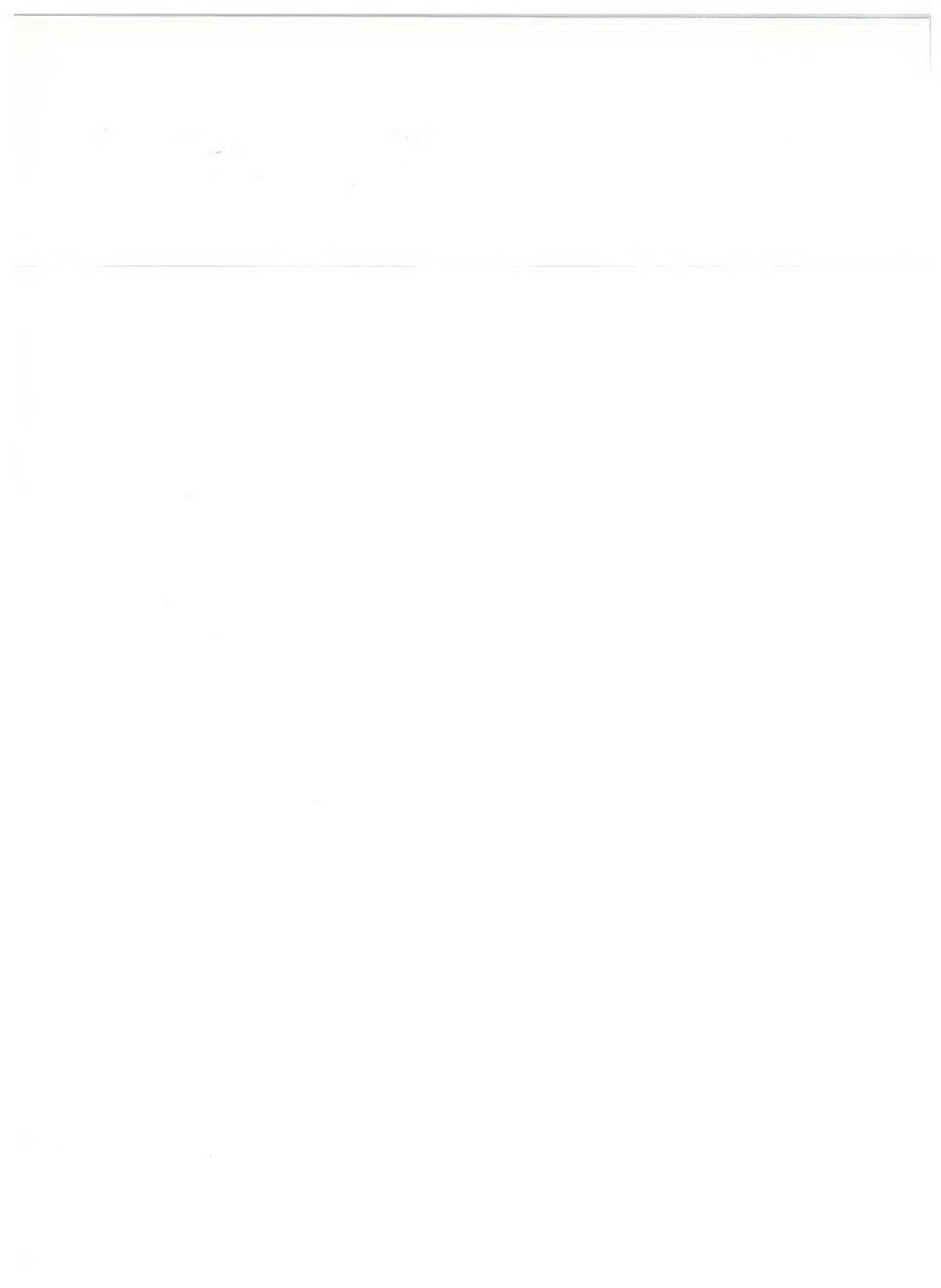


A Look at Latin America I

# FOREIGN TRADE

DEPARTMENT  
OF TRADE AND  
COMMERCE  
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# FOREIGN TRADE

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*Our annual review of developments in the northern half of Latin America that affect trade—and particularly trade with Canada. Included are Mexico, the Central American republics and British Honduras, and three of the larger non-British Caribbean islands.*

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*An ever changing but rewarding market—that is Mexico as the Canadian Trade Commissioner sees it. He discusses the recent mild recession there, government policies on trade and investment, the formation of LAFTA, and the outlook for Canadian exports in the months ahead.*

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COMING—REPORT ON THE WEST INDIES, IN NOVEMBER 4 ISSUE

# LATIN AMERICA I

Part I of our annual survey of business and trading conditions in Latin America covers Mexico, Central America, and the Greater Antilles. Part II, on South America, will appear in our November 18 issue.

THE May 6 issue of *Foreign Trade* reported solid economic gains in Mexico during 1960. This expansion has not been sustained in the first nine months of the current year. A number of developments, both internal and external, have influenced the economy, creating a mild recession that continues up to

balance has favoured Mexico eight times and Canada seven.

The trend in trade is upward but imports and exports fluctuate remarkably in value and undergo a slower adjustment in composition. To some extent business conditions dictate these variations, but the trade is influenced strongly by structural changes in the economies and by competition from other suppliers. A survey of the Mexican business situation may help exporters assess the present demand for their products and a closer examination of the changing pattern of trade may assist Canadian companies to evaluate their future prospects in this rapidly developing country.

## Mexico

In Canada's largest market in Latin America, both imports and exports rose last year; trade deficit is causing concern. Pattern of imports is changing; chemicals, machinery and equipment for industry are making gains; others are losing ground.

W. M. MINER, *Assistant Commercial Secretary, Mexico, D.F.*

the present time. The Government is taking action to reverse this trend and achieve renewed economic growth with financial stability. Mexico has become Canada's largest market in Latin America. Although in 1960 Canadian sales to Mexico were the second highest on record, during the first half of this year they have risen even more.

Exchange of merchandise between the two countries has increased over the years and present indications favour a continuation of this trend. It is a two-way trade between North American and complementary economies; in fact, during the past fifteen years the trade

### Business Trends

Last year saw a strong expansion in manufacturing, construction and production of electric power. Agricultural output was about the same as in 1959 because climatic conditions reduced yields of staple crops. Up to date in 1961, a reduction in investment and government spending has retarded growth in most industries. Agriculture is an exception; prospects are favourable and a bumper crop is predicted. Mexico's total trade remains at approximately 1960 levels. Tourist revenues and investments have been reduced—two important factors contributing to the less favourable economic situation.

The movement of direct foreign investment into Mexico has been in-

fluenced by government policies and activities aimed at the "Mexicanization" of a share of industry. The principal government activities have been the purchase last year of the privately owned electricity companies and the two major theatre chains, followed by the adoption of a new mining law aimed at reducing foreign interest in the industry. Although representatives of the Government have stated that intervention will be restricted to public services and monopolies to create necessary and balanced industrialization, these policies have retarded investment.

Government officials have repeatedly assured foreigners that their capital is needed and welcome and they have emphasized the stability of the peso and the favourable climate for investment. Despite the need for foreign financial assistance, Mexico retains the right to determine the terms under which investors may participate in the economy. Although the country has suffered some loss of short-term capital and experienced a general slowdown in investments, Mexico continues to seek and obtain foreign credits on a substantial scale. Public sector investments are concentrated on communications and public works, petroleum and power projects, and (to a lesser extent) hydraulic resources and rehabilitation of the railways.

### **Government Finances**

Mexico has been quite successful in combatting inflation through various price and credit controls and a manageable budget deficit. The annual unfavourable merchandise trade balance is covered largely by tourist revenues and frontier transactions. Loss of some short-term capital, reduced investment and smaller tourist earnings have resulted in a strain on the balance of payments. On August 2 the Minister of Finance announced the establishment of additional and important lines of credit in an apparent move to stimulate confidence

in the economy and guarantee stability of the peso. These credits, totalling \$180 million, were obtained from the IMF and the Eximbank and supplement existing lines of credit of \$255 million.

The 1961 federal budget is expected to be balanced or at least result in a smaller deficit than last year. Government expenditures are being carefully scrutinized and with stricter control of imports, this fiscal program should improve the financial position of the country.

### **Commercial Policies**

The Government has taken several important steps to reduce the trade deficit and encourage the tourist trade, and thus ease the strain on the balance of payments. A Congress decree of January 5 reinforced the powers of the federal executive to alter tariffs and trade restrictions through establishing the amount of money available for various groups of imports. Beginning in April, a general revision of the import tariff was instituted to give more effective control over the application of duties and to protect local industry. Many more imports have come under permit requirements or are affected by increased duties and higher official valuations for duty purposes. (Even when permits are granted, the processing of documentation takes considerable time.)

Mexico has been affected by weaker markets for many of its export products—particularly coffee, cotton and peanuts. A program to promote sales is being formulated. Export taxes on some commodities were reduced and the Government has created a new board to assist exporters. Several additional commercial counsellors have been appointed to foreign countries, including Canada.

President Lopez Mateos in his annual September address outlined plans to promote small and medium industry, with emphasis on foods, textiles, leather, iron and steel. He stated that the Government is preparing a list of 600 industrial

products that must be manufactured in Mexico. Special stimulants will be offered to private investors in these fields. This program is directed towards reducing imports and providing employment opportunities.

Export markets are being expanded through a program of trade fairs and missions. This year Mexico is attending eight foreign trade fairs, including those in Toronto and Montreal. Commercial missions have visited several countries to study markets and promote sales. Mexican delegations have attended international and regional conferences, especially those with commercial implications. The importance of tourist revenue has not been overlooked: a new commission was created to promote tourist trade, particularly along the U.S. border. These measures should benefit Mexico and assist the Government to strike a closer balance between purchases and sales. Imports are likely to be affected considerably in the short run, but as additional products are developed and new markets exploited, sales should rise.

### **Mexico and LAFTA**

The Latin American Free Trade Association came into force in June 1961 and Mexico is expected to play a leading rôle. She has submitted a list of 600 products for tariff negotiation, including a number of exportable manufactured products. Because more than 95 per cent of Mexico's total trade is conducted with nations outside LAFTA, this attempt to develop markets in the area will be breaking new ground. Its success will depend on prices, deliveries, quality and credit terms—all of which must be tested. Many of Mexico's traditional exports are commercial agricultural products not usually imported by its partners in LAFTA.

Canada's exports to Mexico are not expected to be affected because the bulk of our sales are semi-finished production goods unavailable within LAFTA. An exception

### SOME LEADING MEXICAN IMPORTS

	Jan.-May 1960	Jan.-May 1961	Change in per cent
(in millions of dollars)			
<b>Total merchandise imports</b>	<b>474.3</b>	<b>468.0</b>	<b>-1.3</b>
Of which:			
Machinery installations	23.9	33.3	+39.3
Automobiles for private use	28.8	23.2	-19.4
Metal spare parts for machinery	19.0	20.8	+ 9.5
Machines mechanically operated	18.3	17.2	- 6.01
Petroleum and products	17.4	16.2	- 7.0
Automobile parts	12.3	14.7	+19.5
Trucks	18.2	14.7	-19.2
Organic and chemical mixtures	9.9	9.3	- 6.06
Tractors	8.5	8.6	+ 1.2
Railway rolling stock	4.3	7.9	+83.7
Chemical fertilizers	9.2	7.8	-15.2
Natural or artificial crude rubber	8.3	7.2	-13.2
Spare parts for tractors	6.0	6.4	+ 6.6
Iron and steel ingots and scrap	7.3	5.9	-19.1
Automobile engines and parts	3.8	5.4	+42.6

Source: *Commercio Exterior*, September 1961.

could be newsprint, which Chile produces in exportable quantities.

#### Foreign Trade

Last year Mexican imports rose some 18 per cent over 1959 figures to \$1,186 million. This increase was encouraged by an expansion in credit, higher government expenditures, improved domestic production in most sectors, and a general rise in economic activity. Exports went up slightly to a value of \$783 million.

According to preliminary unadjusted figures, imports from January to June 1961 totalled U.S.\$566 million compared with \$571 million for the same period last year. Exports reached \$350 million, compared with \$341 million in the first half of 1960. The accompanying table contains a comparison of imports for the first five months of both years.

These figures indicate that in 1961 total purchases may come close to the level of last year. The new policy on imports has retarded a further increase but a number of products, particularly in the machinery category, are urgently needed. This demand, if met, may

result in total imports slightly exceeding last year's figure.

On the export side, sales are somewhat higher in value as prices tended to stabilize in 1960. Sugar exports are up substantially. This increase, plus higher sales of cotton, shrimp, zinc and petroleum products, compensates for smaller sales of coffee, lead, sulphur and copper.

#### Canadian Sales

A share in Mexico's increased purchases during 1960 was obtained by Canadian companies. Our sales to this market rose 37 per cent over 1959 to a total of \$38 million. Shipments of newsprint, aluminum, synthetic rubber, asbestos fibres, papermakers' felts, pulps, and some types of industrial equipment made strong gains. These gains resulted from greater economic activity and the accompanying demand for production goods. A significant factor in the increase was the shipment of \$6.1 million worth of rails and track accessories. Some trade items declined in value last year because of stronger foreign competition, notably ores, chemicals, medicinal preparations, cattle and fishmeal. Canadian sales of passenger cars,

### PRINCIPAL CANADIAN EXPORTS TO MEXICO

	1959	1960
(thousands of dollars)		
<b>Total exports to Mexico</b>	<b>27,766</b>	<b>38,024</b>
Of which:		
Newsprint	7,597	8,748
Synthetic plastics	5,053	6,897
Railway rails	157	4,499
Aluminum, primary forms	1,733	3,738
Asbestos milled fibres	1,191	1,646
Railway track accessories	....	1,627
Machinery and parts	1,514	1,203
Drugs and chemicals, n.o.p.	1,516	710
Motion picture and photo film	265	646
Felts, jackets, papermaking	511	644
Sulphite pulp, unbleached, news grade	194	599
Agricultural implements	895	550
Ores, n.o.p.	....	493
Skimmed milk powder	122	425
Sulphite pulp, bleached paper grade	263	359
Electric meters and parts	276	276
Bookkeeping and calculating machinery	269	258
Fine nickel and in oxide	120	252
Non-metallic minerals, n.o.p.	233	225

Source: Dominion Bureau of Statistics.

agricultural implements and fertilizers were influenced by local production and import restrictions. The table includes some of Canada's principal exports to Mexico and reveals gains and losses compared with 1959.

Statistics covering the first four months of 1961 indicate that our exports to Mexico may exceed the 1960 figure. From January to April exports were almost \$2 million ahead; the major gains were made by steels, rails and track material, newsprint, asbestos fibres, nickel, tin, transmission equipment and synthetic rubber. All of these increases resulted from the growing demand for industrial essentials.

#### Import Trends

Since 1945 Mexico has made steady and impressive industrial gains. The important agricultural sector has been encouraged until the country is self-sufficient in basic foodstuffs. This progress, coupled with government policies of rapid

## MEXICAN IMPORT PATTERN

(in per cent of total)

	1956	1960
Foodstuffs	4.62	3.14
Alcohols and tobaccos	.48	.59
Primary materials (except mineral fuels)	7.87	7.06
Fuels, lubricants and electrical energy	5.51	2.15
Fatty materials (except lubricants)	.87	.21
Chemical products	12.29	15.07
Manufactured articles classified by material	10.49	8.46
Machinery tools, electrical and transportation material	45.45	49.95
Other manufactured articles	3.32	3.73
Other products	.33	.41

Source: Dirección General de Estadística.

industrialization and improving living standards, has resulted in adjustments in imports.

As shown in the table, the principal import shifts have been away from the purchase of primary materials, petroleum products, electrical

energy, and manufactured goods to machinery, equipment and chemicals for industry. This trend works against foreign suppliers of consumer products, agricultural commodities and finished light industry goods and has affected United States and European exporters most of all.

### Effect on Canada

Canadian exporters have been influenced by the changing pattern but the over-all composition of our sales has not altered seriously. A comparison of the 25 principal exports in 1960 with 1955 reveals that every item was sold in quantity, with the exception of certain minerals and fishmeal. Local production or assembly has reduced some sales, particularly of apple juice, malt, machinery, whisky, wood products, fertilizers, consumer appliances, electrical apparatus, automobiles and agricultural equipment. On the other hand, some

Canadian sales have risen to overcome these losses—such as newsprint, pulp, film, minerals, and electrical transmission equipment.

Relations between Canada and Mexico continue to strengthen and appear closer in 1961 than at any time in the past. The President of the Republic, Lic. Adolfo Lopez Mateos, made a pertinent comment in his State of the Union address delivered on September 1. He said, "The close and cordial friendship with Canada and the United States of America is basic in the framework of Mexican international policy." Official visits have been exchanged in the last three years between the heads of the two states. In July the President's wife, Mrs. Eva Lopez Mateos, opened the Calgary Stampede and visited points of interest in Western Canada. Trade constitutes an important adjunct to this interchange and Canada can expect to increase its sales as Mexico expands. ●



*In this Mexican warehouse, Canadian tool and special steels are stored, ready to be sent out quickly to fill orders. During the first four months of this year, our exports of steels to Mexico made major gains; so did shipments of a number of other products that help to fill Mexican industry's need for materials and equipment, such as newsprint, asbestos fibres, transmission equipment, and tin.*

- *From a modern office building in Guatemala City, the Canadian Trade Commissioner and his assistant are seeking to develop trading opportunities between Canada and Guatemala as well as with the other Central American Republics—Honduras, El Salvador, Nicaragua, Costa Rica and Panama. They make regular tours of the business centres in all these countries and submit numerous reports on the trade prospects.*

*To this area, with its population of some 11 million, Canada exported \$14 million worth of goods during 1960 and has maintained this rate of export during the first half of 1961. Shipments include several hundred categories of goods, headed by wheat flour, newsprint and upper leather. Measured against total imports by the six countries of close to \$600 million worth of goods a year, the Canadian share is a relatively modest one at about 2½ per cent. Central America's principal trading partner continues to be the United States. Canadian purchases from Central America consist largely of coffee, bananas and raw cotton. In 1960 imports of Central American products into Canada were valued at \$18 million.*

*The idea of closer association among the Republics, linked both geographically and historically, has remained alive for many decades despite setbacks. Recently discussions on a treaty among them, aimed at joining them together into larger free trade areas or preferential-tariff areas with the purpose of stimulating their economic development, have increased considerably. Guatemala, El Salvador, Honduras and Nicaragua have been making progress along these lines and have also moved towards an equalization of their rates of customs duty against outside countries.*

*The succeeding articles list many loans received by the Central American countries from international financial institutions for various projects such as agrarian development, the construction of power facilities, and the building of roads. In addition, the "Alliance for Progress" plan developed at the Punta del Este meeting in August should see an increase in development projects of all types in Central America as well as in South America. These may very well provide opportunities for participation by Canadian consultants and engineering firms.*

## **Canada's**

*The possibilities of accelerated economic growth make for a brighter outlook for the export of Canadian goods and services generally to this area.*

# **Trade with Central America**

# Costa Rica

Canada's sales rose last year, despite curbs on imports and higher customs duties made necessary by fall in export earnings and in exchange reserves. Austerity measures, foreign aid expected to bring economic improvement.

H. E. LEMIEUX, *Trade Commissioner, Guatemala City.*

ECONOMIC indicators show that the Costa Rican economy, for all the effort made, is facing a crisis. The balance of payments has taken a turn for the worse, particularly during these last few months, and there are no signs of recovery within the near future. Public expenditures have continued to exceed revenues, as for the past five years. The balance of trade in 1960 was again in deficit, although this deficit was slightly smaller than in 1959. Both retail and wholesale sales decreased further in 1960 and by the end of last June were reported at an all-time low.

As of June 30, 1961, Costa Rica's foreign exchange reserves stood at \$10.9 million,\* nearly \$3 million less than a year ago. All of these setbacks were generally the result of low and still falling world prices for Costa Rica's staple exports—coffee, bananas and cocoa. Both the volume and average values of coffee shipments during the 1960/1961 crop year dropped and proved that the revenue forecasts were over-optimistic. Coffee production had indeed increased but the crop could not be disposed of entirely in the depressed world market.

## Corrective Measures

To meet its economic problems, the Costa Rican Government has already adopted a number of measures and is proposing to put others into effect. To help halt the steady and alarming drop in foreign exchange reserves, the Central

Bank of Costa Rica has recommended a simplification of the multiple rates of exchange currently in force. The Bank's recommendations were accepted last June and the list of essential products importable at the preferential rate of exchange of C5.67 to the United States dollar has been cut down drastically to a very few items. This means that henceforth practically all imports into Costa Rica must be effected at the current commercial or "free" rate of C6.63 per United States dollar. In keeping with the austerity program and to help curb both imports and public spending, the Central Bank of Costa Rica has proposed increases of from 15 to 50 per cent in customs duties on so-called "luxury" imports. Some increases in the rates of customs duties are already in effect. It is too early to say to what extent these steps, drastic by Costa Rican standards, will actually improve the situation. One remedy for the country's economic ills would certainly be an improvement in world market conditions and prices. Coffee-producing countries made a strong bid for United States help in that direction at the "Alliance for Progress" meeting recently held at Punta del Este in Uruguay.

## Outside Aid

Because of the difficult time Costa Rica is going through and will experience for some time yet, there is great need for foreign financial assistance, including investment from abroad. Some out-

side financial assistance has already been extended and more is expected, thus helping to restore confidence in the economy. The advice of the IMF resulted in an economic stabilization program to which various international organizations are giving financial support. Among the loans received or under discussion are:

- The World Bank, an \$8.8 million loan to improve and expand the already substantial hydroelectric power facilities. The loan will help pay for equipment and machinery required for the large Rio Macho project and for diesel generating facilities at La Colima and at Puerto Limón on the Caribbean—Atlantic Ocean. Invitations to bid for the supply of equipment have already been published.

- The Government has approved a national highway building program and has applied for a \$10 million to \$15 million loan from the World Bank to finance it. However, preliminary engineering surveys have not yet begun.

- The Government is currently negotiating for a grant from the Development Loan Fund for the improvement and expansion of its agro-pastoral industry, which is assuming an ever-increasing importance. The National Bank of Costa Rica has asked the DLF for a \$5 million credit to improve the livestock industry.

- Negotiations have also started for a loan to be extended jointly by the Development Loan Fund and the Eximbank to improve San Jose's rather inefficient water-supply system.

- The Costa Rican Government is hoping to obtain three loans from the Inter-American Development Bank under the United States-sponsored "Alliance for Progress" plan. A figure of \$6 million has been mentioned as earmarked for housing and other projects. Addi-

\*All values in this report are in U.S. dollars unless otherwise specified.

tional funds will be sought to finance various state-owned production facilities, possibly including a flour mill.

### Foreign Trade

As forecast, Costa Rica had a record coffee crop of 1.17 million bags (132 pounds each) during the 1960/61 season, an appreciable increase of 10 per cent over the previous crop. But export sales failed to produce the expected amount of much needed foreign exchange and preliminary forecasts for the 1961/62 crop put coffee production at the same level as last season's. More bananas were also exported in 1960 than in 1959 but prospects for the current year are no better or worse than in 1960. Sugar exports should increase. Prospects for foreign exchange receipts from cocoa sales are not too promising.

In 1960, the value of Costa Rican exports (f.o.b.)—almost entirely composed of coffee, bananas, hemp and sugar—was 10 per cent higher than in 1959—\$88.9 million compared with \$79.7 million. The United States and Europe were, as usual, the principal customers.

Imports increased by 5 per cent in 1960, when the c.i.f. value of purchases abroad reached a total of \$107.9 million compared with \$102.7 million in 1959. Although available Costa Rican statistics do not give a breakdown by countries of origin, it is reasonable to assume that the suppliers were the traditional ones, with the United States leading all others by far, followed by West Germany, other European countries, and Japan. The Japanese are becoming more and more active in supplying a wide variety of goods, principally heavy machinery and equipment, to government "autonomous institutions". Considering that approximately 35 per cent of all Costa Rican imports are brought in for the account of such institutions, it is evident that Japan is playing an increasingly important rôle as a supplier.

Costa Rica has negotiated bilateral trade agreements with both Panama and Nicaragua and these treaties are expected to go into effect within the near future. In the meantime, Guatemala has repudiated the Guatemalan-Costa Rican bilateral trade agreement of 1957 and it will become void next December.

### Canadian-Costa Rican Trade

In contrast to Costa Rica's trading relationships with most other countries, Canada's trade with this Central American republic shows definite signs of improvement. Our exports to Costa Rica increased in 1960 over 1959 but our purchases decreased significantly. This resulted in an improvement in our balance of trade, which nevertheless continues to be in Costa Rica's favour. The following tables show the trend, which is one of slow but gradual movement towards equilibrium:

#### CANADIAN-COSTA RICAN TRADE

	Canadian Exports to Costa Rica	Canadian Imports from Costa Rica
	(Can.\$'000)	
1958	2,884	7,127
1959	2,633	4,810
1960	2,983	4,345

The DBS statistics on Canadian exports to Costa Rica for the first four months of the current year show a significant improvement over the corresponding period of 1960.

#### CANADIAN EXPORTS TO COSTA RICA

Jan.-May 1960	Jan.-May 1961
Can.\$1,177	Can.\$1,332

Wheat flour accounted for nearly 45 per cent of our exports to Costa Rica in 1960 and newsprint for about 20 per cent. The other important commodities were upper side leather, tires and farm machinery. Statistics for the first five months of 1961 also show wheat flour and newsprint as Canada's main exports to that market.

Statistics on Canadian imports in 1961 are only available for the first four months but they too show a significant increase—to \$1,408 million in 1961 compared with \$1,061 million in 1960. In 1960, bananas were by far the largest Canadian import from Costa Rica, with coffee a poor second. Figures for the first quarter of 1961, however, show coffee in the lead and bananas in second place.

### The Outlook

It is evident that present business prospects in Costa Rica are not bright. However, the situation cannot yet be considered alarming because of the expectation of substantial assistance from abroad to help stabilize the economy. In addition, the Costa Rican authorities seem determined to take effective measures to improve the business climate generally. The "Alliance for Progress" program is still in its infancy and it is too early to say how much and how soon its impact will be felt in Costa Rica. Because of the urgency of the times, a "fairly soon" forecast seems realistic. What happens in the world coffee and banana trade and to Costa Rican industry within the next few months will determine the short-term prospects. That is why developments in the next half-year should be watched closely. ●



# El Salvador

With good cotton and coffee crops, a comfortable trade surplus, and foreign aid, the country should be able to build up its depleted foreign exchange reserves. But Canadian exporters should expect heightened competition in selling certain products.

H. E. LEMIEUX, *Trade Commissioner, Guatemala City.*

EL SALVADOR, the most industrialized of the Central American Republics, has been gradually developing its economy, thanks to a long period of political stability. But since October 1960 economic improvement has been slowed up. And the end to the era of uncertainty and political unrest is not in sight; a new government took over in January 1961 and as recently as last July another attempt was made to overthrow the new Directorio. These political upheavals naturally induce a state of suspense and apprehension and one result has been the flight of capital abroad, which in a few weeks was reported to be running as high as \$40 million.\*

As a counter measure, the Directorio made it compulsory earlier this year for exporters to turn over all foreign exchange earnings to the recently nationalized Central Reserve Bank; the free sale of exchange by commercial banks was suspended. Henceforth, all purchases of foreign exchange must be effected through government channels.

## Exchange Reserves Decline

Political unrest accentuated the seasonal economic decline towards the end of 1960. This, plus the flight of capital and the deficit in the balance of trade, brought a marked deterioration in the gold and foreign exchange reserves—\$37.7 million at the end of December 1959 to \$33 million a year

later, and this does not take into account the stabilization loan of \$11.25 million granted by the International Monetary Fund in September 1960. The reserves have been falling steadily ever since, until by last June, the Central Bank holdings had been reduced to a bare \$16 million, though the Directorio announced that “the Bank has met its international obligations” and gave assurances that there would be no devaluation of the rates of exchange. In the meantime, the IMF agreed to postpone for three years the six-month emergency standby credit for \$11.25 million it granted in September 1960. The United States Government has since given further financial aid to help maintain the present value of the colon.

Late last June the Central Bank also revised its rediscount and interest rates in the hope of encouraging foreign capital investment and the repatriation of funds held by Salvadoreans abroad.

## Agricultural Production Up

The trend towards a greater volume of production of most of El Salvador's staple exports is reflected in the following table:

EL SALVADOR'S AGRICULTURAL PRODUCTION

Crop Year	Coffee	Cotton	Sugar
		(metric tons)	
1950/51	71,714	6,210	26,358
1955/56	72,588	30,774	35,696
*1960/61	92,874	39,606	55,200

\*Estimates.

Source: Salvadorean Bureau of Statistics.

Coffee remains the principal source of foreign exchange, accounting for 75 per cent of total Salvadorean exports. According to an FAO survey, El Salvador has the highest yield per acre of all coffee-producing countries. The charter of the huge *Compañía Salvadoreña de Café* was amended last July and the declared objective is to assist small and medium producers in obtaining better credit facilities.

Cotton production is increasing, as is the revenue from sales abroad, which during the 1960/61 season increased over the previous year in both value and volume. Earnings from the 1961/62 crop may well reach an all-time high if the weather is favourable and prices remain constant. Plantings in the last season were considerably higher than in 1960. The Salvadorean Government has applied to the United States for an increase in its annual export quota from 6,000 tons in 1960 to 13,000 tons this year.

The Ministry of Economy has now officially classified shrimps as El Salvador's third largest export, ranking next to coffee and cotton.

## Industry Expands

As in certain other Central American countries, the Law for Industrial Development which came into force last January has provided effective encouragement to private investors. Under the new law, industries are classified as “new”, “expanding”, “necessary” and “useful”. Generous concessions are granted, ranging from duty-free import of raw materials, machinery and equipment to complete exemption from taxes, depending on the industry's classification. The capital of such firms must be 51 per cent Salvadorean. According to official sources, nearly one hundred firms have benefited under that law. Following is a partial listing of industrial projects already completed, under construction or at the planning stage:

\*Unless otherwise noted, all values are in U.S. dollars. One colon=U.S.\$0.40.

*This modern building in the heart of San Salvador, capital of El Salvador, houses many business offices. Smallest of the Central American republics, El Salvador has the largest number of industries, including textile plants, flour mills, tanneries and shoe factories. Industrial development is continuing at the present time.*



- Investment of \$4 million in match, textile and sugar factories.

- A project for a fair-sized fertilizer plant, well beyond the planning stage.

- A modern sugar refinery that began operations early this year and is now processing 230 tons of sugar a day.

- The Pan Lindo Bakery which received a \$200,000 loan from the Inter-American Bank to expand its operations. This is a six-year loan bearing an interest rate of 5½ per cent a year.

- A new modern flour mill, Molinos de El Salvador (MOLSA), that went into production at the beginning of the year and is expected eventually to supply two-thirds of the country's annual wheat flour needs.

- The planned establishment of a second soluble coffee plant by the Salvadorean Coffee Association.

- The setting up of a joint corporation by Shell of El Salvador and Esso Standard for the construction of an oil refinery with a daily capacity of 15,000 barrels. The refinery is expected to be ready to operate late in 1962.

### **Other Developments**

The Government has approved a four-year National Plan for the spending of \$12 million on highway construction, to be financed from external funds. The Plan includes widening of the Inter-American Highway and shortening and improving the highways to the ports of Acajutla and La Libertad. The new port of Acajutla on the Pacific was officially opened last April and the equipment should be fully installed by the end of the year. The Export-Import Bank has loaned \$1 million for the purchase of dock equipment. The port (which may be declared a "free port") will be able to handle some 500,000 tons of cargo a year. A modern airport at Acajutla is in the planning stage.

Under the new Law for Land Reform, the Institute for Rural Colonization proposes to purchase some 135,000 acres of state and privately-owned lands for distribution among landless families. Further purchases are likely to follow.

The Government has announced that nearly half a million dollars will be spent on badly-needed improvements to San Salvador's municipal water-supply system, and INSAFOP (Salvadorean Institute for the Expansion of Production),

a government entity, has approved a financial assistance program calling for the expenditure of \$400,000 for agricultural and livestock development and of \$1.2 million for the expansion of various industries.

### **Exports Increase**

Statistics on Salvadorean foreign trade are only available for the first half of 1960. During that period, the country exported over \$83 million worth of goods and imported some \$55 million worth, producing a favourable balance of trade of \$28 million. El Salvador usually enjoys a favourable balance of trade but the figure for the period of January-June 1960 is impressive. No doubt the rather severe import and foreign exchange restrictions have been an important factor. On the other hand, exports recorded during that period undoubtedly include some that were actually effected towards the end of the previous year. There is some reason to expect, however, that the corrective measures the Directorio has taken to increase the foreign exchange reserves may have the added result of further improving El Salvador's favourable balance of trade.

**CANADA'S TRADE WITH  
EL SALVADOR**

	Canadian Exports to	Canadian Imports from
	(Can.\$'000)	
1958	2,151	1,186
1959	2,567	3,900
1960	2,390	829

Source: Dominion Bureau of Statistics.

Best customer by far for Salvadorean products was the United States; next came Europe, particularly Germany, the Netherlands, and Japan. The same holds true for El Salvador's sources of supply. Japan is making its influence felt more and more in both export and import trade, especially as a supplier of low-priced consumer goods.

**Trade with Canada**

During 1960, Canadian exports to El Salvador decreased only slightly from the 1959 total but our imports from that country dropped steeply. The accompanying table shows graphically developments during the past three years in Canada's trade with this smallest of the Central American countries.

Our exports to El Salvador in 1960 consisted principally, as in past years, of newsprint (nearly 25 per cent of the total) and wheat flour (also about 25 per cent) but leather regained third place, followed closely by aluminum in primary forms and tallow. Canada's 1960 imports from El Salvador totalled a mere Can.\$829,000, practically all coffee (over 90 per cent of the total) and cotton.

During the first five months of the current year, Canadian exports are down about 12 per cent from the corresponding figure in 1960. It is, of course, much too early to say what the result will be by the end of the year.

In both 1959 and 1960, coffee and cotton occupied first and second place on the list of Canadian imports from El Salvador. For the first three months of 1961,

coffee maintained its traditional lead, shrimps came second in importance, and cotton fell to third place.

**Outlook Is Mixed**

Despite a fairly good beginning in 1961, the realistic forecast for the calendar year is for reduced Canadian sales, mainly because of the rapidly vanishing market for Canadian wheat flour in a country already converted to flour milling and because of the agreement recently signed between El Salvador and the United States, which seems likely to affect Canadian wheat sales to El Salvador seriously. This adverse effect may be felt during 1962 as well, since the United States will be supplying most of

that country's wheat requirements until at least August of next year. Furthermore, Canadian exporters of leather should expect ever-increasing competition from Colombia and Uruguay. Unless the slack is taken up by sales of other commodities, Canadian exporters should expect reduced business for the remainder of 1961 and at least part of 1962. It is difficult to forecast much improvement for several months in view of the recently imposed restrictions on foreign exchange. In brief, the short-term prospects for Canadian exports to El Salvador are not good, but raw materials and low-priced consumer goods should stand the best chance. ●

# Guatemala

Government is fostering new agricultural and industrial projects; exchange reserves are rising; foreign investment is being encouraged. Canadian suppliers are facing competition from United States, German and Japanese exporters.

H. E. LEMIEUX, *Trade Commissioner, Guatemala City.*

DESPITE the continuing slump in world prices for coffee and comparatively poor growing conditions and markets for bananas, (these two are the country's principal sources of foreign exchange), most sectors of the Guatemalan economy now show gratifying signs of recovery from the recession that began in 1958. In fact, most indicators for the current year point to an improvement in both the economic and political situation.

From a low of \$40.3 million\* at the beginning of 1960, the total

\*All values in U.S. dollars unless otherwise specified.

gold and foreign exchange reserves held by the Central Bank of Guatemala had risen to \$50.3 million by the end of the year and they are still slowly but steadily increasing. The International Monetary Fund has indicated that Guatemala's fiscal position has improved significantly during the past year and the standby credit of \$15 million that the Fund granted in June 1960 has not been used. The floating debt—which at the end of the budget year in 1960 stood at \$18 million—was, with the help of a \$10 million loan granted by the United States Government, nearly

liquidated entirely by the end of last December.

These improvements stemmed from the Government's austerity program, more effective tax-collection methods, credit restrictions, better planning of public expenditures and increased industrial development. The latter was encouraged by attractive legislation, supported by the imposition of higher duties to curb imports and spur local industry to greater efforts.

### **Development Proceeding**

The budget for the Guatemalan 1961-62 fiscal year (July 1st to June 30th), as approved by Congress, totals \$121 million, \$17 million more than for the previous fiscal year. Much of it is earmarked for highway construction, diversification of agriculture, expansion of the cattle industry, and various public works, including hydroelectric power and housing developments.

In July 1960 the Government approved the 1960-1964 Four Year Plan which calls for public investment totalling \$170.5 million on a wide range of economic projects, to be financed by the National Treasury, foreign loans, and domestic bond issues. Some 40 per cent of this investment will go into road construction; other projects include the improvement of seaport and airport facilities, hydroelectric and irrigation programs, and agriculture.

Because of intelligent and effective legislation, the agro-pastoral industry is undoubtedly the one to look to for continuing improvement and for increasing importance in the Guatemalan economy. Output of cotton, corn, rice, coffee and (to a lesser extent) wheat are all increasing, in part because of the land reform program, although the climate limits wheat production both in volume and varieties.

Because of steadily falling coffee prices, the Government is endeavouring to diversify agro-pastoral output, with some measure of suc-

cess. For example, Guatemalan sugar exports, which were nonexistent only a few years ago, will probably total at least 20,000 tons to the United States alone in 1961. The cattle population, estimated at 900,000 head in 1956, has grown to nearly 1.25 million. The meat-packing plant EXGUAPAGRA began exporting frozen beef to the United States last May and it is installing a cold storage plant with a capacity of 80,000 pounds at the port of Matias de Galvez. Beef production has currently reached an all-time high of 33,500 tons and prospects are that this figure will rise.

### **Expansion of Industry**

The index for industrial production increased by 6 per cent in 1960, mainly as a result of the Law for Industrial Development. The strong incentives it provides has encouraged the local investment of millions of dollars and as a result, production of foodstuffs (Guatemala is now self-sufficient), tobacco, electricity, tanned leathers, chemicals, textiles and cement have made substantial gains. Exceptions are the lumber, clothing and beverage industries, in all of which output has declined slightly.

Nearly 200 existing or new industries have applied for the fiscal and other advantages available under that law and some 25 per cent of applications, covering a wide range of light industries, have been approved. Many of these plants have begun manufacturing; are turning out kenaf sacks, paper bags, fluorescent lamps and other electrical products, paints, plastic sheets, fiberglass boats, metal furniture, toys, hats, cotton goods, animal feeds and concentrates. Others that are just beginning production or will do so soon include plants to make nylon stockings, lingerie, cotton textiles, tin containers of various kinds, bottle caps, macaroni products, glass and wood products.

Foreign investment is also expected to increase as a result of a law which, when approved by Congress, will protect all private investment, whether local or foreign, against illegal expropriation.

The following is a partial listing of factories that have already been established since the Industrial Development Law was approved and of other plants planning production within the near future.

- A Japanese firm, Toyo Dry Battery Co., has set up a factory to produce flashlight and radio batteries. Initially, the plant will produce only 1½ volt batteries at the rate of 500,000 units a month, but its capacity is for twice that amount. Eventually it will also make radio batteries. This firm has been operating a barbed wire, nail and staple factory since 1959 and it has plans for three additional plants to produce machetes, ceramic products and transistor radios.

- Last March, the Arrow organization opened plants to produce the usual styles of dress shirts. It is currently importing raw materials but is planning to use locally-manufactured textiles in the near future.

- The local brewery has invested \$1 million in a glass bottle factory scheduled to begin production next year.

- REPEGUA, the Refineria de Petroleos de Guatemala, is building a refinery at the port of Matias de Gálvez that should be in operation by the end of next year.

- The Guatemalan Government has called for tenders on the second development stage of a port on the Caribbean-Atlantic. Included are the construction of a dock, warehouses and a breakwater, dredging, and the supply of cargo-handling equipment.

Last July the United Nations Special Fund and the Guatemalan Government reached an agreement under which an extensive survey of the country's hydroelectric and irrigation potential will be undertaken. The survey will cost a little less than a million dollars, including the Guatemalan Government's share. The contract has been awarded to the consulting engineering firm of H. G. Acres & Co. Ltd., of Niagara Falls, Ontario, for the hydroelectric power part of the study; engineers from the Netherlands will conduct the irrigation survey. Work is already under way and the Acres company expects to complete its contract within the next two years.

### Foreign Trade

In 1960, Guatemala again had a deficit in its over-all trade, as the accompanying table shows.

#### GUATEMALAN FOREIGN TRADE

	1959	1960
Imports	\$134,002,641	\$137,759,432
Exports	103,219,079	112,620,981
Balance of trade	-30,783,562	-25,138,451

The leading market for Guatemalan exports was (as in past years) the United States, which absorbed over 55 per cent of the total. The next best customer was Germany (about 20 per cent of the total), followed by Japan, the Netherlands, El Salvador and Canada, in that order.

Guatemalan imports in 1960, which were only negligibly higher in value than for the previous year, came chiefly from the United States (some 52 per cent), Germany (about 12 per cent), the Netherlands Antilles (practically all petroleum products), Japan, El Salvador and Canada. The Guatemalan Government has banned all imports from Communist countries.

The trend is towards a better distribution of Guatemala's import and export trade and the diminishing of the importance of the United

States as a market and as a supplier, with Germany and Japan gaining ground.

### Canada's Trading Position

Canada in 1960 bought more from Guatemala than she sold to her and the figures for the first few months of the current year clearly indicate a continuation of the trend:

#### CANADIAN-GUATEMALAN TRADE

	1959	1960
	(Can.\$'000)	
Canadian imports from Guatemala	2,718	3,256
Canadian exports to Guatemala	2,627	2,106

Source: Dominion Bureau of Statistics.

During the first five months of 1961, Canadian exports to this country were valued at \$825,017 compared with \$822,996 in the same period of 1960, and imports for the first four months, at \$1,198,360, were up from \$1,044,778 in 1960. There is reason to believe that when the returns for the entire year are in, they will show a significant improvement in Canada's trading position. But to increase their share of this market, Canadian exporters will have to offer prices competitive with those of United States, European and Japanese suppliers, offer good and regular delivery dates, and most important, grant much more generous credit facilities than in the past. ●

## Honduras

Energetic sales efforts might well increase Canadian shipments to Honduras, despite the disappearance of preferential tariff rates on some of our leading exports there, including leather and flour.

K. D. TAYLOR, *Assistant Trade Commissioner, Guatemala City.*

AN improvement, though slow, in Honduras business conditions is forecast for the next few years. Encouraging factors are the emergence of the Central American Common Market, the gradual recovery of the banana industry from last year's setbacks, and the implementation of the vast Rio Lindo hydroelectric project. On the negative side, however, the economy of the country still suffers from serious ills, though it is no longer stagnant. Credit is tight, unemployment continues in some areas, and investment has increased only slightly. Some industrialists fear, moreover, that the program for equalization of duty rates—part and parcel of the Cen-

tral American Common Market Agreement—may affect them adversely.

### Agriculture

Although the Government is attempting to diversify and increase agricultural crops and encourage industrial expansion, bananas are still the basis of the economy. The lack of any significant improvement in agriculture during the past few years can be put down to the blow-downs, plant disease, price fluctuations and, to some extent, labour problems suffered by the banana industry. The Standard Fruit Company, faced with continuing financial losses and renewed demands for

higher wages, had been seriously thinking of closing down its operations altogether this year. The company attributes its difficulties to high overhead costs, Panama and other plant diseases, and perhaps even more, to ever-stiffening competition from Ecuador. It is now realized that the Giant Cavendish banana grown in Honduras can barely compete with the Gros Michel variety which accounts for most of the Ecuadorian crop. Among the measures adopted by Standard Fruit to salvage its operations in Honduras are the extension of the current labour contract until February 1962, a reappraisal of production and marketing techniques, and drastic attempts to reduce overhead costs. Forecasts for the 1961 crop are encouraging and production is expected to exceed last year's 10.8 million stems by 20 per cent.

Coffee, cotton and livestock production has offered some scope for agricultural diversification. Coffee production during the current crop year is expected to double last year's, acreage planted to cotton has increased by 125 per cent, and frozen beef exports to the United States are expected to rise in value by 150 per cent.

### Industrial Progress

In the industrial sector, a number of new plants, including a paint factory and a brewery, have recently been established. Planning is well advanced for a factory to turn out cement blocks and allied products for prefabricated houses; a coffee-grinding installation, a food freezing plant, and a plant to manufacture bedding materials are planned. The much hoped for and much needed pulp and paper plant has so far failed to materialize; the National Bulk Carriers and the Honduran Government are still negotiating for an agreement acceptable to both Government and investors. The UN Special Fund, with the Food and Agriculture Organization as execu-

\*All figures are in Canadian dollars except where otherwise specified.

tive agency, has approved a \$350,000\* grant, principally to survey Honduras pine forests; aerial surveys and forest conservation measures will be carried out.

First contracts have been awarded on the Canaveral stage of the Rio Lindo hydroelectric project—to a Japanese firm for the supply of turbines and a U.S. firm for excavation and similar works and the power station itself.

### Foreign Trade

The suspense and uncertainty that prevailed in the Honduran economy during 1960 and are expected to persist for a short while at least were in good part responsible for the unfavourable balance of trade during the past year. Exports in 1960 dipped to \$62.4 million from \$67.2 million in 1959 and imports increased to \$64 million from \$61.8 million. The fall in exports must be attributed largely to a slump in the banana trade; banana exports dropped from \$32 million in 1959 to \$28.6 million last year. Other leading exports were: coffee \$13.3 million, timber \$8.4 million, silver \$2.3 million, and cattle \$1.3 million. The United States, traditionally the main supplier, had provided nearly 60 per cent of total imports up to the end of October 1960. Other principal suppliers were Japan, Germany, El Salvador and the United Kingdom.

Despite the fall in exports, holdings of foreign exchange and gold by the Central Bank stood at \$13.3 million at the end of last year compared with \$12.4 million at the end of 1959. However, the 1960 figure includes a U.S.\$5 million stabilization credit extended by the International Monetary Fund.

### Trade with Canada

In contrast to this over-all downward trend, total trade between Canada and Honduras increased in value from \$3.85 million in 1959 to \$4.77 million in 1960 (see table).

Upper leather sales rose to \$451,412 from \$288,180 in 1959 and

### CANADA-HONDURAS TRADE

	Canadian Exports to Honduras	Canadian Imports from Honduras
	(Can.\$'000)	
1959	945	2,904
1960	1,416	3,352

### CHIEF CANADIAN EXPORTS TO HONDURAS

	1959	1960
	(Can.\$'000)	
Wheat flour	146	130
Malt (mostly brewers')	40	51
Electrical appliances	7	94
Drugs and chemicals	19	78
Calcium compounds	27	77

accounted almost entirely for the improvement in Canadian exports. Values for other leading exports are given in the accompanying table.

A development with implications for future Canada-Honduras trade was the abrogation of the United States-Honduras Trade Agreement of 1935 early this year, as a consequence of Honduras' membership in the Central American Common Market. Canada's most-favoured-nation agreement with Honduras had entitled Canadian exporters to the Honduras preferential rates of customs duties on leather, wheat flour, tires, canned sardines and salmon. Although these preferences disappeared when the United States-Honduras agreement was terminated last February, Canadian exporters will continue to receive most-favoured-nation treatment. Canada's leather exporters may find some consolation in the Law of Co-Operative Associations of 1954, which allows imports of upper side leather into Honduras duty-free, regardless of the country of origin. But the loss of Canada's duty preferences means that exporters of the commodities included in the former agreement will have to be more competitive in price than ever if they are to maintain their sales there.

During the first quarter of this year, Canadian exports to Honduras decreased in value to \$307,098 compared with \$358,672 for the

same period in 1960. But little change is expected in the over-all value of Canadian-Honduran trade despite the disappearance of cus-

toms tariff advantages and the slow pace of Honduran economic recovery. Some Canadian goods, such as raw materials and low-cost con-

sumer products, should continue to hold their own, and with energetic sales efforts Canadian exporters might well improve their position. ●

## Nicaragua

Export and import trade, including that with Canada, slumped last year; crops were poor and prices depressed; heavy rains brought floods. Today the outlook for the important export crops has improved and new industries are springing up.

K. D. TAYLOR, *Assistant Trade Commissioner, Guatemala City.*

NICARAGUA has overcome some of the problems it faced during the past three years and the economy should begin to improve. In 1960, poor crops, depressed prices for export products, torrential rains and floods combined to strike a crippling blow. Added to these difficulties was some uncertainty in the political field and this affected the business community.

It was rumoured that a devaluation of the cordoba was pending,

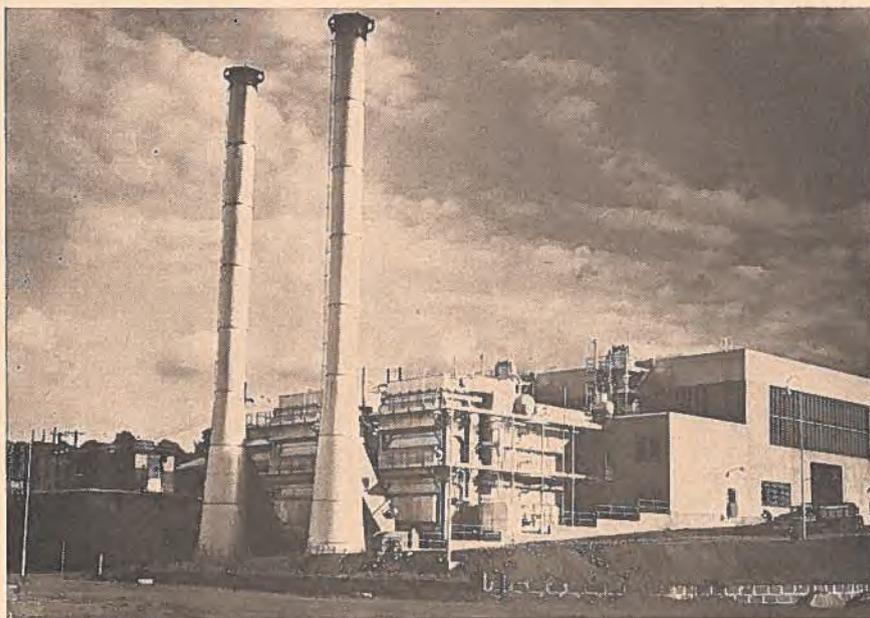
but this proved incorrect and the end of the year was reached without drawing on the U.S.\$7.5 million stabilization loan granted by the International Monetary Fund. Extraordinarily high prepayments for coffee and gains in sugar exports put foreign exchange reserves at U.S.\$8.9 million by December 31, 1960, compared with \$7.6 million at October 31. This enabled the Government to defer a drawing on the standby credit until January

2, 1961, when it drew down \$1.5 million.

Strong opposition to Nicaragua's participation in the Central American Common Market has been voiced by a large group of Nicaraguan industrialists. They claim that under the treaty, industry in Guatemala and El Salvador will thrive at the expense of industry in Nicaragua. Even those who support participation feel that Nicaragua will not receive any short-term benefits.

### Agricultural Prospects Improve

Brighter prospects for coffee and cotton, Nicaragua's main export crops, should make this year a better one. Coffee yields for the 1960-61 season reached about 30,000 tons, a gain of 25 per cent over 1959-60. Nicaragua will be allowed to export almost 88 per cent of the crop, and the new soluble coffee plant will buy most of the remainder. Cafe Soluble began production early this year and has already obtained a \$300,000 order from the United



*This thermoelectric plant, with a 30,000 kw. capacity, is at Managua, capital of Nicaragua. Altogether the country has electric power plants with a total installed capacity of about 46,000 kw.*

States for its instant coffee. The Government and the coffee growers are making strong efforts to increase the yield and raise the quality of Nicaragua's coffee because currently it sells at U.S.\$34.50 per quintal (one quintal equals 101.4 pounds) compared with the \$37.50 per quintal obtained by the other Central American coffee producers.

Floods and the boll weevil played havoc with the 1959-60 cotton crop. Fortunately, this season's is expected to reach about 135,000 bales, 19 per cent larger than the previous one.

The sugar crop is also expected to top last year's figures; estimates range from 1.5 to 1.7 million quintals, five-sixths of which is slated for export. In fact, if markets are available in 1962, sugar exports could reach 65,000 tons.

The livestock and fishing industries are playing an increasingly important rôle in Nicaragua. The wisdom of striving to improve the breeding standards for cattle and of modernizing the Matadero Modelo meat-packing plant is evident in the 1960 export statistics; exports of live cattle and chilled and frozen meat earned approximately U.S.\$4 million in foreign exchange, an increase of roughly \$500,000 over 1959.

Exports of shrimp to the United States are rising and in the first half of 1960 over 220,000 pounds were shipped. Twenty-two shrimp boats operate out of Bluefields, where the freezing and processing plant is located.

### Industry and Development

A number of industrial projects are either under way or in the planning stage. Most of the plants have benefited under the law for the Protection of Local Industries that grants exemptions from customs duties for machinery and equipment. Some of these projects are:

- A flour mill, to be built in Chinadega and financed on a fifty-fifty basis by local capital and General

Mills, is expected to produce enough wheat and corn flour for domestic needs. It has a planned capacity of 80 tons a day.

- A cement factory is under construction with a planned capacity of 15,000 cubic meters a year.

- A new brewery, partly financed by Fox Head Brewery of the United States, will start operations shortly.

- A leather goods factory directed by Hickok of New York is scheduled to begin production this year.

- The Rio Tuma hydroelectric power development will provide a basis for future industrial growth. When the first stage is completed in 1965, generating capacity will be raised by 50,000 kw. La Société de Grands Travaux de Marseilles, with a bid of U.S.\$3.3 million, was awarded the contract for construction of the El Mancotal dam. This phase of the project includes tunnel excavation, construction of the dam, and complementary works.

- The roadbuilding program, which is assisted by U.S. loans and credits totalling \$9.1 million, calls for construction of 90 miles of new highway, as well as access roads to agricultural areas. Highway maintenance equipment will be bought from the U.S.

### Foreign Trade

Nicaragua's 1960 exports totalled U.S.\$63.3 million, a drop of U.S.\$9.0 million from 1959. Imports remained the same, at U.S.\$57 million. Figures for the first five months (detailed figures for the full year are not available) show that the United States, Germany and Japan were again the chief suppliers. The same countries plus the Netherlands Antilles and Surinam were Nicaragua's principal markets in the same period. The import licensing system was recently amended to provide for a

prior import registration certificate before exchange for imports can be bought.\*

Canada's trade with Nicaragua also slumped in 1960. Our exports dropped to Can.\$1.3 million from Can.\$1.5 million in 1959, principally because of smaller sales of upper leather (\$84,000 compared with \$123,000), and of drugs and chemicals (\$35,000 compared with \$212,000). On the other hand, last year Canada bought less coffee and no cotton from Nicaragua and our total imports fell from \$306,377 to \$169,970. Canadian exporters should benefit from Nicaragua's gradual economic growth and the slight increase in per capita income.

\*See article "Nicaragua's Import Licensing System" in the September 9, 1961, issue of *Foreign Trade*.

### PRINCIPAL CANADIAN EXPORTS TO CENTRAL AMERICA

	1959	1960
	(thousands of dollars)	
<b>Total exports</b>	<b>14,311</b>	<b>13,917</b>
Of which:		
Wheat, n.o.p.	334	90
Flour of wheat	3,656	3,187
Malt	473	530
Whisky	231	178
Rubber tires	503	430
Upper leather	877	1,015
Newsprint paper	1,548	1,600
Manufactures of paper	478	463
Milk powder	133	420
Bookkeeping and calculating machines	237	249
Copper wire, insulated	198	318
Antibiotics	171	518
Medicinal preparations	615	475

### PRINCIPAL IMPORTS INTO CANADA FROM CENTRAL AMERICA

	1959	1960
	(thousands of dollars)	
<b>Total imports</b>	<b>23,527</b>	<b>18,018</b>
Of which:		
Bananas	16,483	13,547
Coffee, green	3,176	3,317
Raw cotton	2,922	nil

# Panama

Record revenues from the Canal and other invisibles help to finance large import trade. Canadian exports down slightly last year, but projects mooted should mean new opportunities in months ahead.

K. D. TAYLOR, *Assistant Trade Commissioner, Guatemala City.*

NEXT year holds promise of better sales opportunities for Canadian exporters to Panama. A large and elaborate program of social improvement financed by the United States Government and an ever-increasing flow of traffic through the Panama Canal suggest greater prosperity in the future.

The Inter-American Development Bank plans to lend Panama \$35 million\* for development projects. Housing projects, water supply and sewerage schemes in the capital and a regional hospital system for the central provinces are among the plans. The Institute of Housing and Planning, a Panamanian Government agency, has requested loans from the same bank for building additional housing. In the meantime, the Development Loan Fund has approved a \$2.5 million loan to assist in a program of long-term mortgages for medium-cost housing. Because these loans will be used over a number of years, the economy will not be seriously dislocated.

Although several Canadian firms are already actively involved in the proposed housing schemes, there are still good opportunities for further participation in projects financed by the loans.

The number of ships using the Panama Canal for the fiscal year ended June 30, 1960, reached a record 11,000. During that period Isthmanian tolls reached \$51,800,000, an increase of \$5 million over collections during the 1959 shipping season.

\*Note: All values given in this article are in U.S. funds except where otherwise specified.

Traffic of such proportions has aroused speculation on major improvements to the Canal or the construction of another one elsewhere on the Isthmus. Current efforts have centered around widening of the great Gaillard Cut, improvement of communications, the replacement of towing "mules" by locomotives, and the increase of night traffic.

## Industrial Development

Panama is continuing to establish new industries. A paper-bag plant, a petrochemical refinery, and a can factory are all currently under construction. The paper bag and the can factories offer attractive sales opportunities for Canadian suppliers of pulp and tinplate.

A disappointing development for Canadian mining and machinery suppliers was the unsuccessful oil-exploration efforts of the Panama-Delhi Petroleum Co. After drilling to a depth of over 10,000 feet in Darien, the hole was abandoned as dry and the company is uncertain whether to continue its exploration activities at the same pace.

## Foreign Trade

Canal toll fees, United States payments and other invisible items allow Panama to spend over four times as much for its imports as it receives from total exports. The following table illustrates this feature of its trade.

### PANAMA'S FOREIGN TRADE

	1958	1959
	(U.S.\$'000,000)	
Imports	93	98
Exports	21	22

During 1959 the United States supplied about 50 per cent of Panama's imports. West Germany, the United Kingdom, Japan, and Canada were the other leading suppliers.

As in Honduras, bananas bulk large in Panamanian exports. Export of bananas accounted for roughly 65 per cent of total receipts from export sales in 1959. Shrimps are rapidly becoming a major source of foreign exchange and provided 14 per cent of 1959's exports, the second most important export product. Canada continued to play an important rôle in Panama's international trade in 1960, as the following Canadian figures show:

### CANADIAN-PANAMANIAN TRADE

	Canadian Exports to Panama	Canadian Imports from Panama
	(Can.\$'000)	
1959	4,023	8,888
1960	3,702	6,066
1961		
Jan.-April	1,351	1,675

Wheat flour, newsprint, whisky, razor blades, antibiotics and medical supplies were the chief Canadian exports. Bananas constituted the main Canadian import from Panama, although our purchases dropped about \$3 million in 1960 from 1959.

## Future Prospects

A move that might affect the industrial community would be Panama's participation in the Central American Free Trade Area. The Government has announced that it favours becoming a member but wants first to ascertain the views of the business community. Like its neighbour to the north, Costa Rica, it favours a cautious and gradual approach to the proposal. In the meantime, discussions are being held with Costa Rica and Nicaragua on the establishment of a preferential trade agreement. ●

# Central American Service Set Up

A Canadian shipping line is now providing regular monthly service from Montreal and the East Coast to three Central American ports. This should improve the competitive position of our exporters.

H. E. LEMIEUX, *Trade Commissioner, Guatemala City.*

LAST June, Lunham and Moore, Montreal, managers of the Canada-Jamaica Line,\* inaugurated a direct service from eastern Canadian ports to Puerto Barrios, the Guatemalan port on the Caribbean-Atlantic, and to Belize, British Honduras. The new service is an extension of its regular run between Canada and Jamaica. The enthusiastic response both from Canadian exporters and Central American importers prompted the Line to extend its service to Puerto Cortes, Honduras, beginning October 6. A further step in serving Central American ports—the extension of service onward to Puerto Limon—is currently being studied by the line. If this is done, it will help exporters to Costa Rica as well.

## Regular Service Established

Canada-Jamaica Line ships sail at 14-day intervals to Kingston, Jamaica, departing from Montreal in the summer months and from Saint John, N.B., and Halifax, N.S., in the winter. Each alternate vessel sails beyond to Puerto Barrios, Belize and then to Puerto Cortes. Calculating time on the basis of two days spent in loading at Montreal, 11 days in steaming to Kingston, Jamaica (via Halifax), five days spent in discharging cargo at Kingston, and three days traveling to Puerto Barrios, the scheduled transit time from Montreal to Puerto Barrios is 21 days. Calls are also made at Matias de Galvez, two miles from Puerto Barrios, as business warrants. Thus for the first

\*Booking agents for the line are Kerr Steamships Limited.

time in some years Canadian exporters to Central America can rely upon a regular monthly service from Canadian to Central American ports.

Facilities for onward transmission of cargo at these ports are good. From Puerto Barrios, the International Railways of America (IRCA) operates a railroad service to Guatemala City, San Salvador, and intermediate points. The Guatemalan and Salvadorean division of IRCA are interconnected. Hence El Salvador, which has no direct outlet on the Caribbean-Atlantic, has access to Puerto Barrios for its import and export traffic. Like most railroads in Central America, the IRCA was built by the fruit companies or by groups of investors closely connected with these companies. This applies also to the Ferrocarril Nacional de Honduras, the Tela Railroad Company, and the Standard Fruit Company Railroad. The Northern Railway of Costa Rica is affiliated with, or administered by, the fruit companies on long-term concessions from the various Central American Governments.

The general rule in this area is that ports are operated by the railroads. One exception is the port of Matias de Galvez in Guatemala (sometimes called Santo Tomas) which was built by the Government and connected by a modern highway with Guatemala City, some 180 miles away. Early in October, bids for the extension of the existing pier, dredging, and other ancillary works will be opened, and it is expected that the trucking service from Galvez to Guatemala City and

other commercial centres will be considerably improved in the near future. There are immediate plans for similar improvements to trucking services in Honduras.

## Port Facilities

*Puerto Barrios*—The discharge facilities are satisfactory for the normal volume of import cargo. Ship's gear is used for unloading. Rail service is available to ship's side. The work soon to be undertaken at the port of Matias de Galvez will undoubtedly improve facilities and congestion, particularly during the coffee-exporting season, should be relieved. Net slings for general cargo and platform slings for fibre boxes are used. Fork-lift trucks and other equipment are available. Goods must be packed to provide maximum protection.

*Puerto Cortes*—The terminal has a rail service. Ship's gear is used for discharge and rope and net slings are employed for general cargo. Tarpaulins are available and machinery, automobiles and similar products are put in open storage. The area is fenced-in and provided with watchmen. Extra-safe packing should be provided as protection against the weather and pilferage.

*Puerto Limon*—Rail service to ship's side is provided. Ship's gear is used for unloading, tarpaulins are available, and galvanized pipes, heavy cases, etc., are stored in an open but protected area. Open slings are used for general cargo and pallets for fibreboard boxes and other fragile cargo. There is no port congestion. Prompt delivery to consignees is strongly recommended as protection against pilferage.

## Canada's Position Improved

Most Canadian exporters with experience in selling to this area realize the importance their customers place on regular deliveries of goods. The Guatemala City office of the Trade Commissioner Service

sometimes receives complaints about slow delivery and the arrival of shipments in poor condition, partly because of poor handling and insufficient supervision of unloading at the port of destination. The Canada-Jamaica Line has maintained a regular service to Kingston for some time and it is expected that it will provide shippers with an equally efficient one to these Central American ports, with reliable deliveries. Transshipment will no longer be necessary and this too will save time and the risk of damage. Goods in Central America are usually bought on a c.i.f. basis and importers are anxious that their purchases should be in transit as short a time as possible. Thanks to the new service, delivery time to Costa Rica has been cut to three weeks and to the other Central American ports it has been shortened considerably.

Because of the lack or the inadequacy of direct shipping services from eastern Canada to the Atlantic coast of the Central American countries, a substantial proportion of Canadian exports to these markets is routed via United States ports. In 1959 (the last year for which statistics are available) the dollar value of exports routed through United States ports was \$1 million to Costa Rica, \$1.1 million to Guatemala, \$700,000 to Honduras and \$1 million to British Honduras. The proportion of total exports going to each market via U.S. ports was 50 per cent or higher.

#### **Competitive with U.S. Rates**

Canadian exporters currently sending their shipments through the United States and others who have found they are not competitive in Central America might well take a look at the opportunity for direct shipment from Canada that the new shipping service provides. The freight tariff established by the shipping line offers ocean rates competitive with those out of U.S. Atlantic ports. Under the existing system of rail-rate relationships, export rates to Saint John and Halifax are the

same as those to New York and Boston. Export rail-rates to Montreal are either equal or lower. Manufacturers with plants close to ports of loading on the St. Lawrence and the Atlantic will find a substantial rate advantage in moving their goods only the comparatively short distance to shipside by road transport or by railway at export or domestic rail-rates, whichever offers the lower freight cost.

A substantial proportion of imports into Canada from Central America is also routed through United States ports. The new shipping service offers opportunity for direct import into Canada on return voyage. Importers too might find it worthwhile to explore the possible economies in bringing their goods directly into St. Lawrence and Atlantic ports. ●

## **British Honduras**

**A direct shipping connection, preferential rates on Commonwealth imports, and the exchange rate differential combine to give Canadians an edge in selling to this small, price-conscious market.**

*C. G. BULLIS, Acting Trade Commissioner, Kingston.*

LAST March the people of British Honduras went to the polls to choose 18 representatives who, with five nominated and three official members, would form the country's first government under its new constitution, granting the Colony complete internal self-government. The party headed by Mr. George Price, who had pledged himself and his party to full membership within the Commonwealth, won all 18 seats.

#### **Production Summarized**

British Honduras has until recently been a one-crop economy; it is now beginning to reap the rewards of the efforts made by government officials to achieve diversification. Current measures to attract light industry include special tax incentives and duty-free entry of industrial equipment. One firm is already in production and two others are in the process of getting established. Although the industrial sector is not expected to expand

rapidly, a firm base has been laid on which it can build.

*Agriculture*—Timber, once the population's sole means of livelihood, barely held its position as chief export during 1960; unless the citrus and the sugar industries experience very severe setbacks, they should take over first and second place respectively during 1961/62. Production of fresh vegetables, poultry, and eggs has increased rapidly and imports of these have almost disappeared. Plans for a new abattoir are under way, although animals to keep it going will probably not be raised in sufficient numbers for at least another two to four years.

*Forestry*—British, U.S. and Canadian interests have joined in setting up an industry to extract resin from pine stumps. Raw materials are readily available. The plant will be situated south of Belize and will export to North America; this will bolster the sagging earnings of the lumber industry until such time as

### CHIEF EXPORTS

	1958	1959	1960
	(in B.H.\$'000)		
Timber	3,290	3,270	3,720
Citrus	1,800	1,790	3,130
Sugar	1,310	2,240	2,100
Chicle gum	650	620	610
Fish and lobster	240	260	300

### CHIEF IMPORTS, 1960

	(in B.H.\$'000)
<b>Total imports</b>	<b>18,784</b>
Of which:	
Food	5,400
milk	900
flour	800
rice	500
beverages	450
meats	420
lard	350
other dairy products	320
Manufactured goods, materials	3,900
Machines and vehicles	3,400
Manufactured articles	1,900
Chemicals	1,500
Fuel	1,300

the mahogany forests can be replaced. The other avenue open to British Honduras is to find markets for the large quantities of secondary hardwoods and softwoods that it has on hand. Forestry officials are at present investigating the matter and experimenting to determine whether balsa, a fast-growing species of softwood, could be successfully introduced into the country.

#### Trade Outlook

British Honduras has traditionally had an unfavourable trade balance—it averaged B.H.\$8.9 million in the three years 1958/60—but the expanding citrus and sugar industries and the potential importance of resin and clothing exports make future prospects much brighter. Exports in 1960 reached B.H.\$11.2 million compared with \$9.6 million in 1959, and imports dropped to B.H.\$18.8 million compared with \$19.6 million in 1959. The trade deficit thus dropped to B.H.\$7.6 million from \$10 million the year before.

It is agriculture, however, that appears to hold the most promise for

the foreseeable future, as the table of chief exports on the left shows. Local production is being developed both for home consumption and for export.

Chief imports last year are given in the accompanying table.

#### Opportunities for Canadians

Canadian exports to British Honduras increased in value from \$289,000 in 1959 to \$409,000 in 1960. The products included a variety of manufactured goods, ranging from power saws and motor cars to canned foods and paper bags. The most important commodities were tires, cotton fabrics, milk powder, wooden staves, flour, and canned soups (in that order). Although stiff competition can be expected from suppliers in the Southern United States, Canadian companies are now in an excellent position to

win a larger share of the market. A 12½ per cent margin of preference on most products from Commonwealth countries, plus the present 3 per cent differential on the exchange rate, give Canadian exporters an advantage. Opportunities do exist, although Honduran imports are small and quality is not as important as price.

One of the main stumbling-blocks in Canada-British Honduras trade in the past has been the lack of a direct shipping connection. This situation altered with the decision of the Canada-Jamaica Line to call at Belize en route to ports in Central America. The new service has opened up the entire Central American area to Canadian firms, which previously were at a decided disadvantage because of transshipping costs. ●

## Puerto Rico

All sectors of the economy expanded in 1960 and net income rose. Import and export totals were up; Canada's sales also improved.

W. B. McCULLOUGH, *Commercial Counsellor, Ciudad Trujillo.*

PUERTO RICO had another good year in 1960 and 1961 should prove even better. The Department of Finance reports that for the fiscal year ended June 30, 1960, its net income totalled \$1,311 million, 9.4 per cent above the previous fiscal year. Earnings from commercial activity increased by 12 per cent, from manufacturing by 16 per cent to \$289 million, and from agriculture by 3 per cent to \$180 million, in spite of a drop in sugar production because of bad weather. The per capita income, one of the highest in Latin America, rose by 11 per cent to \$571.

By the end of June, the number of factories established under the Economic Development Administration had reached 596 and income from them rose by 27 per cent to \$155 million.

Puerto Rico is popular with tourists and this trade is helped by air transport from the United States. It is attracting vacationers from the north during the summer months as well as in the winter. Hotel occupancy is over 75 per cent throughout the year and near capacity during the peak months of January and February. Some 343,737 tourists visited the Island during the

## PUERTO RICAN IMPORTS, 1960

(millions of U.S. dollars)	
<b>Total imports</b>	<b>912</b>
of which:	
United States	760.8
Venezuela	60.4
Canada	13.7
United Kingdom	7.4
Belgium and Luxembourg	7.0
Netherlands Antilles	6.2
France	5.3

1960 fiscal year, a 31 per cent increase over the previous year. Revenue from the tourist trade is estimated at \$51 million.

### Foreign Trade

Puerto Rico's imports rose during the 1960 fiscal year and reached a total value of \$912 million, compared with \$808.7 million in 1959. Exports were higher too—\$611.8 million compared with \$503.2 million. The United States continued to dominate the trade because of the close ties and the absence of customs duties between the two countries. Of total imports, the United States supplied \$760.8 million but the remainder, \$151.2 million, indicates that the market is by no means closed to other countries.

Of its total exports of \$611.8 million, Puerto Rico shipped \$594.3 million worth to the U.S. and \$17.4 million to all other countries. Canadian purchases totalled \$1.3 million.

During the calendar year 1960, Canada's sales to Puerto Rico were valued at Can.\$11.2 million, compared with Can.\$10.5 million in 1959. Leading our exports were construction lumber, (such as hemlock and Douglas fir) at Can.\$3.8 million, and fisheries products (mainly dried salt cod from Newfoundland) at Can.\$3.6 million. Both these figures were up slightly from 1959. Canada's principal exports are shown in the accompanying table.

Because Puerto Rico is part of the United States, there are no tariff or trade barriers between that country and the Island. The U.S. tariff applies to all foreign goods imported

## PRINCIPAL CANADIAN EXPORTS TO PUERTO RICO

	1959	1960	1961 Jan.-May
(in Canadian dollars)			
<b>Total exports</b>	<b>10,521,559</b>	<b>11,171,852</b>	<b>5,148,815</b>
of which:			
Potatoes, except seed, n.o.p.	173,972	1,000	9,470
Malt	491,834	482,155	160,198
Pollock, dried salted	420,802	481,075	189,701
Cod, salted	2,271,469	3,114,919	1,377,527
Haddock, pollock etc., frozen	25,517	13,557	6,200
Lumber	3,390,460	3,844,154	1,775,717
Newsprint	1,524,610	1,079,470	471,453
Passenger autos	358,115	486,324	172,684
Copper, rods, strips, sheets	117,693	75,412	55,437
Copper tubing	311,477	469,578	137,730
Electrical apparatus, n.o.p.	264,112	2,113	.....
Whisky	98,117	78,924	17,311
Oats	94,368	126,380	41,194

from abroad and the currency used is the U.S. dollar. Puerto Rico imposes no import or exchange controls but, like others in the Caribbean area, it is a price-conscious

market; most importers ask, "What is the unit cost c.i.f., plus duty?" Canadian exporters of raw and semi-processed materials for industry can find a good market here. ●

# Dominican Republic

Cured fish and wheat dominated our exports to the Republic in 1960, and we sold petroleum products there for the first time. The market is small but open to a wide range of competitive products.

W. B. McCULLOUGH, *Commercial Counsellor, Ciudad Trujillo.*

THE assassination of Generalissimo Trujillo shocked Dominicans but did not cause the panic or disturbance in the business community that was at first feared. Law and order prevailed throughout the country, with business as usual.

The business recession in the Republic continues, largely because of low world prices for the principal export crops (sugar, coffee and cocoa), the curtailment of government works programs, unemployment, and monetary and fiscal

policies. All imports are under government control and the exchange situation remains tight. The commercial banks have a backlog of \$4 million, or about six weeks' delay, in exchange remittances abroad.

### Foreign Trade

In 1960 this country had a record trade of \$267.4 million, 8 per cent higher than in 1959. Exports totalled \$180.4 million, about \$50 million higher than the previous year, and imports \$87 million, the



Although the Dominican Republic concentrates on the growing of sugar cane and sugar and its byproducts make up over half of its exports, it raises many other crops. Among these are bananas; our picture shows banana stems being unloaded at a receiving centre in the Republic. Last year banana exports earned U.S.\$11.2 million.

lowest since 1954. The favourable balance of \$93.3 million, contrasted with \$12.6 million in the previous year, is also a record. Although

sugar and byproducts continue to be the leading exports, there has over the years been a good measure of successful diversification from a

one-crop (sugar) economy to other agricultural products that also provide a surplus for export. Among these are coffee, cocoa, rice, cotton,

TABLE I

DOMINICAN REPUBLIC EXPORTS 1960

	(U.S.\$ million) (per cent)	
Sugar and products	97.1	53.9
Coffee	22.6	12.5
Cocoa and chocolate	20.5	11.4
Bananas	11.2	6.2
Bauxite	8.0	4.5
Tobacco	6.7	3.7
Fresh and frozen meat	1.8	1.0

TABLE II

CHIEF MARKETS

	1959	1960
	(per cent of value)	
United States	52.7	59.2
United Kingdom	15.7	12.4
Netherlands	4.1	5.1
West Germany	3.4	4.0
Japan	3.5	3.3

CHIEF SUPPLIERS

	1959	1960
	(per cent of value)	
United States	59.4	52.3
West Germany	6.6	7.4
Canada	4.2	5.5
United Kingdom	4.0	5.0
Japan	2.8	4.5
Netherlands Antilles	5.1	4.2

TABLE III

MAIN CANADIAN EXPORTS TO DOMINICAN REPUBLIC

	1959	1960	1961 Jan.-March
	(in Canadian dollars)		
Total Exports	5,137,477	5,061,888	1,311,255
Of which:			
Upper leather	26,406	40,106	4,794
Leather, unmanufactured	14,210	17,794	.....
Potatoes, seed	59,280	33,128	8,095
Wheat	4,406	1,002,672	501,903
Wheat flour	1,103,607	183,219	.....
Macaroni, spaghetti	136,113	42,577	.....
Malt	78,262	40,188	13,347
Bloaters	339,832	238,857	82,107
Pollock, dried salted	1,039,201	1,112,633	322,493
Other cured fish	195,195	289,135	47,344
Vegetable food products, n.o.p.	105,613	67,225	.....
Tires for trucks and buses	240,007	245,217	47,205
Tires for passenger autos	51,944	65,273	9,966
Newsprint	418,941	202,280	47,999
Copper wire, insulated	264,589	229,772	30,358
Machinery and parts	73,207	529	.....
Passenger autos	57,312	1,808	.....
Asbestos milled fibres	85,570	72,440	16,600
Sardines	94,433	77,127	10,390
Aluminum, semifabricated	5,997	58,433	.....
Coal oil and kerosene	.....	64,511	.....
Gasoline and naphtha	.....	271,582	.....
Fuel oil	.....	219,240	.....
Combs	51,303	34,986	.....
Contractors' outfits and supplies	.....	62,049	.....

tobacco, bananas, tomatoes, beef, dairy products, and a range of vegetables for the neighbouring islands. Salt, gypsum, cement, bauxite and sisal twine have also entered export trade (see Table I).

During the first quarter of 1961, exports totalled \$40.9 million and imports \$17.2 million. The United States continues to be the Republic's leading customer and chief source of supply (see Table II).

### Trade with Canada

Although total imports into the Dominican Republic in 1960 declined by nearly 26 per cent, imports from Canada totalled a little over \$5 million, only slightly less than in 1959. Cured fish, mainly pollock and hake from Nova Scotia, continued to dominate our trade. With the new flour mill in operation here, the market for Canadian wheat flour has disappeared but has been replaced by sales of wheat that reached over \$1 million in 1960, or about equal the flour exports of the year before. Since the mill also manufactures semolina, the import of this and of packaged alimentary pastes has ceased. The shipment on a large tanker from Halifax of petroleum products valued at about half a million dollars was a new item in our trade with this country in 1960.

### Exchange

The exchange situation has been tight and is expected to remain so until the first quarter of next year. Last December it was officially announced that the two loans totalling \$38 million, from the Bank of Nova Scotia to the Rio Haina sugar interests would be repaid to save interest charges, even though the loans were not due. In liquidating these loans, the Central Bank exhausted its gold reserves and used most of its dollar reserves. Early this year it was announced that 90 per cent of the foreign exchange derived from exports must accrue to the credit of the Central Bank. In June the president announced the removal of con-

trols—monopolies on production and marketing—from coffee and cocoa. Up to now, large amounts of exchange from these exports have stayed outside the country.

After the importer pays the draft or bill in pesos, the commercial banks have been taking up to six weeks to remit the exchange. The amount of the backlog is not large but the delay causes some anxiety among Canadian exporters. Early in September, President Balaguer announced to the banking interests his intention to invite the International Monetary Fund to send representatives to the Republic to examine the exchange situation and to assist in operating the exchange account.

Growing conditions have been excellent throughout the year. During the dry season, December through

April, there were well-spaced rain-falls and during the wet season, only minor losses from floods. Record crops of the country's important export commodities—sugar, coffee, cocoa and tobacco—are forecast.

The Dominican Republic, with its three million inhabitants, offers the Canadian exporter a small market for a wide range of products. We have a most-favoured-nation trade agreement with the Republic and both countries are members of the GATT. The Republic has no special trade agreements with other countries and import duties are the same for all. However, many of the inhabitants have low incomes and demand low-priced merchandise. Price, not quality, is in most instances the determining factor in sales to this market. ●

## Cuba

**Build-up of industry and program for diversifying agriculture have increased demand for Canadian products this year. Cuban foreign exchange and trade policies will influence this trade in longer term.**

P. A. SAVARD, *Commercial Counsellor, Havana.*

THE Cuban Government has now consolidated its ownership of business and industry to the point where only a small fraction remains free of control. New industrial plants are being established but as they have not yet come into production, this new effort to increase national output is not yet playing a substantial part in the economy. In addition, as stocks of imported raw materials, consumer goods and foodstuffs were used up, the resulting shortages created serious industrial production problems and resulted in the introduction of consumer rationing.

Agricultural production has increased and has become more broadly based but output will be

unable to meet the greater consumer demand for some time to come. Both industry and agriculture suffer from the lack of administrative experience and capacity at the various executive levels.

It would be wrong, however, to conclude that no progress has been or is being made. The achievements in diversifying agriculture are impressive, although the full effects have still to be felt and, indeed, it may take some years to carry out certain phases of the agricultural program.

Industrially the prospects are less clear and it is too early to make a valid judgment. Industry was nationalized only a year ago and

## Cuba's Foreign Trading Agencies

**Empresa Cubana de Importaciones**  
**Infanta No. 16, or**  
**Apartado No. 7031,**  
**Havana, Cuba.**

*Sección I—Alimentos*  
 Foodstuffs

*Sección II—Efectos Eléctricos y del Hogar*  
 Electrical and household supplies

*Sección III—Productos Farmacéuticos*  
 Pharmaceuticals

*Sección IV—Materias Primas*  
 Gelatines, explosives, essential oils, cement, linseed oil, polyethylene, tar, synthetic rubber, wire, livestock, poultry, hatching eggs, etc.

*Sección V—Textil*  
 Textiles

*Sección VI—Maquinaria*  
 Machinery

*Sección VII—Transportes*  
 Transport equipment

*Sección VIII—Materias Primas*  
 Petroleum, lumber, paper, pulp, fertilizers, seeds, etc.

*Sección IX—Equipos Médicos y Dentales*  
 Medical and dental equipment

*Sección X—Productos Químicos*  
 Chemicals

**Empresa Cubana de Exportaciones**  
**Calle 23 No. 55, Vedado, or**  
**Apartado No. 6320,**  
**Havana, Cuba.**

*Sección Azúcar*  
 Sugar (raw and refined), blackstrap molasses

*Sección Tabaco*  
 Cigars, leaf tobacco, cigarettes

*Sección Agropecuarios*  
 Coffee, powdered cocoa, cocoa meal, cocoa beans; rum, cordials; birds; palm fibres; kelp; pineapples, avocados, tomatoes, mangoes, cucumbers, peppers

*Sección Industriales-Minerales*  
 Semi-manufactured goods and minerals

the resulting problems of change-over in management and administration have slowed down production.



Canada continues to sell both certified seed and table potatoes to Cuba and has obtained new 1961 contracts. Here Canadian potatoes are unloaded at the cold storage warehouse near Havana that the Cuban Government built and operates.

Moreover, new plants are still in the planning or the building stage.

### Pattern of Foreign Trade

The major part of Cuba's trade is now carried on with the U.S.S.R. and other Eastern European countries, and with Communist China. It is a trade based on barter and payments agreements, although the Soviet Union in particular has given Cuba substantial credits. There are no co-ordinated statistics, so it is impossible to estimate either the volume or the value of this trade. Trade with the United States has, of course, fallen drastically. Similarly, because the Central Bank has not issued any statements, no estimates of exchange reserves are possible.

During the past year, the National Bank for the Foreign Commerce of Cuba (BANCEC), which had for some months been serving as the central trading agency of the Cuban Government, was dissolved. Its functions were taken over and expanded by the Ministry of Foreign Trade (MINCEX). Both the Export Branch (Empresa Cubana de Exportaciones) and the Import Branch (Empresa Cubana de Importaciones) of MINCEX include

a number of commodity divisions; for details, see the accompanying box. In the Import Branch, these commodity divisions issue all purchase orders and in the Export Branch they make all sales. Canadian exporters and traders who wish to do business in Cuba should approach the appropriate division of the Ministry of Foreign Trade either through their duly appointed agents in Havana or through the office that the Ministry has set up in Montreal. Payment terms are usually negotiated on the basis of confirmed letter of credit in a Canadian bank.

(Canadian exporters who may wish to cultivate the Cuban market directly are reminded that they now must have both a passport and a visa for entry into Cuba.)

### Trade with Canada

Canada's exports to Cuba have increased substantially both in volume and value during 1961. Our sales to Cuba for the five months from January 1 to May 31 totalled over \$12 million and covered a fairly wide range of products. During this time Cuba became Canada's second largest market for livestock and poultry (next to the

United States) and continued to be an excellent customer for wood pulp. Canadian farmers have also been awarded contracts for supplying Canadian seed potatoes for the 1961-62 season and orders for the major part of Cuban requirements of table potatoes for November and December have also been placed in Canada. Salt codfish orders have not proved to be as substantial this year, although recently there have been signs of renewed interest. Some traditional exports, on the other hand, are no longer being shipped; Cuba is buying its wheat and newsprint, for instance, from the Soviet Union.

Cuban sales to Canada have also undergone some changes; shipments of raw sugar have slumped but

tobacco shipments have continued in normal volume. To back up these traditional sales to Canada, Cuba would like to market more tomatoes (they made a definite impression on the Canadian market last year) and a number of other agricultural and fisheries products, such as pineapple, avocados, and frozen shrimp in season.

### The Outlook

Cuba should continue to require worthwhile quantities of Canadian goods for some time to come. The administration is dedicated to the achievement of greater self-sufficiency in foodstuffs and in industrial products and is making strenuous efforts to this end. During this period of build-up of agricultural

and industrial capacity, Cuba's need for capital goods is bound to be greater but this need is likely to diminish as local production increases. Larger domestic output may mean a reduction in imports of livestock and other farm products but greater industrial production, on the other hand, should mean a greater demand for raw materials and semi-processed goods. Many of the projected industrial plants will have to obtain their raw materials from foreign sources.

To sum up, it is difficult to forecast any trade pattern or trend. Present imports do not adequately fill Cuban requirements, but foreign exchange and trade policies have a good deal of influence on how these needs are met.

## TRADE COMMISSIONERS ON TOUR

### In Canada

**L. S. GLASS**, Trade Commissioner in Salisbury, Federation of Rhodesia and Nyasaland:

Montreal—Oct. 19-24

Granby—Oct. 25

When he completes his tour and home leave, Mr. Glass will return to Salisbury.

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

### In Territory

**D. S. ARMSTRONG**, Commercial Counsellor in Cairo, United Arab Republic, will visit Damascus, Syria, from November 12-18.

**G. E. BLACKSTOCK**, Consul and Assistant Trade Commissioner in New Orleans, will visit the following cities in Florida from November 8-22: Jacksonville, Orlando, Fort Lauderdale, Port Everglades, Miami, Coral Gables, Tampa, St. Petersburg, and Clearwater.

**R. A. BULL**, Assistant Commercial Secretary in Bogota, Colombia, will visit Medellin, October 31 and November 1.

**D. I. CAMPBELL**, Assistant Commercial Secretary in Caracas, Venezuela, will visit Maracaibo from November 13-16.

**P. V. McLANE**, Trade Commissioner in Glasgow, Scotland, will visit Belfast, Northern Ireland, from November 20-24.

**K. NYENHUIS**, Commercial Counsellor in Copenhagen, Denmark, will visit Warsaw, Lodz, and Katowice in Poland during the second half of October.

**R. F. RENWICK**, Commercial Counsellor in Port-of-Spain, Trinidad, will visit Grenada, St. Vincent, St. Lucia, Dominica, Montserrat and Antigua from November 16-24.

**K. D. TAYLOR**, Assistant Trade Commissioner in Guatemala City, will visit El Salvador from November 29-December 2.

**W. R. VAN**, Trade Commissioner in Liverpool, England, will visit Sheffield on October 23 and 24.

*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. Blackstock at New Orleans, Mr. Bull at Bogota, Mr. Campbell at Caracas, Mr. McLane at Glasgow, Mr. Nyenhuus at Copenhagen, Mr. Renwick at Port-of-Spain, Mr. Taylor at Guatemala City, and Mr. Van at Liverpool.*

# SHIPPING SERVICES FROM CANADA TO THE CARIBBEAN

## FROM

	Pacific Coast	St. Lawrence and Atlantic
<b>TO: British Honduras</b>		Canada Jamaica Line ( <i>Kerr Steamships Ltd., Montreal</i> )
<b>Costa Rica</b>	Chilean North Pacific Line ( <i>Dodwell &amp; Co. Ltd., Vancouver</i> ) Grace Line ( <i>C. Gardner Johnson Ltd., Vancouver</i> ) Grancolombiana Line ( <i>Balfour, Guthrie Canada Ltd., Vancouver</i> ) Venezuelan Line ( <i>Empire Shipping Co. Ltd., Vancouver</i> )	West Coast Line ( <i>Saguenay Shipping Ltd., Montreal</i> )
<b>Cuba</b>	"K" Line ( <i>Johnson Walton Steamships Ltd., Vancouver</i> )	Mambisas Line ( <i>Colley Motorships Ltd., Montreal</i> )
<b>Dominican Republic</b>	"K" Line Mitsui Line ( <i>Pacific Export Lines Ltd., Vancouver</i> )	Saguenay Shipping Ltd.
<b>El Salvador</b>	Chilean North Pacific Line Grace Line Grancolombiana Line	<i>Via Puerto Barrios:</i> Canada Jamaica Line
<b>Guatemala</b>	Chilean North Pacific Line Grace Line Grancolombiana Line	Canada Jamaica Line
<b>Haiti</b>		Royal Netherlands Line
<b>Honduras</b>	Grace Line	Canada Jamaica Line
<b>Mexico</b>	Chilean North Pacific Line Daido Line ( <i>Dingwall Cotts &amp; Co., Vancouver</i> ) Grancolombiana Line Grace Line Venezuelan Line	Grancolombiana Line ( <i>Swedish American Line, Montreal</i> ) Swedish American Line ( <i>Swedish American Line, Montreal</i> )
<b>Nicaragua</b>	Chilean North Pacific Line Daido Line Grace Line	
<b>Panama</b>	Daido Line d'Amico Line ( <i>Anglo-Canadian Shipping Co. Ltd., Vancouver</i> )	Grancolombiana Line West Coast Line

## FROM

Pacific Coast

St. Lawrence and Atlantic

**TO: Panama** Grace Line  
"K" Line  
(Johnson Walton Steamships Ltd.,  
Vancouver)  
Mitsui Line  
(Pacific Export Line, Vancouver)  
Moore-McCormack Lines  
(Balfour, Guthrie Canada Ltd.,  
Vancouver)  
Saguenay Shipping Ltd.  
(Saguenay Shipping Ltd., Vancouver)

Puerto Rico

Saguenay Shipping Ltd.

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## FOREIGN TARIFFS

## AND TRADE REGULATIONS

### Barbados

**TARIFF INCREASES ANNOUNCED**—The Barbados Government has announced increases in the rates of import duty on the following items: radio receivers for domestic (household) use; radio gramophones (radio-grams); radio receivers for use in motor cars; television receivers.

The former rates of 10 per cent ad valorem and 20 per cent ad valorem under the Preferential and General Tariffs, respectively, have now been increased to 20 per cent ad valorem and 30 per cent ad valorem.

### Sweden

**NEW LIBERALIZATION MEASURES ARE ANNOUNCED**—The Swedish Agricultural Marketing Board has freed, effective June 23, 1961, imports of fresh, chilled, or frozen salmon. Also, fresh pears may be imported freely from September 19, 1961, until June 30, 1962, and certain agricultural products have been temporarily freed for import until March 31, 1962.

Detailed information is available from the International Trade Relations Branch of the Department of Trade and Commerce.

### United States

**TARIFF-RATE QUOTA FOR WHITE OR IRISH POTATOES**—The estimate of the production of white or Irish potatoes, including seed potatoes, in the United States for the calendar year 1961, made by the U.S. Department of Agriculture as of September 1, 1961, was 464,065,000 bushels. Since the estimated production is greater than 350 million bushels, the tariff-rate quota for white or Irish potatoes, other than certified seed, will remain at 600,000 bushels of 60 pounds each for the twelve-month period beginning September 15, 1961.

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### CORRECTION

The article "Australian Economy Readjusts", published in our September 23 issue, included a table on Australian trade with selected countries. This table covered exports to and imports from Australia in the fiscal years ended June 30, 1960 and 1961, plus a column showing the change in 1961 over 1960. The latter figures were incorrectly listed as being in per cent. They are in millions of Australian pounds, like those in the first four columns of the table.

# Foreign Trade Service Abroad

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Argentina	C. S. Bissett Commercial Counsellor C. O. R. Rousseau Commercial Secretary J. G. Ireland Assistant Commercial Secretary	Canadian Embassy Bartolome Mitre 478 BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 33-8237
Australia (Capital Territory New South Wales, Northern Territory Queensland) Dependencies	S. V. Allen Commercial Counsellor for Canada L. D. Burke Assistant Commercial Secretary E. E. Price Assistant Commercial Secretary	7th Floor, Berger House 82 Elizabeth Street SYDNEY	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Phone:</i> 28-5696
Australia (Victoria, South Australia, Western Australia, Tasmania)	H. A. Gilbert Commercial Counsellor for Canada I. R. Smyth Assistant Commercial Secretary	Mobil Centre 2 City Road SOUTH MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 61-3473
Australia	R. B. Nickson Commercial Counsellor	Office of the High Commissioner for Canada State Circle CANBERRA	<i>Mail:</i> (City Address) <i>Cable:</i> DOMCAN <i>Phone:</i> U-1304 <i>Telex:</i> CBA C217 (DOMCAN CBA)
Austria Bulgaria, Czechoslovakia, Hungary, Rumania, Yugoslavia	R. K. Thomson Commercial Counsellor for Canada P. A. Freyseng Assistant Commercial Secretary	Operrnhof Operrng 1 VIENNA 1	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 57-25-97 <i>Telex:</i> 1-3380 (DOMCAN VIENNA)
Belgium Luxembourg, European Economic Community, European Atomic Energy Com- munity, European Coal and Steel Community	L. H. Ausman Commercial Counsellor (absent) A. A. Lomas Acting Commercial Secretary P. T. Eastham Assistant Commercial Secretary	Canadian Embassy 35 rue de la Science BRUSSELS 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 13.38.50 <i>Telex:</i> 0-2613 (DOMCAN BRU)
Brazil	Wm. Jones Commercial Counsellor (absent) Malcolm Rowan Acting Commercial Secretary	Canadian Embassy Edificio Metropole Av. Presidente Wilson 165 RIO DE JANEIRO	<i>Mail:</i> Caixa Postal 2164 <i>Cable:</i> CANADIAN <i>Phone:</i> 42-4140 <i>Telex:</i> RIO 175 (DOMINION RIO)
Brazil	D. M. Holton Consul and Trade Commissioner R. H. Gayner Consul and Assistant Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Phone:</i> 36-6301
Ceylon	Commercial Secretary (absent)	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> CANADIAN <i>Phone:</i> 91341
Chile	J. R. Midwinter Commercial Secretary J. M. Knowles Assistant Commercial Secretary	Canadian Embassy 5th Floor Agustinas 1225 SANTIAGO	<i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Phone:</i> 64189
Colombia Ecuador	J. H. Bailey Commercial Secretary and Consul R. A. Bull Assistant Commercial Secretary	Canadian Embassy Edificio Banco de Los Andes Carrera 10, No. 16-92 BOGOTA	<i>Airmail:</i> Apartado Aereo 8582 <i>Surface Mail:</i> Apar- tado 1618 <i>Cable:</i> CANADIAN <i>Phone:</i> 43-00-65

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone &amp; Telex</b>
<b>Congo</b> Angola, Central African Republic, Chad, Congo (Community), Gabon	Consul General	Canadian Consulate General C.C.C.I. Building Boulevard Albert 1er LEOPOLDVILLE 1	<i>Mail:</i> Boîte Postale 8341 <i>Cable:</i> CANADIAN <i>Phone:</i> 2706 <i>Telex:</i> LEO 68 (DOMCAN LEO)
<b>Cuba</b>	P. A. Savard Commercial Counsellor	Canadian Embassy Edificio Ingenieros Civiles Calle 17 y O Vedado HAVANA	<i>Mail:</i> Gaveta 6125 <i>Cable:</i> CANADIAN <i>Phone:</i> 32-3526
<b>Denmark</b> Greenland, Poland	K. Nyenhuis Commercial Counsellor	Canadian Embassy Prinsesse Maries Allé 2 COPENHAGEN V	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> Hilda 3306
<b>Dominican Republic</b> Puerto Rico	W. B. McCullough Commercial Counsellor J. C. Leith Assistant Commercial Secretary and Vice Consul	Canadian Embassy Edificio Copello 408 Calle El Conde CIUDAD TRUJILLO	<i>Mail:</i> Apartado 1393 <i>Cable:</i> CANADIAN <i>Phone:</i> 2-8138
<b>France</b> Algeria; Cameroon Republic, Dahomey, Guinea, Ivory Coast, Mali Republic, Mauretania, Morocco, Niger, Senegal, Togoland, Volta	A. G. Kniewasser Commercial Counsellor W. G. Brett Assistant Commercial Secretary R. G. Woolham Assistant Commercial Secretary Y. C. Jauron Assistant Commercial Secretary	Canadian Embassy 35 Avenue Montaigne PARIS 8e	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> BALzac 99-55 <i>Telex:</i> 2-0600 (DOMCAN PARIS)
<b>Germany</b> Federal Republic	J. A. Stiles Commercial Counsellor H. E. Campbell Commercial Counsellor W. J. O'Connor Assistant Commercial Secretary (Agriculture) Louis de Salaberry Assistant Commercial Secretary	Canadian Embassy 22 Zitelmannstrasse BONN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 21971 <i>Telex:</i> 886421 OR 886422 (DOMCAN BONN)
<b>Germany</b>	R. E. Gravel Consul General Richard Turcotte Vice Consul	Canadian Consulate General 69 Ferdinandstrasse HAMBURG	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 326149
<b>Ghana</b> Gambia, Liberia, Sierra Leone	K. F. Osmond Commercial Secretary	Office of the High Commissioner for Canada E 115/3 Independence Ave. ACCRA	<i>Mail:</i> P.O. Box 1639 <i>Cable:</i> CANADIAN <i>Phone:</i> 4824
<b>Greece</b> Cyprus, Israel, Turkey	B. A. Macdonald Commercial Counsellor B. C. Steers Assistant Commercial Secretary	Canadian Embassy 31 Vassilissis Sophias Ave. ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 74044
<b>Guatemala</b> Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	H. E. Lemieux Canadian Government Trade Commissioner K. D. Taylor Assistant Trade Commissioner	5a Avenida 11-70, Zone I GUATEMALA CITY, C.A.	<i>Airmail:</i> P.O. Box 400 <i>Surface Mail:</i> P.O. Box 444 <i>Cable:</i> CANADIAN <i>Phone:</i> 28448
<b>Haiti</b>	Chargé d'Affaires, a.i. and Consul	Canadian Embassy Route du Canape Vert St. Louis de Turgeau PORT AU PRINCE	<i>Mail:</i> P.O. Box 826
<b>Hong Kong</b> Cambodia, Communist China, Laos, Vietnam, Macao	C. M. Forsyth-Smith Canadian Government Trade Commissioner J. M. T. Thomas Assistant Trade Commissioner D. J. McEachran Assistant Trade Commissioner D. Molgat Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg. HONG KONG	<i>Mail:</i> P.O. Box 126 <i>Cable:</i> CANADIAN <i>Phone:</i> 27743

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone &amp; Telex</b>
<b>India</b> (except States of Gujerat and Maharashtra) Bhutan, Nepal, Sikkim	G. A. Newman Commercial Counsellor  B. Horth Assistant Commercial Secretary	Office of the High Commissioner for Canada 13 Golf Links Area NEW DELHI 1	<i>Mail:</i> P.O. Box 11 <i>Cable:</i> CANADIAN <i>Phone:</i> 74261
<b>India</b> (States of Gujerat and Maharashtra), Goa	W. F. Hillhouse Canadian Government Trade Commissioner	Gresham Assurance House Mint Road BOMBAY	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Phone:</i> 255154
<b>Indonesia</b>	Commercial Division	Canadian Embassy Djl. Budi Kemuliaan No. 6 DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> Gambir 1313
<b>Iran</b>	A. B. Brodie Commercial Counsellor	Canadian Embassy 32 Anatole France TEHRAN	<i>Mail:</i> P.O. Box 1610 <i>Cable:</i> CANTRACOM <i>Phone:</i> 4-9291
<b>Ireland</b>	Commercial Secretary for Canada (absent)	66 Upper O'Connell St. DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 44251
<b>Italy</b> Libya, Malta	Richard Grew Commercial Counsellor  M. S. Strong Commercial Secretary	Canadian Embassy Via G. B. De Rossi 27 ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 864-327 <i>Telex:</i> RMO 86 (RMO 86 DOMCAN OR RMO 56 DOMCAN)
<b>Japan</b> South Korea	A. P. Bissonnet Commercial Counsellor  N. W. Boyd Assistant Commercial Secretary  C. M. Kerr Assistant Commercial Secretary	Canadian Embassy Tokyo	<i>Mail:</i> Canadian Embassy <i>Cable:</i> CANADIAN <i>Phone:</i> 408-2101/8 <i>Telex:</i> TK 2218 (DOMCAN TK 2218)
<b>Lebanon</b> Iraq, Jordan, Persian Gulf area, Syrian Region of United Arab Republic	W. B. Walton Acting Commercial Secretary	Canadian Embassy Alpha Building Rue Clemenceau BEIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN <i>Phone:</i> 50955
<b>Mexico</b>	F. B. Clark Commercial Counsellor  W. M. Miner Assistant Commercial Secretary  G. L. Gagne Assistant Commercial Secretary	Canadian Embassy Melchor Ocampo 463, 7th Floor MEXICO 5, D.F.	<i>Mail:</i> Apartado 25364 <i>Cable:</i> CANADIAN <i>Phone:</i> 25-15-60
<b>Netherlands</b>	J. C. Britton Commercial Counsellor  J. E. Montgomery Assistant Commercial Secretary  J. R. Caux Assistant Commercial Secretary	Canadian Embassy Sophialaan 5-7 THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 61-41-11 <i>Telex:</i> 31270 (DOMCAN HAGUE)
<b>New Zealand</b> Fiji, Samoa, Tahiti, Tonga	J. H. Stone Commercial Counsellor  W. J. Collett Assistant Commercial Secretary	Office of the High Commissioner for Canada Government Life Insurance Bldg., WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Phone:</i> 70-644 <i>Telex:</i> WGN 9 (DOMCAN WGN)
<b>Nigeria</b>	H. W. Richardson Commercial Counsellor  C. T. Charland Assistant Commercial Secretary  N. L. Williams Assistant Commercial Secretary	Office of the High Commissioner for Canada Barclays Bank Building, 4th Floor 40 Marina Road LAGOS	<i>Mail:</i> P.O. Box 851 <i>Cable:</i> CANADIAN <i>Phone:</i> 25262

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone &amp; Telex</b>
Norway Iceland	M. B. Bursey Commercial Counsellor  W. E. Fulton Assistant Commercial Secretary	Canadian Embassy Fridtjof Nansens Plass 5 OSLO	<i>Mail:</i> P.O. Box 1379—Vika <i>Cable:</i> CANADIAN <i>Phone:</i> 33-30-80
Pakistan Afghanistan	J. E. P. Lancaster Commercial Secretary	Office of the High Commissioner for Canada Hotel Metropole, Victoria Rd. KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Phone:</i> 50322 <i>Telex:</i> KRC 10
Peru Bolivia	K. G. Ramsay Commercial Secretary  W. J. Jenkins Assistant Commercial Secretary	Canadian Embassy Edificio Boza, Carabaya 831 Plaza San Martin LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Phone:</i> 72760
Philippines Republic of China (Taiwan)	T. G. Major Consul General and Trade Commissioner (absent)  R. M. Dawson Consul and Acting Trade Commissioner	Canadian Consulate General L & S Building, 3rd Floor 1414 Dewey Boulevard MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Phone:</i> 5-85-97
Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	T. J. Monty Commercial Counsellor	Canadian Embassy Rua Marques de Fronteira No. 8—4° D° LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	L. S. Glass Canadian Government Trade Commissioner (absent)	8th Floor Grindlays Bank Chambers Baker Avenue SALISBURY	<i>Mail:</i> P.O. Box 2133 <i>Cable:</i> CANTRACOM <i>Phone:</i> 26571
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	E. H. Maguire Canadian Government Trade Commissioner  K. O. Hillyer Assistant Trade Commissioner	Rooms 4, 5 and 6 American International Building Robinson Road and Telegraph St. SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Phone:</i> 74260
South Africa (Natal, Orange Free State, Transvaal) Malagasy, Mauritius, Mozambique, Reunion	C. R. Gallow Canadian Government Trade Commissioner  L. J. Taylor Assistant Trade Commissioner	Mobil House 17th Floor, Corner Rissik and De Villiers Streets JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANADIAN <i>Phone:</i> 33-2628
South Africa (Cape Province), St. Helena, Southwest Africa	M. R. M. Dale Canadian Government Trade Commissioner	602 Norwich House The Foreshore CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANTRACOM <i>Phone:</i> 2-5134/5
Spain Balearic Islands, Canary Islands, Gibraltar, Rio Muni, Rio de Oro	M. T. Stewart Commercial Counsellor	Canadian Embassy Edificio Espana Avenida de Jose Antonio 88 MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Phone:</i> 47-54-00
Sweden Finland	G. F. G. Hughes Commercial Counsellor	Canadian Embassy Strandvagen, 7-C STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Phone:</i> 67-92-15
Switzerland Tunisia	S. G. MacDonald Commercial Counsellor  J. H. Nelson Assistant Commercial Secretary	Canadian Embassy Kirchenfeldstrasse 88 BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 44-63-81 <i>Telex:</i> 2-2386 (DOMCAN GENEVE)
Union of Soviet Socialist Republics	Commercial Counsellor (absent)	Canadian Embassy 23 Starokonyushenny Pereulok MOSCOW	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 415142
United Arab Republic Egyptian Region Aden, Sudan, Ethiopia, Saudi Arabia, Yemen	D. S. Armstrong Commercial Counsellor	Canadian Embassy 6 Sharia Rouston Pasha Garden City CAIRO	<i>Mail:</i> Kasr el Doubara Post Office <i>Cable:</i> CANADIAN <i>Phone:</i> 23110

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone &amp; Telex</b>
<b>United Kingdom</b>	B. C. Butler Minister (Commercial) S. G. Tregaskes Commercial Counsellor W. Gibson-Smith Commercial Counsellor D. B. Laughton Agricultural Counsellor E. J. White Commercial Secretary (Timber) W. A. Stewart Assistant Agricultural Secretary Geo. Hazen Assistant Commercial Secretary S. G. Harris Assistant Commercial Secretary	Office of the High Commissioner for Canada One Grosvenor Square LONDON, W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING, LONDON, W.1 <i>Phone:</i> Mayfair 9492 <i>Telex:</i> 2-2526 OR 2-8240 DOMINION LDN)  <i>Cable:</i> TIMCOM, LONDON, W.1
<b>United Kingdom (Midlands, North England)</b>	W. R. Van Canadian Government Trade Commissioner	Martins Bank Building Water Street LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> MARitime 2177
<b>United Kingdom (Scotland)</b>	P. V. McLane Canadian Government Trade Commissioner E. J. Ward Assistant Trade Commissioner (Timber)	Cornhill House 144 West George St. GLASGOW C.2	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Phone:</i> Douglas 6751
<b>United Kingdom (Northern Ireland)</b>	P. V. McLane Canadian Government Trade Commissioner E. J. Ward Assistant Trade Commissioner (Timber)	36 Victoria Square BELFAST	<i>Mail:</i> (City Address) <i>Phone:</i> 21867
<b>United States</b>	M. Schwarzmann Minister-Counsellor (Economic) W. J. Van Vliet Agricultural Counsellor R. R. Parlour Commercial Counsellor J. D. Blackwood Assistant Commercial Secretary J. MacNaught Assistant Agricultural Secretary	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> DEcatur 2-1011
<b>United States</b>	N. R. Chappell Counsellor (Energy)	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> DEcatur 2-1011
<b>United States (Connecticut, New Jersey, New York) Bermuda</b>	B. I. Rankin Deputy Consul General (Commercial) A. A. Caron Consul and Trade Commissioner R. D. Sirrs Consul and Assistant Trade Commissioner F. I. Wood Consul and Assistant Trade Commissioner	Canadian Consulate General 680 Fifth Ave. NEW YORK CITY 19	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Phone:</i> JUDson 6-2400
<b>United States (Maine, Massachusetts, New Hampshire, Rhode Island, Vermont)</b>	J. C. Depocas Consul and Trade Commissioner L. D. R. Dyke Consul and Assistant Trade Commissioner	Canadian Consulate General 607 Boylston Street BOSTON 16	<i>Mail:</i> (City Address) <i>Phone:</i> COngress 2-1245

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone &amp; Telex</b>
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	H. J. Horne Consul and Trade Commissioner	Canadian Consulate General 111 North Wabash Avenue CHICAGO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> RAndolph 6-6033
	N. L. Currie Consul and Assistant Trade Commissioner		
	D. A. Hilton Vice Consul and Assistant Trade Commissioner		
United States (Michigan, Ohio)	Blair Birkett Consul and Trade Commissioner	Canadian Consulate 1139 Penobscot Building DETROIT 26	<i>Mail:</i> (City Address) <i>Phone:</i> WOODWARD 5-2811
United States California (the ten south- ern counties), Clark County in Nevada, Arizona, New Mexico	G. F. J. Osbaldeston Consul and Trade Commissioner	Canadian Consulate General 510 West Sixth Street LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Phone:</i> MAdison 2-2233
	R. C. Anderson Consul and Assistant Trade Commissioner		
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	T. F. Harris Consul and Trade Commissioner (absent)	Canadian Consulate General 215-217 International Trade Mart NEW ORLEANS 12	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> JACkson 5-2136
	G. E. Blackstock Consul and Acting Trade Commissioner		
United States (Delaware, Maryland, Pennsylvania, Virginia, West Virginia)	W. J. Millyard Consul and Trade Commissioner	Canadian Consulate 3 Penn Center Plaza PHILADELPHIA 2	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> LOCUST 35838
	J. B. McLaren Vice Consul and Assistant Trade Commissioner		
United States California (except the ten southern counties), Wyoming, Nevada (ex- cept Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General 3rd Floor, Kohl Building 400 Montgomery Street SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Phone:</i> SUTter 1-3039
United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General The Tower Building Seventh Avenue at Olive Way SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Phone:</i> MUtual 2-3515
Uruguay Paraguay Falkland Islands	Commercial Division	Canadian Embassy No. 1409 Avenida Agraciada Piso 7° MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Phone:</i> 96096
Venezuela Netherlands Antilles	W. D. Wallace Commercial Counsellor	Canadian Embassy Avenida La Estancia No. 10 Ciudad Comercial Tamanaco CARACAS	<i>Mail:</i> Apartado 11452-Este <i>Cable:</i> CANADIAN <i>Phone:</i> 32.40.41.44
	D. I. Campbell Assistant Commercial Secretary		
West Indies (Barbados, Trinidad and Tobago, Windward and Leeward Islands) British Guiana, French Guiana, Surinam, Guadeloupe, Martinique	R. F. Renwick Commercial Counsellor	Office of the Commissioner for Canada Colonial Building 72 South Quay PORT-OF-SPAIN	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Phone:</i> 34787
	R. L. Richardson Assistant Commercial Secretary		
West Indies (Jamaica) Bahamas, British Honduras	Canadian Government Trade Commissioner (absent)	Barclays Bank Building King Street KINGSTON	<i>Mail:</i> P.O. Box 225 <i>Cable:</i> CANADIAN <i>Phone:</i> 26948
	C. G. Bullis Acting Trade Commissioner		

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 .9708737.

## Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent October 6	Units per Canadian dollar	Notes (See below)
Argentina .....	Peso .....	.....	.01244	80.38	
Austria .....	Schilling .....	.....	.03992	25.05	
Australia .....	Pound .....	.....	2.3193	.4312	
Bahamas .....	Pound .....	.....	2.8991	.3449	
Belgium and Luxembourg ....	Franc .....	.....	.02069	48.33	
Bermuda .....	Pound .....	.....	2.8991	.3449	
Bolivia .....	Boliviano ..	Free .....	.00008783	11,385.63	
British Guiana ....	Dollar .....	.....	.6040	1.65	
British Honduras ..	Dollar .....	.....	.7295	1.37	
Brazil .....	Cruzeiro ...	Free .....	.003564	280.58	
		Special Category .....	†	†	
Burma .....	Kyat .....	.....	.2163	4.62	
Ceylon .....	Rupee .....	.....	.2174	4.60	
Chile .....	Escudo .....	.....	.9791	1.02135	
Colombia .....	Peso .....	Certificate .....	.1537	8.51	
Congo, Republic of	Franc .....	.....	.02069	48.33	
Costa Rica .....	Colon .....	.....	.1555	8.43	
Cuba .....	Peso .....	.....	†	†	
Czechoslovakia ...	Koruna .....	.....	.1430	8.99	
Denmark .....	Krone .....	.....	.1498	8.68	
Dominican Republic .....	Peso .....	.....	1.03000	.9708737	
Ecuador .....	Sucre .....	Official .....	.05722	17.48	
		Free .....	.04996	20.02	
Egyptian Region, United Arab Rep.	Pound .....	Official .....	2.9577	.3381	
El Salvador .....	Colon .....	.....	.4120	2.43	
Fiji .....	Pound .....	.....	2.6118	.3828	
Finland .....	Markka .....	.....	.003219	310.65	
France, Monaco, etc. ....	New Franc ..	.....	.2096	4.77	(1)
Franco-African Republics, etc. ...	Franc .....	.....	.004192	238.55	(2)
French Pacific ....	Franc .....	.....	.01153	86.73	(3)
Germany .....	D Mark .....	.....	.2580	3.87	
Ghana .....	Pound .....	.....	2.8991	.3449	
Greece .....	Drachma .....	.....	.03433	29.13	
Guatemala .....	Quetzal .....	.....	1.03000	.9708737	
Haiti .....	Gourde .....	.....	.2060	4.85	
Honduras .....	Lempira .....	.....	.5150	1.94	
Hong Kong .....	Dollar .....	Free* .....	.1802	5.55	*Sept. 29
		Official .....	.1812	5.52	
Iceland .....	Krona .....	Official .....	.02395	41.75	(4)
India .....	Rupee .....	.....	.2174	4.60	
Indonesia .....	Rupiah .....	Official .....	.02289	43.69	(4)
Iran .....	Rial .....	.....	.01360	73.54	
Iraq .....	Dinar .....	.....	2.8840	.3467	
Ireland .....	Pound .....	.....	2.8991	.3449	
Israel .....	Pound .....	.....	.5722	1.75	
Italy .....	Lira .....	.....	.001660	602.41	
Japan .....	Yen .....	.....	.002861	349.53	

†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 October 6	Units per Canadian dollar	Notes (See below)
Lebanon .....	Pound .....	Free .....	.3236	3.09	
Mexico .....	Peso .....	.....	.08240	12.13	
Morocco .....	Dirham .....	.....	.2060	4.85	
Netherlands .....	Florin .....	.....	.2856	3.50	
Netherlands Antilles .....	Florin .....	.....	.5462	1.83	
New Zealand .....	Pound .....	.....	2.8991	.3449	
Nicaragua .....	Cordoba .....	Effective buying .....	.1560	6.41	
		Official selling .....	.1462	6.84	
Nigeria .....	Pound .....	.....	2.8991	.3449	
Norway .....	Krone .....	.....	.1448	6.91	
Pakistan .....	Rupee .....	.....	.2174	4.60	
Panama .....	Balboa .....	.....	1.03000	.9708737	
Paraguay .....	Guarani .....	Official .....	.008142	122.82	
Peru .....	Sol .....	.....	.03840	26.04	
Philippines .....	Peso .....	Free .....	.3433	2.91	
		Official .....	.5150	1.94	
Portugal & Colonies Republic of .....	Escudo .....	.....	.03595	27.82	(5)
South Africa ...	Rand .....	.....	1.4496	.6898	
Singapore and Malaya .....	Straits Dollar .....	.....	.3382	2.96	
Spain and Dependencies ...	Peseta .....	.....	.01717	58.25	
Sweden .....	Krona .....	.....	.1994	5.01	
Switzerland .....	Franc .....	.....	.2383	4.20	
Syrian Region, United Arab Rep. .....	Pound .....	Free .....	.2882	3.47	
Thailand .....	Baht .....	Free .....	.04872	20.52	(4)
Tunisia .....	Dinar .....	.....	2.4926	.4012	
Turkey .....	Lira .....	.....	.1144	8.74	(4)
United Kingdom ..	Pound .....	.....	2.8991	.3449	
United States .....	Dollar .....	.....	1.03000	.9708737	
Uruguay .....	Peso .....	Free .....	.09394	10.64	
Venezuela .....	Bolivar .....	Free .....	.3077	3.25	
		Official .....	.2246	4.45	
West Indies Fed. ..	Dollar .....	.....	.6040	1.65	(6)
	Pound .....	.....	2.8991	.3449	(7)
Yugoslavia .....	Dinar .....	Official .....	.001373	728.33	

## 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.

## Markets in Brief



## COSTA RICA

**Area:** 19,695 square miles.

**Population:** 1,100,000.

**Climate:** varies with altitude—a hot zone under 3,000 feet, temperate from 3,000 to 6,000 feet, and cool above 6,000 feet.

**Language:** Spanish; sales literature must be in Spanish.

**Currency:** colon; one colon=Can.\$0.1556.

**Weights and measures:** metric system.

**Capital:** San José, altitude 3,816 feet.

**Chief ports:** Puerto Limón is the chief port and is on the Atlantic; Puntarenas, the Pacific port, is 91 miles from San José.

**Marketing centres:** San José (population) 138,025; Heredia 16,500; Alajuela (sugar industry centre) 17,300; Cartago 16,800.

**Economy:** agriculture is the main source of income; bananas and coffee are the principal exports. Light manufacturing is being expanded.

**Total Costa Rican imports:** 1959—U.S.\$102.7 million (c.i.f.).

**Chief imports:** (U.S.\$ million) 1959—manufactured goods 29.7, machinery and transport equipment 26.1, foodstuffs 15.3, chemical products 15.6.

**Chief suppliers:** (U.S.\$ million) 1959—United States 50.0, Germany 10.2, United Kingdom 6.3, Japan 5.9.

**Value of imports from Canada:** 1959—\$2.6 million; 1960—\$2.9 million.

**Chief imports from Canada:** 1960—flour of wheat \$1.21 million, newsprint \$433,794, upper leather \$236,347, tires for trucks and buses \$147,243, threshers and combines \$116,030.

**Total Costa Rican exports:** 1959—U.S.\$80.2 million.

**Chief exports:** (U.S.\$ million) 1959—coffee 40.0, bananas 22.3, cacao 7.2, beef 2.9, cattle 0.7, fish 0.6.

**Chief markets:** (U.S.\$ million) 1959—United States 40.2, Germany 19.3, Canada 4.8, Netherlands 2.8, Italy 2.4.

**Value of Canadian purchases:** 1960—U.S.\$4.3 million.

**Chief Canadian purchases:** 1960—bananas \$3.4 million, coffee (green) \$748,305, manila fibre \$163,037.

**Dollar exchange:** since September 2, all payments for imports are made at a unified rate of exchange (6.65 colones=U.S.\$1.00).

**Prices:** quote in U.S. dollars, c.i.f. Puerto Limón or Puntarenas.

**Samples:** Samples brought in by salesmen are admitted under bond; duty is refunded if samples are re-exported within 30 days. If samples sent to Costa Rica are of no commercial value, duty is .50 colon per gross kilo.

**Trade agreements:** exchange of most-favoured-nation treatment with Canada, 1951.

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

**Canadian banks:** none.

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

**For detailed information on this market write to:**

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

or

Canadian Government Trade Commissioner  
P.O. Box 400  
Guatemala City  
Guatemala, C.A.



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