat a year under the Franco-German grain agreement. Other important markets are the neighbouring countries of Europe.

Though France regularly exports soft wheat, its requirements of durum wheat are substantial. Preference is accorded North African durums, but because of short crops there in 1959 larger quantities have been bought outside the franc zone. Morocco and Tunisia will each supply 150,000 tons for the 1959/60 season but at least another 200,000 tons are needed for the French and Algerian markets. Canada has enjoyed the lion's share of the business to date, with sales of 125,000 tons, followed by Argentina (42,000), and Spain (28,000). France cannot be regarded as a steady market because of the preferential treatment accorded North Africa, so that the possibility of Canadian sales depends on its exceedingly variable output.

The present area seeded to winter wheat is much the same as the last five-year average. With a mild winter, growing conditions have been satisfactory and the outlook is normal. Last fall's drought meant that sowings of winter rapeseed are over a third below recent years and this should result in an increased market for Canadian rapeseed later in the year.

Agricultural trade between Canada and France is limited by the fact that both countries raise much the same products. Canadian export interests are concentrated on oilseeds, durum wheat, forage seeds, and furskins. With so many food products in France remaining subject to quantitative restrictions and/or state trading, the prospect of expanding Canadian agricultural exports is not bright. Furthermore, as the Common Market develops, member countries will eventually ship their products into France duty-free and the common external tariff will protect the Community from outside competition. ●

Sweden Ups Exports to U.S.

AN all-time record for U.S. Pacific Coast imports from Sweden was set in 1959 when they reached a value close to \$22 million. This compares with \$13 million in 1958 and \$15 million in 1957, the previous peak year, reports the Swedish Chamber of Commerce in the United States.

As late as 1948, pulp and paper accounted for about 90 per cent of the value of over-all Swedish shipments to the U.S. West Coast. By 1959, these had dropped to just over 5 per cent, comprising principally hardboard. Meanwhile, there has been a 34-fold increase since 1948 in sales of other Swedish products. This group is composed almost entirely of manufactured goods.

The most spectacular success is that of the Volvo automobile. Introduced to Pacific Coast buyers in 1955, it now accounts for over 60 per cent of the entire value of imports from Sweden. In 1959, Volvo imports rose in value by 66 per cent to \$12,349,000.

Machines were second only to automobiles in value and accounted for \$2,481,000, or 11 per cent of the total. Steel, metals and manufactures showed a considerable increase and made up 8 per cent of the total. Within this group, copper was a new item. Furniture imports continued their rise and reached \$854,000. The value of imported Swedish pleasure boats was \$622,000, an increase of 81 per cent over 1958. Notable among other products was glassware, with sales valued at \$303,000, up 140 per cent; this sharp increase was primarily due to substantial shipments of window glass. Imports of firearms, predominantly sporting rifles, totalled \$126,000.

The year 1959 was characterized by a sharp increase in U.S. imports. However, although total Pacific Coast imports from all countries rose by 28 per cent, imports from Sweden went up no less than 59 per cent. When interpreting these statistics it should be kept in mind that many Swedish products distributed in the western part of the U.S. entered in the east and were shipped overland. Among products in this category are cash registers and office machines.

—A. P. BISSONNET,
Commercial Counsellor, Stockholm.



Canadians Score at Sports Goods Show

THIRTY-FOUR Canadian firms participated last January and February in what is said to be the biggest sporting goods show in the world—the *National Sporting Goods Association 31st Convention and Show* in Chicago. This was the first time that Canadian products were shown in a unified display, in a setting that could be easily identified as Canadian. The Canadian Government Exhibition Commission had erected colourful folding display stands decorated with a snowflake motif. Against this backdrop the goods were shown in a total exhibit area of 1,900 square feet on the third floor of Chicago's Morrison Hotel.

This is a "business only" show and is restricted to the trade. It is therefore with some satisfaction that P. G. Jones of the Department's Commodities Branch reports that 33 of the 34 Canadian firms sent their own representatives to deal with the thousands of buyers. Did the show live up to expectations? Certainly, says Mr. Jones, though businessmen are naturally cautious about spelling out their successes. One exhibitor let slip, however, that he had signed \$3,500 worth of cash orders, with a possible \$60,000 in the future. Others reported that they had made agency arrangements.

What did the 12,560 registered business visitors find so interesting in the Canadian display? They liked our magnesium snowshoes, vaulting poles, Eskimo parkas, skiwear, hockey sticks, water skis, skates, toboggans, curling sweaters, baseball bats, moccasins, Indian slippers, spinning reels, croquet sets, hunting and fishing clothing and—a big hit at other fairs—a ski-scooter. The competition, like the business, is increasing at the Chicago show; there were more clothing and toy manufacturers among the participants than ever before, though there was only one other national exhibit—from Belgium.

1st International Lisbon Fair

ORGANIZED by the Industrial Association of Portugal, the *1st International Fair of Lisbon* will be held this year from June 9 to 23. This fair has been an annual event for the past ten years—on a national products basis—but in 1960 the Industrial Association commemorates its 100th anniversary and is opening the

Fairs and Exhibitions

Fair to international exhibitors. Information about the industrial sectors or categories under which space will be available, and about cost of participation, etc., may be obtained either from the Trade Fairs Abroad Division of the Trade Publicity Branch, Department of Trade and Commerce, Ottawa, or from the office of the Commercial Counsellor, Canadian Embassy, Lisbon.

Midwest Builders Like Our Woods

THE Department of Trade and Commerce, Ottawa, helps to keep Canadian woods before U.S. Midwest builders by setting up a display each January at the big *National Association of Home Builders Convention and Exposition* in Chicago. Canada had only one national rival at the last show—the Netherlands.

The cutaway model home that formed the display demonstrated new applications of woods in house construction and finishing; a striking innovation was a spiral birch staircase at the entrance. Representatives from the Department's Chicago and Ottawa offices and from the Canadian Lumbermen's Association and the Western Red Cedar Bureau helped answer questions from the businessmen and contractors—32,000 of them—who inspected the house during the five-day show.

Against Corrosion 1960

HAVING corrosion troubles? The Norwegian Industries' Development Association asks this question and plans to provide some answers at an interesting exhibition in Oslo from May 27 to June 3. The Association has secured the co-operation of the Norwegian Corrosion Research Foundation and has arranged the display to apply to all sectors of industry. The first highly successful exhibition, *Against Rust and Rot*, was held in 1954.

The displays will cover corrosion-resistant materials such as stainless steel, alloys, metals, graphite, quartz, fiberglass, etc.; corrosion-resistant coatings such as ceramic coatings, rubberizing, plastic coatings, walling, linings; surface treatment of iron and metals such as galvanic paint, phosphates, chemicals; sandblasting;

cathodic protection; anti-corrosion paints; proportioning equipment; preparations to prevent smoke-gas corrosion, and many others. Running concurrently with the exhibition will be study groups and courses arranged by the Norwegian Federation of Engineers and the Corrosion Research Federation, in co-operation with the Technical University of Norway. Information may be obtained from the Norwegian Industries' Development Association, Forskningsveien 1, Blindern, Oslo.

A Year's Rundown of U.K. Fairs

THE following trade fairs, recommended to Canadian businessmen by the United Kingdom Trade Commissioner in Canada, are open to overseas exhibitors.

MACHINE TOOLS—*International Machine Tool Exhibition*, London, June 25-July 8, 1960 (held every four years in June or July). Apply: The Machine Tool Trades Association, Brettenham House, Lancaster Place, London, W.C.2. (Participation only through accredited British agents who must be members of the MTTA.)

AGRICULTURE—*The Royal Show*, Cambridge, (site changes from year to year), July 5-8, 1960. Apply: The Royal Agricultural Society of England, 35 Belgrave Square, London, S.W.1.

FOODSTUFFS—*The Food Fair*, London, September 1-17, 1960 (held biennially in August or September). Apply: The Food Fair, 10 Mount Row, London, W.1.

HANDICRAFTS—*International Handicrafts and Do-it-Yourself Exhibition*, London, September 8-23, 1960. Apply: William Leah Esq., Link House Publications Limited, 24 Store Street, London, W.C.1.

COMMERCIAL MOTOR VEHICLES AND ACCESSORIES—*International Commercial Motor Transport Exhibition*, London, September 25-October 1, 1960 (held biennially in September or October). Apply: Society of Motor Manufacturers and Traders Limited, Forbes House, Halkin Street, London, S.W.1.

OFFICE EQUIPMENT—*National Business Efficiency Exhibition*, London, October 3-12, 1960. Apply: Office Appliance and Business Equipment Trades Association, 64 Cannon Street, London, E.C.4. (Participation through U.K. agents.)

AUTOMOBILES AND ACCESSORIES—*International Motor Exhibition*, London, October 19-29, 1960. Apply: Society of Motor Manufacturers and Traders Limited, Forbes House, Halkin Street, London, S.W.1.

LIVESTOCK, MACHINERY, DAIRY PRODUCTS—*The Dairy Show*, London, October 25-28, 1960. Apply: British Dairy Farmers' Association, 17 Devonshire Street, London, W.1.

BICYCLES, MOTORCYCLES, ACCESSORIES—*British Cycle and Motorcycle Show*, London, November 12-19, 1960 (held biennially in November). Apply: British Cycle and Motorcycle Industries Limited, Eaton Road, Coventry.

LIVESTOCK, AGRICULTURAL MACHINERY—*Smithfield Show and Agricultural Machinery Exhibition*, London, December 5-9, 1960. Apply: Smithfield Show Joint Committee (S.M.M.T.), Forbes House, Halkin Street, London S.W.1. For stock entries apply: Secretary, Smithfield Club, 3 Pierrepont Street, Bath.

Exhibiting in the Caribbean

WITH interest in trading with Caribbean countries running higher every year and with the ground already broken by the successful all-Canadian trade fairs in Jamaica and Trinidad in 1959, Canadians

might be interested in the following information about three forthcoming trade fairs to be held in Barbados, British Guiana and Jamaica. Foreign exhibitors are welcome at each.

BARBADOS—*Agricultural Fair*, Bridgetown, December (two days). Apply: Barbados General Agricultural Society, Bovell and Skeete Building, Lucas Street, Bridgetown.

BRITISH GUIANA—*Annual Industrial Exhibition and Fair of the League of Coloured Peoples*, Georgetown, October (usually about eight days in the first half of the month). Products include locally manufactured articles, plus imported household goods. Apply: Dr. Claude Denbow, 1 Commerce Street, Georgetown.

JAMAICA—*Denbigh All-Island Agricultural and Livestock Show and Fair*, Denbigh, July 30-August 1. Apply: Jamaica Agricultural Society, 10-12 North Parade, Kingston.

Trade Fairs on the Continent

AUSTRIA—*Vienna International Fair, Autumn*, (general), September 4-11. Apply: Direktion der Wiener Messe-AG., Vienna VII, Messeplatz 1.

Graz South East Fair, Autumn, (general), October 1-9. Apply: Grazer Messeleitung, Graz, Conrad-v-Hoetzendorfstrasse 67.

Innsbruck Fair, (tourist trade, agriculture) September 24-October 2. Apply: Innsbruck Messe G.m.b.H., Innsbruck, Maria-Theresienstrasse 45.

CZECHOSLOVAKIA—*International Trade Fair*, (general), Brno, September 4-18. Apply: Corporation for the Organization of International Trade Fairs and Exhibitions in Brno, Prague 2, Vaclavske N.17.

FRANCE—*International Food Fair*, Paris, October 15-24. Apply: R. V. Manaut, Président, 42 rue du Louvre, Paris.

National Ladies' Ready-to-Wear Salon, Paris, November 12-21. Address: 35 rue Etienne-Marcel, Paris.

ITALY—*24th Fair of the Near East*, (general), Bari, September 4-19. Apply: Autonomo Fiera del Levante, Campionaria Generale Internazionale, Bari.

20th International Fair for Fishery and Related Activities, Ancona, June 25-July 10.

LUXEMBOURG—*International Fair of Luxembourg*, (general), May 26-June 5. Address: Société de la Foire Internationale de Luxembourg, Halls d'Exposition, Avenue Victor Hugo, Luxembourg.

NETHERLANDS—*International Fall Trade Fair*, (general), Utrecht, September 12-17.

POLAND—*Poznan International Trade Fair*, (general), Poznan, June 12-26.

SPAIN—*International and Official Samples Fair*, (general), Barcelona, June 1-20. Apply: Palacio No. 1 (Barque de Montjuich), Barcelona.

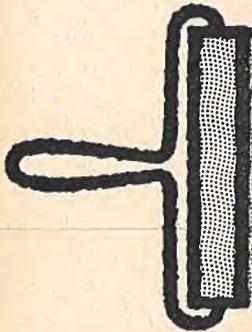
National Samples Fair, (metallurgy and chemistry), Bilbao, August 11-31. Apply: P.O. Box 468, Bilbao.

SWITZERLAND—*Comptoir Suisse*, (general), Lausanne, September 10-25.

YUGOSLAVIA—*Zagreb International Fair* (general), Zagreb, September 10-25. Apply: Zagreb International Fair, Zagreb.

4th International Fair of Technics (industrial goods), Belgrade, August 23-September 2. Apply: Belgrade International Fair, 14 Bulevar Vojvode Misica, Belgrade. Note: The Yugoslavian Commercial Secretary in Canada informs us that 21 square metres of free space for a business information centre is being allocated to Canadian firms.

MAY 21, 1960



Paints and Varnishes

The Market in Mexico

Thriving domestic industry leaves little room for imports, except of automotive lacquers or special finishes.

G. E. BELANGER, *Office of the Commercial Secretary, Mexico, D.F.*

THE paint industry in Mexico is well established and supplies about 95 per cent of the domestic market; imports are confined to specialized types where volume does not yet justify local production. Paint is extensively used in this country and the bright, contrasting colours reflect the Latin temperament of the people. Protective paints and anti-corrosives are valued in the humid tropical areas and along both coasts.

The first paint factory in Mexico was started in 1893. By 1940 twenty-two were in business and by 1950 the number had more than doubled. At present there are about 120 factories. Some 35 per cent are affiliated with foreign parent corporations, principally the well known U.S. paint companies such as Sherwin Williams, Dupont, and Pittsburgh Paint. The twelve leading paint companies in Mexico—seven with foreign affiliations and five wholly-owned Mexican firms—represent over half the total production. The remainder comes from a multitude of small operations located throughout the country.

Sales by the paint industry are expanding at an average rate of 8 per cent a year. Total annual gross income at present exceeds 500 million pesos (U.S.\$40 million). Financial investment in the industry is substantial and working capital

is estimated at 150 million pesos (U.S.\$12 million). It is not possible to ascertain the extent of foreign financial investment, but it is known to be substantial. Most of the companies, however, have a certain share of Mexican capital. At present the industry is producing 200,000 litres a day. However it could if necessary soon be geared to produce close to 600,000 litres. It is expected that production will rise because of new residential and industrial construction planned for this year.

The paint industry makes an important contribution to the Mexican economy. It provides employment for over 3,000 workers and in addition it is an important customer for certain domestic primary materials. Some of the raw materials used are listed below; the majority are now available from local sources.

Raw Materials	Annual Consumption
Mineral spirits	5,400,000 litres
Toluene	2,400,000 "
Xylene	1,920,000 "
Titanium dioxide	3,000 tons
Lithopone	1,000 "
Linseed oil	3,000 "
Castor oil	1,200 "
Phthalic anhydride	700 "
Containers of all sizes	\$16,000,000 pesos (U.S.\$1,280,000)

As a further indication of the progress the Mexican paint trade has made in recent years, it is estimated that 87 per cent of the plants maintain their own laboratory facilities.

The various types of paints and finishes now made are:

	Type	Use
Enamels	Synthetic	Automotive refinishing assembly
	Oil base Varnish base	Industrial Domestic
Lacquers		Industrial (main consumer) Automotive refinishing assembly
Paints	Emulsion Oil Varnish	Domestic
Varnishes		Furniture, floors, etc.
Anti-corrosives	Synthetic Vinyl Oil base	Marine Metals Special purposes
Thinners		Lacquers Enamels Paints Industrial
Inks		Writing Printing— duplicating newspaper industrial

Imports Remain Low

The total value of Mexican imports under the general heading of varnishes and prepared colours

from 1956 to the first ten months of 1959 were as follows:

1956	\$1,476,000
1957	1,228,500
1958	1,061,000
1959 (ten months)	971,000

These totals are broken down into the seven general classifications in Table I, right. Altogether total annual imports represent less than 5 per cent of the entire Mexican paint consumption.

Imports of prepared varnishes and paints, (Group number 1, Table I) have been small in recent years, and comprise principally lacquers used by the automotive industry. This general classification covers several types of preparations which are given in further detail in Table II.

The market for imported varnishes and prepared colours, with the exception of automotive lacquers, is limited. Most of these automotive finishes, however, are imported either by Mexican paint firms from their parent U.S. companies or by the automotive assembly plants directly from their affiliates. At best, this market might take certain specialized preparations not manufactured locally, where volume is very small.

With the exception of three tariff items which cover lacquers, specialty colours and some flush paints, all imports of prepared finishes and colours are subject to import licensing. This control has been established by the Mexican Government as a means of reducing the entry of foreign-made products in order to provide protection for the domestic paint industry wherever necessary.

Canadian paint exports to this market have been negligible and at present sales prospects do not appear bright. In 1956, we sold \$3,040 worth of paints, n.o.p., and last year only \$1,489.

A limited volume of business might be done in specialized paints and finishes for specific industrial and commercial applications. These could best be handled through a local agent who could provide a

TABLE I

Group	1956	1957	1958	1959 (10 months)	Remarks
	(in thousands of U.S. dollars)				
1. Varnishes and prepared colours	679	539	397	345	Principal import group and further detailed in Table II.
2. Varnishes, polishes, colours for footwear and leather	292	248	271	179	
3. For aluminizing, bronzing and similar in powders	232	212	208	179	Mainly imported by the paint industry for its use.
4. Enamels				77	New tariff put into effect in 1959. Refers to porcelain enamels.
5. Inks	132	85	44	39	Writing inks.
6. Inks	128	121	118	117	Printing inks.
7. Paintboxes with or without any kind of painting requisites	21	22	22	33	Artists' supplies.

TABLE II

"Varnishes and prepared colours, other than for footwear and leather, with a basis of oils, ethers, alcohols, rubber and paraffin wax".

Description	1958	1959 (10 mos.)	Import Permit Required	Ad Valorem Duty	Principal Supplier 1959
	(in thousands U.S. dollars)				
Pigments dispersed in oils or resins containing up to 85 per cent fixed materials	2.3	1.8	yes	50 per cent	United States
Same as above but containing over 85 per cent fixed materials	3.2	11.9		45 per cent	United States
These two classifications above cover paint pigments and "flush" paints, used to a large extent by the paint industry and imported as artists' pigments.					
Pigments dispersed in emulsions of water or oil, for printing of textiles	2.8	1.4	yes	10 per cent	United States
Dispersed pigments with a basis of fish scales (nail polish, etc.)	6.9	12.6	yes	10 per cent	United States
Varnishes and colours with a basis of alcohols or ethers	261	212.8		50 per cent	United States
This is the largest single Mexican import of these products and includes lacquers imported by the automotive industry for assembly and refinishing purposes.					
Colours in a solid state with a rubber base	16.4	10.3	yes	7 per cent	U.K., France and United States
Mixtures for machine ribbons or carbon paper	49	57		15 per cent	United States
Varnishes and prepared colours up to 5 kilos in weight, n.o.p.	18.9	13.6	yes	70 per cent	U.K., Netherlands, United States
Varnishes and prepared colours weighing over 5 kilos, n.o.p.	36.6	22.7	yes	60 per cent	United States

The last two tariffs are of a general classification, and cover those products which do not meet the specifications in the preceding tariffs.

report on the demand for the particular product offered.

Legal weights and liquid measures for this territory are the

kilogram (approximately 2.2046 pounds), and the litre, (0.264 U.S. gallon). However, initial quotations may be given in pounds and U.S.

gallons. Price quotations should be in U.S. dollars, at the fixed rate of exchange of 12.5 pesos to U.S. \$1.00. ●

The Market in Central America

Chances to sell mixing components and chemicals for paints, competitively priced, should improve, as local paint manufacture is proceeding rapidly.

R. M. DAWSON, Assistant Trade Commissioner, Guatemala City.

DYNAMIC changes have taken place recently in the market for paint products in Central America. The new plants that are being established have curtailed the opportunities for foreign paint manufacturers and instead provide a growing market for paint chemicals.

Six paint plants of varying size are currently in operation or being completed in Central America—a small area with a total population of approximately ten million. The industry estimates the over-all market for paints at \$4½ million a year. In spite of the fact that local producers and long-established U.S. paint manufacturers currently share this market, projects to establish paint plants are being contemplated and at least two of these could be heading for completion. Doubts have been expressed whether all the paint plants that will eventually operate in Central America can, in spite of much smaller imports of U.S. paint, make a profit. A reasonable profit should be possible for four efficient local operators but whether additional factories could earn a satisfactory return on investment is more doubtful.

The largest paint plant currently operating is the PINCASA factory in Guatemala which turns out 500,000 gallons a year, and this capacity can be increased economically up to 2.5 million. The second largest is the Sherwin-Williams plant just

being opened in El Salvador. These two, if they operated at full capacity, could supply the entire Central American market but must compete with two others which are already well established—PINSAL in El Salvador and KATIVO in San José, Costa Rica, which will also have a mixing plant soon in Managua, Nicaragua. Unless one of the other large U.S. producers sets up a local subsidiary, these four companies are expected eventually to control the local paint market.

The drive for Central American economic and industrial integration has attracted the attention of investors and hastened the evolution of the paint industry more than any other. The Central American Multilateral Free Trade and Integration Treaty, which is operating among all except Costa Rica, with a customs union, does not yet include paints in its duty-free list; however, most countries have made bilateral agreements with each other to cover this item. This duty advantage to be accorded all Central American neighbours will, in time, further reduce the dependence on paint from outside sources, which must pay high import duties.

Paint Widely Used

Applications for paint are more varied in Central America than in Canada. Wallpaper is seldom used here and, except for Costa Rica

which has considerable wooden construction, the interiors of most homes have a rough cement finish covered with masonry paint, usually of the latex type.

Calcimine is still widely used although the paint industry has been conducting a promotion campaign to point out the advantages of using latex paints on exterior surfaces. The paint industry claims that paint protects better, maintains a clean appearance over a longer period, and can be applied any time of year, in contrast to calcimine which can only be applied during the dry season.

Severe weather conditions in Central America contribute to the relatively high consumption of paint. The hot sun, alternating with heavy rains, weathers surfaces badly and, because paint is essentially a protective covering and only secondarily decorative, both the exteriors and interiors of most buildings are covered with it. In keeping with the Spanish style of architecture, most homes are surrounded by high walls the surfaces of which are also usually painted. An official of a Guatemala paint factory has stated that, because of local weathering conditions, residential application of paints in the area should eventually exceed that of the United States and Canada on a per capita basis, because consumption trends are already pointing in that direction.

Typical of the type of paint factory recently established in Central America is the PINCASA plant inaugurated in Guatemala last year. This plant is partly owned by the

Glidden Company and manufactures under the Glidden label. Within a year sales have exceeded projected sales for two years, and the management is optimistic about continued expansion. Synthetic resins are expected to be produced soon by a local varnish plant.

Raw Materials Imported

Most of the chemicals and raw materials used in the manufacture of paints and varnishes are imported from the United States, although European and Japanese suppliers are expected to offer increasingly competitive prices, since the U.S. appears to be pricing itself out of the market for raw materials. At present, the Guatemalan factory purchases titanium compounds from Germany at prices well below U.S. offerings. This field should prove increasingly interesting to Canadian chemical firms who are able to offer competitive products for the local paint industry. Recently one supplier came down from Canada and secured good orders.

Central American plants like PINCASA hope in time to use locally produced ores and materials for their paints and varnishes. Calcium carbonate, magnesium silicate, mica and asbestos are all found in Guatemala, and plans are going forward to make these available for local paint-makers.

There is no market for Canadian paints and varnishes under present conditions. The large U.S. suppliers, either singly or in combination with Central American paint manufacturers, have covered the area by providing considerable financing for local retail outlets. Consequently, the only way to interest anyone in a new paint line is to offer products on consignment—something that no paint manufacturer seems prepared to do. The opportunities for well-priced mixing components and chemicals, however, will continue to expand and increasing attention might well be paid to this area by Canadian and other suppliers of these materials. This is the trade trend now in Central America. ●

Cuba Grows More Potatoes

CUBA is harvesting a bumper potato crop this year, with yields in some regions reaching 20 to 1, compared with normal yields of 10 to 1. The crop grown from imported seed is expected to be 40 per cent larger than in 1959—in fact, although exact figures are not available, it will probably rise substantially above the long-term average of 2.5 million cwt. In addition, the expected harvest of "Titina" potatoes from local seed is 200,000 cwt.

Canada has contributed to this success, because about 80,000 cwt. of seed from Canada was planted in Cuba last fall, in addition to over 100,000 cwt. of U.S. seed. Plantings totalled about 30,000 cwt. more than in the previous year. Both red and white varieties were planted, with red predominating.

With ample supplies of potatoes being harvested, Cuba is now looking to Canada and the United States as possible customers for about 300,000 cwt. of table stock during the early spring months. In return, she will probably be in the market for supplies of table stock during August-October and for seed potatoes to plant during the final quarter of the year.

Ten-Point Program

In previous years, the potato trade in Cuba has been closely controlled by a number of large commercial houses in Havana. They imported the seed, made loans to the small grower to finance his crop, and then bought and distributed it. During 1959 the National Agrarian Reform Institute (INRA) changed this system radically. This powerful government agency is now carrying out a ten-point program to reform the potato industry, as follows:

1. INRA is to be the sole importer of seed potatoes.
2. Planting quotas will be redistributed, giving more seed to the small growers and limiting the acreage of large ones.
3. INRA will finance the individual growers at the rate of \$21 per cwt. planted, at interest rates of 4 to 6 per cent.
4. INRA will purchase the entire crop at a guaranteed price, currently \$3.50 per cwt. at the field.
5. Cold-storage capacity is being increased to about 500,000 cwt., so that more Cuban potatoes may be held over to fill the gap in the late summer and lessen dependence on imported table stock.
6. The price to the Cuban consumer is pegged at 6 cents a pound.
7. Domestic production is being increased, with an additional 1,000 acres planted to potatoes in some 15 growers' co-operatives established by INRA.
8. Experiments on planting potatoes in April and May are being carried out in selected mountain areas where the climate is cool.
9. INRA is establishing a nation-wide distribution scheme for potatoes, aimed at keeping down the retail price.
10. Under the direction of the Potato Section of INRA, the Potato Growers Association is being strengthened and enlarged. ●

—R. R. PARLOUR, *Commercial Secretary, Havana.*

Canada Goes to th

To remind the British public that it can again buy Canadian goods in great variety, and to discover how the U.K. market has changed in twenty years, the Department of Trade and Commerce sponsored Canadian participation at one of Britain's biggest fairs.

S. G. TREGASKES,
Commercial Secretary, London.

THE relaxation of import controls in the United Kingdom during the last six months of 1959 has made it possible for Canadian producers of foods and of manufactured consumer goods to look once more to Britain as a potential market. To take quick advantage of these new opportunities, the Department of Trade and Commerce determined to sponsor and promote a display of miscellaneous Canadian products at a large public exhibition. The Ideal Home Exhibition was selected for this purpose. Held under one roof at Olympia, London, it is the largest exhibition open to the public in Britain. This year it opened on February 29 and closed on March 26, and ran from 10.00 a.m. to 10.00 p.m. every day except Sunday. It attracted 1,165,000 people.

In the 22 years since Canada's last participation in a public exhibition in the United Kingdom, the British market has changed to an extraordinary degree. In the interval, many products formerly imported from Canada have become available in Britain itself. New sources of overseas supply have been developed for others, and some Canadian products that were household words during the thirties have been forgotten or are totally unknown to the younger generation.

The composition of demand has changed too. Both production and consumption in Britain have risen substantially and the general prosperity throughout the country has

permitted most families to purchase household goods, durable consumer products, automobiles, etc., in unprecedented numbers. Many of these were beyond the pocketbook of the average man in prewar days. Cost-structures, too, have changed radically both in the United Kingdom and Canada; consequently the competitive position of many Canadian manufactured

goods needs study. The growth of multiple chains, the introduction of supermarkets, mail-order selling, and the acceptance by the British public of instalment buying have all transformed distribution methods. During the past two decades, many old connections of Canadian firms with British companies have been broken; some firms have gone out of business, and

Bernard Braden, well known Canadian actor who now makes his home in Britain, examines in a knowledgeable way the latest in outboard motors in the section taken over by 85 Canadian manufacturers of a wide variety of consumer products.



Ideal Home Exhibition

former business associates or representatives have died, resigned, retired or gone into other classes of work.

Objectives Outlined

The Department of Trade and Commerce had therefore several objectives in mind in entering the Ideal Home Show. Among them were:

- To make a dramatic impact on the British public, advertising the fact that Canadian goods are back in Britain after a 20-year absence.
- To try to determine whether or not the British public will once again accept Canadian merchandise and food products.
- To help Canadian manufacturers discover whether or not the products they exhibited were competitive with similar products already available in the United Kingdom—not only in price but also in design, packaging, range of sizes offered, novel or unique features, servicing, deliveries, terms of payment, convenience, finish and quality.
- To afford opportunities for Canadian companies to make new trade connections and business contacts.
- To make British buyers aware that they can now import Canadian goods of this type without restriction.
- To focus the attention of Canadian manufacturers on the United Kingdom as a potential market and to attract a number of them to Britain to undertake a market survey for their products.

Displays in Three Sections

To achieve these objectives, the Department participated in three separate sections of the Exhibition. In co-operation with the British Columbia Lumber Manufacturers' Association, a Canada Trend House



British women found the display of household appliances enthralling; many of them remembered from prewar days some of the Canadian firms exhibiting. Here Lady Baxter, wife of Canadian-born Sir Beverley Baxter, M.P., tries out an ironer.

was built, featuring the interior and exterior uses of Canadian woods in timber-frame house construction. A number of Canadian appliances and household products were used in furnishing this house, which attracted a great deal of attention and much favourable publicity. Long queues waited patiently each day to see it and by the end of the Exhibition more than 200,000 people had passed through it.

Thirty-five Canadian producers of food products had booths in the international food section in the gallery of one of the three halls; they featured cheese, canned fruits, canned fish, frozen foods, fruit juices, nuts, honey, macaroni and spaghetti, processed and smoked meats, pickles, baking products, spices, confectionery, etc.

Eighty-five Canadian manufacturers of consumer goods had space

allocated in a separate area on the same floor, featuring all types of electric and gas appliances, heating equipment, clothing and accessories, fabrics, footwear, furniture and furnishings, sporting goods, tools, toys, dolls, games, etc. Of the 120 Canadian firms participating, 35 had agents or distributors in the United Kingdom or the Canadian company sent executives from Canada to supervise their display; these companies could be given stands of their own. Eighty-five Canadian companies sent samples of their products and these were attractively arranged in composite sections under the control of the Commercial Division of Canada House. Companies which had stands were able to offer samples of their products to the public, to sell over the counter, and to accept orders for future delivery. Actual sales during the exhibition totalled nearly

\$500,000 and a preliminary assessment of new business likely to be forthcoming to Canadian companies during the next year as a result of participation in the exhibition suggests that a figure of \$10-\$15 million is not unreasonable.

Canadian Goods Welcomed

The Canadian displays in the Ideal Home Exhibition proved successful and the objectives of the Department of Trade and Commerce in entering it were achieved. The British public showed great interest in the Canadian exhibits and thousands of visitors expressed their pleasure at seeing Canadian products offered once more. Many remembered the quality of Canadian goods from prewar days, and Canadian companies which had done business in Britain during the 1930's were welcomed back as old friends. Some of them have interesting stories to tell. Typical is the experience of Beatty Brothers Limited of Fergus, Ontario, whose washing machines were so well known in Britain before the war. The Beatty Brothers stand attracted many visitors who had owned a Beatty washer for 25, 30, even 40 years and who were continuing to get excellent service from it. One lady announced that she had had her Beatty machine for 46 years, that it was still doing an excellent job, and that she could see no reason for buying a new machine. The model she owns is a wooden tub machine with a hand wringer, and the manufacturers had thought that the last model of this type disappeared from homes years ago.

The Exhibition proved conclusively that there is a large and receptive market in Britain for many Canadian consumer products. It proved too that the British are still perhaps the most discriminating and selective shoppers in the world; the British housewife continues to expect good value for her money and will not accept shoddy or inferior merchandise. Canadian exporters who are looking towards the British market must be prepared to

What the Exhibitors Said . . .

"The U.K. consumer is demanding better products and competitive prices. Canadian appliances represent in their estimation the ultimate in consumer goods. They felt our retail prices were in line and we have no doubt there is a big market for Canadian goods of all kinds if proper distribution and service facilities are set up."

—S. J. Randall, President and Managing Director, General Steel Wares, Limited, Toronto, Ont.

"This Ideal Home Show has absolutely floored me. I live in Regina, Sask., and while I have attended many exhibitions I have certainly never seen crowds like this. Last Saturday they were passing by our booth at least twenty deep . . . This in my estimation is the finest way that we could have embarked upon this English market. We were able to let a large number of people learn of our return . . . Our sampling proved that the English people like quality merchandise and will pay quality prices."

—Al Muller, Western Canadian Representative, Planters Nut and Chocolate Co. Ltd., Toronto.

"Naturally, as agents, we very rarely come into contact with the consumer public. However, for the last nine days, we have talked con-

tinually with visitors to the Exhibition about Canadian Cannery's famous Aylmer products. Samples of corn, tomato juice, peaches, peas and asparagus have been given free to the public and the reaction has been most rewarding. Sales have soared and as a result, we have at last, after nine months of spadework, been able to persuade large buyers to take an interest in all of the Aylmer range of products . . . We were able to encourage a large multiple to stock the Aylmer products. This is invaluable!"

—Michael Brown of B. M. Sexton, Ltd., U.K. agents for Canadian Cannery Limited, Hamilton, Ont.

"First of all, by exhibiting at an exhibition like the Ideal Home, you have a chance to talk to the public who are interested in central heating and get their opinions first hand. Also the builders and the architects come along in fair numbers and express their opinions. We have had an opportunity to quote, and to collect plans from builders for houses they are currently building. In fact, we have enough work coming out of this exhibition to keep all of our salesmen busy for possibly one or two months."

—George Rooney, Managing Director, Lincoln Furnaces Ltd., subsidiary of Barlin-Scott Manufacturing Co. Ltd., Hamilton Ont.

ship only their best to Britain. They must compete here with practically every country in the world but the competition is no more difficult than they face in the domestic market.

What Exhibitors Discovered

The Ideal Home Exhibition also served to emphasize the extent of the potential market in the United

Kingdom. Remember that there are as many people living within 75 miles of Piccadilly Circus as there are in all of Canada. If a product has consumer acceptance in this country and is competitive, it is not always necessary to think in terms of the whole United Kingdom market. Indeed, many Canadian manufacturers might have difficulty in coping with orders in this event.

What the Exhibitors Said . . .

"It has been an ideal opportunity to get the reaction of the public to our products—that is, flour, cake mixture and breakfast cereal—all of which were previously unknown in this market . . . We have received numerous inquiries from the public as to where our products can be obtained, and have sold considerable quantities in bulk to individuals. As a result of an adhesive label on each packet sold, asking for the buyer's opinion of the product, we have only received letters telling us how good our products are. This Exhibition has mainly shown us that a market exists for our products and that, by and large, our prices are in line with similar products already marketed here."

—Maple Leaf Milling Co. Ltd.,
Toronto, Ont.

"It was our intention to re-enter the British market in any case, but we found the Ideal Home Exhibition an excellent means of producing leads to interested distributors, thus giving a much quicker build-up than we would have achieved otherwise. We expect to achieve a minimum gross turnover of £60,000 in the year ending March 1961. We got £6,000 gross in orders for individual farm freezers at the Exhibition."

—Lloyd G. McKee, President,
Universal Cooler Co. Ltd.,
Barrie, Ont.

"The interest shown in our products has been enormous. The interest in design, the interest in new models, the looking forward to the future seemed to have captured the imagination not only of the utility companies' representatives who have been along in large numbers, but also of people who want to apply for our franchise in certain towns around the U.K. The actual volume of business done at the fair has been most encouraging and we would say to any Canadian manufacturer who wants to size up the English market, come to the Ideal Home Exhibition and you will get a really good cross-section of the people, from dealers to individuals."

—H. W. Earthrowl, Managing
Director, Moffats Limited in
the U.K.

"Canadian Westinghouse are very grateful to have had the opportunity to show their goods in the Trend House. It has brought us numerous inquiries . . . not only for the coffee percolator and iron and the transistor radio sets, but also for refrigerators and the ovens, which have excited tremendous interest. The English public are very impressed with the finish of the Canadian goods. Arrangements have been made with Harrods Limited to handle the sale of our consumer products in the United Kingdom."

—Lady Pound, Canadian Westinghouse Co. Ltd. representative at the Exhibition.

Perhaps the London area, the Midlands, Scotland or Northern Ireland offer a sufficient initial market for a Canadian exporter's excess capacity. As his position becomes consolidated, he can expand market coverage gradually.

A further fact that the Exhibition revealed is that few importers or buyers in large organizations in Britain are aware that goods of

Canadian origin or manufacture are eligible for entry to the United Kingdom under Commonwealth Preference. Generally speaking, merchandise and food products and raw materials from Canada are eligible for duty-free entry or else come in at a rate of duty lower than that applied to such products from non-Commonwealth sources. Canadian companies which do not

know the duty position in the United Kingdom for their products may obtain the information from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa, or the Minister (Commercial), Canada House, London, England. Once this rate has been determined, the firm should repeat it on every possible occasion in its correspondence or contacts with British companies.

As a corollary, Canadian subsidiary companies should investigate the export position of their parent companies outside of Canada vis-à-vis the British market. Many subsidiaries were established in Canada following the Ottawa Conference of 1931 to take advantage of Commonwealth Preference. In some cases this attractive feature has lapsed or has been forgotten during the last 20 years. Frequently we find that the parent companies in non-Commonwealth countries are exporting products to the United Kingdom that are subject to a duty ranging perhaps from 10 to 30 per cent. Purchase tax in the United Kingdom, where applicable, is assessed on the duty-paid value of the goods, and to this must be added wholesale and retail mark-ups. When these same goods are manufactured or produced in Canada and shipped from there, they usually enter duty-free and the ultimate retail value (because of this pyramiding of costs) can frequently be reduced by as much as one-third.

Entering the Market

The Exhibition emphasized also the necessity of having as complete price information as possible from Canadian manufacturers. To undertake market investigations on their behalf the Commercial Division, Canada House, needs to know:

1. The landed price—that is, c.i.f. price U.K. port for the merchandise. It is useless to mention the retail price in Canada and nearly as useless to give an f.o.b. price Canadian port.
2. The packaging methods used.

3. The Canadian content of the article (labour and material), in order to determine the duty position.

4. The composition of the product—for example, garments of Canadian manufacture when made of cotton or wool are permitted duty-free entry. If, however, the garments contain artificial fibres or silk, the duty position may be different.

5. Delivery position.

Canadian companies are reminded that in addition to several first-class annual public exhibitions in the United Kingdom such as the Ideal Home Exhibition, there are literally hundreds of international trade exhibitions held here each year. There may well be a suitable trade exhibition for your products

and you can obtain guidance on this point from the Minister (Commercial), Canada House, London, England. The Ideal Home Exhibition will be held again in March 1961 and companies which consider it a suitable place to feature their products are invited to make their interest known by writing to the Department of Trade and Commerce, Ottawa. ●

At the Ideal Home Exhibition . . .

“Trend House” Promotes Canadian Timber

More than 200,000 Britishers queued up to go through a bright, modern, split-level house, designed to demonstrate timber-frame construction and built with Canadian woods.

E. J. WHITE, *Commercial Secretary (Timber), London.*

THE Canada Trend House, built especially for display at the Ideal Home Exhibition, was sponsored jointly by the Canadian Government and the British Columbia Lumber Manufacturers Association. It was aimed directly at the public—the potential private owners—and represented the culmination of several years of promotion work with the professional groups involved in designing, building and financing houses. During the Exhibition, it attracted over 200,000 people who waited in a queue to go through it.

Designed by a British architect, Peter Barefoot, constructed, furnished and decorated by a British firm, and featuring, in addition to Canadian lumber, other manufactured products from Canada, the Canada Trend House demonstrated a practical approach to this market because all materials used are readily available in the United Kingdom and the house was de-

signed to meet the British bylaws. In fact, it was a replica of a house designed by the architect for a client in Essex.

Part of Larger Program

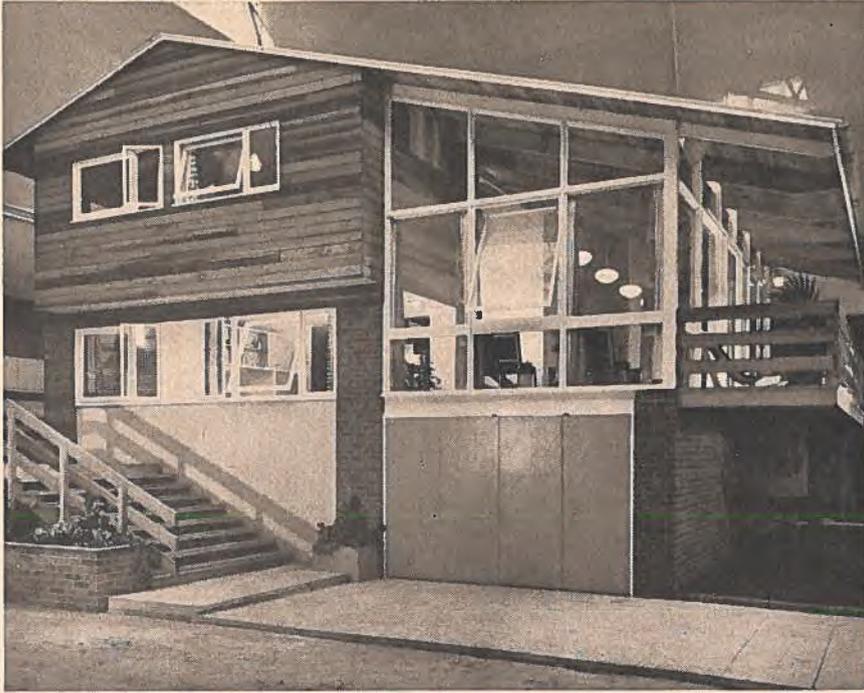
Text, pictures, drawings and films are useful in promoting Canadian lumber and timber-frame techniques in building, but nothing can equal a practical demonstration through the exhibition of an actual house. The Canada Trend House was designed and built to demonstrate these techniques to the British public, to show that timber products can be readily incorporated into contemporary dwellings, and to obtain the public's reaction to this type of construction.

The House was just one part of a preliminary and continuing program in Britain to encourage the increased use of Canadian lumber in housing, particularly in timber-frame construction. Despite the fact that there have been (and still are)

certain traditional prejudices against the use of lumber in housing in the United Kingdom, housebuilders remain the largest single end-users of lumber. The per unit consumption, however, is limited, and trade promotion has been aimed at increasing this figure by removing such prejudices. As a result of concerted efforts in this direction, financial, regulatory and specifying authorities have indicated their willingness to accept lumber for house construction if they can be convinced that there is public demand for it. The Canada Trend House project was an attempt to analyze, stimulate or create this demand.

Split-Level Plan

An open, split-level plan was chosen for the Trend House to demonstrate the flexibility of timber-frame construction and to emphasize the scope it affords for distinctive architectural treatment plus economical use of land. Combining standard timber-frame construction with post-and-beam construction, the Olympia house was built with a framework of Pacific Coast hemlock surfaced to Canadian lumber standards. The low-pitched roof with its projecting eaves was formed by nominal two-



This side view of the split-level Canada Trend House displays to advantage the overhang of the roof and the sun-porch at the front. Western red cedar was the exterior siding chosen for the upper floor, with brick veneer and stucco below.

inch-thick tongued-and-grooved planking of Western red cedar—an innovation in the United Kingdom market. Douglas fir was used for the balcony and staircase. Canadian hard maple strip flooring provided a bright and durable finish for the living-room floor; Pacific Coast hemlock was used for the bedroom floors. Canadian Douglas fir plywood was used as sheathing for the structural lumber frame and also in decorative form as occasional panelling. To demonstrate the versatility of exterior siding materials, Western red cedar was used around the upper floor and brick veneer and stucco on the other exterior wall areas. Several cutaway sections were included to show actual construction techniques, both interior and exterior. Canadian yellow birch plywood in natural finish was used for kitchen cabinet doors, and plastic laminates from Canada for counter tops and drawer fronts and occasional panelling in the kitchen, bathroom and cloakroom. Because it was a timber-frame house it was

possible to demonstrate the use of central heating and how simple it is to install. The Canadian-manufactured oil-fired furnace had a ducted warm-air circulating system, the cost of which seemed surprisingly reasonable to most inquirers.

Technical Merits Demonstrated

Canadians tend to take timber-frame construction for granted, but it is necessary in the United Kingdom to bring its merits to the attention of home buyers as well as to the professional authorities involved in setting standards of house design, construction and finance. They must be shown that frame houses are better insulated than traditional ones and that substantial savings in fuel can be achieved, whether or not controlled central heating is included. It must be demonstrated to them that frame houses can be completed in about half the time that conventional houses require. The main structure and roof can be built quickly and finishing work both inside and out continued under

cover—with the result that dwellings become habitable the day the builder leaves the site. Semi-skilled labour is used as effectively as possible so that the craftsman can be employed where his skill makes the fullest contribution to sound construction.

It was possible in the Canada Trend House to provide inquirers with information on possible adaptations of the design, because frame construction gives scope for individuality and flexibility with economy. Exterior finishes can include timber siding, brick veneer, stone, stucco or tiles.

One of the big features of the Canada Trend House, because it was constructed by timber-frame methods, was the ability to prefabricate or preassemble large sections for re-erection on a building site after the Exhibition. The value of this was exemplified when the other homes in the Exhibition had to be completely demolished, brick by brick, after the show.

Many Inquiries Received

The dominant impression left with those who staffed the Trend House was that the home-buying public is receptive to new ideas in construction and planning and reveals little of the conservative prejudice so often cited as justification for unenterprising design. Interest goes far beyond superficial appearance. Over 3,500 inquiries for information on the materials used in the house were received in the special inquiry and display area. Officers staffing the house were questioned closely about technical matters of all kinds and especially about the thermal insulation, comparative costs, and the maintenance of timber buildings. The popularity of wood was evident and the architect's split-level, open-plan scheme for the Trend House made the most of this appeal. But among technique-minded viewers—including a surprising number of young people without professional pretensions—there was just as much interest in the way a timber-frame house is

built. The cutaway panels in the wall structure made this clear to them.

Although the Canada Trend House was aimed at the public, pre-mailing invitations were sent to some 35,000 architects, builders, officials of building societies, engineers and local authorities. Many architects, builders and people connected with the timber, joinery and prefabrication industries visited the house and there were opportunities for fruitful discussion about Canadian timbers, grading and applications in Britain. Representatives of local authorities, insurance companies and building societies also inspected the Trend House. Comment in almost every instance was encouraging and indicated recognition that timber-frame construction has a future in the United Kingdom. One senior representative of the building societies declared frank support for the system. "I believe we can go all the way with a house like this," he said.

The architect, Mr. Peter Barefoot, who operates from Ipswich, Suffolk, received many serious inquiries about supervising houses based on the Canada Trend House, or about designing timber-frame houses for individuals adapted from the Canada Trend House. As a result, he has arranged to open an office in London to deal with clients (most of whom are in the London area) and he is looking forward to many fruitful projects as a result of this participation.

Market Outlook

Canadian lumber exporters can be optimistic about the United Kingdom market if the results of the 1960 Ideal Home Exhibition are any indication of future trends in lumber consumption for housing. With one exception, all houses erected in "The Village" had some exterior siding in lumber, whereas a few years ago lumber was conspicuous by its absence. Four of the eight houses used Western red cedar for this purpose. Interior panelling in wood was also common

The Visitors Said . . .

"The timber has been used to best advantage and gives an appearance that is both natural and sophisticated."

"Another quite unique feature is . . . the rather large balcony with the large overhang of the roof, completely sheltering it from extreme weather conditions, and yet having all the features of a nice sun lounge."

"Looking at the kitchen, the serving hatch, and the little breakfast room . . . they are any woman's dream. I would give my eye teeth for something like that."

"The general effect is so modern and clean that I don't think the house would date no matter how long you had it."

"I very much like the use of a separate room for your central heating which can also be used for a laundry room."

"I like the size of the house; usually we get small rooms in England . . . I like the large windows; the lounge is wonderful with the enormous windows and the suntrap at the front."

"We believe that the roof construction is something unique in this country and affords a very high insulation value, with a most attractive appearance inside."

"I note the enormous interest that Britishers in general are taking in this new type of design, light, airy, easy to maintain, and extremely cheerful for the housewife to work in."—Garfield Weston.

this year. Although these materials might be considered decorative specialties, the interest in using lumber structurally was expressly demonstrated in the Canada Trend

House and here softwood dimension will find its major outlet.

For the structural members of timber-frame houses, dressed lumber is essential, whether houses are constructed "in situ" or factory prefabricated. Comments by builders who have used Canadian lumber dressed to Canadian lumber standards indicated the desirability of pursuing this feature in future trade promotion. They expressed the opinion, well known to Canadian builders, that dressed lumber is essential to speedy handling, easy working and fast, accurate assembly. Dressed lumber may have the same value as rough lumber or it may be cheaper, but when application becomes involved, the savings in cost are obvious.

Because most Canadian lumber producers are now manufacturing to Canadian lumber standards, and since no other major supplying country is currently producing to these sizes, availability and continuity of supply are essential to the successful implementation of timber-frame techniques using Canadian timber in the United Kingdom. Canadian exporters should study means of assuring that adequate stocks of CLS lumber are maintained in this market at a competitive price. They should also investigate the increasing demand for specialty lumber and plywood products.

The normal channels of trade in the United Kingdom market require that Canadian exporters establish adequate and effective agency representation; the Commercial Secretary (Timber) at Canada House in London will gladly recommend suitable agents.

The return of prosperity in Britain has created a demand for a more gracious and comfortable home life. The Canada Trend House demonstrated that a "return to wood" could fill this need and there is every indication that because of this project, Canadian lumber has a promising future in this expanding market. ●

At the Ideal Home Exhibition . . .

Canadian Foods Staged a Comeback

Fifteen individual and one composite display presented Canadian foods and beverages of many varieties to the British public—who examined, sampled and bought them.

D. B. LAUGHTON, *Agricultural Secretary, London.*

THE Food Section at the Ideal Home Exhibition covered one entire end of Olympia—some 21,000 square feet—and featured food products and beverages. The Canadian Government display stretched for 142 feet and exhibited, in booths manned by company officials or their U.K. representatives, products put out by individual Canadian firms. In addition, there was a composite display.

A façade bearing the name "Canada" in large letters extended along the Canadian exhibit, which was divided into 16 booths. The stands (most of them had an 8-foot frontage) were set back from the main aisle by a series of dividers consisting of back-lighted colour enlargements grouped about glass display boxes. Fifteen of the stands were taken over by specific Canadian firms, one was used for a composite display by members of the Canadian and Ontario Food Processors Associations, and the remaining space was used by the Department of Trade and Commerce as a reception area. There officers from Canada House or other government representatives were in constant attendance to answer inquiries from businessmen and the public about products and firms not otherwise represented.

Samples Attracted Visitors

The aisles of the food section were filled to near-capacity virtually every hour that the Ideal Home show was open and tens of thousands of people visited the

stands. Conspicuous, however, were the denser knots of persons clustered around the booths that offered samples, plus the opportunity to buy and take home a can or package. There was unanimous agreement that this type of stand attracted the greatest attention and achieved the best results. (The variety of foods on display in the whole Food Section, and in many cases available for purchase, was unusually large. In fact, a patient person could easily have arranged a seven-course meal of small and

tasty samples by giving a little thought to the order of his calls on booths offering them.)

The following brief reports from successful participants will give the reader some idea of the results achieved:

A pickle manufacturer had to ration his supplies after the second day and could have sold out in one week; is appointing a distributor.

A cheese distributor made sales in half-pound packages averaging several hundred per day.

A peanut processor proved that his products were unique and worth the higher prices; they sold as fast as his staff could handle customers.

A vegetable and fruit canner found that most of those who sampled

Dr. Barbara Moore, doughty hiker now making her way on foot across the United States, firmly believes in the nutritional value of nuts and honey. Here she samples, with evident approval, Canadian-processed peanut butter at the Olympia show.



took away a purchase; London-area distribution improved as a result.

Booths that provided samples for the public but did not have products to sell were somewhat less popular but nevertheless were kept busy. Stands that sold their products but did not offer samples were fairly well patronized, but sales were not always brisk nor proportionate to the numbers who passed by.

Stands that merely displayed their products did not attract the public to nearly the same degree, regardless of the attractiveness of their displays or the enthusiasm of the persons manning them. And it is doubtful whether those who did stop to inquire were sufficiently impressed to seek out the product at their local stores.

Overseas shows can hardly be evaluated in dollars and cents but rather in terms of what the exhibitor learns from participation. Obviously, the more effort put into a display, the more benefit is obtained. Among the lessons learned by the Canadian food exhibitors were:

1. Many British housewives are not aware of the attributes of different flavour and high quality that Canadian foods possess—but
2. They have a basic feeling of goodwill towards Canada and are willing to experiment—and
3. Once they are satisfied, they can and will pay top prices and should become steady customers.

Admittedly, the carnival atmosphere of the Ideal Home Exhibition probably was a factor in the free-

spending attitude of the visitors. Exhibitors agreed, however, that sampling and selling on the spot is an ideal way for Canadian food exporters to take advantage of fairs in the United Kingdom as a means of assessing sales possibilities for their products in Britain. Experience at fairs can help a company in making decisions on methods of selling and distributing, the need for promotion, special purchasing, etc. (Here Trade and Commerce officials can help too.)

Opportunities such as those at the Ideal Home Exhibition will be offered to Canadian food exporters again, both in the London area and in other British centres. Any firms keen to reap the benefit of first-hand experience at a big fair would be well advised to make their interest known to the Department of Trade and Commerce in Ottawa. ●

Trade and Tariff Regulations

Bermuda

LICENSING ANNOUNCEMENT—The Bermuda Supplies Commission has announced that, effective May 1, 1960, import restrictions against the import of goods into Bermuda from the dollar area have been removed.

Ceylon

IMPORT CONTROLS—The import control regulations, as summarized in a Ceylon Government notice of December 12, 1959, provide for the entry without individual import licences of some two hundred and twenty items. This group includes:

Oats; prepared cereal foods; tinned fish; malt for brewing; powdered skim milk; wood and timber; most fertilizers except sulphate of ammonia; agricultural seeds; optical lenses; a wide range of metals and their products; agricultural implements; medical and scientific instruments; electric cable, fittings, and equipment; most types of machinery and parts for Ceylon's industries; most chemicals; drugs and medicines; gasoline, lubricating oil, and grease; aircraft, rail vehicles, road vehicles except motor cars, and their parts, including motor car parts; tires, except bicycle tires; fishing nets; lamps, lanterns and parts; oil and floor cloth; toothpaste; starch; spectacle frames.

Individual import licences are required for another group of products imported from the dollar area. We

are advised that there is now no discrimination against imports from the dollar area vis-a-vis the sterling area except that, where licences are required for new imports, they are issued mainly to "registered Ceylonese traders". Other trading companies in Ceylon are permitted to continue to import established lines from their traditional suppliers. Among the goods from the dollar area for which individual import licences are required are:

Fresh fruit; margarine; preserved vegetables, tinned soups, and most other food products; non-ferrous electrodes; clocks and watches; wireless goods and batteries; lawn mowers; manufactures of wood; specialty cotton piecegoods; carpets and rugs of all descriptions; paper products; motor cars (including motor station wagons); and all other products not specified in the summary of December 12, 1959.

The summary includes a group of goods for which import licences are required from all sources. These include sulphate of ammonia, flashlight batteries, hulling and polishing machines, and sulphur.

Most textiles from the dollar area, including cotton piecegoods and synthetic fibre piecegoods, can only be imported under a quota system by importers holding valid individual textile import licences.

The Ceylon Government notice of December 12, 1959, described above has no legal validity but may serve as a helpful guide to the import controls.

Iran

IMPORT-EXPORT REGULATIONS FOR 1960-61

—The Minister of Commerce of Iran recently announced the import-export regulations for the Iranian year 1339. The new regulations became effective on April 11, 1960, and apply to the year March 21, 1960, to March 21, 1961. They are designed to reduce imports by 20 per cent and at the same time to encourage exports. Attached to the regulations is the schedule of prohibited commodities which contains 38 items more than in the preceding year.

As in the previous licensing period, the over-all quota limit has been set at 25 billion rials. There is no limitation on the import of authorized goods during the year, nor is there a list of quotas for such goods. Therefore the import of all goods that do not appear on the list of unauthorized goods attached to the regulations is permitted. Bank Melli Iran is obligated to open credits and to settle bills for all authorized goods with due regard to the country's potentiality. Should the exchange supply prove insufficient for financing all authorized imports, priority will be given to essential commodities. Goods imported under barter or trade agreements are also subject to import regulations. Persons earning money abroad may spend their earnings on the import of authorized goods. Imported articles shall be generally new and unused.

Also attached to the regulations is the lengthy schedule of commodities subject to the Commercial Profits Tax, in addition to the regular customs duty. The list contains some 381 numbered items. A tax is levied on 273 of these commodities at ad valorem rates and on 108 at specific rates; the ad valorem rates vary from 20 to 200 per cent ad valorem and the specific rates from 1 to 600 rials per kilogram.

Details on the Commercial Profits Tax affecting any particular commodity and the complete schedule of prohibited items may be obtained from the Asia and Middle East Division, International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Philippines

EXCHANGE REGULATIONS REVISED—A cablegram from the Trade Commissioner in Manila reports that the Government of the Republic of the Philippines has revised the exchange control regulations.

According to the cablegram, on April 25 the Central Bank of the Philippines authorized certain foreign exchange transactions at newly-organized free market rates. Receipts from exports, U.S. Government payments, and other invisibles are to be surrendered to

MAY 21, 1960

the Central Bank—75 per cent at the official rate and 25 per cent at the free market rate. Receipts from tourist funds and gold payments are to be surrendered 100 per cent at the free market rate. Foreign exchange sales are to be continued at the official rate of two pesos to one U.S. dollar, plus the 25 per cent margin fee for most essential imports, including flour, when Central Bank dollar licences have been granted. Any unlicensed excess of these and other less essential categories requires foreign exchange purchased at the free market rate announced daily, plus the 25 per cent margin fee.

The Central Bank, the cablegram states, considers that there is little danger of a buying spree because of the limitations it has set on dollars for the free market and the tight money position.

Sweden

FREE LIST EXTENDED FOR DOLLAR AREA GOODS—The Swedish Minister of Trade has announced that the free list applicable to imports from the OEEC countries has been extended, as from April 1, 1960, to imports from the dollar area and most other countries with which trade is not regulated by bilateral agreements. Exceptions will be made for imports from the Eastern Bloc countries and Japan as a consequence of current bilateral arrangements.

As regards imports from the dollar area, the import regulations for some goods, such as cotton textiles, nylon stockings and coffee, will be abolished. Also a number of goods which have been subject to licensing on import from the OEEC area—primarily ships, works of art and certain valuables—will henceforth be free-listed.

Cars and car components will still be subject to import restrictions. However, a system of free licensing has been applied to these goods for some time.

As regards commodities subject to special regulations in the agricultural field, the decision implies no change in the free-listing vis-a-vis the OEEC area. The liberalization so far applied for imports from the dollar area, which covers all OEEC free-listed goods except certain animal products, will also be extended to imports from other countries unless otherwise stipulated under current bilateral agreements—Stockholm.

Tours of Territory

J. C. DEPOCAS, Consul and Trade Commissioner in Boston, will visit the following New England cities during the last week in May and the first week in June: Fall River, Lowell, Springfield, Gloucester and Concord, Mass.; Providence, R.I.; Manchester, N.H.; Rutland, Vt.; and Augusta, Portland, Lewiston and Bangor, Maine.

Businessmen who would like Mr. Depocas to undertake assignments should get in touch with him at his post as soon as possible.



Commodity Notes

Books

SWEDEN—Book production in Sweden in 1959 reached an all-time record of 5,959 titles. Belles-lettres constituted the largest group, 1,075 titles, of which 524 were by Swedish authors. Children's books totalled 552, half of which were Swedish. The natural science and economics and industry groups came next with 470 and 404 titles. The biggest edition of the year was the novel *Last Letter to Sweden* (130,000 copies) by Vilhelm Moberg—Stockholm.

Chemicals

NETHERLANDS—The Netherlands State Mines' chemical enterprises are spending \$5 million a year on scientific research and new investment totals \$20 million a year. During the past ten years investment has totalled \$179 million. A \$500,000 laboratory is being built at Zeist near Utrecht, designed to supply technical information to plastic manufacturers. The State Mines' fertilizer section ranks eighth in the world, producing one million tons of fertilizer a year, or about 5 per cent of world output—The Hague.

Coal-Mining Machinery

INDIA—The Government of India will set up a coal-mining machinery plant in Durgapur, West Bengal, in collaboration with the Soviet Union. The plant is expected to go into production by the end of 1962. Its production range of 35 different types of mining machinery is said to be the largest of any single unit in the world, with cutting and loading machines, underground electric locomotives, scraper and belt conveyors, overhead mine machines and winches. The plant will have its own foundry and total cost has been estimated at \$50 million—Bombay.

Cotton

MEXICO—The Department of Agriculture announced recently that Mexico's entire exportable supply of cotton has been sold. This included the 1959 surplus of some 1.7 million bales, plus a carryover of one million bales from the two previous crops. Prices were slightly higher than last year, with a gross value for the 1959 crop estimated at U.S.\$280 million. Canada

buys substantial quantities of cotton from Mexico every year: Can.\$12.8 million in 1958 and Can.\$19 million in 1959.

Because of the depressed market last year, the acreage sown to cotton declined substantially and total yield was correspondingly less. However, the current favourable export picture for cotton and the high prices in effect for cotton seed may result in the planting of larger acreages—Mexico, D.F.

Cucumbers

JAMAICA—Cucumbers grown specifically for markets in the eastern United States are being flown to Miami two or three times a week. The cucumbers are grown on about 120 acres at Spring Gardens, with plans in the offing for development of more land suitable for their cultivation—Kingston.

Farm Machinery

FRANCE—Expansion in the French farm-machinery industry was checked in 1959. Preliminary figures show total production of 210,000 tons, compared with 230,000 in 1958. Output of combines rose to 5,608 units in 1959 compared with 5,263 in 1958, and that of all other machinery declined—tractors to 80,000 units, horticultural tractors to 24,200, haybalers to 20,940 and fertilizer spreaders to 11,900. The slump reflects slackening demand because of two disappointing growing seasons and the resulting lower purchasing power on farms—Paris.

Precision Measurer

SWEDEN—An apparatus for precision-measuring of the body has been invented by Sigvard Jirdell, chief designer of the Tiger plant for readymade clothes at Uddevalle, Sweden. It is now being exported to France where it has attracted much interest in tailoring circles, according to a statement made by M. Paul Vauclair, chairman of the Associations of French and International Master Tailors.

Called Modifico, the apparatus is a reliable aid to the new method of making "readymades"—that is, suits that require no intermediate fitting between the

order and delivery. Compared with the measuring-tape method, Modifico works with the precision of an industrial gauge—Stockholm.

Shade-Dried Skins

SOUTH AFRICA—Skins cured by a new process, expected to bring higher prices and better markets for South African hides and skins, sold at an average of 6½d. a pound more than salted skins at a recent auction in Port Elizabeth. There was exceptionally keen competition and brisk bidding for 15,000 pounds of shade-dried skins, the first sale of these skins ever held in South Africa. Hides and skins have, in the past, been salted and dried in the sun, which experts say lowers their quality. Both exporters and local processors took part in the sale. Comparative prices for merino-type skins were: long wools 32½ (dry salted skins 26½d.), medium wools 27½d. (dry salted skins 21½d.). This compares favourably with top prices paid during the season—Cape Town.

Steel

ARGENTINA—The Governor of the Province of Buenos Aires has announced that a plate and sheet rolling mill now located at Gary, Indiana, has been purchased and will be transferred en bloc to a suitable site in the province. The purchaser is Messrs. Coopim, a consortium of several local iron and steel firms. The initial investment is said to be U.S.\$23 million. The plant will go into operation within about 18 months. Further investments of U.S.\$44 million and U.S.\$17 million are contemplated to increase capacity—Buenos Aires.

Transformer

IRELAND—The biggest electricity transformer ever made in Ireland has been delivered by the makers, Unidare Ltd., to the Electricity Supply Board's new milled-peat station at Rhode, County Offaly. One of its two 20,000-kw. generating sets should go into commission this summer and the second a few months later. The station's annual output is reckoned at 160 million kwh.—Dublin.

Watches

INDIA—The Government of India and the Citizen Watch Company of Japan have signed an agreement to manufacture low and medium-priced watches in India. The factory, a government undertaking, will be located in South India at Bangalore, the site of several new plants manufacturing instruments and electronic equipment. It will cost an estimated Rs. 10-12.5 million (Can.\$2-2.5 million). Operations are to begin in 1962; will attain full annual output of 360,000 watches within the next six years. Indian content by

the time full production is reached is to be about 84 per cent.

A private firm, Phoenix Watch Company, already holds a licence to set up in collaboration with a French group a factory to produce 300,000 watches a year. The Government is considering two further proposals—New Delhi.

Wine

LIBYA—The first major export of wine from Tripoli took place in February. Over 400,000 litres of a well-known local red wine were shipped in two cargoes, the first to Genoa for account of Swiss and Belgian buyers, and the second to West Germany. If these shipments prove successful, they may make a considerable difference to the vine growers in Tripolitania. For years they have been producing under great difficulties and many vineyards have been turned over to other forms of agriculture—Rome.

Trade Office Opened in Canberra



ON April 22nd, the Department's third trade office in Australia was officially opened when R. B. Nickson arrived in Canberra to take up his appointment as Commercial Secretary for Canada. The other two Canadian offices, both of many years' standing, are in Sydney and Melbourne. In the new Canada-Australia Trade Agreement signed in Canberra on

February 12, 1960, provision was made for continuing consultation in the trade field. To this end, each country appointed a Trade Commissioner in the other's capital and Mr. Nickson is the first Canadian officer to reside in Australia's capital. His task will be to assist in the development of Canada's trade with Australia in concert with the Canadian Commercial Counsellors located at Sydney and Melbourne.

Mr. Nickson joined the government service in 1947. He served with the International Trade Relations Branch at Ottawa from 1950 and for some time headed its Commonwealth Section. He was a member of the Canadian delegation that negotiated the new trade agreement with Australia in Canberra in March and April 1959.

His office address is c/o The High Commissioner for Canada, State Circle, Canberra, A.C.T.; his telephone: U-1304. The address for cables: DOMCAN Canberra.

Foreign Trade Service Abroad

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bisset Commercial Counsellor	Canadian Embassy Bartolome Mitre 478 BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel:</i> 33-8237
	G. E. Blackstock Assistant Commercial Secretary		
Australia (Capital Territory New South Wales, Queensland, Northern Territory) Dependencies	S. V. Allen Commercial Counsellor for Canada	7th Floor, Berger House 82 Elizabeth Street SYDNEY	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Tel.:</i> BW 5696
	H. S. Hay Assistant Commercial Secretary		
Australia (Victoria, South Australia, Western Australia, Tasmania)	T. G. Major Commercial Counsellor for Canada	83 William Street MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
Australia	R. B. Nickson Commercial Secretary	Office of the High Commissioner for Canada State Circle CANBERRA	<i>Mail:</i> (City Address) <i>Cable:</i> DOMCAN <i>Tel.:</i> U-1304
Austria Bulgaria, Czechoslovakia, Hungary, Romania, Yugoslavia	R. K. Thomson Commercial Counsellor	Operringhof Operring 1 VIENNA 1	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 57-25-97
	P. A. Freyseng Assistant Commercial Secretary		
Belgian Congo Angola, Central African Republic, Chad, Congo, Gabon	R. A. Bull Acting Trade Commissioner	C.C.C.I. Building Boulevard Albert 1er LEOPOLDVILLE 1	<i>Mail:</i> Boîte Postale 8341 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
Belgium Luxembourg, European Economic Community, European Atomic Energy Com- munity, European Coal and Steel Community	L. H. Ausman Commercial Counsellor	Canadian Embassy 35 rue de la Science BRUSSELS 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 13.38.50
	P. T. Eastham Assistant Commercial Secretary		
Brazil	Wm. Jones Commercial Counsellor	Canadian Embassy Edificio Metropole Av. Presidente Wilson 165 RIO DE JANEIRO	<i>Mail:</i> Caixa Postal 2164 <i>Cable:</i> CANADIAN <i>Tel.:</i> 42-4140
Brazil	D. M. Holton Consul and Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-6301
	R. C. Anderson Vice Consul and Assistant Trade Commissioner		
Ceylon	I. V. Macdonald Commercial Secretary	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> CANADIAN <i>Tel.:</i> 91341
Chile	H. M. Maddick Commercial Secretary	Canadian Embassy 6th Floor Av. General Bulnes, 129 SANTIAGO	<i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Tel.:</i> 64189
Colombia Ecuador	J. H. Bailey Commercial Secretary and Consul	Canadian Embassy Edificio Banco de Los Andes Carrera 10, No. 16-92 BOGOTA	<i>Airmail:</i> Apartado Aereo 3562 <i>Surface Mail:</i> Apart- tado 1618 <i>Cable:</i> CANADIAN <i>Tel.:</i> 43-00-65
	N. L. Currie Assistant Commercial Secretary		

Territory	Officer	City Address	Mail and Cables, Office Telephone
Cuba	R. R. Parlour Commercial Secretary	Canadian Embassy Edificio Ambar Motors Avenida Menocal 16 HAVANA	<i>Mail:</i> Apartado 1945 <i>Cable:</i> CANADIAN <i>Tel.:</i> UO-9457
Denmark Greenland, Poland	C. F. Wilson Commercial Counsellor	Canadian Embassy Prinsesse Maries Allé 2 COPENHAGEN V	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Hilda 3306
Dominican Republic Puerto Rico	W. B. McCullough Commercial Counsellor J. M. Knowles Assistant Commercial Secretary and Vice Consul	Canadian Embassy Edificio Copello 408 Calle El Conde CIUDAD TRUJILLO	<i>Mail:</i> Apartado 1393 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2-8138
France Algeria; Cameroon Republic, Dahomey, Federation of Mali, Guinea, Ivory Coast, Mauretania, Morocco, Niger, Togo- land, Tunisia, Volta	W. G. Brett Acting Commercial Secretary C. T. Charland Assistant Commercial Secretary	Canadian Embassy 35 Avenue Montaigne PARIS 8e	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> BALzac 99-55
Germany Federal Republic	J. A. Stiles Commercial Counsellor G. F. Mintenko Assistant Commercial Secretary W. J. O'Connor Assistant Commercial Secretary (Agriculture)	Canadian Embassy 22 Zitelmannstrasse BONN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 21971
Germany	E. H. Maguire Consul J. M. T. Thomas Vice Consul (absent)	Canadian Consulate 69 Ferdinandstrasse HAMBURG	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 326149
Ghana Gambia, Liberia, Nigeria, Sierra Leone	K. F. Osmond Commercial Secretary	Office of the High Commissioner for Canada E 115/3 Independence Ave. ACCRA	<i>Mail:</i> P.O. Box 1639 <i>Cable:</i> CANADIAN <i>Tel.:</i> 4824
Greece Cyprus, Israel, Turkey	L. D. R. Dyke Acting Commercial Secretary	Canadian Embassy 31 Vassilissis Sophias Ave. ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 74044
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	H. W. Richardson Canadian Government Trade Commissioner	5a Avenida 11-70, Zone I GUATEMALA CITY, C.A.	<i>Airmail:</i> P.O. Box 400 <i>Surface Mail:</i> P.O. Box 444 <i>Cable:</i> CANADIAN <i>Tel.:</i> 28448
Haiti	Chargé d'Affaires, a.i. and Consul	Canadian Embassy Route du Canape Vert St. Louis de Turgeau PORT AU PRINCE	<i>Mail:</i> P.O. Box 826
Hong Kong Cambodia, Communist China, Laos, Vietnam, Macao	C. M. Forsyth-Smith Canadian Government Trade Commissioner C. J. Small Trade Commissioner D. J. McEachran Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg. HONG KONG	<i>Mail:</i> P.O. Box 126 <i>Cable:</i> CANADIAN <i>Tel.:</i> 27743

Territory	Officer	City Address	Mail and Cables, Office Telephone
India (except States of Gujerat and Maharashtra) Bhutan, Goa, Nepal, Sikkim	J. R. Midwinter Acting Commercial Secretary	Office of the High Commissioner for Canada 13 Golf Links Area NEW DELHI 1	<i>Mail:</i> P.O. Box 11 <i>Cable:</i> CANADIAN <i>Tel.:</i> 35201
India (States of Gujerat and Maharashtra)	G. P. Morin Acting Trade Commissioner	Gresham Assurance House Mint Road BOMBAY	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Tel.:</i> 255154
Indonesia	M. B. Blackwood Commercial Secretary	Canadian Embassy Djl. Budi Kemuliaan No. 6 DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Gambir 1313
Iran	A. B. Brodie Commercial Counsellor	Canadian Legation TEHRAN	<i>Mail:</i> Central P.O., Box 1610 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 49291
Ireland	W. R. Van Commercial Secretary for Canada	66 Upper O'Connell St. DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 44251
Italy Libya, Malta	Richard Grew Commercial Counsellor M. S. Strong Commercial Secretary J. G. Ireland Assistant Commercial Secretary	Canadian Embassy Via G. B. De Rossi 27 ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 861-951
Japan South Korea	J. L. Mutter Commercial Counsellor N. W. Boyd Assistant Commercial Secretary R. G. Woolham Assistant Commercial Secretary	Canadian Embassy TOKYO	<i>Mail:</i> Canadian Embassy <i>Cable:</i> CANADIAN <i>Tel.:</i> 408-2101/8
Lebanon Iraq, Jordan, Persian Gulf area, Syrian Region of United Arab Republic	C. O. R. Rousseau Commercial Secretary W. B. Walton Assistant Commercial Secretary	Canadian Embassy Alpha Building Rue Clemenceau BEIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN <i>Tel.:</i> 30794
Mexico	F. B. Clark Commercial Secretary A. A. Lomas Assistant Commercial Secretary W. M. Miner Assistant Commercial Secretary	Canadian Embassy Melchor Ocampo 463, 7th Floor MEXICO 5, D.F.	<i>Mail:</i> Apartado 25364 <i>Cable:</i> CANADIAN <i>Tel.:</i> 25-15-60
Netherlands	J. C. Britton Commercial Counsellor G. E. Woollam Agricultural Counsellor B. Horth Assistant Commercial Secretary	Canadian Embassy Sophialaan 5-7 THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 61-41-11
New Zealand Fiji, French Oceania, Western Samoa	J. H. Stone Commercial Secretary W. J. Collett Assistant 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

Territory	Officer	City Address	Mail and Cables, Office Telephone
Norway Iceland	M. B. Bursey Commercial Counsellor	Canadian Embassy Fridtjof Nansens Plass 5 OSLO	<i>Mail:</i> P.O. Box 1379—Vika <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
Pakistan Afghanistan	L. A. Campeau Commercial Secretary J. B. McLaren Assistant 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
Peru Bolivia	W. J. Jenkins Acting Commercial Secretary	Canadian Embassy Edificio Boza, Carabaya 831 Plaza San Martin LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 72760
Philippines Republic of China (Taiwan)	R. H. Gayner Acting Consul General and Acting 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
Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	T. J. Monty Commercial Counsellor	Canadian Embassy Rua Marques de Fronteira No. 8—4 ^a D ^o 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
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	M. P. Carson Canadian Government 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> 74260
South Africa (Natal, Transvaal, Orange Free State), Malagash, 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 (absent)	Canadian Embassy Edificio Espana 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 (absent) J. M. T. Thomas Acting Commercial Secretary (temporary)	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
Union of Soviet Socialist Republics	W. Van Vliet Commercial Counsellor	Canadian Embassy 23 Starokonyushenny Pereulok Moscow	<i>Mail:</i> (City Address) <i>Cable:</i> CANAD <i>Tel.:</i> 415142

Territory	Officer	City Address	Mail and Cables, Office Telephone
United Arab Republic Egyptian Region Aden, Sudan, Ethiopia, Saudi Arabia, Yemen	D. S. Armstrong Commercial Counsellor	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) (absent)	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
	S. G. Tregaskes Commercial Counsellor		
	W. Gibson-Smith Commercial Counsellor		
	D. B. Laughton Agricultural Secretary		
	E. J. White Commercial Secretary (Timber)		<i>Cable:</i> TIMCOM
	W. A. Stewart Assistant Agricultural Secretary		
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 (Scotland)	P. V. McLane Canadian Government Trade Commissioner	Cornhill House 144 West George St. Glasgow C.2	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> Douglas 6751
United Kingdom (Northern Ireland)	W. R. Van Canadian Government Trade Commissioner	36 Victoria Square BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
United States Delaware, Maryland, Virginia, West Virginia	M. Schwarzmann Minister-Counsellor (Economic)	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
	D. A. B. Marshall Agricultural Counsellor		
	T. M. Burns Commercial Counsellor		
	J. D. Blackwood Assistant Commercial Secretary		
	J. MacNaught Assistant Agricultural Secretary		
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda	B. I. Rankin 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
	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	<i>Mail:</i> (City Address) <i>Tel.:</i> HANcock 6-4320

Territory	Officer	City Address	Mail and Cables, Office Telephone
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	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RANDolph 6-6033
	G. F. J. Osbaldeston Vice Consul and Assistant Trade Commissioner		
United States (Michigan, Ohio)	M. J. Vechsler Consul and Trade Commissioner	Canadian Consulate 1139 Penobscot Building DETROIT 26	<i>Mail:</i> (City Address) <i>Tel.:</i> WOODward 5-2811
	R. V. N. Gordon Consul and Trade Commissioner		
United States California (the ten south- ern counties), Clark County in Nevada, Arizona, New Mexico	Consul and Trade Commissioner (absent)	Canadian Consulate General 510 West Sixth Street LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Tel.:</i> 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	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> JACKson 5-2136
United States California (except the ten southern counties), Wyoming, Nevada (ex- cept Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General 3rd Floor, Kohl Building 400 Montgomery Street SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Tel.:</i> SUTter 1-3039
United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General The Tower Building Seventh Avenue at Olive Way SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Tel.:</i> MUTual 3515
Uruguay Paraguay Falkland Islands	Blair Birkett Commercial Counsellor	Canadian Embassy No. 1409 Avenida Agraciada PISO 7° MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Tel.:</i> 96096
Venezuela Netherlands Antilles	R. E. Gravel Commercial Counsellor	Canadian Embassy Edificio Pan American Avenida Urdaneta Puente Urapal, Candelaria CARACAS	<i>Mail:</i> Apartado 9277 <i>Cable:</i> CANADIAN <i>Tel.:</i> 54.34.32
	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	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Tel.:</i> 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	<i>Mail:</i> P.O. Box 225 <i>Cable:</i> CANADIAN <i>Tel.:</i> 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 1.0305958.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent May 9	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Free .....	.01171	85.40	(1)
Austria	Schilling ...	.....	.03736	26.77	
Australia	Pound .....	.....	2.1794	.4588	
Bahamas	Pound .....	.....	2.7243	.3671	
Belgium, Belgian Congo and Luxembourg ...	Franc .....	.....	.01946	51.39	
Bermuda	Pound .....	.....	2.7243	.3671	
Bolivia	Boliviano ..	Free .....	.00008493	11,774.40	
British Guiana ..	Dollar .....	.....	.5676	1.76	
British Honduras ..	Dollar .....	.....	.6811	1.47	
Brazil	Cruzeiro ...	General Category*	.004027	248.29	*Apr. 26 (2)
		Special Category ..	.001922	520.37	
		Official selling ..	.05128	19.50	(3)
Burma	Kyat .....	.....	.2038	4.91	
Ceylon	Rupee .....	.....	.2043	4.89	
Chile	Escudo	Free .....	.9224	1.08412	(4)
Colombia	Peso	Certificate .....	.1448	6.91	
Costa Rica	Colon	Official .....	.1728	5.79	
		Controlled free ..	.1460	6.85	
Cuba	Peso .....	.....	.9703	1.0306	tax 2%
Czechoslovakia ...	Koruna .....	.....	.1348	7.42	
Denmark	Krone .....	.....	.1406	7.11	
Dominican Republic	Peso .....	.....	.9703	1.0306	
Ecuador	Sucre	Official .....	.06469	15.46	
		Free .....	.05674	17.62	
Egyptian Region, United Arab Rep.	Pound	Official	2.7863	.3589	
		Export account selling ..	2.3600	.4237	
El Salvador	Colon .....	.....	.3881	2.58	
Fiji	Pound .....	.....	2.4543	.4074	
Finland	Markka .....	.....	.003032	329.81	
France, Monaco, etc.	New Franc ..	.....	.1979	5.05	(5)
French colonies ...	Franc .....	.....	.003958	252.65	(6)
French Pacific ...	Franc .....	.....	.01088	91.91	(7)
Germany	D Mark .....	.....	.2327	4.30	
Ghana	Pound .....	.....	2.7243	.3671	
Greece	Drachma .....	.....	.03234	30.92	
Guatemala	Quetzal .....	.....	.9703	1.0306	
Haiti	Gourde .....	.....	.1941	5.15	
Honduras	Lempira .....	.....	.4852	2.06	
Hong Kong	Dollar	Free* .....	.1681	5.95	*Apr. 29
		Official .....	.1703	5.87	
Iceland	Krona	Official .....	.02553	39.17	(8)
India	Rupee .....	.....	.2043	4.89	
Indonesia	Rupiah	Official rate .....	.02156	46.38	(8)
Iran	Rial .....	.....	.01281	78.07	
Iraq	Dinar .....	.....	2.7169	.3681	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent May 9	Units per Canadian dollar	Notes (See below)
Ireland	Pound		2.7243	.3671	
Israel	Pound		.5391	1.85	
Italy	Lira		.001563	639.79	
Japan	Yen		.002696	370.92	
Lebanon	Pound	Free	.3048	3.28	
Mexico	Peso		.07763	12.88	
Netherlands	Florin		.2574	3.88	
Netherlands Antilles	Florin		.5187	1.93	
New Zealand	Pound		2.7243	.3671	
Nicaragua	Cordoba	Effective buying	.1470	6.80	
		Official selling	.1377	7.26	
Norway	Krone		.1361	7.35	
Pakistan	Rupee		.2043	4.89	
Panama	Balboa		.9703	1.0306	
Paraguay	Guarani	Official	.007953	125.74	
Peru	Sol	Certificate	.03503	28.55	
Philippines	Peso		.4852	2.06	
Portugal & Colonies	Escudo		.03386	29.53	(9)
Singapore and Malaya	Straits Dollar		.3178	3.15	
Spain and Dependencies	Peseta		.01617	61.83	
Sweden	Krona		.1876	5.33	
Switzerland	Franc		.2239	4.47	
Syrian Region, United Arab Rep.	Pound	Free	.2710	3.69	
Thailand	Baht	Free	.04590	21.79	(8)
Turkey	Lira		.1078	9.28	(8)
Union of South Africa	Pound		2.7243	.3671	
United Kingdom	Pound		2.7243	.3671	
United States	Dollar		.9703125	1.0305958	
Uruguay	Peso	Free	.08508	11.75	(10)
Venezuela	Bolivar		.2896	3.45	
West Indies Fed.	Dollar		.5676	1.76	(11)
	Pound		2.7243	.3671	(12)
Yugoslavia	Dinar	Official	.003234	309.21	(8)
		Settlement rate	.001535	651.34	

*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 buying rate of Cr.\$18.36 plus (a) an exchange premium of Cr.\$57.64 per U.S. dollar for coffee, cocoa beans and cake, and castor seeds, and (b) Cr.\$81.64 per U.S. dollar for all other exports except sugar, cotton and cocoa butter, and a few other products, export returns from which may be sold on the free exchange market.
3. For imports of wheat, newsprint and petroleum, the effective rate of exchange is the official selling rate of Cr.\$18.92 per U.S. dollar plus a surcharge of Cr.\$81.08 per U.S. dollar.
4. Chile: free rate applies to exports and imports. Chilean importers must make prior deposits in amounts ranging from 5 to 1,500 per cent, depending on product, prior to shipment of goods. Beginning January 1, 1960, one escudo equals 1,000 pesos.
5. France: territory includes Algeria, Tunisia, Guiana, Guadeloupe, Martinique. The new heavy franc (worth 100 old francs) became effective on Jan. 1, 1960. In Tunisia the rate of the franc is reduced by 20 per cent on most foreign exchange transactions.
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. A new exchange system was introduced in December 1959 under which exchange transactions take place at free market rates.
11. Barbados, Trinidad, Tobago, Leeward and Windward Islands.
12. Jamaica.

Trade Commissioners on Tour



A. P. Bissonnet



B. C. Butler



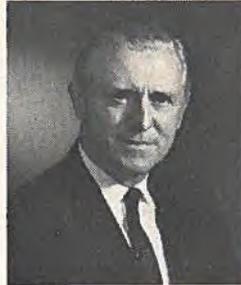
R. M. Dawson



H. S. Hay



B. A. MacDonald



K. Nyenhuis



M. T. Stewart

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

A. P. BISSONNET, Commercial Counsellor in Stockholm, Sweden:

Ottawa—May 26-June 7	Toronto—June 14-17
Port Hope—June 8	Winnipeg—June 20
Hamilton—June 9	Vancouver—June 22-29
Welland—June 10	Montreal—July 4-8
Sarnia—June 13	

B. C. BUTLER, Minister (Commercial) in London, England:

Toronto—May 24-June 1	Windsor—June 9
Hamilton—June 2-3	Sarnia—June 10
St. Catharines, Welland—June 6	Kitchener—June 13
Brantford—June 7	Montreal—June 15-30
London—June 8	Ottawa—July 4-15

R. M. DAWSON, Assistant Trade Commissioner in Guatemala City, Guatemala:

Montreal—May 30-June 3	Winnipeg—June 13-14
Toronto—June 6-10	Vancouver—June 16-20

When he completes his tour and leave, Mr. Dawson will be transferred to Manila, the Philippines, as Vice Consul and Assistant Trade Commissioner.

H. S. HAY, Assistant Commercial Secretary in Sydney, Australia:

Vancouver—June 6-10	Winnipeg—June 14
Saskatoon—June 13	Ottawa—June 16-30

When he completes his tour and leave, Mr. Hay will be transferred to Caracas, Venezuela, as Assistant Commercial Secretary.

B. A. MACDONALD, Commercial Counsellor in New Delhi, India:

Ottawa—May 19-27	St. Catharines, Welland—June 7
Toronto—May 30-June 5	Niagara Falls—June 8
Hamilton—June 6	Port Hope, Kingston—June 10

When he completes his tour and leave, Mr. MacDonald will be transferred to Athens, Greece, as Commercial Counsellor.

K. NYENHUIS, Trade Commissioner in Leopoldville, Belgian Congo:

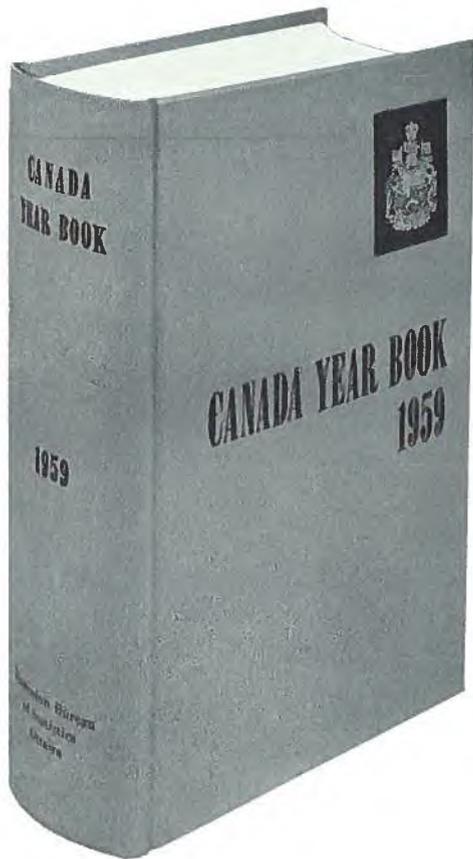
Vancouver—July 4-6	Montreal—July 25-Aug. 5
Winnipeg—July 7-8	Granby—Aug. 8
Toronto—July 11-20	Quebec—Aug. 9
Hamilton—July 21-22	Saint John, N.B.—Aug. 11-12

When he completes his tour and leave, Mr. Nyenhuis will be transferred to Copenhagen, Denmark, as Commercial Counsellor.

M. T. STEWART, Commercial Counsellor in Madrid, Spain.

Ottawa—May 30-June 3	Brantford—June 14
Toronto—June 6-10	Montreal—June 16-23
Hamilton—June 13	Quebec—June 27

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.



Now on sale to the public

CANADA YEAR BOOK 1959

- 1300 pages
- Special articles
- Charts
- Maps
- Diagrams

This official statistical annual on the Nation's resources, institutions, and social and economic conditions is an indispensable reference volume for the teacher, student, researcher, the executive, the business and professional person, the industrial planner, and the employer.

Like its predecessors, the **Canada Year Book 1959** presents a great range of up-to-date statistical information and analytical commentary on almost every phase of Canada's development.

Additional features of the **Canada Year Book 1959** include special articles on the climate of Canada, postwar immigration, the mineral industry, the Fisheries Research Board, steel in Canada, and Canadian journalism since 1900.

\$5 PER COPY
CLOTH BOUND

Copies of the Canada Year Book 1959 are available from the Superintendent of Publications, The Queen's Printer, Ottawa, and from the Information Services Division, Dominion Bureau of Statistics, Ottawa. Orders should be accompanied by postal money order or cheque made payable to the Receiver General of Canada.