The British Market for Heating Equipment (page 12)

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COMING——SELLING IN SAUDI ARABIA, IN THE DECEMBER 30 ISSUE

Argentina's Foreign Trade

Argentine imports and exports rose in 1960; relaxation of restrictive measures helped Canadian goods enter the market. Our best opportunities lie in primary materials for processing, capital goods not made in Argentina, and engineering and contracting services.

C. S. BISSETT, *Commercial Counsellor, Buenos Aires.*

ARGENTINA'S favourable trade balance of U.S.$16 million in 1959 gave way to an unfavourable balance of U.S.$170 million in 1960. An important part of this $170 million deficit resulted from comparatively heavy foreign investment in the country. This had almost no adverse effect on the balance of payments, however, since repayment of most of it is spread over a number of years. Nor did the deficit (about 16 per cent of total exports) adversely affect the economy. Reserves of gold and foreign exchange built up substantially during 1960 and there was no difficulty in maintaining the peso at the desired stabilization point of 82 to 83 pesos to the U.S. dollar.

Heavy foreign investment does not, however, account altogether for the upsurge in imports that took place in 1960 (fortunately it was accompanied by an appreciable increase in exports). Another factor was the abolition of the prior deposit requirement and the trend toward reduction of the heavy exchange surcharges on imported goods produced locally.

No official figures have been published yet but private sources indicate that the first quarter of this year showed an unfavourable trade balance of some U.S.$35 million. Exports totalled U.S.$274 million—an increase of 12 per cent over January/March last year. Imports amounted to U.S.$310 million, or 25 per cent more than in the same period in 1959. Again, the import increase was due mainly to increased imports of machinery and equipment for new capital projects. Larger shipments of wool, linseed oil and, to a minor degree, meat accounted for the rise in exports.

Exports

Exports for the past two years by commodity groups are shown in Table I. Livestock and livestock products made up almost 52 per cent of the 1960 total and agricultural products accounted for a further 47 per cent. All other products combined were responsible for only about 1 per cent of sales. Argentina's best customers were Britain, with 20 per cent of exports, the Netherlands 12 per cent, Italy 11.5, United States 8.3, West Germany 7.8, Brazil 7.6, Belgium 2.9, Japan 2.3, France 2.3, Chile 1.9, Poland 1.8, and the U.S.S.R. 1.5.

Imports

Table II shows 1960 purchases by main commodity groups, with comparative figures for 1959. Total imports in 1958 were very close in dollar value to 1960 but in 1959 they were much lower than in either year. This was because of the austerity import program initiated in January 1959 with the abolition of foreign exchange and import permits, the establishment of the free exchange market, and the imposition of high exchange surcharges and the prior deposit requirement. The abolition of the latter last year and the reduction of surcharges, coupled with the substantial inflow of foreign investment into new industrial enterprises, are plainly reflected in the import figures.

All groups except four showed increases over 1959. Outstanding was the 104 per cent increase in machinery, caused partly by foreign investment and partly by the encouragement given local plant-modernization programs. Further exchange surcharge concessions in 1961 have accentuated this trend. The rubber group imports increased by about 100 per cent, mainly because of larger imports of natural and synthetic primary materials and stepped-up purchases of sizes and types of rubber tires not yet produced here.

The decreases were also significant, notably the 26 per cent drop in fuels and lubricants, which demonstrates the success of the recently inaugurated program for exploiting petroleum resources. Reductions in the other three groups—textiles, chemicals, and wood products—point to a strengthening of the local industry, particularly chemicals, which has received considerable attention from foreign investors who have established new industries and expanded existing ones to produce new categories of allied products.

Argentina's chief suppliers were the United States 26 per cent, West Germany 12, Britain 9, Venezuela 7.2, Italy 6.9, Brazil 5.6, France 4.8, Belgium 2.5, and Japan 2.2.

TABLE I

ARGENTINE EXPORTS

	1959	1960
	(U.S.$'000)	
Livestock		
Live animals	11,337	21,089
Meats	259,286	219,310
Hides and skins	69,682	70,247
Wool	120,520	145,260
Eggs, honey and milk products	42,901	47,467
Animal byproducts	16,647	16,368
Subtotal	520,373	519,741
Agricultural Products		
Cereals and linseed	292,655	324,187
Wheat flour and products	22,233	18,388
Oilseeds (except linseed) and their oils	97,823	125,326
Other field and garden produce	6,369	7,875
Fresh fruit	17,359	24,879
Dried and preserved fruit	4,151	3,170
Other agricultural products	4,313	4,905
Subtotal	444,903	508,730
Forest Products	18,327	15,230
Mining Products	3,699	4,783
Fish and Game Products	3,510	3,654
Miscellaneous	18,143	27,018
Totals	**1,008,955**	**1,079,156**

Canada's share of the market was about 1.5 per cent.

Canadian Sales Increase

Canadian exports to Argentina in 1960 totalled Can.$19.4 million, compared with $7 million in 1959. The basic causes of this outstanding increase were the abolition in January 1959 of foreign exchange control and the creation of a free exchange market, the progressive lapsing of bilateral trade treaties, and the more competitive pricing of Canadian exports, aided by a more realistic exchange rate for the Canadian dollar. In addition, decreased domestic demand forced some Canadian manufacturers to seek substitute markets in foreign fields. (The fact that so many of them were able to meet and beat foreign competition augurs well for Canada's future export trade.) Had the surcharge system (which gives protection to Argentine industry up to 200 per cent of the c. & f. value) not been in force, the increase would have been even greater. The

TABLE II

ARGENTINE IMPORTS

	1959	1960
	(U.S.$'000)	
Food products	33,090	36,451
Tobacco products	292	1,294
Beverages	1,320	1,914
Textile products	39,559	38,851
Chemicals, pharmaceuticals, oils, paints	72,270	62,199
Paper and products	25,289	30,303
Wood and products	55,042	46,725
Iron ores and manufactures	194,415	204,260
Machinery	259,850	533,785
Non-ferrous metals and manufactures	50,934	59,325
Stones, earths, glass	7,969	9,948
Fuels and lubricants	211,389	155,992
Rubber and manufactures	21,445	42,881
Miscellaneous	20,157	25,347
Total	**993,021**	**1,249,275**

statistics for January/May 1961 are shown in Table III. Final 1961 figures cannot be predicted with any accuracy but the trend is similar to that of 1960 and sales are expected to equal if not surpass last year's.

Exchange control remained in force until December 31, 1958. Because only about one fourth of Argentina's exports are normally sold to the dollar area, a dollar shortage was chronic and under the import permit system in force at the time, discrimination against dollar area imports was unavoidable. Many Canadian products could not be sold in Argentina because no dollars could be spared to buy them. Harnessed to the exchange control and import permit system was the bilateral trade treaty policy. Such treaties were little more than barter agreements, but they effectively shut out of the market many Canadian products usually better than those bought from the other parties to these agreements. The automatic import permit policy that automatically granted an import permit for specified products when imported from any currency area except the dollar area practically killed sales of certain commodities that were traditional in our trade with Argentina. The main ones affected were newsprint, aluminum ingots and asbestos fibre. These have all now recovered their previous importance.

Prior Deposits Abolished

The beneficial effects of the abolition of exchange control and import

TABLE III

CANADIAN EXPORTS TO ARGENTINA

	1959	1960	1961 Jan.-May
	(Can.$'000)		
Newsprint	1,792.6	4,521.2	2,023.4
Steel, sheet and strip, n.o.p.	....	3,221.3	971.5
Steel, carbon sheet and strip H.R.	....	2,250.2	408.2
Aluminum ingots	1,866.1	2,284.4	1,428.5
Steel billets, blooms, ingots	....	1,205.5	324.4
Calculating machines and parts	312.1	828.1	35.1
Asbestos fibre	649.1	765.4	239.5
Sulphite wood pulp	....	587.3	222.5
Pneumatic tires	15.3	540.1	2.6
Synthetic rubber	....	410.0	97.9
Aircraft engines and parts	98.1	337.0	174.5
Sulphate wood pulp	354.2	331.5	206.3
Nickel, fine	104.1	297.1	131.4
Motor vehicle engines and parts	6.6	277.6	48.5
Aircraft	51.2	248.2	3.4
Drugs and chemicals, n.o.p.	287.6	140.6	29.1
Copper ingots, billets, bars	....	110.8	110.9
Dental, surgical, hospital equipment	76.4	105.0	.9
Machinery and parts, n.o.p.	124.1	82.8	369.5
Contractors' outfits	....	79.2	4.7
Dynamos and parts	....	70.0	6.6
Cattle, purebred	30.0	52.6	51.6
Other	1,234.5	617.7	994.0
Total	**7,002.0**	**19,363.5**	**7,885.2**

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permits and the lapsing of a number of bilateral trade treaties were slow in making themselves felt in 1959 because of the prior commitments importers had assumed under the old system, because of the heavy surcharges levied on goods similar to those produced at home, and the prior deposit requirement. These constituted an effective brake on imports from all currency areas. The surcharges, originally as high as 300 per cent, are still in force but have been reduced to a maximum of 150 per cent (some items "under study" are surcharged a further 50 per cent) but the prior deposit, which amounted to 2,000 per cent of the c. & f. value, (returnable to the importer after a lapse of six months) was abolished some time ago. There has also been considerable shuffling of products among the lists which carry varying surcharge levies but the general trend has been an easing of the surcharge.

Our Best Prospects

The result in 1959 was that the new curbs on imports, allied with the uncertainty they caused in import circles, prevented any pronounced upswing in Canada's sales. A sales increase did occur, but not until 1960 did the cancellation of the prior deposit requirement and the surcharge reductions really benefit Canadian exporters. It should be noted, however, that our highest-priced exports are free of surcharge and most of the other items of importance are not surcharged above 40 per cent.

Indications are that our trade with Argentina will grow but under the system of heavy protection to local industry through exchange surcharges, our opportunities will be confined almost entirely to primary materials for further processing or to manufactured goods, almost wholly capital goods, not yet produced in Argentina. For example, last month a Montreal firm received an order for 70 diesel locomotives from the Argentine State Railways.

TABLE IV

CANADIAN IMPORTS FROM ARGENTINA

	1959	1960
	(Can.$'000)	
Total	3,380.0	3,611.4
Of which:		
Canned corn beef	1,279.4	1,436.6
Metal ores	....	473.3
Washed wool	767.7	388.7
Grease wool	25.4	121.5
Quebracho extract	460.0	267.1
Fresh pears	60.6	133.8
Sheepskins, undressed	130.9	128.1
Fluid beef extracts	75.5	90.1
Cleaned rice	162.2	78.0
Sheepskins, raw	78.3	73.5
Honey	25.5	59.6
Cheese	36.6	42.8

The thing that stands out most about our past year's sales is our ability to meet the sharpest possible competition in certain products from countries that had previously had an advantage because of cheap labour or mass production or both.

Canadian imports from Argentina increased only slightly last year; for principal imports see Table IV.

Sales Analyzed

Newsprint, aluminum ingots and asbestos fibre have now regained their traditional importance in our list of exports chiefly because of the abolition of exchange control. Newsprint sales were greatly assisted, however, by the efforts of the main Canadian mills to meet the prices offered by European competition. Sales of the primary and secondary steels also demonstrate our new-found ability to compete against traditionally low-cost suppliers. (The apparent drop in 1961 sales is due mainly to the closing of the St. Lawrence River during most of the early months of the year.) Sales of about $125,000 in a category different from those shown in Table III were made in 1959 but most of this business is new.

The combined wood pulps also increased notably and the fall in kraft was the result of decreased supply rather than diminished demand; considerably more of both, particularly unbleached but also more semi-bleached, could be sold here if it could be made available. Pneumatic tire sales are in the large bus, tractor, earthmover, etc., sizes not yet produced here. Synthetic rubber is a new item showing promise. Argentina's first petrochemical plant which will produce synthetic rubber is expected to begin operation in late 1962 but it will turn out only the two or three common types, leaving the market for special types open to foreign suppliers. Our Canadian producers should be in a position to obtain a substantial share of this growing business.

The increases in primary nickel and copper bear witness to the growing demand in Argentina for primary materials. Sales of calculating machine, motor vehicle engine and dynamo parts were almost entirely made to Argentine subsidiaries of U.S. firms. Aircraft engine parts sales were for aircraft now obsolete in Canada but still operating here. The aircraft were *Beavers,* famous for their ability to operate in rough country under the most primitive of servicing conditions.

Drug and chemicals sales dropped because of greater local production. Contractors' outfits were brought in chiefly for the petroleum-drilling campaign. The cattle were all Holstein-Friesians, known in this country as Holando-Argentinos. Canada is increasingly considered the best source of this very popular breed.

Other items of interest not shown separately in Table III were (1959 values in brackets): rubber inner tubes $41,576 ($8,875); dry salted pollock $26,052 (nil); cranes, hoists and parts $29,965 ($13,825); semifabricated aluminum $44,559 (nil); scientific apparatus $36,576 (nil). No other item exceeded $25,000 in value.

Market for Services

In addition to the market for goods, there are opportunities for the sale of services in engineering and construction. Opportunities for the latter lie mainly with the federal and provincial government road-building programs, river and port improvements, electric power and irrigation schemes, and similar undertakings. Usually these are put to public tender. Openings for engineers lie chiefly with private interests that are planning new mills and factories or extensions to existing ones but some opportunities for consulting engineering contracts occur from time to time, mainly in electric power and irrigation. ●

Transportation and Imagination

A veteran Canadian exporter discusses how to approach the problem of transportation costs, vital in foreign trade. Excerpted from a paper given before the Second National Northern Development Conference, the article offers sound and shrewd advice to the businessman engaged in selling abroad.

J. E. VAN BUSKIRK, *President, Harrisons & Crosfield (Canada) Ltd.*

TRANSPORTATION is vital to marketing problems not only in Western Canada but across the country, and the carriers—the railroads, steamship lines, airlines, trucking services—must necessarily be partners in most large enterprises developed here. Those words "carriers" and "partners" should be underlined; I have found that the Canadian carriers are as anxious as I am to develop new business, whether it be the movement of raw materials or supplies to a manufacturing site or the movement of processed goods to the market. (It is significant that the Canadian National Railways, for example, recently changed the title of its Freight Traffic Group to Freight Sales.)

Working Out Transport Costs

If industry would consider the carriers as partners that offered transport facilities to the market as their part in the partnership then, and then only, would it feel free to discuss the market it has to meet in Winnipeg, Montreal, Chicago, San Francisco, Hong Kong or Melbourne.

The basic technique of marketing is to be competitive in the market of your choice and to be so you must have a laid-down cost in that market that is competitive with other sources of supply. The laid-down cost is made up basically of your f.o.b. selling price at the plant plus transportation and duty, if applicable.

I have found that if you take the carriers into your confidence about your problem of meeting competition, disclosing your costs and profits if necessary, they will take a realistic view of their costs and profits to handle the goods in order to arrive jointly at a figure that will permit both partners to do a profitable and an increasing volume of business. For instance, if the marketing of a product requires ocean shipping, it is possible to deal with shipping lines on a realistic basis, particularly if you can show them a steady volume of business to certain overseas markets.

Some exporters may consider these statements about transportation partnerships idealistic, but if they try the partnership idea, they may receive a welcome surprise.

A product is marketable only when it can be sold at a profit and in such volume as to warrant a fair return on the investment in the project. With a relatively small consuming market within an area, enterprises taking advantage of the natural resources there must necessarily use a great deal of imagination in discovering the extent of the market for their proposed products. This imagination can be used in solving the transportation problem too.

To give one example, as early as 1953 a Canadian chemical company established a petrochemical complex in Alberta, proposing an initial annual production of some 18 million pounds of pentaerythritol, an important ingredient in alkyd paints. The primary users of this material in Canada are in Ontario and Quebec and the total annual Canadian consumption was estimated at three million pounds. Almost simultaneously, an Eastern Canadian group announced the erection of a three-million-pound pentaerythritol plant in Quebec.

In spite of this situation, this company not only found markets in

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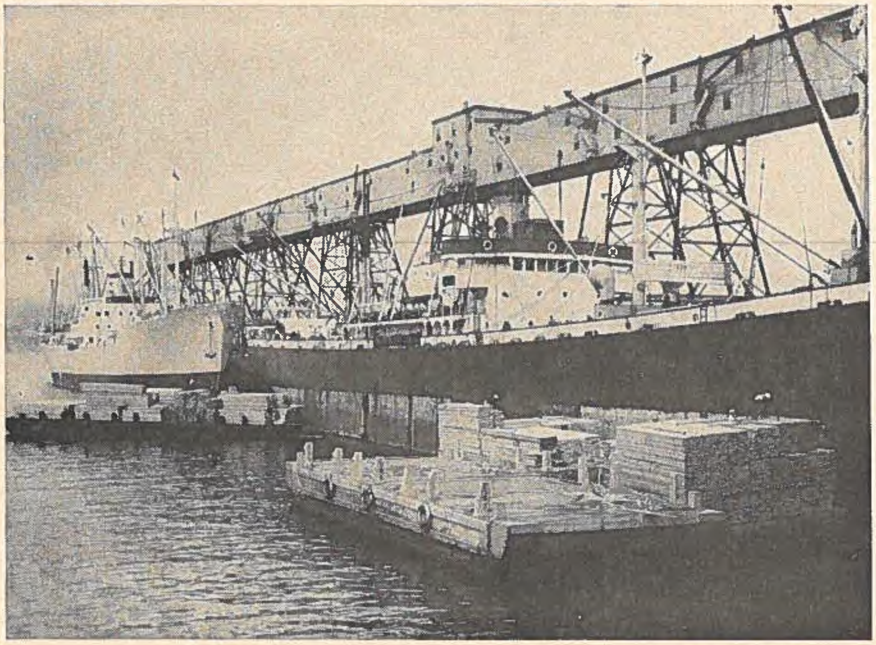


It takes partnership to get your export shipment to a Canadian port on the last lap of its journey to world markets, according to the author of this article, who feels the shipper will benefit if he discusses his costs and competition problems thoroughly with the carrier.

Canada and throughout the world for the capacity output of this product, but substantially increased the annual capacity of its plant about two years ago. Here is a case where a plant located almost as far away as one could imagine from logical markets was able to take advantage of the natural gas resources of Alberta and the co-operation of the transport companies to meet competition successfully on a world-wide basis. An approach of this type is an example of what I mean by "imagination".

In the U.S. Market

To accomplish successful marketing outside the domestic area, an exporter must be informed on many subjects in addition to transportation. Let me outline some of the prime requisites for the successful marketing of goods abroad.

First, let me take the United States, where there is no language barrier and no difficult transportation barrier. Here customs duty, of course, is the number one consideration. Information on this is readily available. It is then necessary to consider whether there are any federal or state laws affecting the marketing of the goods in question. As an example, all of the fertilizers that are shipped to the United States from Fort Saskatchewan, Calgary and Medicine Hat have to be registered in each state in which they are sold. They must also conform to certain specifications which the shipper must declare and have marked on the package—or show on the invoice should it be a bulk shipment. All of the products are subject to state analyses where the package may be picked up at random, even at the farm.

A survey of the potential markets for a new product can be carried out by various methods, either directly by the proposed manufacturer, through professional survey groups in the United States, or more commonly, by a combination of the manufacturer's own men working with potential agents in the areas in question. In the development of these agents the Trade Commissioner Service is ready and willing to assist any manufacturer.

Market surveys will not only provide an indication of the potential market in an area, but also the competitive factors and location of competitive sources of supply.

If you want to sell in San Francisco, it is much more difficult to compete with a product produced in San Francisco than it is with a product produced in Chicago or Omaha, Nebraska. In the former instance, the manufacturer has little or no outward freight and in the latter there are compensating freight factors. Against this, however, in an ocean port such as San Francisco one must also consider the potential competition from manufacturers of competitive products from any part of the world, for ocean shipping can provide very low-cost transport.

After these facts are assembled, one must consider the cost of transportation to the markets and work with transport companies to determine the outline of the economic field of movement. This is where the partnership idea comes into effect and where, if you want to ship by rail, the potentials of incentive loading of rail cars can be worked to the best advantage.

Investigating Port Facilities

When one starts to look at offshore markets, many additional factors must be considered. Depending on the product, one must know the port facilities that are available for export from Canada. For example, up to two years ago it was not easy to move any bulk material, other than grain, through West Coast Canadian ports, and such movements had to be directed through Seattle or Portland. Today we have excellent bulk-loading facilities at Port Moody (a suburb of Vancouver), that will handle goods at the rate of up to 1,000 tons per hour and additional facilities will be available in North Vancouver early next year.

These bulk facilities have not only stimulated exports of Alberta coal to Japan, have made possible the competitive movement of Alberta sulphur to overseas markets, but have permitted the movement of bulk fertilizers to many parts of the world, making it possible for Canada to compete with Japan, for example, in markets such as South Korea, which is virtually at Japan's back door.

The Canadian Government Trade Commissioner Service abroad is willing to give industry every possible help in promoting exports from this country. This group of dedicated and well-trained young businessmen will not only provide you with lists of potential agents for your product, but will also inform you on duties, taxes, etc., as well as details on port facilities and transport facilities should these be necessary.

However, if you do use their services, after they have initiated some connections remember that you must strike while the iron is hot and forward your catalogues and samples by airmail or air freight as soon as possible. If this is not done, the prospect grows cold and you may lose a good potential agent to a competitor from another country.

Terms of Trading

World-wide offshore export business is carried on under well-established terms of trading known and understood by most importers abroad. Such terms as f.o.b. (cars or vessel), f.a.s., c. & f., c.i.f., and c.i.f. & c. are well-known standards, but in all cases the name of the port or city of origin or destination must also be shown, so that it is clearly indicated who is responsible for the inland freight, port charges, stevedoring charges, etc., at either or both ends of the transaction, as well as the insurance coverage. The Department of Trade and Commerce has published a most useful handbook entitled *The Techniques of Export Trade* which is recommended to all, even the most experienced exporter, as a guide.

Terms of payment are of vital importance. A confirmed irrevocable letter of credit is the usual and safest means of payment, and one can ask for these terms on export transactions without reflecting on the veracity or credit standing of the buyer. In these days of governments regulating available exchange and of import permits in many countries, the only positive means of full payment is by this procedure, whereby the money is definitely available to the exporter if he performs his part of the bargain.

Even here there are pitfalls that must be avoided. For example, all letters of credit have an expiry date, and if the onboard bills of lading, for instance, are not presented with the other required documents before the expiry date, you may find the goods on the water consigned to your buyer and no immediate means of payment available. Precision in the terms of payment of the letter of credit is essential, and it is up to the seller to make sure that the terms are such that he can meet them—in time, quantity and documentary requirements.

Offshore business is of course also carried out on the basis of cash against invoice, cash against documents, and even on 30, 60 and 90 days and up to six-months' terms. Here the product is usually one on which other world-wide exporters grant such terms. It is well in such situations to consider the advisability of insuring your credits with the Export Credits Insurance Corporation, which in turn will advise you of the limits to which they will insure any particular buyer.

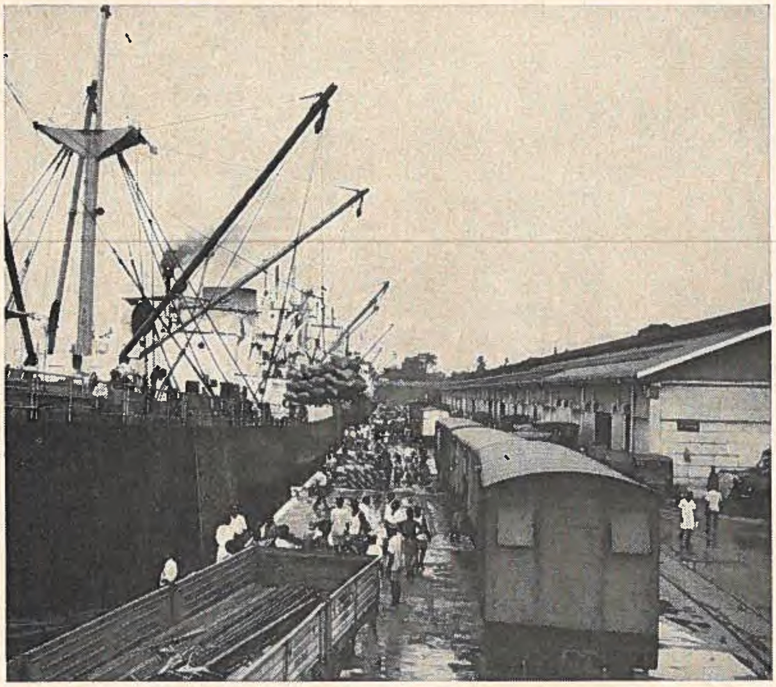
Documentation

When dealing with offshore exports in particular, documentation is of vital importance, for not only must the documents be in exact accordance with the wording of the letter of credit, if you sell on that basis, but in many instances even the package marks, whether they be shipping marks or other data on the bag itself, are vital to the acceptance of the goods abroad. I have seen instances where an added line of information was on the package that was not considered in the original deal. The foreign purchaser took advantage of this fact after the goods had arrived to demand a rebate, as presumably he would have to go to the expense of blacking out the line in question.

Packing and Labelling

Often you will find that the overseas buyer wants your goods in forms far different from your usual packing. If you wish to sell in that market you must conform, for invariably there is a good reason behind the request or demand. For example, Colombia requires fertilizer materials to be packed in double jute bags of a certain size and weight of jute, regardless of the weight of fertilizers shipped therein. Why? Fertilizer is imported duty-free but empty jute bags carry a heavy duty. After the fertilizer is used the duty-free bags are then used to ship mixed fertilizers to the Coffee Fincas, for example, and in turn reused by the coffee planter to ship the green coffees to world markets.

I have tried to explain a few of the highlights and a few of the pitfalls in market techniques as they apply in particular to further processed resources of Alberta and the Northwest. Many, probably most, of these apply in other parts of Canada too, where imagination can be used just as effectively to solve transportation and other problems of export trade. ●



Port Harcourt on the Niger River delta is Nigeria's second largest port.

How to Trade with Nigeria

Large European trading firms still dominate import business, operate chiefly from central buying offices; some Nigerian agency firms are now becoming active. This article discusses the special techniques of doing business in this big West African market.

H. W. RICHARDSON, *Commercial Counsellor, Lagos.*

NIGERIA has now completed its first year of independence with admirable stability and impressive future prospects. Apart from direct investment, how can Canadian foreign trade interests best participate in the expansion that seems inevitable with the new comprehensive 1962-67 economic development plan for Nigeria?

Before independence, trade in most of the new West African nations, including Nigeria, was dominated by large British and European trading companies, which had the capital to set up the necessary wholesale, retail and servicing facilities on a large scale. In some colonies some of these firms even enjoyed certain monopolistic franchises similar to those granted at one time to the Hudson's Bay Company in Canada. Trade in the marketplace and in the small centres, however, was handled by African petty traders and shopkeepers, probably because to succeed it needed a minimum of capital and the maximum credit knowledge about the local population.

Making Import Decisions

Political independence has not yet generally changed this past pattern of trading in Nigeria, although there are signs that Nigerian firms will handle an increasingly important share of exports and imports. Meanwhile, purchase decisions for commercial imports are for the most part taken in the central buying offices of the British and European trading firms for their respective branches. The volume they handle is tremendous. In addition, the rapidly increasing imports for the Nigerian Government are still purchased by the Crown Agents for Overseas Governments at 4 Millbank, London, S.W. 1. These imports include almost every type of product except foods, because of the lack of necessary organization for such procurement by tender.*

(Canadian firms should realize that to sell to the many foreign governments and agencies around the world whose requirements are procured by the Crown Agents, it is essential to be registered in advance on the approved list of suppliers for that commodity. This can be done by making application directly to the Crown Agents or through the assistance of the office of the Minister (Commercial) for Canada at One Grosvenor Square, London, W.1.)

It is believed that Nigerian imports to the value of about $300 million continue to be chosen by the various specialist buyers of the large British and European trading firms. The other $250 million worth of imports is mainly bought by official agencies like railroads and utilities through the Crown Agents, and also by some local factories. These buyers often deal direct with suppliers all over the world, occasionally with their agents in Nigeria, but

*See article "The Crown Agents: Buyers for Sterling Markets" in *Foreign Trade* of February 14, 1959.

most frequently with agents in Britain, France, or Switzerland, according to the location of the trading firm's headquarters. On the other hand, the tendency is for buying responsibility to shift gradually from Europe to Nigeria; already some of the local department managers of the trading firms are specifying certain products to the European offices. The pattern of this gradual shift, however, varies from one firm to another and even within different departments of a firm, depending upon the calibre of the local department managers in the Nigerian branches. For this reason, Canadian exporters cannot be too strongly urged over the next few years to offer most lines to both Nigerian and European offices of all these firms, as well as to the Crown Agents.

Entering the Market

Nigeria, the largest single market in West Africa, accounts for over a quarter of the area's total imports, which are expanding extremely rapidly. The trade potential here is, therefore, a prize that progressive exporters all over the world are seeking, bearing in mind the general freedom from exchange and import restrictions and the rapidly increasing flow of capital, both government and private, to this area.

The big problem for all new suppliers is how to break into the market. Some suppliers from Germany, Japan and Norway who are achieving success here do not have the advantage of dealing in their own language that Canadian exporters to Nigeria enjoy. Unlike other markets, only a small volume of Nigeria's imports are as yet handled by local indent agents, for the reasons given above. There are still many frustrating examples of a local agency firm offering a new line to the manager of a trading company only to be told that it must be referred to head office; later he sees the same or similar articles in the windows of the trading company's department store and realizes that they were purchased through some agent in Europe. So rarely do the large importers, department stores and supermarkets buy through local agents that the latter find most scope in handling perishable foods or specialty lines sold mainly to factories and to government agencies. It is therefore very difficult to interest an agent in a new line. Too often he simply adds the name of the new foreign supplier to a long list of those in many countries whom he already represents, mostly inactively.

Exclusive Agreements

Another problem is that the large trading firms already have exclusive representation agreements with many suppliers, with the agent's commission as an additional discount. Although it is normally unsound for a manufacturer to tie himself up with one outlet in this way, it has thus far proved effective in Nigeria, particularly in agreements with the United Africa Company group, much the largest trading organization. This group, including the Kingsway department store chain, also does more buying in North America than any of the others, mainly through Balfour Guthrie & Co. Inc., Wall Street, New York City. As an interim measure, some Canadian exporters might consider this approach favourably if the Nigerian trading firm's buying office can be persuaded to take the firm on.

It is almost impossible in Nigeria in most instances both to find a good agency free to take on a new line and to make sure that it gives the products a fair try. The few good agents and distributors here are being bombarded with offers from all over the world and must choose carefully, knowing that shrewd suppliers are simultaneously offering the same goods to the European head offices of their best local customers. The Canadian exporter should follow this procedure until his goods become well enough known here to attract local agency or trading firms which find there is a good public demand for them. (Names of the large trading firms, with their local and European addresses, plus the names of several reliable locally owned firms, can be obtained by writing to the Editor, *Foreign Trade.*)

Nigerian Traders

Apart from these big trading firms and the official and semi-official entities, there are some additional Nigerian firms which are strengthening their position as importers and wholesalers. However, there are also many small traders who operate with no proper accounting system and on a cash basis, usually without any fixed office address. Many of them aspire to be big importers and they give themselves high-sounding corporate names. Their financial resources, however, often do not permit them to open letters of credit nor to meet payment on sight drafts from abroad even for small orders. Before doing business with these companies, the exporter should first check with this office or with his bank on their credit standing and then answer their inquiries promptly, without sending samples. In the more doubtful instances, a letter of credit in a large local bank should be specified in advance of shipping goods—or at least a 40 per cent cash payment in advance with balance D.O.P. sight draft.

The fluid trading situation in Nigeria that I have outlined makes clear that the initiative of the Canadian Government in organizing solo Canadian trade fairs in the largest of the West African markets—Nigeria and Ghana—in January and February is timely and imaginative, especially since most of our goods had been, until eighteen months ago, automatically excluded from these markets ever since World War II because of dollar exchange restrictions.

Advice to Canadians

For most Canadian firms seriously interested during the next few years in establishing firmly based trade connections in Nigeria the formula is, therefore:

1. Sell as hard as possible to all the big trading firms, especially those with British and European buying offices, sending frequent offers both to the Nigerian and to the foreign offices.

2. Visit personally their buying specialists and top management.

3. If you are not exhibiting in the Canadian solo trade fairs January-February 1962 in Lagos and Accra, consider entering the first Nigerian International Trade Fair to be held in Lagos in October 1962.

4. Make a deal as soon as good opportunities develop with one of the better representation firms that are gradually becoming established in these markets. Any such agency agreement should specifically exclude sales to the Crown Agents for Overseas Territories, except where the agent can prove definite recommendation of the product by the procuring Ministry to the Crown Agents as the result of his persuasion.

The Canadian exporter is urged to keep in touch with the Trade Commissioner in Lagos about his progress; this is even more vital here than in other markets. Keep him supplied annually with promotion literature (three or four copies) and export price lists, with prices worked out preferably in pounds sterling, c.i.f. Nigerian ports. When these prices include rates of agency commission, these should be clearly specified and offered as an extra discount to the trading firms until the exporter has an agency agreement here. ●

The Californian Market for Fish

Canada shipped nearly $3 million worth of fish and fish products to California in 1959; best sellers were herring and pilchard meal, frozen Pacific halibut, and Pacific flatfish fillets.

CHARLES S. COLLINS, *Commercial Officer, Los Angeles.*

CANADA ships some 68 varieties of fish and fish byproducts to California; these shipments during 1959 totalled nearly $3 million. They included frozen Pacific halibut and coho salmon, frozen whitefish from the Winnipeg area, and pickled herring, kippers, finnan haddies and smoked cod fillets from Nova Scotia, New Brunswick and Newfoundland. Table I lists the principal Canadian exports of fish and fish products to California during 1959.

Local fish brokers usually buy their requirements from Canada f.o.b. Current prices being paid for the principal varieties of Canadian fish are as follows:

- Pickled herring (packed in 225-pound barrels)—$48 per barrel, f.o.b. Nova Scotia points.
- Headless dressed herring (packed in 225-pound barrels)—$35 to $36 per barrel, f.o.b. Nova Scotia and Newfoundland.
- Frozen whitefish (75-pound cartons)—54 cents per pound, f.o.b. Winnipeg.
- Kippers (10-pound boxes)—$2.65 per box, f.o.b. Nova Scotia.
- Finnan haddies (15-pound boxes)—$6 per box, f.o.b. Nova Scotia.

TABLE I

FISH AND FISH PRODUCTS EXPORTS TO CALIFORNIA, 1959

	(Can.$'000)
Herring meal and pilchard meal	510.8
Pacific halibut, frozen	486.4
Pacific flatfish fillets, frozen	355.2
Shellfish, fresh or frozen	174.2
Coho salmon, frozen	149.3
Cured filleted herring	115.1
Smoked fillets of cod	76.4
Chum salmon, frozen	67.0
Pacific fillets of seafish, n.o.p.	66.2
Cod, light salted	58.6

- Smoked cod fillets (15-pound boxes)—$5.80 per box, f.o.b. Nova Scotia.
- Fishmeal (60 per cent protein)—$120 per short ton, f.o.b. New Brunswick.

Imports into California

Imports of all classifications of fisheries products and byproducts during 1960 into the California and Arizona customs districts totalled 455.2 million pounds, an increase of 30.5 million, or 7 per cent, over 1959. (This figure does not include substantial Canadian shipments cleared at border points in other states but consigned to California.) There were major increases in imports of frozen shrimp from Mexico, which reached a record high of 48.8 million pounds (up 8.8 million pounds, or 22 per cent, from 1959). Frozen shrimp from El Salvador were imported into California in quantity for the first time; these imports totalled 2.6 million pounds. Imports of anchovy fishmeal from Peru, at 64.2 million pounds, nearly doubled those of 1959. Quantity imports of fishmeal from Chile appeared for the first time; 22 million pounds were received in California compared with less than one million in 1959. Imports of spiny lobsters and tails from Australia and New Zealand continued to gain, and last year totalled 1.9 million pounds. The decrease in imports was most marked in frozen yellowfin tuna from Japan, which declined to 58.5 million pounds, a drop of 30.3 million or 34 per cent compared with 1959. Table II gives a breakdown of imports of fisheries products into the California and Arizona customs districts in 1960.

TABLE II

IMPORTS OF FISHERIES PRODUCTS INTO CALIFORNIA AND ARIZONA CUSTOMS DISTRICTS, 1960

	(thousand pounds)
Fresh varieties	2,082.3
Frozen tuna	131,968.3
Frozen shellfish	198,396.9
Canned fish	32,581.0
Dried fish	390.3
Salted fish	886.7
Smoked fish	110.6
Miscellaneous	88,850.1
Total	**455,266.3**

California Landings Lead

During 1960 the commercial catch of fish and shellfish in the Pacific Coast States totalled 1,080 million pounds, or 22 per cent of the total U.S. catch of 4.9 billion pounds. California landings totalled approximately $49 million ex-vessel, an increase of 14 million pounds (3 per cent) or $2 million (4 per cent) compared with 529 million pounds valued at $47.5 million in 1959. The 1960 California landings represented 10 per cent of total U.S. landings and 14 per cent of the total value of the U.S. catch, $347 million. California placed second in volume and led all other states in the value of landings.

The major increases in California landings compared with 1959 came in jack mackerel (up 37 million pounds or 100 per cent), yellowfin tuna (up 82 million pounds or 76 per cent), and albacore tuna (up 2 million pounds or 6 per cent). The anchovy catch, at 1,652 tons, was higher by 14 per cent than the year before.

The domestic tuna fishery during 1960 made an impressive recovery from the chaotic conditions that plagued it in 1959. There were no price disputes or fleet tie-ups and the yellowfin tuna catch (totalling 130,239 tons) was the second largest since 1956 and set a record for that species. As a result, frozen yellowfin tuna imports fell by 13,020 tons.

Decreases came in skipjack tuna (down 52 million or 53 per cent), bluefin tuna (down 3 million or 20 per cent), squid (17 million or 87 per cent), and sardines (down 17 million or 23 per cent).

Competition in Cod

Cod fish sticks are said to outsell any single fish product in California. Although Eastern Canada ships cod to California, Iceland is by far the leading supplier. The two principal distributors of Icelandic cod in this country are Coldwater Seafoods Ltd. in New York City, and Iceland Products Inc., Steelton, Pennsylvania. These firms have appointed a well-known Los Angeles broker to handle sales throughout California. More than 10 million pounds of Icelandic cod were reported sold in this area last year.

Consumer Preferences

Accompanying this report are statistics on consumer preference in fish products sold in California. Although the data were compiled several years ago, the tables are still useful and give an idea of the purchasing habits of the fish-consuming public in California.

TABLE III

PERCENTAGE OF HOUSEHOLDS BUYING VARIOUS FISH PRODUCTS

Products	Households (in per cent)
Frozen packaged	
Salmon	22.6
Halibut	44.9
Sole	49.1
Rockfish	23.6
Crab	6.1
Other than canned	
Salmon	15.9
Halibut	31.7
Sole	34.6
Rockfish	16.6
Crab	4.3
Smoked	
Salmon	62.5
Cod	28.4
Herring	22.0
Finnan haddie	2.7
Swordfish	2.4
Other	30.5

TABLE IV

Consumer Preference for Fresh vs. Frozen Packaged Fish

	Fresh	Frozen	No Preference
	(per cent of all purchasers)		
Salmon	75.4	12.1	12.5
Halibut	74.4	13.8	11.8
Sole	73.2	14.0	12.8
Rockfish	68.8	12.5	18.7
Crab	69.9	11.1	19.0

Canned Pet Food

California continues to lead all states in the total pack of canned pet food made from fisheries products. The 1960 California pack of 2.94 million cases valued at $15.5 million (produced by 20 plants) led the second-place Massachusetts pack by 400,000 cases and $3.6 million.

The dark meat trimmed out in tuna-canning operations continues to gain in popularity as a cat food. It is now packed in every major tuna cannery in California. Canned animal food using fish accounted for 33 per cent of the United States total during 1960, and is now a major fisheries products industry. ●

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What's current in commodities?

Heating Equipment

Britain—Canadian warm-air heating equipment should sell rapidly here for two main reasons: low cost, and ability to adjust to the temperature changes characteristic of the English climate. In part one of a two-part study, the author discusses current heating methods and how British homes can be adapted for central heating.

GEORGE W. ROONEY, *Office of the Minister (Commercial), London.*

BRITAIN has a population of 52 million, living in more than 14 million houses or apartments. Only about 3.1 per cent of these domestic establishments have central heating; many of these 50,000 are equipped only with what can be described as partial central heating—that is, a hot-water radiator in the front hall and possibly one other in the living room. The majority of homes have a small coal fireplace in the living room and sometimes others in hallways, dining rooms and bedrooms, plus a variety of heating appliances that are brought out in cold weather and moved from room to room as required.

These conditions still continue for two main reasons: the high cost of the present full central-heating equipment (over £500 in the average house for small-bore hot-water systems), and the almost total lack of suitable alternative heating methods.

Coal fireplaces were the cheapest form of heating in prewar years when coal was cheap and domestic servants available to tend them. Since the war the price of coal has increased almost every year and continues to rise. At present coal prices, the resultant heat does not justify the work of building fires and cleaning grates every day and home-owners are thinking more and more of some form of automatic, full-house heating that is not too expensive to install and operate.

Small plug-in portable electric fires have replaced coal fireplaces in the bedrooms and paraffin free-standing stoves are often found in the hallways. Such improvised measures produce inadequate heat and constant drafts. Often too there are odours from the paraffin stoves and, of first importance, total running costs for the assortment of heating devices usually approach a figure about equal to that of full central heating.

Central Heating Promoted

Shell and Esso started in October 1959 to advertise the advantages of oil-fired central heating in newspapers, housing and women's journals. This program, costing millions of pounds, is beginning to create a demand for full central heating; certainly it produced an enormous number of inquiries. In 1959 the only heating system with all the answers to the problem and which the heating engineers (or dealers) were trained to install was the small-bore, oil-fired hot-water radiator system. This was designed for installation in new and existing homes of three to four bedrooms for £500-£800, including domestic hot-water supply.

Gas radiant fires have been installed in bedroom fireplaces in existing and new homes to a large extent but although they eliminate the dirt of coal fireplaces, they do not provide real comfort. The same is true of electric radiant heaters. Gas central-heating equipment, installed for about £100, has been selling readily to builders but at this price does not provide full heating and running costs of the available equipment have been very high.

Consumer Habits

Living habits in Britain will not be changed easily, even with full central heating. The home-owner will want to keep his fireplaces, at least in the living room. He will want an efficient way to heat hot water if he gives up his coal-fired boiler in the kitchen to make way for a warm-air furnace. He is not yet prepared to pay for a basement to house a furnace. He likes fresh air and will insist on open windows until his heating bill persuades him otherwise. He likes to keep room doors shut and is prepared to keep the less-used areas of his home, such as halls, at a slightly lower temperature than the rest of the house.

He wants a great deal of technical information on heating equipment, including running costs, servicing, guarantees, noise level, BTU output, maintenance, safety devices, etc. Above all, from his experiences in overheated hotels and houses equipped with hot-water radiator systems, he still believes that central heating is stuffy. It was interesting to note that the report on a consumer survey* last year thought it

*See *Ideal Home Magazine*, "Space Heating in Middle-Class Homes with Special Reference to Attitudes towards Central Heating", published by Odhams Press Limited, London, February 1960.

important to stress that central heating is not necessarily unhealthy!

House Construction

The main differences between British and Canadian house-construction methods affecting the installation of warm-air heating are:

- New British homes being built do not have basements—and only a small percentage of those built in Victorian times have them. Therefore the furnace must be installed in the kitchen or in a separate furnace room and the ductwork installed in the foundation concrete slab (or under the floor for suspended floor construction).

- The outside walls are usually of cavity brick construction that does not allow for built-in ducts. The partition walls also are usually solid or without studding space for ducting and therefore rising ducts to the second floor must be placed in corners, plastered in, and usually teed upstairs to two rooms.

- Cavity walls, single glazing and open fireplaces create greater heat losses than in Canadian homes. This must be allowed for in calculating the size of furnace required for the average British house at a 35-degree inside-outside differential.

Equipment Required

Canadian domestic warm-air furnaces, oil- and gas-fired, with the necessary mass-produced ducting, registers and grills, should prove very popular in the British market if the retail price can be kept down to Canadian retail prices plus, of course, additional freight costs. The average British householder would be prepared to pay about £250 for a warm-air heating installation. This should be possible at present Canadian prices for such equipment. It would give Canadian warm-air equipment a considerable margin over the small-bore hot-water radiator system that has so far achieved only partial success because it is beyond the reach of the mass middle-class market, which is not prepared to pay £500 or more for it.

Furnaces—The furnaces should range in size from 50,000 to 150,000 BTU's in output, possibly concentrating initially on a 60,000 size as the most popular model and stocking other sizes as demand grows. Hi-boys, counter-flows and lo-boys are all required: hi-boys for overhead ducting in existing houses, as very few have cellars except those built in Victorian or earlier times. Counter-flows are needed for new homes where the ducting is placed in the foundation concrete or under suspended floors, and lo-boys for the few existing houses with cellars or in small commercial buildings and churches. Floor furnaces have not been introduced yet but these might be the economical answer for very small houses.

A few Canadian companies are now selling both gun burner and forced draft vaporizing burner furnaces in Britain. The vaporizing burner furnace was found to be attractive because it was cheap and quiet. Most small houses require the furnace to be installed in the kitchen and the vaporizing burner is quiet enough for this purpose. In large houses there is usually a boiler (furnace) room but no basement, and the gun burner furnace is acceptable there.

Ducts—It is essential to arrange a supply of ducting to be held in stock in those parts of the country where business is begun. There is no warm-air ducting in Britain except what Canadian companies have so far brought in from Canada. To date mostly 4- and 5-inch round snap-lock galvanized pipe and 8½-inch square ducting is being used, with 8 × 4 and 8 × 6 floor registers and complementary fittings.

Controls—Both Honeywell Controls and Controls Company of America (A.P.) have recently set up factories and supply depots in Britain for the necessary controls. Electric fan motors and certain wiring are probably more easily obtained in Britain to suit the 220-250 volt, 50-cycle supply. Motors rewound to this supply in North America often develop a hum, particularly when the frequency requirements are ignored or transformers are used.

Water Heating

In Canada, warm-air furnaces are used to heat the house only and domestic hot water is usually heated separately by gas, electricity or oil. In Britain, most householders want domestic hot water heated by the same unit that heats the house. This is a feature of the small-bore radiator systems. However, if the public can be educated to the idea that air and water are more efficiently heated in separate units and that the warm-air furnace can be shut off completely in summer, they will come round to accepting the Canadian method.

There are several British hot-water heaters on the market—electric, gas- and oil-fired. However, Canadian domestic hot-water units will also find a market if they are suitable in design and competitive in price. For the Canadian gas-fired warm-air furnaces, the Gas Council recommends a gas circulator that will fit into the furnace and heat the domestic water if required.

Standards

The British Standards Institution has not yet laid down a set of regulations for warm-air heating because this is still a comparatively new field in Britain. Certain county councils must approve builders' plans before a building permit is granted, but not much attention is paid to the heating equipment and there are no standard regulations covering this.

Oil companies provide free testing facilities and the results are circulated to all their technical sales representatives, but no further testing is required for oil-fired central-heating equipment.

The Gas Council tests and approves all heating equipment for the regional Gas Boards which have

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showrooms and installation departments in every town throughout Britain. There are 100 such retail showrooms in London alone. No equipment is handled or connected to the gas supply by the Gas Boards until this approval is obtained. Because the BTU content of manufactured gas in Britain differs considerably from Canadian natural gas, Canadian gas furnace burners have to be modified accordingly. ●

Part II of this study, in the next issue, will discuss methods of selling heating equipment in Britain and related problems.

Fruit and Vegetable Products

France—The United States sells some $4.5 million worth of fresh or preserved fruit and vegetable products in France a year, despite import restrictions. This suggests that Canada might increase its annual sales, which currently total only $250,000.

R. G. WOOLHAM, *Assistant Commercial Secretary, Paris.*

FRANCE imported during 1960 about $145 million worth of fresh or preserved vegetable or fruit products—excluding citrus fruits and tropical products not grown in Canada. About 52 per cent of these imports come from the franc-zone countries because they enjoy better terms of access than do imports from other areas. About 33 per cent come from fellow members of the European Economic Community: Italy, Germany, the Netherlands, Belgium and Luxembourg. The remaining 15 per cent (or $23 million worth) of fruit and vegetable imports come from countries outside these two groups. The United States supplied about $4.5 million worth and Canada approximately $250,000. The U.S. sold mainly fresh apples, dried beans and peas, small quantities of parsnips, canned vegetables and fruits, sauces and condiments. Canadian producers sold chiefly fresh apples and maple sugar and syrup. (Canada is virtually the only supplier of the latter.)

Imports Controlled

Practically all fruit and vegetable products going into France face import restrictions and quota control. The three exceptions are maple sugar and syrup, sauces and condiments, and soup and soup preparations, all in categories liberalized by the French Government. Practically no frozen vegetables or fruits are imported into France, partly because of import restrictions and partly because France has few facilities for marketing frozen foods.

The rates of duty on imports of vegetable and fruit products from members of GATT, including Canada, vary between 15 and 27 per cent of the c.i.f. value; for Common Market members, they are between 4 to 6 per cent lower than the rates applied to other foreign countries. The country of origin of all canned food imports must be stamped or embossed on each tin.

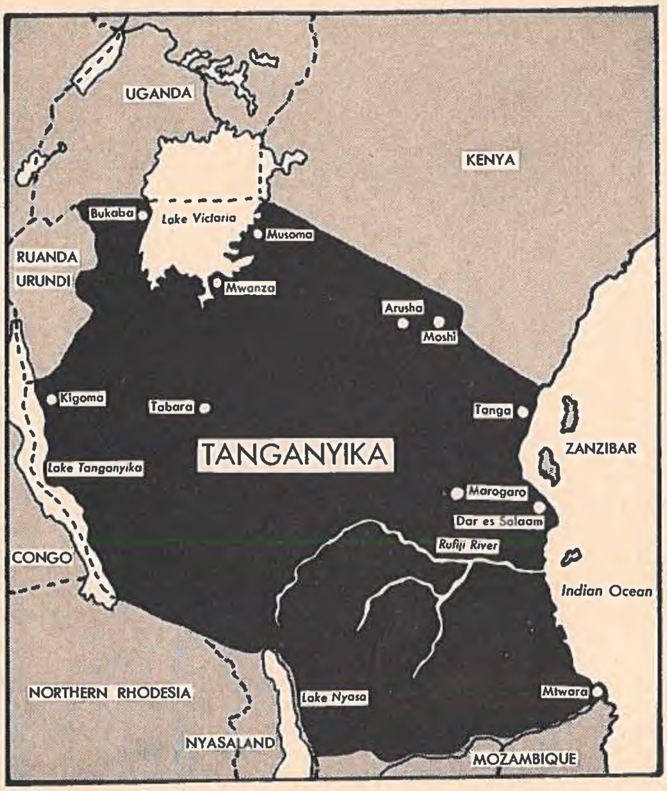
Notwithstanding the restrictions on imports of vegetables and fruits into France, there is a market for Canadian food products of this type. The key to securing sales is the import agent, who must be prepared to undertake the work of securing a quota when this is needed.

In addition, import restrictions are waived for modest quantities brought in by agents for display at international trade fairs held in France. This is an excellent method for introducing new lines to the public and to this market; these token sales also assist in securing better quota opportunities. Canadian opportunities for selling vegetable and fruit products to France should be exploited as much as possible now, because there is little doubt that this market will expand as further liberalization measures are taken. ●

IMPORTS INTO FRANCE 1960

	Franc Zone	EEC	Other Countries	United States
		(in dollars)		
Edible vegetables fresh, chilled, frozen or dried	67,679,000	19,397,300	9,502,600	796,400
Edible fruits and berries fresh, chilled, frozen or dried	1,556,300	26,186,700	12,624,600	3,590,314
Canned vegetables	1,284,400	944,000	732,200	21,000
Canned fruits	1,181,900	13,900	68,000	18,800
Vegetables or fruits preserved in vinegar	5,600	63,100	41,000	....
Fruit juices	146,300	46,300	49,900	....
Marmalades, jams and jellies	1,781,000	40,800	61,600	....
Soups and soup preparations	800	121,600	180,500	....
Sauces and condiments	84,600	92,100	157,100	46,900
Maple sugar and syrup	....	....	18,700*	....
Total	**73,720,600**	**46,905,800**	**23,436,200**	**4,473,400**

Source: French Ministry of Finance and Economic Affairs.
*Of which $17,000 from Canada.



Markets in Brief

TANGANYIKA

Area: 362,688 square miles.

Population: 9,237,600.

Climate: low coastal areas are warm and humid, but the plateau and mountain slopes range from hot and dry to cool and temperate.

Language: English is the language of business; Swahili, Hindustani and Gujerati are also widely used.

Currency: East African (EA) shilling; 20 EA shillings= U.K.£1; one shilling=100 cents.

Weights and measures: imperial and metric systems are both legal, but the imperial system is preferred.

Capital: Dar es Salaam.

Chief ports: Dar es Salaam, Tanga and Mtwara.

Marketing centres: Dar es Salaam (population) 129,000; Tanga 38,000; Mwanza 20,000, and Tabora 15,000.

Economy: primarily an agricultural country; the chief crops are sisal, coffee and cotton. Mineral products (diamonds and gold) are also of considerable importance.

Total Tanganyikan imports: 1959—£34.45 million; 1960—£29.64 million.

Chief imports: (U.K.£ million) 1959—manufactured goods 13.2, machinery and transport equipment 9.1, mineral fuels and lubricants 3.7.

Chief suppliers: (U.K.£ million) 1959—Britain 10.8, Japan 3.6, India 2.1, West Germany 1.8.

Value of imports from Canada: 1960—$142,861; 1961 (6 months)—$106,771.

Chief imports from Canada: 1960—newsprint $27,015, automobiles $38,932, aluminum $18,765.

Total Tanganyikan exports: 1959—£45.29 million; 1960—£42.86 million.

Chief exports: (£ million) 1959—sisal 13.06, cotton 6.66, coffee 5.75.

Chief markets: (£ million) 1959—Britain 16.2, Netherlands 3.9, West Germany 3.7, United States 3.4, India 2.7

Value of Canadian purchases: 1960—$1,833,790; 1961 (5 months)—$1,099,749.

Chief Canadian purchases: 1960—green coffee $1,318,653, sisal $329,977, tea $121,572.

Dollar exchange: almost no restrictions.

Prices: quote in U.K. pounds, preferably c.i.f. Dar es Salaam.

Samples: free if of no commercial value.

Import controls, documentation, customs tariffs, marking and labelling: consult the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Correspondence: airmail essential; letters 25 cents each half ounce.

For detailed information on this market write to:

Commonwealth Division
International Trade Relations Branch
Department of Trade and Commerce
Ottawa

or

Canadian Government Trade Commissioner
P.O. Box 2133
Salisbury
Federation of Rhodesia and Nyasaland

This scene at Morogoro in Eastern Province gives a glimpse at Tanganyika's beautiful and exciting scenery. In the background are the Uluguru Mountains; in the foreground, farm workers arrange sisal fibre, the country's leading agricultural crop, on racks to dry.

Tanganyika

. . . Africa's Newest Independent Nation

This new East African nation, with its agricultural and mineral resources, infant industries, and development plans, looks to a bright economic future. Here is a market Canadian producers of a variety of products might well study.

H. S. HAY, *Commonwealth Division.*

The Tanganyikans call their capital Dar es Salaam—haven of peace. It is also the chief harbour and the nerve-centre of the country's business life. This aerial view shows a section of the modern city and its harbour on the Indian Ocean.

TANGANYIKA, which became independent on December 9, 1961, is best known to Canadians as the land of big game safaris, Mount Kilimanjaro, and Canadian Dr. Williamson's famous diamond mine. On Africa's east coast just below the equator, it is a country of great scenic beauty and contrast, about 363,000 square miles in area, or comparable in size to British Columbia. Much of the country is a rugged plateau, 3,000 to 4,000 feet above sea level. The northern frontier, rising to Kilimanjaro and neighbouring peaks, is perpetually snow-capped. In the west is the Great Rift Valley and Lakes Victoria, Tanganyika and Nyasa, whose combined area is similar to Lakes Huron, Michigan, and Ontario. In the east, the plateau drops to the palm-fringed Indian Ocean with its many miles of splendid coast.

Tanganyika's shores were visited by Asian and Arab traders in pre-Christian times. Records of Arab colonization date from the 8th century A.D. and interesting historical ruins remain. First contact with Europeans came in the 16th century when the Portuguese established trading stations. In the latter part of the 19th century the area came under German influence and what is now Tanganyika became the main part of Germany's West African colony. Following World War I it was made a British mandate and after the last war became a Trust Territory. The road to independence has been comparatively smooth and Tanganyika has now assumed complete sovereignty as a parliamentary democracy and the 13th member of the Commonwealth.

People and Resources

Most of the 9½ million population are African, representing some 120 tribal groups. However, the non-African element—about 87,000 Asians, 25,000 Arabs, and 22,000 Europeans—is important. Most of the retail trade and much of the wholesale trade is conducted by Asians whose influence, understandably, is evident along the coastal belt centering on modern Dar es Salaam ("haven of peace"), the capital, chief port and main commercial centre, with a population of 130,000.

Since 1948, Tanganyika and neighbouring Kenya and Uganda have jointly administered a number of inter-territorial services under the East Africa High Commission and Central Legislative Assembly. These include customs and excise, railways and harbours, posts and telecommunications, income tax, aviation, meteorology, statistics, and various areas of science and research. With independence, the legislative and administrative bodies are to be reconstituted to enable the association to continue. Eventually, it is felt, this may grow into a broader East African Federation.

Tanganyika is as yet underdeveloped and poor but looks to a bright future built on its abundant and diversified primary resources. Almost any tropical or semi-tropical crop can be grown and sizable areas are suitable for livestock and ranching. Extensive mineralization has already been proved but much exploration has yet to be done. The rugged terrain, lack of water in some areas, poor soils, tsetse fly infestation and sparse population have kept average incomes low. However, irrigation, better farming practices and improved communications are all practical goals toward which progress is being made.

The leading agricultural crop is sisal; Tanganyika produces two-thirds of the world's supply, worth approximately $37 million a year. Cotton, coffee, oilseeds, cashew nuts, hides and skins, and meat are

For Canadians, this picture has a special interest—it shows grading and sorting of diamonds at Mwadui, one of the mines developed by the famous Canadian, Dr. Williamson. For Tanganyikans it has greater significance: diamonds are the most important mineral and one of the principal exports.

also important. Tobacco, tea and cocoa are expected to develop.

Primary and Secondary Industry

Diamonds are the most important mineral recovered at present. Others are gold, salt, mica, tin, gypsum, garnet, graphite, kaolin, magnesite, meerschaum, vermiculite, and coal. Valuable deposits of gold, iron, gypsum, halite, pyrochlore and phosphate are known. An oil-exploration program is under way on the coastal plains. Several secondary industries process local resources. These include plants for ginning cotton, processing coffee and sisal, packing meat, and milling wheat and rice. Light industries have been established for the manufacture of clothing, shoes, razor blades, paints and varnishes, and metal containers. Plans are under way for a fish-canning industry, a cashew-nut processing operation, a cement plant, an oil refinery, a plant for making sisal bags, and improved facilities for slaughtering and cold storing meat.

Three Year Plan

A three-year development plan based on a World Bank survey is now in operation and will run to 1964. The aim is to provide a firm foundation for Tanganyikan economic development through improvements in agriculture, water supplies and irrigation, communications, and secondary and technical education. The plan calls for expenditure of $70 million to be obtained from Britain, West Germany, the United States and the United Nations. To meet the urgent need for trained leaders, a Tanganyikan university has been established, with two Canadian professors as first principal and dean of the law school. Tanganyika's ability to finance necessary development costs from its own resources is limited and for many years to come it will rely heavily on overseas capital to build roads and bridges, hydro-electric plants, factories, irrigation works, schools and hospitals and to provide technical assistance in a variety of fields.

Foreign Trade

Total foreign trade approximates $230 million a year, with a significant surplus of exports over imports. Exports consist of a variety of primary agricultural and mineral products, most important of which are sisal, cotton, coffee, diamonds, nuts and oilseeds, meat, and gold. Imports comprise most of the country's requirements of capital goods, machinery, manufactured consumer goods, and certain foodstuffs not produced locally. Britain is the principal trading partner, followed by Japan, West Germany, Netherlands, the United States, and India.

Since 1922 a common market has existed between Tanganyika, Kenya and Uganda, enabling duty-free movement internally of almost all goods and providing virtual uniformity of external customs duties. No tariff preferences are granted to any country under the terms of the Congo Basin Treaties and subsequent international conventions. The general tariff level in Tanganyika (and East Africa) is 22 per cent ad valorem. Higher protective rates apply to certain foodstuffs and consumer goods, but many semi-necessities are dutiable at a lower percentage. A wide range of agricultural, mining and industrial raw materials, equipment and machinery, and certain foodstuffs are duty-free. Almost all imports may enter without restriction from any source.

Canada's Sales

Canada has made small export sales to Tanganyika for many years and in turn has imported a considerably higher value of goods. The accompanying tables show the import and export totals and main commodities traded in 1960.

In addition to the commodities above, there may be sales possibilities for such things as power chain saws, wheat, steel fabrications, construction machinery, aircraft, floor coverings, drugs and pharmaceuticals, canned fruit and vegetables, construction services and insurance. Direct shipping services operate from both Montreal and Vancouver to Dar es Salaam.

Although this is a small market, it warrants attention from Canadian exporters as an important developing area in its own right and as part of the larger East African market. For a preliminary assessment and advice on suitable contacts, exporters should write Canada's Trade Commissioner responsible for Tanganyika: Mr. L. S. Glass, Canadian Government Trade Commissioner, P.O. Box 2133, Salisbury, Federation of Rhodesia and Nyasaland.

For information on prevailing trade regulations and tariffs on individual Canadian products, contact the Commonwealth Division, International Trade Relations Branch, Department of Trade and Commerce, Ottawa. ●

CANADIAN EXPORTS TO TANGANYIKA (1960)

($'000's)

Vehicles and parts	43.7
Newsprint	27.0
Aluminum	18.8
Powdered milk	8.5
Flour	8.2
Clothing	7.7
Agricultural machinery	5.5
Tires	4.3
Lumber	3.8
Marine engines	3.4
Plastics and synthetic rubber	3.3
Clocks	2.2
Total	**142.9**

CANADIAN IMPORTS FROM TANGANYIKA (1960)

($'000's)

Green coffee	1,318.7
Sisal	330.0
Black tea	121.6
Wattle extract	27.1
Peanuts	17.8
Beans	7.2
Bean and pea seeds	3.8
Natural fibre carpeting	3.2
Wood manufactures	2.6
Total	**1,833.8**

India Sets Steel Production Targets

Canadian manufacturers may find opportunities here to supply equipment for India's planned government-sponsored specialty steel plant; Atlas Steels, a Canadian company, has already contracted to provide knowhow and technical training.

GERALD A. NEWMAN,
Commercial Counsellor, New Delhi.

STEEL production in India is not just the basis but also the symbol of the country's industrial progress under the Five Year Plans. Rich, strategically located resources of iron ore and coal and abundant cheap labour offer the prospect of India's some day becoming one of the world's low-cost producers of steel.

When the Five Year Plans began in 1951, two private companies (the Tata Iron and Steel Company Limited and Indian Iron and Steel Company Limited), and a state-supported project, the Mysore Iron and Steel Works Limited, were together producing little more than 1.07 million tons* of finished steel a year. Since then these plants have expanded and three government-sponsored mills, each of about one million tons capacity, have come into operation with the help of German, Soviet and British financing and technical knowhow. This justified a target capacity for the end of the Second Five Year Plan in 1961 of 4.5 million tons of finished steel.

*Long tons used throughout unless otherwise noted.

TABLE I

PRODUCTION CAPACITY

	Ingot		Finished Steel	
	1961	1965*	1961	1965*
	(million tons)			
Tisco	2.0	2.0	1.5	1.5
Iisco	1.0	1.0	.8	.8
Mysore	.1	.1	.1	.1
Durgapur (British)	1.0	1.6	.8	1.3
Bhilai (Soviet)	1.0	2.5	.8	1.7
Rourkela (German)	1.0	1.8	.7	1.2
Bokaro	....	1.0	....	.8
Miscellaneous	....	.2	....	.1
Total	6.1	10.2	4.7	7.5

*Targets.

TABLE II

FINISHED STEEL PRODUCTION, 1960

(metric tons)

Tata Iron and Steel Company Limited	816,318
Indian Iron and Steel Company Limited	415,984
Mysore Iron and Steel Works Limited	39,886
Bhilai steel project	7,606
Rourkela steel project	10,530
Durgapur steel project	885
Secondary producers and rerollers using billets	769,850
Unregistered rerollers using scrap	131,457
Semis (exported)	35,894
Forging billets	35,194
Total	**2,263,604**

Targets and Production

The target under the Third Five Year Plan has now been set at 7.5 million tons of finished steel by 1965-66, to be realized mainly through the proposed expansion of the three public-sector plants and the addition of another unit. The distribution of production capacity now and as projected for 1965 is seen in Table I.

Although the target capacity for 1961 has nearly been reached, it is another question just how close actual production will come to capacity; adequately trained personnel are needed and raw materials deliveries are exerting severe pressure on the railroads. Finished steel production in 1960, by producer, is given in Table II; Table III gives it by categories.

TABLE III

FINISHED STEEL PRODUCTION, BY CATEGORIES, 1960

(metric tons)

Heavy structurals	118,909
Light and medium structurals	235,969
Spikes	5,390
Heavy rails and fish plates	146,699
Light rails	5,848
Black sheets, plain	134,878
Galvanized sheets, plain	21,476
Galvanized sheets, corrugated	104,119
Plates (M.S. and H.T.)	99,543
Bars and rods	951,067
Wheels, tires and axles	20,016
Sleepers	5,908
Skelp	167,555
Tinplate	80,636
Bolts and nuts	13,361
Rivets	5,029
Wire, barbed	1,022
Wire, miscellaneous and telegraph	22,251
Wire nails	16,233
Tool steel, including spring steel	18,624
Hoops and strip	17,983
Forging billets	35,194
Semis (exported)	35,894
Total	**2,263,604**

TABLE IV

Steels	Sections	Billets	Sheets (long tons)	Forgings	Total
Tools	8,000	2,100	2,300	600	13,000
Construction	12,000	3,000	1,000	1,500	17,500
Stainless and heat-resisting	2,500	500	14,000	....	17,000
Die blocks	....	....	....	500	500
Total	**22,500**	**5,600**	**17,300**	**2,600**	**48,000**

Special Steels

The major steel developments have so far been on a scale offering little of direct concern to Canada, but the Third Five Year Plan target of 200,000 tons of alloy, tool and special steel offers possibilities. The plan is to raise production from the present 10,000 tons to 200,000 by expanding production of ordnance factories not required for defence use to 35,000 tons; erecting a new plant in the public sector at Durgapur to produce 50,000 tons; expansion at Mysore Iron and Steel Works Ltd. by 15,000 tons and at Tata Iron and Steel Co. Ltd. by 50,000. Other private companies, a number of which have already received manufacturing licences, would provide the remaining 50,000 tons.

New Durgapur Plant

The proposal of special interest to Canada is the one to build a government-sponsored plant under Hindustan Steel Limited at Durgapur, where the main steelworks was erected by a British consortium in collaboration with the Indian Government. This new specialty steel plant is expected to produce about 80,000 tons of ingot or 48,000 tons of finished steel. It will be so laid out that it can be expanded to 160,000 tons and ultimately to 300,000 tons of ingots a year. The pattern of production outlined for the first stage of 80,000 tons is given in Table IV.

The first point of interest to Canada is that Atlas Steels Ltd. has been appointed to supply knowhow and technical training for this plant. The second is that equipment and capital goods worth about $30 or $35 million are likely to be purchased by public tender and some of this business might come within the capacity of Canadian manufacturers.

The Engineering and Equipment Division, Commodities Branch, Department of Trade and Commerce, Ottawa, will have full information on the tenders as they appear. ●

COMMODITY NOTES

Asbestos Tubing

MEXICO—Mexalit del Norte, S.A. de C.V., has begun construction of a $1 million plant in Chihuahua to produce 1,600 tons of asbestos tubing a year. Cementos de Chihuahua will supply the cement, which represents 75 per cent of the raw material required—Mexico City.

Cathode Tubes

ARGENTINA—A new plant to produce cathode tubes for television sets will be established by Industrias Plasticas y Electrónicas de Cordoba in the town of Jesús Maria, Province of Cordoba—Buenos Aires.

Copper and Bronze

ARGENTINA—Copper and bronze products, including sheets, strips, tubes and electric wires and cables, will be manufactured soon near Buenos Aires by a combination of United States, Swedish, and Argentine firms. Cost of the plant is estimated at U.S.$11.9 million. The participants include the official Argentine Government organization, Fabricaciones Militares; a private Argentine firm, Garovaglio y Zorraquin; the Swedish firm, Skenska Metallverken, and the U.S. company, the Phelps Dodge Corporation. The latter will put up U.S.$3.8 million of the capital, and Fabricaciones Militares U.S.$5 million, mostly in the form of buildings, land, machinery and equipment—Buenos Aires.

Diesel Electric Locomotives

MEXICO—Fairbanks-Morse Company plans to erect a $30 million plant in Mexico to build diesel and electric locomotives. The factory, to be built at Celaya, Guanajuato, will supply the Mexican Republic and other members of the Latin American Free Trade Association. The new plant will produce all types of parts and replacements in order to guarantee efficient service. Mexico already builds railway freight cars and it is felt that the two industries will complement each other—Mexico City.

Dried Fruit

IRAN—Reports indicate that the 1961 Iranian dried fruit crop will be better than average, despite a drop in date production. The raisin crop is estimated at 60,000 metric tons, up 20,000 tons from 1960. The apricot crop is expected to be up 300 per cent, from 3,500 to 10,600 metric tons. The 120,000-metric-ton estimate of date production, however, represents a 20,000 ton drop from 1960. Good crops are also reported from Turkey and Greece and this will mean keen competition for Iranian producers—Tehran.

Maté

BRAZIL—Exports of maté in 1960 totalled nearly U.S.$9 million compared with U.S.$12.7 million in 1959, a drop of 30 per cent. Leading importers of this commodity are Argentina (41 per cent), Chile (23), South Africa (22), and Uruguay (13)—Rio de Janeiro.

Paper

CEYLON—The Eastern Paper Mills Corporation, which recently employed a Canadian consulting firm to improve output, etc., expects to produce the entire Ceylonese requirements of exercise books, 24 million a year, now that its new exercise-book manufacturing machine at Valaichenai has started functioning. The machine can turn out 6,000 books per hour and they will sell at lower prices than now prevail. Ceylon imports most of her present requirements from the United Kingdom, Communist China, Netherlands, Belgium, Pakistan, India and Japan—Colombo.

HONG KONG—A new H.K.$10 million paper mill is to be established in Hong Kong by the Atlantic Paper Products Co. Ltd. Two plants will be erected, one turning out corrugated paper and boxes and the other all kinds of paper. They will be equipped with machinery from Germany and Japan. Construction is to start next year—Hong Kong.

SPAIN—A capital increase from 45 million to 300 million pesetas in Papelera Navarra S.A. is being aided by a 150 million peseta investment by a leading Swedish pulp and paper manufacturer. A factory is being assembled in Sangüesa (Navarra) to produce 30,000 tons of wrapping paper a year. Raw materials will be beech and wild pine shavings from sawmills, plus 10,000 tons of straw a year—Madrid.

Plastics

HONG KONG—Hong Kong's plastics industry is undergoing a boom because of increasing orders from overseas buyers for plastic pearls, toothbrushes, flowers and toys—Hong Kong.

Polypropylene

JAPAN—A new polypropylene plant recently built by Tokuyama Soda Co. Ltd., in the city of Tokuyama will have an annual capacity of 2,000 metric tons, and will use propane gas as raw material. The company has completed the first stage of test production for stockings, blankets, fishing nets, plastic containers, and photographic film. It is to produce further test material to investigate market prospects. If results prove satisfactory, the company will build another plant with an annual output of 10,000 tons by the summer of 1963, and by the summer of 1964 production will reach 20,000 tons a year—Tokyo.

Pulp Machinery

BRAZIL—Cia. Federal de Fundicao, of which the United States company Parsons & Whitemore is a shareholder, has recently sold complete factory installations worth U.S.$60,000 to Argentina for the production of wood pulp. This company has in the past made similar sales to Peru, Uruguay and Tunisia—São Paulo.

Quebracho

PARAGUAY—Paraguayan Government concessions to the quebracho extract industry include exemptions from surcharges, prior deposits, customs duties and sales taxes on imports of all products required by the industry with the exception of petrol; exemptions from surcharges on tannin exports, and exemption from payment of exchange surcharges—Montevideo.

Railway Equipment

BRAZIL—American Car and Foundry Industries will supply U.S.$3.3 million worth of railway equipment, consisting of 18 multiple-unit electric carriages, to the Rede Ferroviaria Federal (Brazil's national railroad). Financing will be provided by the Export-Import Bank of Washington under the terms of the U.S.$100 million loan made to the Rede Ferroviaria Federal in 1958—Rio de Janeiro.

Rice

SPAIN—This year's rice crop is expected to approximate 400,000 tons, the same volume as last year. The anticipated surplus of some 100,000 tons will largely be exported. So far this year, 80,000 tons have gone out of the country, mainly to the Middle and Far East and South Africa. However, an exceptionally large rice crop reported this year in Japan will affect Spanish exports to that market—Madrid.

Textiles

SOUTH VIETNAM—Textile production in South Vietnam reached 100 million meters in 1960. This threefold increase in output since 1956 was facilitated by expansion from 5,000 to 15,000 looms over the four-year period—Hong Kong.

Tobacco

SOUTH AFRICA—South Africa produced 59.9 million pounds of tobacco during the crop year 1960/61, compared with 77.8 million in 1959/60. The estimated crop for 1961/62 is 56.1 million pounds. Of the current season's production, nearly 90 per cent came from Transvaal Province.

Exports during 1960 totalled 9.9 million pounds, compared with 4.4 million in 1959. They were undertaken at heavy financial loss which was met from the special-levy funds of the Tobacco Control Board. In 1959/60 the Board limited its contribution to a certain percentage and the co-operatives were compelled to contribute the remainder. The Board has, however, accepted full responsibility for the losses in 1960/61; they amounted to about £1 million. Exports consisted of about 80 per cent flue-cured, 16 per cent light air-cured, and 4 per cent dark air-cured tobacco.

By the end of 1961, there will be an estimated 33.4 million pounds of unsold leaf tobacco in the packhouses of co-operatives.

In 1960 South Africa imported 5.3 million pounds of leaf tobacco, 1.5 million pounds of cigarette tobacco, and 78,396 pounds of processed tobacco—Cape Town.

Wool

HONG KONG—Local sales of woollen materials are not expected to be good this winter. Large shipments from Europe, Japan and the United States are anticipated, but demand in many South East Asian countries is falling and sales will probably depend entirely on local consumption and tourist purchases—Hong Kong.

Zinc

MEXICO—The Belgian firm, Sybetra, and the Mexican Minister of National Resources have signed an agreement for the construction of an $18 million zinc smelter at Saltillo, Coahuila, using the Belgian (Overpelt) process. The plant will have a zinc refining capacity of 30,000 tons a year and will produce approximately 60,000 tons of sulphuric acid. It will also be available for the recuperation of other metals, such as gold, silver and cadmium. The newly formed company, Zincamex, will be owned and operated by the Mexican Government and is expected to be in operation by 1964—Mexico City.

Telephone Numbers Changed

EFFECTIVE November 27, all federal government telephone locals in Ottawa that began with the prefix 6 now begin with the prefix 2. For example, if you wish to call the editor of Foreign Trade *(formerly local 6-6588), you now dial 9 (to get the government exchange) and then 2-6588. Only the 6-prefix locals are changed; all others remain as before.*

Documentation for Europe

European Division
International Trade Relations Branch

MOST of the countries in Europe specify in detail the data that should be given in the documents required for freight shipments. Many of them also require sanitary or other special certificates covering imports of animals, plants, foodstuffs, etc. The documentation required for shipments by parcel post or air cargo to European countries are generally similar to those for freight shipments.

Most European countries control the import of some or all commodities from the dollar area, including Canada. Canadian exporters would therefore be well advised not to ship their goods until they are assured that the importer has obtained an import licence, if it is needed.

The following table lists the documents required for freight shipments to those European countries outside the Soviet orbit. It also shows briefly the main requirements to be observed in preparing these documents. It is intended merely as a guide to the kind of documents that each country requires and the minimum number of these necessary for customs clearance. (Further information is given in the notes following the table.) Exporters should bear in mind that their European customers, the forwarders, banks, etc., may ask for further copies.

Unless the table indicates otherwise, there are no requirements as to the form of the documents, language, weights or measures, and no certification or consular legalization is needed. Hence there are no consular fees involved.

Full details on sanitary or other certificates needed and on special regulations covering parcel post or air cargo shipments are given in the series of leaflets on *Shipping Documents and Customs Regulations* prepared by the International Trade Relations Branch of the Department for all the countries listed in the table except Yugoslavia. For copies, write directly to the Branch.

ABBREVIATIONS

C.I.—Consular Invoice; Com. I.—Commercial Invoice; C.O.—Certificate of Origin; B.L.—Bill of Lading.

Country	Documents Required	No. of Copies	Notes (see below)
Austria	Com. I.	2	9
	B.L.	1	
	C.O.	1	13
Belgium	Com. I.	1	9
	B.L.	1	
	C.O.	1	3, 13
Denmark	Com. I	2	
	B.L.	1	
Finland	Com. I.	2	
	B.L.	2	
	C.O.	1	3, 13
France	Com. I.	2	7
	B.L.	1	
	C.O.	1	3, 13
Germany (West)	Com. I.	2	9
	B.L.	1	
	C.O.	1	3, 13
Greece	Com. I.	8	2, 5, 15
	B.L.	2	
	C.O.	1	2
Iceland	Com. I.	2	6, 9
	B.L.	2	

Country	Documents Required	No. of Copies	Notes (see below)
Italy	Com. I.	3	5
	B.L.	1	
Netherlands	Com. I.	2	10
	B.L.	1	
Norway	Com. I.	2	10
	B.L.	1	
Portugal	Com. I.	1	
	C.I.	3	1, 14
	B.L.	2	
	C.O.	2	1, 13
Spain	Com. I.	4	9
	B.L.	1	
	C.O.	3	1, 8, 13
Sweden	Com. I.	2	11
	B.L.	1	
Switzerland	Com. I.	1	7, 9, 12
	B.L.	1	
	C.O.	1	3, 4, 9, 13
Yugoslavia	Com. I.	2	
	B.L.	1	
	C.O.	1	3, 13

NOTES

1. Requires consular legalization.

2. Consular legalization may be required in certain cases.

3. Requires certification by a Chamber of Commerce or similar organization.

4. Must be in language of the importing country.

5. If language of the importing country is not used, a translation may be required at the discretion of the Customs.

6. Should be in English or accompanied by a translation into English.

7. Should be in French or both English and French.

8. Should be in English or Spanish, but Spanish officials prefer the latter.

9. Weights and measures must be stated in metric units.

10. Standard Canadian weights and measures may be used, but use of the metric system is preferable.

11. Commercial invoice is required only for goods dutiable at ad valorem rates, but desirable for other goods as well.

12. Commercial invoice is not obligatory, but desirable to supply shipper with information required for Customs declaration.

13. Certificate of origin is only required in certain cases.

14. The consular invoice, known as "declaration of cargo", must be in a prescribed form obtainable from commercial stationers.

15. One copy of the marine insurance policy should be included whenever the insurance charges have been paid by the exporter on behalf of the importer.

GENERAL NOTES

Australia

SNOWY SCHEME CONTRACTS—Three contracts have been let and work begun on an A£2.75 million section of the Snowy Mountains hydroelectric scheme. The contracts went to the joint U.S. company of Utah Construction and Engineering Pty. Ltd., and Brown and Root Sudamericana Ltd. They will cover the 15-mile Eucumbene-Snowy tunnel connecting the Snowy River at Island Bend with Lake Eucumbene, the Island Bend dam that will divert the Snowy River into the tunnel system at Island Bend, and the Snowy section of the Snowy-Geehi tunnel.

The new contracts mark the first major stage of the Snowy-Murray development and are the first of seven contracts that will ultimately be let, involving a chain of projects linking Lake Eucumbene on the eastern side of the main range with the Murray Catchment on the west. The four remaining works in the chain (two of which have already been called) will involve expenditures of a possible further A£30-35 million—Sydney.

Colombia

ALLIANCE FOR PROGRESS—The Colombian Government has published a list of projects that it hopes to carry out with financial assistance totalling U.S. $173.3 million under the *Alliance for Progress*. Some of these should offer opportunities for Canadian exporters: self-help housing construction, a plan to assist low-income groups build their own dwellings (assistance requested, U.S.$31.4 million); construction of urban waterworks and sewerage systems ($53.7 million); rural water-supply facilities ($15.8 million); hospital and health centres ($28.9 million); primary schools and teacher training facilities ($40.3 million); and training of community leaders (the United States Peace Corps plan is to work through local community-action groups) ($3.2 million). The total assistance requested represents only 39 per cent of the cost of the projects envisaged. The Colombian Government will provide the remainder—Bogotá.

France

FRENCH FOREIGN EXCHANGE RESERVES—Gold and foreign exchange reserves in France increased by $995 million during the first seven months of 1961. Total reserves at July 31 amounted to $2,965 million, says *Le Monde*.

The strong reserve position has led the Government to repay ahead of schedule all the outstanding foreign debts that France has contracted with other European countries within the framework of the European Payments Union. When these EPU commitments, which amount to $303 million, have been repaid, the medium- and short-term external debts of France will be completely amortized. The remaining external debt, all long-term, amounts to nearly $1,800 million, of which $1,400 million is owed to the United States, $140 million to Canada, and $220 million to the International Bank for Reconstruction and Development—Paris.

Hong Kong

TOURISM INCREASES—The tourist industry in Hong Kong is now the Colony's second largest source of foreign exchange, after garment and textile exports. A number of new luxury hotels have recently opened and more are under construction; a new air terminal, restaurants, air-conditioned sightseeing buses and water-tour ships are being built. There are at present 3,369 hotel rooms in Hong Kong, and this figure is expected to increase to 4,500 by 1962 and to 8,000 by 1964—Hong Kong.

India

FISHERIES DEVELOPMENT—The Indian Government has allocated $57 million for fisheries development under the Third Five Year Plan, $14 million of which is earmarked for Central Government schemes. Fisheries contribute $120 million a year to national income at present, and provide employment for over a million workers. Production target for the end of the Plan is 1.8 million tons, compared with 1.2 million tons in 1960 and 500,000 in 1950—New Delhi.

Jamaica

HOUSING DEVELOPMENT—The four middle-income housing development schemes now under construction in Jamaica will have a combined retail value of about Can.$21 million when completed. The Jamaican Ministry of Housing and Social Welfare is planning to spend an additional $6 million on low-cost housing in the 1961-62 fiscal year to alleviate the chronic housing shortage—Kingston.

New Zealand

TENDER PRICES MADE PUBLIC—In the future, tenders on government contracts will be made public in New Zealand where the amount of the tender exceeds £10,000. Past practice has been to release the name of the successful tenderer only, and that only to other tenderers for the contract.

For large tenders, the name of the successful bidder and the contract price will be published in the official

Gazette after he has been notified. In contracts of wide public interest, press statements will be issued. For contracts under £10,000, the name of the successful tenderer and the price will be disclosed to other tenderers on request. This approximates past practice, except that the price will now be available—Wellington.

Portugal

NUCLEAR CENTRE ESTABLISHED—Portugal's new nuclear physics and engineering laboratory, recently completed, will offer physical, chemical, metallurgical and a wide range of other services associated with the atomic energy field.

This project is part of a long-term nuclear development program begun in 1954 under the direction of the Junta de Energia Nuclear. It has involved training technicians, establishing international contacts, prospecting for radioactive materials, encouraging and subsidizing the setting up of study centres, and planning and building the Nuclear Centre.

Included in the new centre is a pilot plant with a capacity of 15 tons of pure uranium per year and a "swimming pool" reactor with a 1,000 kw. potential. The reactor and a Van Graff accelerator for the Physics Service were supplied by United States firms, the pilot plant by France and a Cockcroft and Walton accelerator by the Netherlands—Lisbon.

HYDROELECTRIC WORKS—The $28 million Miranda do Douro dam and underground power station situated on the stretch of the upper Douro River that forms the frontier between Spain and northeast Portugal, were inaugurated in July. The annual capacity of 810 million kilowatt hour is provided by three groups of Francis generators, each of 80,000 horsepower, coupled with three-phase alternators of 60,000 kilovolt amperes each. This dam and the Picote dam on the same river account for 13 per cent of the entire Portuguese hydroelectric output. Within the next three years the Bemposta dam and power station will be completed and will provide a further 990 million kilowatt hours. The Picote and Miranda do Douro dams provide power for the steel industry which came into production last May—Lisbon.

Trinidad

TELEVISION STATION LICENSED—The Premier of Trinidad and Tobago recently announced that a television licence had been granted jointly to Rediffusion (West Indies) Ltd., and Scottish Television Ltd. (U.K.) to establish the Trinidad & Tobago Television Service Ltd. Its station is to be in operation by November 1962 and is expected to provide the first television in the British West Indies. The Government is subscribing 10 per cent of the capital and will have one representative on the board of directors. Service, initially for Port-of-Spain, will later be extended to all of Trinidad and Tobago.

The agreement between the Government and the company limits commercial advertising to 12½ per cent of broadcasting time and assures impartial news service, educational programs, specified free time for government broadcasts, and a well-balanced program, including a reasonable proportion of cultural, informative, educational, religious and entertainment material—Port-of-Spain.

INVESTMENT IN INDUSTRY—Up to the end of August 1961 the Trinidad Government had approved 125 establishments for Pioneer Industry aid, of which about 100 are still active. Canadian capital has gone into nine of these companies, involving manufacture of pharmaceuticals, essential oils, solid carbon dioxide, boys' and men's neckwear, metal building components, galvanized iron corrugated sheets, processing of dried peas and mechanical batching and mixing of concrete —Port-of-Spain.

West Germany

VENDING MACHINE SALES—Sales through slot and vending machines are becoming increasingly popular in West Germany. They jumped to DM2,000 million last year as against only DM2 million in 1950. Cigarettes are the favourite item bought from vending machines; chocolate and candy comes next—Bonn.

Trade Commissioners on Tour

In Territory

D. S. ARMSTRONG, Commercial Counsellor in Cairo, United Arab Republic, will visit Khartoum from January 15-20.

R. A. BULL, Acting Commercial Secretary in Bogotá, Colombia, will visit Cali December 19-20.

F. B. CLARK, Commercial Counsellor in Mexico City, will visit Durango, Torreon and Chihuahua in central Mexico, from January 8-12.

P. V. McLANE, Trade Commissioner in Glasgow, Scotland, will visit Belfast, Northern Ireland, from January 22-26.

J. R. MIDWINTER, Commercial Secretary in Santiago, Chile, will visit Concepcion from December 18-20, and Valdivia, Osorno, Puerto Montt and Punta Arenas from January 3-12.

M. T. STEWART, Commercial Counsellor in Madrid, Spain, will visit Gibraltar during the last week in January.

Businessmen who would like these officers to undertake assignments should get in touch with them at their posts as soon as possible. Write to Mr. Armstrong at Cairo, Mr. Bull at Bogotá, Mr. Clark at Mexico City, Mr. McLane at Glasgow, Mr. Midwinter at Santiago and Mr. Stewart at Madrid.

Venezuela's Agricultural Imports

Government programs for increasing local agricultural production are changing the pattern of imports in Venezuela; just what these changes are, and how they may affect the Canadian exporter, is outlined in this article.

J. E. MONTGOMERY, *Assistant Commercial Secretary, Caracas.*

VENEZUELAN agriculture has undergone some radical changes since 1959. The Ministry of Agriculture and other government agencies have been working to increase local foodstuffs production to give greater social stability to the farm community and to avoid reliance on food imports. In spite of this, a growing population has created demands that in many instances can be met only by foreign purchases. Moreover, increased credits to agriculture have stimulated sales of equipment and machinery.

Reform Measures

The Venezuelan Government is carrying out its agrarian reform program of 1959 through the Ministry of Agriculture and Livestock and two autonomous agencies — the Agriculture and Livestock Bank and the National Agrarian Institute. The Institute's main project has been the settling of landless small farmers on government land or expropriated private land for which the owner receives compensation. It also provides credits for housing and rural sanitation works.

The Agriculture and Livestock Bank provides financing for these projects and is taking steps to improve the distribution and marketing of farm products, which has not kept up with increases in production. Recent action includes the formation of co-operatives and the building of access roads in rural areas and a network of abattoirs and cold-storage warehouses. The Bank is the sole importer of several commodities, such as beef, corn, rice, cotton and potatoes (both seed and tablestock), when needed to supplement local production.

The extent of some of the loans and credits it grants is shown in the accompanying table.

Most of these credits are used to finance seed and machinery purchases and for farm buildings. In addition to loans, the Government, acting through the Bank, in 1960 purchased crops and sold them through the government-owned network of low-priced retail food outlets. This program was financed by credits from the Central Bank and the Agriculture and Livestock Bank totalling Bs.224 million.

These large sums of capital are provided locally; in addition, the Government is trying to obtain foreign assistance. It is negotiating with the Inter-American Development Bank for credits totalling Bs.84.4 million for public works in farm communities, for agricultural machinery purchases, well-drilling, pump installations, and crop improvements. It has already obtained a $12 million grant for its program of building farmhouses and rural schools.

Production and Demand

Agricultural production in Venezuela has slowly increased in the past few years but there are surprising contrasts between commodities. The export crops, coffee and cocoa, have declined in the last two years —Venezuela normally exports 30 to 65 million kilograms of coffee and 12 million kilograms of cocoa a year. Large quantities of oil-producing crops (mainly copra, sesame, peanuts and soybeans) are used, but sesame and copra production has fallen off, making large imports necessary. Peanut crops have been increasing rapidly but large quantities are still imported. All soybeans are imported. Sugar has always been a staple, if erratic, crop and the country is now self-sufficient in sugar.

Production of the major field crops—corn, rice, black beans and vegetables—has suffered from lack of finances and labour shortages; staples in the Venezuelan diet, these crops fluctuate widely from year to year and large purchases abroad will be required this year to meet demand. Few fresh vegetables are imported. Tablestock potatoes are brought in only when local production falls short and large imports are not expected this year. Tobacco production has gone beyond local needs and only small quantities will be brought in in the future.

ALB LOANS AND CREDITS

Credits and Loans	1959	1960	1961*
	(millions of bolivars)		
To small farmers	56.9	75.5	77
To agricultural industries	128.8	46	48
To the Ministry of Livestock for agricultural promotion	44	21.5	N/A

*Estimated.

Output of milk and dairy products has risen rapidly; Venezuela now is self-sufficient in butter but still needs large imports of evaporated, condensed and powdered milk. Meat and egg production continues to mount. Beef is only imported when local supplies are short but pork does not keep pace with demand and frozen pork is imported in large quantities. Egg imports will likely be made to cover temporary shortages only.

Trade Prospects

Canada has supplied Venezuela with agricultural products for some time, but in the last two or three years the pattern of our agricultural sales to Venezuela has changed. The changes are attributed to the agrarian reform program and the development of local industry through government encouragement. An outstanding example was the switch from flour to wheat imports. The current situation is summarized below.

• *Potatoes*—Seed potatoes are one of Canada's best-known exports to Venezuela and we continue to enjoy the largest share of the market. Spot sales of tablestock are made from time to time to supplement local production.

• *Other Seeds*—Prospects for other vegetable and forage-crop seeds are much less promising.

• *Pork*—Frozen pork cuts present the most attractive prospects. In October 1960 canned and cured hams were placed under import licensing and in January 1961 other canned pork products were included. As a result, a local canned pork products industry has been established but local pig production does not meet requirements and Canada has enjoyed a major share of the market. The local industry requires imports estimated at 130 short tons a month of frozen pork shoulders, 125 tons of hams, 37 tons of bellies and 20 tons of pork loins.

• *Eggs and Poultry*—The Government will grant no more licences for egg imports unless local supplies run short and this important market for Canadian eggs will therefore decline. There are limited opportunities for sales of fertile eggs and poultry farm equipment. In poultry meat, Venezuela is largely self-sufficient.

• *Milk*—Opportunities for sales of powdered skimmed milk, condensed and evaporated milk and, to a more limited extent, powdered whole milk are good. Import licences for 2½ units of powdered whole milk are granted if importers can prove they have purchased one unit of local production; this ratio may be reduced further as new plants now under construction come into production. End users of skimmed milk powder must obtain import licences but these are granted freely since there is little local production. Licences for canned milk are easy to obtain.

• *Canned Fruit and Vegetables*—Local trade circles are actively interested in Canadian apples and apple juice. Imported canned fruit and vegetables must now compete with local canners and with the well-established United States brands. On the other hand, there are prospects for imports of fruit pulp and concentrated juices for local canning plants and confectionery manufacture.

• *Cattle*—Canada has been a major supplier of dairy cattle to Venezuela for many years, largely because of the Government's desire to develop the dairy industry. The preference now is for the Brown Swiss breed but opportunities exist for other breeds too, particularly Holstein-Friesian. The exporter, however, must demonstrate a breed's superior productivity and ability to adapt to the warm climate.

• *Hogs*—The market for the bacon-type hog has increased in importance. Most hogs are reared without shelter here and dark-skinned breeds, such as the Large English Black or Tamworth, are preferred. This market should develop if there is a steady supply of hogs under three months of age.

• *Agricultural Machinery*—Introducing new lines of heavy machinery into Venezuela is difficult at present, but there are sales prospects for small farm equipment not requiring a large stock of replacement parts. Credits advanced to small farmers under the agrarian reform program have stimulated the market for this type of equipment.

Selling in Venezuela

Agricultural products imported into Venezuela are normally sold by exclusive agents of the foreign suppliers. These agents range from small commission houses to large distributors but experience has shown that it is essential to have an agent, and a reliable one, in this market.

Canadian suppliers interested in exporting agricultural equipment and related commodities to Venezuela would do well to contact the Commercial Counsellor, Canadian Embassy, Caracas. His experience will be of considerable help in analyzing the market and making local contacts.

Tours of Commodity Officers

ONE of the principal functions of the Commodities Branch is to maintain close liaison with the Canadian business community. This function is carried out by commodity specialists organized into divisions representing major industry groups.

In the course of their trade promotion efforts, these officers are required to undertake tours and to interview Canadian firms interested in export trade or needing the assistance of the Department of Trade and Commerce.

Any firm interested in meeting these commodity specialists should write to the Director of the Commodities Branch, Department of Trade and Commerce, indicating the products that it is anxious to sell abroad. The appropriate commodity officer will then undertake to interview the company on his next tour that includes the city.

FAIRS AND EXHIBITIONS

■ Peru's Pacific Fair

THE size and scope of the Pacific International Trade Fair, Lima, Peru, (October 12-29) was impressive and the international section was particularly imposing, reports the Canadian Trade Commissioner there. Companies from all over the world presented displays of their products; there were about 2,000 exhibitors. Several countries in addition to Canada erected national pavilions: Argentina, Austria, Brazil, Britain, Chile, Taiwan, Colombia, Germany, Italy, Korea, Mexico, the Philippines, Switzerland, and the United States. Some of these pavilions were large ones—five to ten times the size of Canada's. Other countries erected their displays in the fair buildings. Crowds, especially on weekends, were "overpowering"; over 700,000 attended.

Canada's pavilion measured 63 by 67 feet and was well designed. Sixty-one firms displayed a wide range of products that aroused a great deal of interest and many serious inquiries were received from business visitors from the South American countries. Some Canadian exhibitors have already made agency arrangements and others are investigating the market further.

■ Foods at Cologne

THE Provisions and Fine Foods Exhibition (ANUGA), Cologne, West Germany, held September 23 to October 1, lived up to its reputation as the biggest food fair of its kind in the world—it filled ten huge buildings and attracted 500,000 visitors. Buyers came from many countries and they had the show to themselves for the first three days. After that, the general public flocked in also.

Sixty-one Canadian firms took part in this year's Pacific International Trade Fair in Lima, Peru, with exhibits ranging from food products, like this one, to power shovels and dolls.

Canada entered this biennial show in 1961 for the second time, with a display of fish, farm and other products. Officers manning our display of poultry products were particularly pleased with the reception given the Canadian products. In finish and packaging, in uniformity of size and quality, they were "second to none". Certain processing techniques now in general use in the Canadian industry were entirely new to European visitors, the officers report. Demand for first-quality products is growing in Germany and the rest of Western Europe to the point where many customers are now prepared to pay a modest premium for them.

■ Metal Show, Detroit

THE 43rd National Metal Exposition and Congress of the American Society for Metals in which Canada participated with a composite stand for 14 exhibitors was held in Detroit for the first time since 1951 from October 23-27. Organizers, exhibitors and visitors alike counted it an unqualified success.

In addition to the displays covering an area of 200,000 square feet in Cobo Hall—they were visited by some 22,000 people, mainly "men of metal"—62 engineering sessions were held at which 267 technical papers were read. The whole affair was acclaimed not only for the quality and attractiveness of the displays, but for the calibre of the visitors. They came to see, to learn, and to talk business.

It is also of interest that some 200 British engineers, scientists, industrialists and economists came from New York for a quick swing through the Cleveland, Detroit and Chicago areas. They had a good look at the Exposition and at the same time participated in the technical meetings. In addition to these visitors from Britain, some Germans, Italians, French and Japanese attended.

The Canadian stand attracted a great deal of attention, evoking much favourable comment, and it received individual treatment, photographically, in the press; it was the only one set back from the gangways permitting easy access to the several booths, and it was among the few whose design seemed to "flow with beauty and grace", as one decorator from Chicago put it. This was only one of the many compliments received, both by exhibitors and officials in charge of the stand.

The Canadian exhibitors themselves were particularly enthusiastic. They were pleased with the location of the stand and its make-up, the quality of the visitors it attracted, and the number of contacts made. One commented, "I feel the time and effort expended were well worth it. We have made many contacts." Another said, "The way in which our product was exhibited has resulted in many inquiries and favourable comments which we feel should ultimately aid the widespread use of our product." Another: "Promising leads were received and these will be followed up immediately. We certainly feel we accomplished a great deal. We would like to have 100 or 200 copies of the booklet, *Canada Exhibits Metals and Metal Products at Detroit*, for distribution in the United States."

One very important fact was brought home to the newcomers—though there are sometimes problems in selling to the United States, in most instances these are not insurmountable. The possible competition was revealed and the steps to be taken to deal with it indicated. The exhibits increased the growing appreciation on the part of many Americans of the extractive and metal-manufacturing facilities available in Canada.

The exhibitors all showed keen support for Canada's participation in future shows and many of them intend to influence their colleagues and customers to take part next year in New York. Said one, "I did feel, however, that not enough Canadian companies took part in the show . . . I feel that Canada should take a greater interest in shows of this nature and there are many firms that might well take advantage of the opportunity."

—BLAIR BIRKETT,
Consul and Trade Commissioner, Detroit.

■ Packaging Materials, London

THE Department-sponsored Canadian exhibit in the International Packaging Exhibition, London, September 5-15, successfully displayed the products of 32 Canadian firms and company representatives went home well satisfied with the results of the show. Trade Commissioners on duty at the exhibit took 190 inquiries for the export of individual products from Canada; 150 of these originated in Britain and the remaining 40 in Australia, Belgium, France, Germany, India, Ireland, Israel, Japan, the Netherlands, Nicaragua, Pakistan, and Switzerland. Over 800 were also received at the individual booths. Several Canadian exhibitors made sales of machines and paper products right off their stands. One exhibitor had to phone Toronto halfway through the show for extra help in manning his booth, so great was the interest in his product. Businessmen in Britain and from the Continent were eager to obtain the agencies for several of the lines shown.

Many new ideas in packaging, packaging materials and packaging equipment attracted visitors—such as metal pouring spouts, fancy gift boxes, self-opening-satchel bags, rolled waxed shelf and freezer paper in boxes with a metal tear-strip, gift wrap in rolls, folding beer cartons, collapsible ice cream tubs and vacuum-forming machines. Others, such as jewellery and watch cases and plastic bottles, appealed because of their unusual design. Visitors were interested in the paper and paperboard displays. Many inquired about the import of disposable household containers and wrappers, and interest in folding paperboard and light wooden packaging for industrial uses also ran high.

■ Household Goods, Cologne

"THE International Household Goods and Hardware Fair, Cologne, is a first-class sales medium for Canadian companies interested in this field," writes the Canadian Trade Commissioner in Bonn. This fair will be held from February 23-26, 1962, and the Department of Trade and Commerce is sponsoring an exhibit; it includes products made by ten Canadian companies. Last February 1,668 firms from 16 countries exhibited; 363 of them came from countries other than Germany. Some 58,700 buyers registered, 7,900 of them from 58 foreign countries, though Western Europe provided the majority. The show featured kitchen and heating equipment, washing machines, wringers and dryers, refrigerators and accessories, household machines, small electrical appliances, locks and fittings, cutlery, tools, etc.

How good is the market tapped by exhibitors at this show? Commodity Officers of the Department of Trade and Commerce say it is a promising one. Prosperity in Germany and the other Common Market countries is creating a demand for well-designed, time-saving household goods and appliances. Many buyers are now prepared to pay more for quality products and the market is growing.

The Canadian display will include machines in operation on the stand, such as key-cutting machinery, washing machines, and hi-fi equipment. Electric and gas ranges, coin-operated washers, domestic gas dryers, chain saws, locksets, mailboxes, bathroom scales, kitchenware (such as step-on cans, breadboxes, canister sets and stainless steel cooking ware) portable coolers, reusable ice bags, camp stoves and lanterns, warm-air heating furnaces and oil burners, and freezers will complete the list of exhibits.

■ Lumber at Chicago

CANADA'S exhibit at the National Retail Lumber Dealers' Exposition, Chicago, November 4-7, presented the end-uses of Canadian woods more attractively even than in last year's model home, officers of the Department report. The two-storey 20-by-20-foot house, built to illustrate the variety of ways of using Canadian lumber in home construction, was the outstanding exhibit of the show. "The woods," one visitor said, "had great beauty; they were not slick. The lighting brought out their full quality." A pylon with "Canada" printed at the top rose the full two storeys in front of the house. This sign was visible from all parts of the exhibition.

Manning the Canadian display were Commodity Officers of the Department and Trade Commissioners serving in Chicago, plus representatives of the Canadian Lumbermen's Association, the B.C. Lumber Manufacturers' Association, the Northern Interior Lumbermen's Association, and Celwood Industries Ltd., Abbotsford, B.C. They received many inquiries and distributed a large number of sales promotion pamphlets.

More than 10,000 visitors registered at the show; 80 per cent of them were retailers, 10-15 per cent wholesalers, and the remainder architects, manufacturers, etc. Only the trade was admitted.

FOREIGN TARIFFS AND TRADE REGULATIONS

Cuba

CONSULAR INVOICE REQUIREMENT DISCONTINUED—P. A. Savard, Commercial Counsellor in Cuba, has advised that the Cuban Ministry of External Relations has recently decreed that, effective November 17, 1961, the use of consular invoices as a required document to cover shipments to Cuba has been discontinued.

The Decree states that, where applicable, Cuban customs will collect the consular fees on arrival of the shipment concerned and base its calculations, as customary, on the f.o.b. value as shown on the commercial invoice. Since all imports are now being made by Cuba's import agency, Empresa Cubana de Importaciones, the only instances where collection of fees would apply would seem to be for non-commercial shipments consigned to private parties in Cuba, and samples having a commercial value which are brought in by commercial travellers visiting Cuba.

Provision is also made in the Decree to cover the transition period and, to this end, consuls are authorized to issue special certificates for this specific purpose, fee exempt, at the request of and where required by foreign shippers to obtain payment for shipments covered by letters of credit opened before enforcement of this Decree, and which specified consular invoices as one of the required documents—Havana.

Dominican Republic

CAPITAL CITY ON DOCUMENTATION—W. B. McCullough, Commercial Counsellor in the Dominican Republic, has advised that, effective November 24, 1961, the name of the capital city of the Dominican Republic has been changed from Ciudad Trujillo to Santo Domingo.

The Consul General of the Dominican Republic in Ottawa has advised that, although the new name should be used in place of Ciudad Trujillo on documents and cases of merchandise, there will be no penalty levied on exporters during the immediate period of transition for incorrect designation of the Dominican Republic's capital city. On all future shipments to Santo Domingo, however, the correct name should be used to avoid delays.

France

IMPORTS OF APPLES AND PEARS—The French Government has announced that imports of table apples and table pears into France will be permitted, without limitation as to quantity, during the period April 1, 1962, to May 31, 1962—Paris.

Norway

NEW IMPORT LIBERALIZATION SCHEME—The Norwegian Department of Commerce has drawn up a plan for the liquidation of the remaining import restrictions on industrial goods from the free list area, including Canada. According to this plan, the liquidation of restrictions will take place in three stages.

The majority of commodities will be free listed as early as January 1, 1962. This applies to chocolate goods, porcelain and faience, glass goods, large refrigerators (not for household use), and plywood. The articles in the second group, including vegetable oils, biscuits, soap powder, etc., will be free listed on July 1, 1962. The third group, including hardened fats, sheets made of wood shavings, refrigerators for household use, and television receiving apparatus, will be free listed at the end of 1962.

In the case of a very few commodities, such as wood tar, wood charcoal and rice grits, special circumstances are involved and the Department of Commerce will make further investigations before establishing the liberalization date.

Geographical Listing for Exporters

Need Information on Foreign Markets?

You can get it from the Trade Commissioner posts around the world, or from the International Trade Relations Branch in Ottawa. This breakdown tells you which TC post and which ITR Division is responsible for the country in which you are interested.

Country covered by	TC Post and	ITR Division
Aden	Cairo	Commonwealth
Afghanistan	Karachi	Asia and Middle East
Alaska	Vancouver	United States
Albania	Vienna	Europe
Algeria	Paris	Europe
Angola (Portuguese West Africa)	Leopoldville	Europe
Argentina	Buenos Aires	Latin America
Aruba	(see Netherlands Antilles)	(see Netherlands Antilles)
Australia	Sydney, Melbourne and Canberra	Commonwealth
Austria	Vienna	Europe
Azores	Lisbon	Europe
Bahamas	Kingston	Commonwealth
Balearic Islands	Madrid	Europe
Barbados	Port-of-Spain	Commonwealth
Basutoland	Johannesburg	Commonwealth
Bechuanaland	Johannesburg	Commonwealth
Belgium	Brussels	Europe
Bermuda	New York	Commonwealth
Bhutan	New Delhi	Asia and Middle East
Bolivia	Lima	Latin America
Bonaire	(see Netherlands Antilles)	(see Netherlands Antilles)
Borneo (North)	Singapore	Commonwealth
Brazil	Rio de Janeiro and Sao Paulo	Latin America
Britain	London Liverpool Glasgow Belfast	Commonwealth
British Guiana	Port-of-Spain	Commonwealth
British Honduras	Kingston	Commonwealth
British Solomon Islands	Sydney	Commonwealth
British West Indies	Kingston and Port-of-Spain	Commonwealth
Brunei	Singapore	Commonwealth
Bulgaria	Vienna	Europe
Burma	Singapore	Asia and Middle East
Cambodia	Hong Kong	Asia and Middle East
Cameroon Republic	Paris	Europe
Canary Islands	Madrid	Europe
Cape Verde Islands	Lisbon	Europe
Cayman Islands	Kingston	Commonwealth
Central African Republic	Leopoldville	Europe
Ceylon	Colombo	Commonwealth
Chad	Leopoldville	Europe
Chile	Santiago	Latin America
China, Communist	Hong Kong	Asia and Middle East
China, Republic of (Taiwan)	Manila	Asia and Middle East
Christmas Island (Indian Ocean)	Sydney	Commonwealth
Cocos-Keeling Islands	Sydney	Commonwealth
Colombia	Bogota	Latin America
Congo	Leopoldville	Europe
Congo (French Community)	Leopoldville	Europe
Cook Islands	Wellington	Commonwealth
Costa Rica	Guatemala City	Latin America
Cuba	Havana	Latin America
Curacao	(see Netherlands Antilles)	(see Netherlands Antilles)
Cyprus	Athens	Commonwealth
Czechoslovakia	Vienna	Europe
Dahomey	Paris	Europe
Denmark	Copenhagen	Europe
Dominican Republic	Santo Domingo	Latin America
Ecuador	Bogota	Latin America

Country covered by	TC Post and	ITR Division
Egypt	(see United Arab Republic)	(see United Arab Republic)
El Salvador	Guatemala City	Latin America
England	London and Liverpool	Commonwealth
Ethiopia	Cairo	Asia and Middle East
Falkland Islands	Montevideo	Commonwealth
Fiji	Wellington	Commonwealth
Finland	Stockholm	Europe
France	Paris	Europe
French Guiana	Port-of-Spain	Europe
French Oceania	Wellington	Europe
French Somaliland	Cairo	Europe
Gabon	Leopoldville	Europe
Gambia	Accra	Commonwealth
Germany	Bonn, Dusseldorf, Hamburg	Europe
Ghana	Accra	Commonwealth
Gibraltar	Madrid	Commonwealth
Gilbert and Ellice Islands	Wellington	Commonwealth
Goa	Bombay	Europe
Greece	Athens	Europe
Greenland	Copenhagen	Europe
Guadeloupe	Port-of-Spain	Europe
Guatemala	Guatemala City	Latin America
Guinea, Republic of	Paris	Europe
Haiti	Port au Prince	Latin America
Hawaii	San Francisco	United States
Honduras	Guatemala City	Latin America
Honduras, British	Kingston	Commonwealth
Hong Kong	Hong Kong	Commonwealth
Hungary	Vienna	Europe
Iceland	Oslo	Europe
India	New Delhi and Bombay	Commonwealth
Indonesia	Djakarta	Asia and Middle East
Iran	Tehran	Asia and Middle East
Iraq	Beirut	Asia and Middle East
Ireland, Northern	Belfast	Commonwealth
Ireland, Republic of	Dublin	Commonwealth
Israel	Athens	Asia and Middle East
Italy	Rome	Europe
Ivory Coast, Republic of	Paris	Europe
Jamaica	Kingston	Commonwealth
Japan	Tokyo	Asia and Middle East
Jordan	Beirut	Asia and Middle East
Kenya	Salisbury	Commonwealth
Korea	Tokyo	Asia and Middle East
Laos	Hong Kong	Asia and Middle East
Lebanon	Beirut	Asia and Middle East
Leeward Islands	Port-of-Spain	Commonwealth
Liberia	Accra	Asia and Middle East
Libya	Rome	Asia and Middle East
Liechtenstein	Berne	Europe
Luxembourg	Brussels	Europe
Macao	Hong Kong	Europe
Madeira	Lisbon	Europe
Malagasy Republic	Johannesburg	Europe
Malaya, Federation of	Singapore	Commonwealth
Maldive Islands	Colombo	Commonwealth
Mali, Republic of	Paris	Europe
Malta	Rome	Commonwealth
Martinique	Port-of-Spain	Europe
Mauretania, Republic of	Paris	Europe
Mauritius	Johannesburg	Commonwealth
Mexico	Mexico City	Latin America
Monaco	Paris	Europe
Morocco	Paris	Europe
Mozambique (Portuguese East Africa)	Johannesburg	Europe
Nepal	New Delhi	Asia and Middle East
Netherlands	The Hague	Europe
Netherlands Antilles	Caracas	Europe
Netherlands Guiana	(see Surinam)	(see Surinam)
New Caledonia	Sydney	Europe
New Guinea, North-east and Papua	Sydney	Commonwealth
New Hebrides	Sydney	Europe
New Zealand	Wellington	Commonwealth
Nicaragua	Guatemala City	Latin America
Niger, Republic of	Paris	Europe

Country covered by	TC Post and	ITR Division
Nigeria	Lagos	Commonwealth
Norway	Oslo	Europe
Okinawa	Tokyo	Asia and Middle East
Pakistan	Karachi	Commonwealth
Panama and Canal Zone	Guatemala City	Latin America
Paraguay	Montevideo	Latin America
Persian Gulf Area	Beirut	Asia and Middle East
Peru	Lima	Latin America
Philippines	Manila	Asia and Middle East
Poland	Copenhagen	Europe
Portugal	Lisbon	Europe
Portuguese East Africa	(see Mozambique)	(see Mozambique)
Portuguese Guinea	Lisbon	Europe
Portuguese West Africa	(see Angola)	(see Angola)
Puerto Rico	Santo Domingo	United States
Reunion	Johannesburg	Europe
Rhodesia and Nyasaland, Federation of	Salisbury	Commonwealth
Rio de Oro	(see Spanish Sahara)	(see Spanish Sahara)
Rio Muni	Madrid	Europe
Ruanda Urundi	Leopoldville	Europe
Rumania	Vienna	Europe
St. Helena	Cape Town	Commonwealth
St. Pierre and Miquelon	Paris	Europe
Samoa	Wellington	Commonwealth
Sarawak	Singapore	Commonwealth
Saudi Arabia (Red Sea and Aden)	Cairo	Asia and Middle East
Scotland	Glasgow	Commonwealth
Senegal, Republic of	Paris	Europe
Seychelles Islands	Salisbury	Commonwealth
Sierra Leone	Accra	Commonwealth
Sikkim	New Delhi	Asia and Middle East
Singapore	Singapore	Commonwealth
Somalia	Cairo	Europe
South Africa, Republic of	Johannesburg and Cape Town	Commonwealth
South West Africa	Cape Town	Commonwealth
Spain	Madrid	Europe
Spanish Sahara	Madrid	Europe
Sudan	Cairo	Asia and Middle East
Surinam (Netherlands Guiana)	Port-of-Spain	Europe
Swaziland	Johannesburg	Commonwealth
Sweden	Stockholm	Europe
Switzerland	Berne	Europe
Syria	Beirut	Asia and Middle East
Tahiti	Wellington	Europe
Taiwan	Manila	Asia and Middle East
Tanganyika	Salisbury	Commonwealth
Thailand	Singapore	Asia and Middle East
Tobago	Port-of-Spain	Commonwealth
Togoland	Paris	Europe
Tonga	Wellington	Commonwealth
Trieste	Rome	Europe
Trinidad	Port-of-Spain	Commonwealth
Tunisia	Berne	Europe
Turkey	Athens	Asia and Middle East
Turks and Caicos Islands	Kingston	Commonwealth
Uganda	Salisbury	Commonwealth
United Arab Republic	Cairo	Asia and Middle East
United Kingdom	(see Britain)	(see Britain)
United States	Washington Boston Chicago Detroit Los Angeles New Orleans New York Philadelphia San Francisco Seattle	United States
Upper Volta, Republic of	Paris	Europe
U.S.S.R.	Moscow	Europe
Uruguay	Montevideo	Latin America
Venezuela	Caracas	Latin America
Vietnam	Hong Kong	Asia and Middle East
Virgin Islands (U.S.)	Santo Domingo	United States
Wales	London	Commonwealth
West Indies, The	Port-of-Spain and Kingston	Commonwealth
Windward Islands	Port-of-Spain	Commonwealth
Yemen	Cairo	Asia and Middle East
Yugoslavia	Vienna	Europe
Zanzibar	Salisbury	Commonwealth

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

Conversion 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 .959520.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 4	Units per Canadian dollar	Notes (See below)
Argentina	Peso		.01257	94.61	
Austria	Schilling		.04035	24.78	
Australia	Pound		2.3445	.4265	
Bahamas	Pound		2.9306	.3412	
Belgium and Luxembourg	Franc		.02094	47.75	
Bermuda	Pound		2.9306	.3412	
Bolivia	Boliviano	Free	.00008887	11,252.24	
British Guiana	Dollar		.6105	1.64	
British Honduras	Dollar		.7327	1.36	
Brazil	Cruzeiro	Free	.003309	302.21	
		Special Category	†	†	
Burma	Kyat		.2189	4.57	
Ceylon	Rupee		.2198	4.55	
Chile	Escudo	Free	.9907	1.0094	
Colombia	Peso	Certificate	.1556	6.43	
Congo, Republic of	Franc		.02094	47.75	
Costa Rica	Colon		.1573	6.36	
Cuba	Peso		‡	‡	
Czechoslovakia	Koruna		.1447	6.91	
Denmark	Krone		.1515	6.60	
Dominican Republic	Peso		1.04219	.9595	
Ecuador	Sucre	Official	.05790	17.27	
		Free	.04878	20.50	
El Salvador	Colon		.4169	2.40	
Fiji	Pound		2.6404	.3787	
Finland	Markka		.003257	307.03	
France, Monaco, etc.	New Franc		.2124	4.71	(1)
Franco-African Republics, etc.	Franc		.004248	235.40	(2)
French Pacific	Franc		.01168	85.62	(3)
Germany	D Mark		.2604	3.84	
Ghana	Pound		2.9306	.3412	
Greece	Drachma		.03474	28.78	
Guatemala	Quetzal		1.04219	.9595	
Haiti	Gourde		.2084	4.80	
Honduras	Lempira		.5211	1.92	
Hong Kong	Dollar	Free*	.1835	5.45	*Nov. 24
		Official	.1832	5.46	
Iceland	Krona	Official	.02424	41.25	(4)
India	Rupee		.2198	4.55	
Indonesia	Rupiah	Official	.02316	43.18	(4)
Iran	Rial		.01376	72.68	
Iraq	Dinar		2.9181	.3427	
Ireland	Pound		2.9306	.3412	
Israel	Pound		.5790	1.73	
Italy	Lira		.001679	595.59	
Japan	Yen		.002895	345.42	

†Exchange auctions will be held each week for limited amounts of exchange.
‡There is no trading in Cuban pesos in U.S. or Canadian banks at present.
*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 4	Units per Canadian dollar	Notes (See below)
Lebanon	Pound	Free	.3275	3.05	
Mexico	Peso	....	.08338	11.99	
Morocco	Dirham	....	.2084	4.80	
Netherlands	Florin	....	.2900	3.45	
Netherlands Antilles	Florin	....	.5526	1.81	
New Zealand	Pound	....	2.9106	.3436	
Nicaragua	Cordoba	Effective buying	.1579	6.33	
		Official selling	.1479	6.76	
Nigeria	Pound	....	2.9306	.3412	
Norway	Krone	....	.1464	6.83	
Pakistan	Rupee	....	.2198	4.55	
Panama	Balboa	....	1.04219	.9595	
Paraguay	Guarani	Official	.008239	121.37	
Peru	Sol	....	.03885	25.74	
Philippines	Peso	Free	.3474	2.88	
		Official	.5211	1.92	
Portugal & Colonies	Escudo	....	.03637	27.49	(5)
Republic of South Africa	Rand	....	1.4653	.6824	
Singapore and Malaya	Straits Dollar	....	.3419	2.92	
Spain and Dependencies ...	Peseta	....	.01737	57.57	
Sweden	Krona	....	.2017	4.96	
Switzerland	Franc	....	.2415	4.14	
Syria	Pound	Free	.2915	3.43	
Thailand	Baht	Free	.04930	20.28	(4)
Tunisia	Dinar	....	2.5221	.3965	
Turkey	Lira	....	.1158	8.63	(4)
United Arab Republic	Pound	Official	2.9927	.3341	
United Kingdom ..	Pound	....	2.9306	.3412	
United States	Dollar	....	1.0421875	.959520	
Uruguay	Peso	Free	.09522	10.50	
Venezuela	Bolivar	Free	.2280	4.38	
		Official	.3115	3.21	
West Indies Fed. ..	Dollar	....	.6105	1.64	(6)
	Pound	....	2.9306	.3412	(7)
Yugoslavia	Dinar	Official	.001390	719.42	

Notes

1. New franc is also used in Algeria, French Guiana, Guadeloupe and Martinique.
2. Chad, Central African Republic, Congo, Dahomey, Gabon, Ivory Coast, Mali, Islamic Republic of Mauritania, Niger, Senegal, Upper Volta, Cameroons, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.
3. New Caledonia, New Hebrides, French Polynesia.
4. Additional rates are in effect.
5. Portugal: approximately same rate for Portuguese territories in Africa.
6. Barbados, Trinidad, Tobago, Leeward and Windward Islands.
7. Jamaica.

U.S. Moves to Aid Exporters

U.S. companies who wish to sell abroad on short or medium terms will now be able to obtain insurance against both political and commercial risks. Other assistance includes a special comprehensive guarantee for small exporters and more direct financing for medium-term transactions.

JOHN D. BLACKWOOD, *Assistant Commercial Secretary, Washington.*

LATE in October, President Kennedy announced two new programs for assisting United States exporters. One is a system of export credits insurance and the other a new program of medium-term export transaction guarantees, both formulated by the Export-Import Bank of Washington. The President's announcement stated . . . "The new programs are intended to be fully comparable with those offered abroad, particularly with respect to small and medium-sized export concerns and with respect to the financing of consumer goods imports."

Export Credits Insurance

Comprehensive short-term export guarantees will be provided through a group of private insurance companies. These companies, co-operating through a voluntary organization, the Foreign Credit Insurance Association, have entered into an agreement with the Export-Import Bank to provide a comprehensive risk policy insuring the payment of credits extended by exporters on short or medium terms against both political and commercial risks. The FCIA and the Eximbank in partnership will insure the commercial risks, and the Eximbank will underwrite the political risks.

Credit or commercial risks to be covered include insolvency of the buyer and protracted default. The policy will also protect exporters against the political risks of inconvertibility of a foreign currency, cancellation or restriction of export or import licences, expropriation, confiscation, war, civil commotion or similar disturbances. The organization of the FCIA has not been completed and other qualified insurance companies are being invited to become members.

To encourage small exporters to expand their export business, a special comprehensive guarantee will be offered through the FCIA. The guarantee contract will be available only to exporters whose direct exports in the preceding twelve months were valued at less than $50,000 and it will be limited to a term of two years, or a total of guaranteed exports of $100,000 (whichever occurs first). It cannot be renewed. The cover will be a flat 90 per cent for all causes of loss and on a buyer-by-buyer basis rather than total turnover. A flat fee will be charged per $100 of invoice value, regardless of market or term of credit, and the cover will be available for terms of not over 180 days.

Export Guarantees

To assist United States commercial banks and other financial institutions in providing more direct financing for medium-term transactions (180 days to 5 years), the Eximbank will issue guarantees directly to institutions undertaking non-recourse financing of exports. It is designed to encourage these banks to provide non-recourse financing of medium-term credits and to speed up these transactions by permitting the exporter to deal only with his bank rather than with the Eximbank. It is also intended to create an incentive for banks and other financial institutions to retain in the private sector the paper arising from export transactions. Basically, it is a guarantee against loss in export financing and will make export paper saleable.

Principal features of the new guarantees include the provision of a full political-risk guarantee on that portion of an export transaction on which a bank assumes the credit risk. In addition, a comprehensive credit- and political-risk guarantee is provided on the later maturities. These guarantees are offered only if the financial institution does not request the Export-Import Bank to purchase a participation in the transaction. The guarantees apply to export sales where the foreign buyer pays in cash not less than 10 per cent of the invoice value by the time of delivery of the goods and the exporter retains 15 per cent of the value. Previously in medium-term transactions the Eximbank required a 20 per cent down payment to the exporter. It was reported in *Foreign Commerce Weekly*—an official publication of the U.S. Department of Commerce—that "this reduction is made to allow U.S. exporters to offer terms which in this respect are as advantageous as those sometimes offered by their foreign competitors with the support of their respective governments." ●

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