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COMING——THE MARKET IN CALIFORNIA, JUNE 16 ISSUE

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Can Canadians Sell to Iceland?

Some 30 per cent of Icelanders work on the land; only 16 per cent fish for a living. The country produces, on farms like this one in northern Iceland, enough staple agricultural products to supply its own needs; it also exports some mutton.

The author of this report recently spent a week in Iceland, looking into trade problems and opportunities. He believes that our exports can be increased and broadened, despite shipping problems, if we offer competitive prices and secure good Icelandic agents.

W. E. FULTON, *Assistant Commercial Secretary, Oslo.*

ICELAND, with an area almost twice that of Nova Scotia, has a population approximately equal to Metropolitan Halifax. The greater part of the country consists of uninhabited glacial mountainous tracts of basalt, lava and volcanic rock but some of the coastal plains and valleys are very fertile. Despite its geographical location, Iceland has a milder winter than most of the principal centers of Canada, because of the moderating influence of the Gulf Stream. Two-thirds of the population live in the southwest of the country, where Reykjavik, the capital and largest center (population about 70,000), is located.

Icelanders are proud of their Scandinavian origin and consider their country very much a part of Europe. There is a great deal of goodwill toward Canada, much of it because of the large Icelandic community in Manitoba.

Shipping Problems

Icelandic imports total more than $360 per capita; most consumer goods are imported and European suppliers have the major share of the market. Canada's trade with Iceland is small—sales totalled about $200,000 in the first eleven months of 1961, out of total imports of more than $65 million. The principal difficulty would-be Canadian exporters face is lack of direct shipping service between Canada and Icelandic ports. Goods have to be shipped via New York or transhipped via Copenhagen or Leith, Scotland; the latter arrangements are prohibitive in cost. The Icelandic Government controls the freight rates charged on the service provided by the Icelandic Steamship Company between New York and Reykjavik, with lower rates for food and feedstuffs and higher ones for industrial and other goods. The freight charged on goods shipped from New York to Iceland is usually

TABLE I

ICELAND'S FOREIGN TRADE

	Imports c.i.f. Jan.-Nov.		Exports f.o.b. Jan.-Nov.	
	1960	1961	1960	1961
	(in kronur '000,000)			
Britain	261.2	309.4	300.9	585.4
United States	366.7	415.3	294.0	349.9
U.S.S.R.	371.0	386.5	310.9	144.5
West Germany	328.8	298.9	132.0	240.1
Sweden	105.6	137.1	118.0	214.3
Canada	4.9	6.2	.3	15.2

TABLE II

ICELAND'S EXPORTS BY AREA

	Jan.-Nov. 1960	Jan.-Nov. 1961
	(kronur '000,000)	
European Monetary Agreement and sterling countries	1,485 (57.8%)	1,837 (69.1%)
United States and dollar area	410 (16%)	424 (15.9%)
Eastern Europe	651 (25.2%)	346 (13%)
Other countries	26 (1%)	53 (2%)

TABLE III

PRINCIPAL IMPORTS INTO ICELAND

Jan.-Nov. 1961	(kronur '000,000)
Cereals, mostly for human consumption	64.5
Animal feed	65.6
Sugar	41.0
Coffee	45.8
Fertilizers	32.5
Coal	14.7
Salt	26.7
Fuel oil	235.1
Gasoline	44.6
Aviation gasoline	20.5
Other aviation fuel, kerosene	11.2
Wood	75.5
Iron and steel	104.1
Ships	39.4

TABLE IV

ICELAND'S IMPORTS BY AREA

	Jan.-Nov. 1960	Jan.-Nov. 1961
	(kronur '000,000)	
European Monetary Agreement and sterling countries	1,791 (57.3%)	1,607 (57.3%)
United States and dollar area	504 (16.1%)	504 (17.9%)
Eastern Europe	767 (24.6%)	656 (23.3%)
Other countries	61 (2%)	51 (1.8%)

about twice that charged from Continental and British ports.

Contrary to what might be expected, there are more farmers than fishermen in Iceland—30 per cent of the work force compared with 16 per cent engaged in the fisheries. About 22 per cent of workers are in industry, including fish-processing plants. The wool industry is of considerable local importance, and the cement and fertilizer plants, both built recently, make important contributions to the economy. In many staple agricultural products Iceland is self-sufficient; it even has mutton for export.

Foreign Trade

Fish provides more than 90 per cent of Iceland's exports. Although catches of whitefish were poor in 1961, there was a record catch of herring; fresh fish on ice brought good prices in Europe. Despite a number of strikes at mid-year in 1961 and the further devaluation of the krona in August, the Icelandic economy held firm. (The krona has been devalued from 22 to the U.S. dollar to 38 and to 43 during the past few years.) Foreign currency reserves rose, inflation was checked and the trade deficit almost eliminated.

Table I shows Iceland's foreign trade with principal countries (and Canada) and Table II, its exports by area.

Imports for the first eleven months of 1961 totalled 2,605.4 million Icelandic kronur. The principal imports from all sources for the first eleven months of 1961 are listed in Table III, and imports by area in Table IV.

Imports for the full year 1961 (including ships and aircraft) totalled 3,009 million Icelandic kronur; exports totalled 2,879 million Icelandic kronur.

Imports Liberalized

Since 1960 the Icelandic Government has embarked on a program of liberalizing import regulations. Most products may now be imported freely, and for those that may not, global quotas are established and apply to all countries other than those with which Iceland has bilateral trading agreements (Soviet Union, Czechoslovakia, East Germany, Hungary, Poland, Rumania and Brazil). In no case is the global quota for any item less in 1962 than it was in 1961; in most cases it has been increased.

Under Ministry of Commerce regulations, licences are allotted three times a year (January/February, June, October). About 40 per cent of each global quota is allotted in January/February and about 30 per cent in June and October, respectively. This does not apply, however, to goods imported largely on a seasonal basis.

In November 1961 the Icelandic Government substantially reduced the extraordinarily high ad valorem duties on a number of items to avoid smuggling and to reduce prices of some of these. The following are representative items:

Item	Ad Valorem Duty From	To
	(in per cent)	
Cosmetics	150	100
Gloves and handbags of leather	155	90
Carpets	214	100
Textiles from synthetic fibres	132	90
Nylon hose	132	52
Shoes for women	103	80
Cameras	155	55
Movie cameras	106	75
Phonograph records	228	100
Toys	138	90
Christmas trees	250	125
Woollen cloth	106	90
Canned fruits and vegetables	190	125

TABLE V

CANADIAN EXPORTS TO ICELAND

	1959	1960	1961 Jan.-Nov.
Wheat flour	$ 25,557	$ 26,425	$ 27,580
Whisky	78,675	67,509	31,435
Sole leather and waste	11,413	4,053	5,116
Broad woven fabrics of mixed fibres	....	1,488	9,321
Plastics, basic shapes, n.e.s.	....	6,251	4,299
Nuts, bolts, screws, washers	....	....	2,073
Insulated wire and cable	....	....	1,637
Heating, fuel-burning equipment and parts	....	....	4,895
Rubber and plastic footwear	....	....	1,426
Containers, paper, and parts, n.e.s.	....	....	19,247
Book and litho paper, uncoated	1,410	5,017	3,883
Radar equipment, related devices and parts	....	....	65,957
Apples	....	66,560	....
Nets, twine, commercial fishing	59,552	....	....
Total, all Canadian exports	**$279,130**	**$242,556**	**$199,783**

TABLE VI

ICELANDIC EXPORTS TO CANADA

	1959	1960 (In Can.$)	1961
Horses, purebred	....	6,260	....
Horses, n.o.p.	3,325	....	....
Cod, haddock, pollock, fresh	....	6,346	....
Fish offal or refuse	13,304	....	....
Cement, portland	2,321	....	....
Aircraft parts excluding engine parts	10,792	....	....
Engines, aircraft, over 1,000 h.p.	9,500	....	....
Salted herring	....	....	3,006
Fish, marine, animal oil, n.o.p.	....	....	238,357
Total, all exports to Canada	**39,792**	**14,944**	**241,715**

Trade with Canada

The greatest obstacle in the way of Canadian exports to Iceland, as mentioned previously, is the lack of direct shipping facilities between Canadian ports and Reykjavik. In some agricultural lines (flour, feeds) total business has declined during the past few years because of United States PL480 and ICA programs. However, our small share of the flour market is increasing slightly at the present time.

Canadian exports to Iceland totalled $279,130 in 1959, $242,556 in 1960, and $219,000 in 1961. The principal exports are shown in Table V.

Icelandic exports to Canada are small; the much higher total than usual in 1961 was the result of a large sale of fish oil (see Table VI).

Although the Icelandic market is small, Canadian exporters should not overlook it, despite the problem of shipping costs. A Norwegian line has said that it will provide direct shipping service between Canadian ports and Reykjavik if sufficient cargo is offered, and this should encourage suppliers to investigate this market. Canadians are kindly received in Iceland—so are Canadian goods, if they are competitive in price and quality and are promoted by able agents. There are some good examples of recent new business. One Canadian firm is now doing a small but satisfactory trade in screws and fasteners; another has a steady business in synthetic textile piece-goods. However, it should be noted that European exporters have a definite edge so far as freight rates are concerned and are usually able to deliver more quickly because of better shipping facilities.

There are many well-established general agency and importing firms in Iceland and in addition, the Government Purchasing Department and the Federation of Icelandic Cooperative Societies are important buyers. To do business in Iceland, it is almost essential to appoint an Icelandic agent; local buyers prefer to deal with a local representative. The United States Navy has a base at Keflavik, about 30 miles from Reykjavik, and is an important buyer of some lines.

Future Prospects

There has been considerable comment in the Icelandic press about a possible multi-million-dollar economic development scheme in the near future. Envisaged is a large-scale hydroelectric power development (to be financed by Iceland) to support a large foreign-operated industry, probably an aluminum plant (financed entirely by foreign capital). According to recent press reports, the cost of the hydro development could run to $25 million and of the new foreign plant to an equal amount. There has been no official announcement of the suggested development scheme.

Iceland will soon have to make a rather painful decision about the Common Market. The general feeling, it appears, is that the country will probably seek associate membership in an effort to protect its position as a rich fisheries producer. So far, it has not been prepared to open its fisheries to other countries, something that could result if the country became a full member of the EEC and if a common fisheries policy were agreed upon by the Community. Iceland is anxious to maintain its important British market, but at the same time hopes to hold and increase sales to the Common Market, particularly West Germany. ●

Belgium Expands Oil Refineries

Increased use of petroleum products for domestic heating and as an energy source in industry more than trebled consumption between 1950 and 1960; refining facilities are expanding to meet demand, aided by private and government investment.

G. H. McCLYMONT, *Office of the Commercial Counsellor, Brussels.*

A steady increase in industrial activity combined with rising standards of living has stepped up the demand for petroleum products in Belgium. Manufacturing plants are using more and more fuel oil and domestic heating is absorbing larger quantities each year. The demand for gasoline is growing as the number of motor vehicles and the distances covered each year increase.

Among the new industrial users will be the butyl plant that Polymer Corporation Limited, Sarnia, Ont., will build and operate through a wholly-owned subsidiary on the banks of the Schelde River, near Antwerp. This is Polymer's second European plant and will permit the Canadian company to increase its sales in the world rubber market.

TABLE I

ENERGY DERIVED FROM PETROLEUM PRODUCTS

Industry	1950	1960
	(per cent)	
Metal manufactures	32.9	76.9
Non-ferrous metals	4.2	26.1
Chemicals	17.7	69.0
Textiles	28.8	71.7
Paper	12.1	46.7
Glass	49.0	77.4
Construction	3.0	19.6
Food	14.0	62.6

Production Mounts

In the decade from 1950 to 1960, Belgium's annual output of petroleum products rose from 400,000 to 6.5 million metric tons; consumption increased from 2 million to 6.7 million tons. Belgian refineries now have a capacity of 8.57 million tons a year but are not yet operating at the maximum. Despite these advances, Belgium continues to import some finished petroleum products and will probably do so for some time to come.

Accelerating the trend toward higher petroleum consumption is the switch-over from coal to oil as an energy source in industry. Table I shows the extent of this change for selected industries since 1950. In 1960, industry consumed 53.5 per cent of the petroleum products used, transport took 25 per cent, and domestic heating 18.3 per cent.

Investment in Refineries

Belgium's principal sources of oil lie in the Middle East, as shown in Table II, and Belgian refineries are specifically designed to process crude from that area. Although Belgium must import all its crude oil, recent years have seen a major effort to provide the country with a fully developed petroleum-refining industry. From 1948 to 1960 the major international oil companies invested some $336 million in refineries, distribution facilities and transportation equipment in Belgium. At the same time the Government spent $10 million on improving oil-tanker facilities at the port of Antwerp, where a large area is devoted to petroleum refining and storage. Docking facilities now permit the unloading of vessels of up to 32,000 deadweight tons and a new dock under construction will handle tankers of 60,000 tons. In addition to using many foreign-flag lines, Belgium has its own 12-vessel tanker fleet totalling 183,686 tons. Storage capacity is estimated at nine million cubic feet.

This attention to petroleum refining represents an important new development in Belgian industrial activity, which has traditionally centered around steel, coal and textiles. About 5 per cent of industrial investment is now going into petroleum and the proportion is expected to increase. These trends point to the nation's desire to diversify its basic economic structure. ●

TABLE II

BELGIAN CRUDE OIL IMPORTS

Source	1960		1961 (11 months)	
	(metric tons)	('000 francs)	(metric tons)	('000 francs)
Iraq	2,170,826	2,368,390	2,137,965	2,113,612
Iran	1,871,404	2,108,493	2,314,149	2,256,001
Saudi Arabia	1,231,322	1,205,941	585,232	555,082
Kuwait	736,504	762,998	178,685	149,846
Venezuela	452,990	321,734	817,653	654,145
Lebanon	296,382	282,855	280,699	254,009
Syria	53,952	56,038	258,242	238,678
Italy	33,224	16,298	14,972	6,682
Tunisia	14,805	16,286	311,513	341,073
West Germany	1	35	1,384	916
U.S.S.R.	1	1	18,638	11,511
Algeria	....	....	192,458	211,704
Libya	....	....	51,456	46,568
Total	**6,861,411**	**7,139,069**	**7,163,046**	**6,839,827**

What's current in commodities?

Lumber

Belgium—Canadian sales to Belgium increased more than 30 per cent last year and Canada ranked fourth as softwood supplier. If prices are right and service good, this trend should continue.

A. A. LOMAS, *Assistant Commercial Secretary, Brussels.*

THE Belgian economy maintained its steady expansion in 1961. New records were established in industrial production and exports, living standards continued to improve, and over-all business and consumer prosperity was maintained. In this generally favourable economic climate, the construction industry had a particularly good year, with a record number of building permits issued, strong demand for industrial construction from new and expanding industries, and a continuation of the Government's public works program.

As a result of this activity, the Belgian lumber market was strong during most of 1961 and imports were substantially larger than during the preceding four years. Table I shows the development of the market for lumber since 1957.

Belgian Forest Production

Belgium's lumber production is surprisingly important for a country so small and so densely populated. Carefully managed forests of about 1.5 million acres cover some 20 per cent of available land, however, and production from these areas is expected to increase both in quantity and quality. Traditionally, pitprops have been one of the most important Belgian forest products, but with diminishing demand for mine timber, forest operators are allowing trees to stand longer so that higher lumber yields will be obtained. Softwoods account for the largest part of the Belgian cut, but poplar is becoming increasingly important. The leading products of the Belgian forests are hardwood and softwood construction lumber, hardwood veneers and plywood, pulpwood, pitprops, railroad ties, particle board, box wood, and wood for the furniture and other manufacturing industries.

Domestic production now meets about 35 per cent of total Belgian wood requirements, but this proportion varies with use and is considerably higher for hardwood than for softwood. Thus, the demand for railroad ties in 1961 reached about 75,000 cubic metres, of which 68,000 cubic metres were supplied domestically (almost all of it oak). For pulpwood, the situation is reversed. Last year about 500,000 cubic metres of wood were used to make pulp, and about 380,000 cubic metres were imported—mainly from Finland and the U.S.S.R.

Strong Import Demand

Although domestic production is rising slowly, it is expected that consumption will increase more rapidly; demand for types and

TABLE I

BELGIAN LUMBER MARKET (1957-1961)

	1957	1958	1959	1960	1961
	(in thousands of standards)				
Imports	142	130	150	164	171
Production	70	65	60	66	70
Imports plus production	212	195	210	230	241
Exports	5	5	5	5	16
Imports plus production minus exports	207	190	205	225	225
Stocks at year-end	−3	+12	−10	+10	+15
Consumption	210	178	215	215	210

Source: *L'Echo des Bois,* March 16, 1962.

TABLE II

CANADIAN WOOD EXPORTS TO BELGIUM AND LUXEMBOURG

(January-November 1961)

	Quantity	Value ($)
Pulpwood (balsam, fir, spruce) peeled	5,832 cords	174,900
Lumber—birch	7 mbf	700
Dimension stock—hardwood, n.e.s.	5 mbf	1,000
Lumber—western red cedar	114 mbf	12,700
Douglas fir	17,370 mbf	1,345,600
hemlock	7,387 mbf	567,300
spruce	80 mbf	8,800
balsam fir	606 mbf	60,200
Plywood—Douglas fir	7,121 sq. ft.	500
Shingles—western red cedar	750 RF sq.	5,400
Total Value		**2,177,100**

Source: Dominion Bureau of Statistics.

grades of construction lumber not available from Belgian forests will be especially strong.

The extent to which Canadian shippers can participate in this business will depend largely on prices and service offered to Belgian importers. In 1961 Canadian suppliers had a particularly good year in this market, with sales up to the end of November worth about 30 per cent more than in twelve months of 1960. Most of this increase was accounted for by larger sales of Douglas fir (up 10 per cent) and hemlock (up 20 per cent). In addition, however, balsam fir lumber appeared on the market for the first time in several years, and cedar imports were beginning to climb at year-end. (See Table II.)

As a result of aggressive selling coupled with favourable prices and better ocean freights, Canada replaced France as the fourth supplier of sawn softwoods, but remained well behind the traditional leaders —Finland, the U.S.S.R. and Sweden. (See Table III.)

Future Prospects Good

Market prospects seem favourable in Belgium. Continued over-all economic growth is forecast and new construction is expected to continue at a high level. At present, about 50,000 new dwellings are completed each year and it appears that this should be increased to about 65,000 units to replace old structures and cover the needs of new families. Industrial and public construction work is also expected to increase as Belgian industry modernizes and new projects are begun to keep the country's infrastructure developing in line with its EEC partners. An interesting sidelight is the recent report that Belgian brickworks have reached the limit of their production, which may lead to a wider acceptance of frame construction in the housing industry.

Although domestic lumber production will increase slowly and the pattern of imports from Finland and Sweden will probably not change radically, the U.S.S.R. continues to be the great unknown factor; large Soviet sales could seriously affect the steady development of a market for Canadian lumber. Leaving aside that factor, Belgian importers and traders strongly urge Canadian shippers to allot to this market some proportion of their exports on a regular basis so that Canadian wood will become even more widely known and gain a lasting acceptance from importers and consumers. ●

TABLE III

BELGIUM-LUXEMBOURG IMPORTS OF SAWN SOFTWOODS, 1961

	Quantity (M. tons)	Value (Bfrs. '000,000)
Finland	168,418.1	673.2
U.S.S.R.	120,733.2	511.0
Sweden	70,859.5	344.0
Canada	49,760.1	190.5
France	12,203.7	36.2
Poland	7,913.9	34.7
United States	6,822.6	40.1
Brazil	6,639.6	35.5
Netherlands	2,037.1	9.9
Norway	1,325.8	1.9
Austria	1,190.1	5.7
Honduras	940.7	5.8
West Germany	898.5	4.4
Others	2,668.9	12.0
Total	**452,411.8**	**1,905.9**

Source: Belgian National Institute of Statistics.

Footwear

Trinidad—Canadians can step up sales of women's and children's shoes in this market if they enlarge range of styles, give export orders prompt attention, and pay personal visits to the island.

JOHN A. AHOW, *Commercial Assistant, Port-of-Spain.*

TRINIDAD, with a population of some 860,000, an expanding economy, and with only one small shoe factory, offers to Canadian footwear manufacturers a good potential market.

Footwear imports have been steadily increasing and in 1961 totalled 2.5 million pairs worth over Can.$4 million. This represents an increase over 1958 of 298,000 pairs (13.9 per cent) and $870,600 (27.4 per cent). The number of pairs imported per capita has also increased —from 2.2 in 1956 to 2.9 in 1961, a reflection of the rising standard of living.

During the period 1958-1961, leather footwear made the greatest gain—from $2.37 million in 1958 to $2.86 million in 1961. Imports of footwear of textile materials increased from $609,100 in 1958 to $755,300 in 1961 and footwear n.e.s. went from $3,800 to $5,100. Imports of rubber footwear increased from $151,900 in 1959 to $351,100 in 1961, and slippers and house footwear increased from $72,100 to $79,400 during the same period. (Imports of cheap rubber slippers in 1958 were apparently classified under "slippers and house footwear" instead of under "rubber footwear"; hence the change in the base year to 1959.)

The six principal suppliers of footwear in 1961 by value were Britain, Hong Kong, Japan, the United States, Italy and Canada, in that order. In 1959, import controls on footwear were removed. With the opening up of the market both Japanese and Italian shoes made big gains, the former because of price and the latter because of styling. Before 1959, Canada was the second largest supplier and Czechoslovakia and the Netherlands were in fourth and sixth place.

Canada's Share Declining

Imports of footwear from Britain, traditionally Trinidad's main supplier, increased in value by 71.3 per cent from 1958 to 1961 and the United States also increased its trade by roughly 79 per cent in both volume and value. Imports from Canada, however, declined steadily and today our sales are 33 per cent less in volume and 30.5 per cent less in value than they were four years ago.

What are the reasons for this decline? Is it that Canada cannot meet the competitive prices of other shoe-manufacturing countries? Examination of the import statistics reveals that the bulk of Canada's sales to Trinidad consists of footwear made wholly or mainly of leather. It is known that imports of men's and boys' shoes from Canada into Trinidad are negligible so that, for all practical purposes, the imports are of women's and girls' shoes. Based on the 1961 figures, Canadian-made women's shoes selling in Trinidad cost an average of $2.19 c.i.f. per pair wholesale, compared with $2.63 from the United States (which also ships negligible quantities of men's shoes) and an estimated $2.36 from Britain.

It appears, therefore, that Canada can supply women's and girls' shoes at competitive prices. Style and quality seem to be the major factors affecting exports from Canada. In general, Canadian women's shoes are considered here to be too hard and styles not as attractive as those from Italy, France and other European countries, or the United States. In addition, merchants say that Canadian manufacturers do not offer a sufficiently wide range of styles. One Asian manufacturer has recently been offering 100 styles.

In a Port-of-Spain store a Trinidad girl selects a pair of Canadian shoes while a friend looks over the stock. Canadian suppliers sell mainly women's and girls' leather shoes in this area, but their sales have recently been declining in value.

In the past, some Canadian suppliers have not given enough attention to their exports of shoes to this area; shipments have often arrived four to six weeks before receipt of the invoices, causing unnecessary additional expense in warehouse rent. And as these shoes may have been ordered for sale at a specific time, this delay has resulted in loss of retail sales. Local merchants therefore sometimes hesitate to buy from Canada and look elsewhere for supplies. This situation, however, improved somewhat during the last half of 1961.

Prices and Mark-Up

Canadian shoe manufacturers have for many years been the principal suppliers of casuals and flatties to Trinidad but within the last year or two a good share of this business has gone to Hong Kong. Now Japan has also entered the market.

As an indication of the price structure of the market, the retail prices of ballerina types and flatties range from W.I.$4.50 to $6.50 (Can.$2.70 to $3.90). Women's shoes in the popular-priced field (which comprise the bulk of the business) are retailed for W.I.$8 to $12 (Can.$4.80 to $7.20); Britain, Italy, Czechoslovakia and France are the principal suppliers of this quality of shoe. Kip leather shoes with slender heels are sold for W.I.$10 to $12 (Can.$6 to $7.20). Better-quality shoes of calf and other soft leather are retailed at W.I.$14 to $25 (Can.$8.40 to $15).

The market for more expensive women's shoes is extremely limited.

Children's shoes are retailed from W.I.$4.50 to $8 (Can.$2.70 to $4.80). Men's medium-quality shoes, mainly from Britain, are sold for W.I.$9 to $15 (Can.$5.40 to $9), and better quality for W.I.$18 to $35 (Can.$10.80 to $21). These prices may be increased shortly, because of a recent rise in the import duties of about 10 per cent.

The normal retail mark-up on shoes is 45 to 50 per cent on the landed cost, which is the duty-paid value plus 3 per cent for customs clearance, trucking and handling charges. Thus, when freight, insurance and exchange are taken into consideration, a shoe quoted at Can.$4 f.o.b. would retail here at roughly three times in local currency the Canadian f.o.b. figure, or W.I. $12.

Methods of Selling

The usual method of entering this market is through commission agents who book orders for direct shipment to the importers. Orders are booked from samples and to do an effective selling job an agent must carry a comprehensive range of samples of the shoes made by his principal. As samples are dutiable, they are usually supplied in pairs and sold by the agent after they have served their purpose. The agent expects a special sample discount. The normal commission to agents is 5 per cent of the f.o.b. value and agents are appointed on an exclusive basis.

Strictly speaking, there are no wholesale dealers or distributors, but there are a few specialist shoe stores. Importers in Port-of-Spain and San Fernando, the two largest towns, sell to the smaller country stores at a discount, or what is commonly termed "wholesale". Orders may be secured throughout the year, but dealers place their largest orders in June/July for the Christmas trade.

Shoes sold in Trinidad are invariably saleable in the neighbouring islands of the West Indies, thus

TABLE I

TRINIDAD IMPORTS OF FOOTWEAR BY GROUPS

Commodity	1958	1959	1960	1961
		(thousands of pairs)		
All footwear	2,151.7	2,175.9	2,406.6	2,449.9
Slippers and house footwear	324.2	115.8	137.3	114.2
Other footwear, wholly or mainly of leather	1,004.6	1,169.8	1,045.2	1,044.0
Other footwear, wholly or mainly of textile materials	729.8	735.6	873.8	879.5
Rubber footwear	89.0	146.3	346.4	403.3
Footwear, n.e.s.	4.1	8.4	3.9	8.9

TABLE II

TRINIDAD IMPORTS OF FOOTWEAR BY PRINCIPAL SUPPLIERS

Origin	1958	1959	1960	1961
		(thousands of pairs)		
All footwear	2,151.7	2,175.9	2,406.6	2,449.9
Canada	140.9	138.8	102.2	94.2
Britain	979.0	1,032.1	932.8	943.2
United States	75.9	72.8	139.3	135.3
Hong Kong	452.7	329.0	341.3	386.5
Japan	10.0	24.1	242.6	366.0
Italy	14.4	17.1	45.5	76.3
Netherlands	78.0	52.4	39.6	29.8
Czechoslovakia	172.0	204.7	145.5	105.5
France	29.6	31.1	33.4	68.6
Other countries	199.2	273.8	384.4	244.5

TABLE III

IMPORTS INTO TRINIDAD OF FOOTWEAR WHOLLY OR MAINLY OF LEATHER

Origin	1958	1959	1960	1961
		(thousands of pairs)		
All footwear	1,004.6	1,169.8	1,045.2	1,044.0
Canada	137.6	135.5	99.2	88.6
Britain	419.0	526.7	407.8	393.5
United States	65.9	68.6	91.7	96.7
Hong Kong	136.0	188.8	144.0	132.0
Japan	4.6	8.3	24.5	38.8
Italy	13.1	15.9	44.2	75.3
Netherlands	59.2	38.3	33.0	27.6
Czechoslovakia	39.9	47.6	43.8	40.4
France	23.7	23.1	27.1	56.1
Other countries	105.3	117.0	129.9	95.0

TABLE IV

IMPORT DUTIES ON FOOTWEAR

Item No.	Description of goods	Preferential Tariff	General Tariff
		(in per cent)	
851-01	Slippers and house footwear of all materials except rubber	15	25
851-02	Footwear, wholly or mainly of leather (not including slippers and house footwear)	15	25
851-03	Footwear, wholly or chiefly of textile materials (not including slippers and house footwear)		
851-03.01	With soles of rubber	5	20
851-03.02	With soles of leather or leather substitutes	15	25
851-03.09	With soles of other materials	15	25
851-04	Rubber footwear	10	20
851-09	Footwear, n.e.s. (including gaiters, spats, leggings, puttees)	15	25

offering a larger market to Canadian manufacturers.

The import duties on footwear were increased on April 6, 1962, and are shown in Table IV.

For shoes to qualify for the preferential rate of duty, they must contain not less than 50 per cent Commonwealth content and this must be supported by a certificate of origin.

Personal Visits Help

Canada, we believe, can regain lost ground and its previous position as a shoe supplier to Trinidad if shoe manufacturers give proper attention to export orders, enlarge their range of styles, manufacture shoes to meet the demands of the market, and make personal visits to Trinidad. Buyers here like to meet the people with whom they are doing business.

To illustrate what can be done, one Canadian manufacturer who has been exporting to Trinidad and the West Indies for years found his sales had dropped. He set about designing new styles and quality specially for this market, packed these shoes in suitcases, and flew down to this area last summer. The result—he sold more shoes last summer than ever before. One Trinidad merchant alone bought 8,000 pairs.

Another manufacturer followed up an inquiry from the Trade Commissioner a few months ago by flying to Trinidad. In two days, he had appointed an agent and made enough sales to pay for the trip. He is returning in June, the peak buying season, to continue his sales campaign.

We recommend a visit to this market and invite you to write to the Commercial Counsellor, P.O. Box 125, Port-of-Spain, for further information and assistance in planning it. ●

FAIRS AND EXHIBITIONS

■ Household Products, Cologne

"WE found as lively an interest in our products in Germany and neighbouring countries as we did previously in Britain." The speaker, a Canadian exhibitor in our display at the International Household Goods and Hardware Fair, Cologne, February 23-26, added: "The price reaction was what we have grown to expect, but we found ample evidence of a market here for, say, a better cooker, just as there is for a better motor car." Another exhibitor reacted to the fair itself: "It impressed me with its size and scope—this was my first participation in a fair on the Continent. I feel that many Canadian firms have products most acceptable in Europe; they should visit and enter these fairs." One Canadian executive sold to buyers from as far away as Syria and established new agencies in Denmark, Finland, Iraq, Lebanon and Jordan. He reports: "Our products aroused great interest among buyers and also on the part of their wives and writers for women's magazines; many of our household products are not made in Germany and there is real interest in them." Exhibitors received many serious inquiries. "The fair," said one, "appears to be *the* way business is transacted and international contacts are established in Europe." Approximately 56,200 visitors attended the show, 8,100 of them from 58 foreign countries. Many, picturing Canada as a land of mines, forests and wheat fields, were impressed with the variety of Canadian manufactures. Exhibitors numbered 1,627; over 400 came from outside Germany.

Trade and Commerce organizers of the Canadian display point out that the German market for home appliances should become more and more rewarding; luxury articles and products with unusual features have special appeal. These officers suggest that Canadians wishing to test the Cologne Fair should visit the fall showing September 7-9. It attracts 10-15 per cent fewer exhibitors than the spring fair, mainly because the heating and cooking appliance exhibitors reduce their participation by two-thirds. However, firms thinking of exhibiting in February might well send observers to the fall show to look over the competition, make contacts, and see what is involved.

■ Lumber in the U.S. Midwest

A portable exhibit of Canadian woods appeared this year in U.S. Midwest Lumber Shows at Minneapolis (January 9-10), Kansas City (January 19-21), Chicago (February 13-15), and Milwaukee (February 20-22). Because of its success in these shows, the exhibit then journeyed to Austin, Texas, (April 14-16), and to Long Beach, California (May 8-10).

Design of the 8 by 10-foot booth was attractive, yet simple enough to make erection, dismantling and packing easy. A decorative relief map of Canada, hand-carved from western red cedar and mounted on a panel of grey Etchwood, formed the central motif. Natural-finish lumber samples set against an orange background featured yellow cedar, western red cedar, hemlock, Douglas fir, western white pine, western white spruce, eastern spruce, birch and maple. A 35 mm. projector showed colour slides automatically.

Forest Products Division personnel from the Department in Ottawa and Trade Commissioners from the Chicago and New Orleans offices manned the T. and C.-sponsored booth. They solicited numerous inquiries which they forwarded to Canadian mills and wholesalers; they also supplied visiting retailers with lists of wholesalers in the U.S. who handle various species of Canadian lumber and passed on general information about the Canadian industry.

The Trade Commissioners report that our display made a good impact; since the shows they have received a number of inquiries by mail and long-distance telephone from wholesalers who attended.

■ Foods, Glasgow

A visit by the Lord Provost of Glasgow, Mrs. Jean Roberts, signalled the official opening of the Canadian exhibit at Scotland's Food Exhibition (Glasgow, April 3-14), our Trade Commissioner reports. Mrs. Roberts showed a lively interest in the products on display and expressed the hope that they would soon be found on the shelves of shops throughout the city.

Large crowds—an estimated 200,000 visitors saw the show—enjoyed Kelvin Hall's bright, airy facilities and their reaction to the Canadian foods was good. On the last Friday of the fair, over 20,000 people crowded in—the largest number ever to visit Kelvin Hall in one day. Several prominent Scottish importers inquired about the new Canadian lines. Many of our food products are already selling in Scotland but the Glasgow show will make them better known. Our Trade Commissioner also obtained valuable publicity for the displays through the Scottish Federation of Grocers and Provision Merchants.

Scotland's Food Exhibition is acquiring a truly international flavour as growing numbers of foreign countries participate. Canada, showing the products of ten companies, was a first-time exhibitor, and joined Australia, Denmark, Italy, the Netherlands, New Zealand, Poland, Spain and West Germany.

The Minister of Finance in the French Government (second from left) makes an official visit to the Canadian display at the Lyon Fair. On the Minister's left is A. G. Kniewasser, Canada's Commercial Counsellor in Paris, and on the far left, Yvon Jauron, Assistant Commercial Secretary in Paris.

■ International Fair, Lyon

FRENCH businessmen, government officials and the general public had praise for Canada's exhibit in the Foire Internationale de Lyon, March 23-April 2. "The display," writes our Trade Commissioner in France, "was of outstanding design; it created a very favourable impression on the Lyon business community." The French Minister of Finance, in company with government officials and leading businessmen, toured the exhibit, and visits by the public made ours the busiest display in Hall 27, reserved for official foreign government exhibits. A seminar on Canada-France trade was an important part of Franco-Canadian Day, celebrated during the fair.

Theme of our exhibit was "Canada, an Industrial Nation". The products we displayed helped dispel the notion, widespread in Europe, that Canada is predominantly rural. The Lyon show, the most important business fair in the country, offered a good opportunity to advertise our industry and its products. Visitors numbered 800,000, of which 50,000 came from abroad; over 700 of the 5,068 exhibitors were from 18 foreign countries. For three of the ten days, attendance was limited to buyers.

Canadian participation has already proved profitable. Over 100 business inquiries were recorded, plus 200 requests for general information. Several Canadian participants have already made agency arrangements.

■ Industrial Design, Poznan

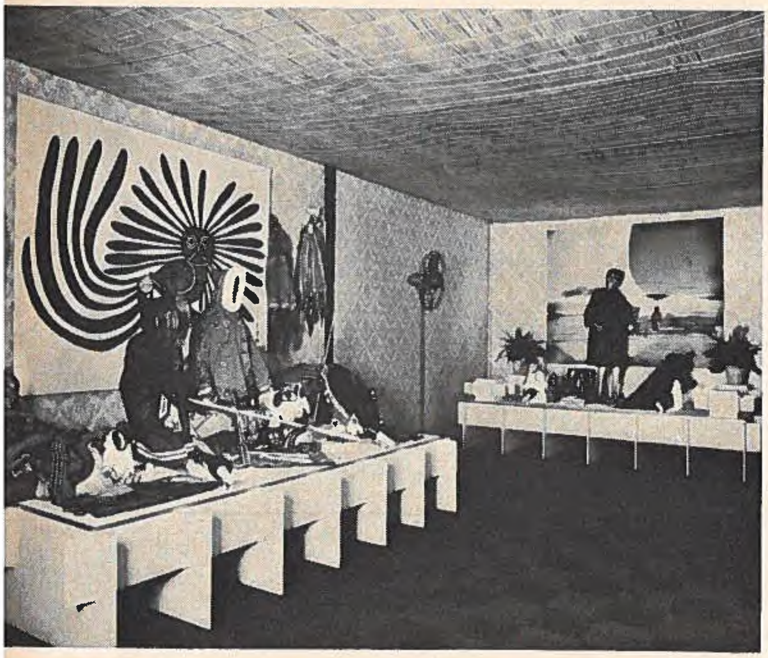
CANADIAN INDUSTRIAL DESIGN is the theme of Canada's sixth exhibit in the Poznan International Fair (June 10-24), Poland's largest and one of Europe's most important international shows. Exhibitors will come from over 60 countries and 35 will enter official displays.

Canada, as usual, will occupy all of Pavilion 26, about 4,000 square feet in size, right at the centre of the fair. All the products on display will be made entirely from Canadian materials; over 40 Canadian manufacturers have entered about 120 products. Among them will be a newly designed (and awardwinning) belt-knife for woodsmen, young and old. A new type of hospital bed and a plastic resuscitator for first aid in aquatic accidents have gone into the exhibit. A few firms have incorporated new ideas in luggage and flight cases and will show the results. For the outdoor family, Canadians have designed two types of catamaran, one powered, one for sailing; there is also a unique camping trailer with some interesting innovations. Household furniture, appliances, furnishings, irradiation equipment, plumbing accessories, fabrics, office furniture, kitchen hardware, warehouse equipment, and a hair-dryer round out the list. Graphic displays and photographs will advertise several products too large to be brought along.

■ Norway Building Exhibition Hall

THE new trade-fair and exhibition hall built on the outskirts of Oslo by Norges Varemesse (a semi-official body which promotes industry and trade by organizing fairs) is the only building in the capital specially designed for large trade fairs. Facilities include various exhibition halls for heavy and light goods, and restaurants, conference rooms, offices, parking lots, etc. There is also ample space for open-air exhibitions. About 300 firms participated in the first fair here, the All-Norway Trade and Industry Fair (May 3-20). The Austrians will take over from June 14-20 with an Austrian Industrial Fair and the Norwegian Association of Machinery Importers and Wholesalers has booked the hall for a display of Norwegian and imported machinery in August/September. A number of bookings have already been made for 1963.

The mezzanine floor of the Canadian Pavilion at the Rand Easter Show in Johannesburg in April featured a display of fur coats made in South Africa from Canadian pelts and of Eskimo handmade parkas, and other garments supplied by the Department of Northern Affairs and National Resources.



■ Ideal Home, London

"THIS has been the best show yet." That's the way one participant in Canada's display at the Ideal Home Exhibition, London, March 6-31, summed up his success this year. Said another: "There is no other fair in Britain or Europe that equals it for feeling out the market for suitable products; it attracts both the public and the trade." A second-time exhibitor acknowledged: "We give this show full credit for enabling us to enter the British market."

Proof of the effectiveness of Canadian participation came from many quarters. One of London's largest stores advised that sales of a Canadian product picked up appreciably during the fair. A participant handed out leaflets off the stand, directing people to his distributors; the distributors were soon reporting increased sales as a result. One firm received over 200 written inquiries from home-owners and builders. Another stated simply: "Inquiries were enormous."

Commodity Officers from Ottawa who helped man the exhibit report that the Canadian display looked attractive. A brightly coloured canopy united all the sections and offices and contributed a sense of airiness —quite an achievement, because aisles were sometimes so congested that it was difficult for visitors to move about. The scale-model house featuring Canadian lumber and construction methods aroused great interest and a demand for more information. Three Canadian trade missions (home heating, electrical appliances, and wood products) visited the display and this gave further impact to our promotion efforts.

■ Food Fairs in Europe

International Bakery and Confectionery Trade Fair (ESPA), Zurich, Switzerland, June 20-July 1. For information write: Züspa Genossenschaft Zürcher Spezial-Ausstellungen, Nordstrasse 20, Zurich 6.

13th International Food Fair (ROKA), Utrecht, Netherlands, September 3-7. For information: Stichting ROKA, Nieuwe Binnenweg 132, Rotterdam.

International Exhibition of Groceries and High Class Provisions (IKOFA), Munich, Germany, September 21-30. For information: Verein Ausstellungspark e.V., Theresienhohe 14, Munich 12.

International Viticultural and Wine Fair, Montpellier, France, October 11-22. For information: Foire Internationale de la Vigne et du Vin, 11 bis rue de la Loge, Montpellier.

German Restaurant, Confectionery and Foodstuffs Exhibition, Berlin, Germany, October 26-November 4. For information: Berliner Ausstellungen, Masurenallee 5-15, Berlin-Charlottenburg 9.

International Gastronomical Fair, Dijon, France, October 30-November 11. For information: Administration de la Foire Gastronomique, Palais des Expositions, Bvd. de Champagne, Dijon.

Selling in Scotland

PAUL McLANE, a veteran of 34 years' service as a Trade Commissioner, went to Glasgow two years ago when the office there was re-opened. He is spending the summer on leave and tour* in Canada; in this article he briefs the Canadian businessman on the Scottish market and its possibilities.

SCOTLAND has slightly over five million consumers whose incomes are a little below the British average but have been rising steadily since the war. Industry has been diversified considerably in the post-war period and the economy is not so dependent upon the traditional heavy industries. This move came none too soon for shipbuilding has declined, coal mines have been shut down, and recently an old established locomotive firm went out of business. Unemployment is still about 4 per cent, higher than in other parts of the British Isles. In spite of this, however, the latest report shows that over-all production rose slightly in 1961.

The Scottish economy can only be considered in relation to the British economy as a whole and this gives rise to considerable concern. Wages have been rising faster than productivity—a fact that has endangered Britain's competitive position in world trade. The authorities are taking measures to solve this problem and are encouraged by the slight rise in exports in each of the last three months.

There are no separate statistics compiled on Scotland's exports or imports, but it does play an important part in exports. Principal products are machinery, ships and vehicles, iron and steel manufactures, non-ferrous metals, woollens and worsteds, food and drink (whisky is a big dollar earner). Most of these commodities find their way to Canada.

What We Export

What does Canada sell to Scotland? It is a quality market for our flour and grain, and one that has been long established, but imports are being concentrated in fewer hands. Scottish industry buys our aluminum, asbestos, zinc and chemicals, and the distillers buy empty casks and puncheon packs. Some pulp and considerable newsprint are also imported. The steel industry uses Canadian iron ore and most of the synthetic rubber we sell to Scotland is used in a tire factory near Glasgow.

Our timber and plywood market is small but well known and is catered to efficiently; the increasing interest in the use of wood in housing should in time improve the market. Members of the Wood Products Trade Mission that visited Glasgow recently were favourably impressed with the market prospects for fully or semi-manufactured wood products and will actively follow up the leads secured.

We have been gradually re-establishing our market in Scotland for foodstuffs since the disappearance of most of the restrictions on imports from dollar countries. Canadian apples have an excellent reception; so do our canned fruits and vegetables. Canada exhibited for the first time at Scotland's Food Exhibition, April 3-14, 1962, with a well-designed stand that attracted a great deal of interest. A number of Canadian firms took booths where a wide range of food products were displayed, sampled and sold. The honey, cheese, vegetable oil, canned vegetables, canned fruits, juices, canned chicken, pork and beans and soups, etc., proved very popular. Those Canadian companies coming into the Scottish market for the first time had a number of Scottish agents from which to choose. A further survey of the market is being made by the Fruit and Vegetable Products Mission from Canada.

*For tour schedule, see page 26.

Many Canadian firms serve the Scottish market through agents outside Scotland, but recently one or two have taken on Scottish agents for Scotland alone, with excellent results. Canadian firms should consider this approach and visit Glasgow to see whether they are getting their share of the market.

Try Personal Prospecting

Manufacturers of equipment such as refrigerators, electric or gas stoves, washers, dryers, etc., should come to the country to study the market at first hand. They may be able to sell some of their equipment just as it sells in the Canadian market. As the members of the Home Heating Equipment Trade Mission and members of the Electrical Appliances Trade Mission discovered, however, not only the equipment itself but also marketing methods may have to be changed. There are a number of alternatives—to manufacture under licence, to send over essential parts for incorporation here, or to enter into partnership with a British firm. Those who found prospects good realize that they will have to pay repeat visits.

Scotland is a good market for Canada but it takes study. Although there is a demand for quality goods, spending money is limited and tastes tend to be conservative. Manufacturers interested in exploring the market should select some of their lines which they feel are competitive, make up a brochure or catalogue, and work out c.i.f. prices. The Scottish agent (and many are new since the war) wants all the information he can get before he will go after business. By all means visit Glasgow, the main trading centre, if the outlook is at all promising. ●

Switzerland's Chemicals Trade

Canada in 1960 exported over $700,000 worth of chemicals to Switzerland, with acyclic alcohols, polyacids and anhydrides taking the lead. Swiss chemical exports to Canada reached $12 million, with organic dyes accounting for 50 per cent.

M. MEISTER, *Office of the Commercial Counsellor, Berne.*

THE Swiss chemical industry comprises some 400 firms, although the four largest account for the major part of total production. Three of these companies have their head offices at Basle and began originally as makers of aniline dyes—the first product (some one hundred years ago) of the modern industry. For centuries Basle had been the centre of the silk-band weaving trade, which used large quantities of dyes. The discovery of aniline dyes led to their production in Basle in 1859 and the manufacture of chemicals was born. The location of the city on the borders of Switzerland, Germany and France and at the top of the Rhine shipping route facilitated access to foreign markets and to sources of raw materials.

Today the industry's main products are dyestuffs, textile auxiliaries, synthetic essential oils and flavours, basic chemicals, electrochemical products, insecticides and pesticides, paints and varnishes, soaps and detergents, starches, technical fats and oils, glue, gelatine and celluloid. Its mainstay, however, continues to be aniline dyes and in 1960 Switzerland exported 20,519 metric tons to about 90 different countries for a value of Sfr.418.5 million.* Exports to Canada totalled 342 tons worth Sfr.6.6 million. However, world production of aniline dyes is increasing rapidly and competition becoming more acute. World manufacturing capacity is estimated to exceed demand by about 50 per cent already.

Highly Mechanized

One characteristic of the Swiss chemical industry is its high degree of mechanization. Of the 40,000 persons employed, only 27,000 are production workers; the remainder are chemists, chemical engineers and office staff. The ratio between workers and technical and administrative personnel is 2.08. (In the machine industry it is 3.5, in textiles 5.75.) Extensive research and the constant supervision of output to maintain high standards account for this high percentage of technical personnel. Large investments go into the development of new and better products. These funds are estimated to reach 7 per cent of

*One Swiss franc=Can.$0.2421.

yearly sales—equal to the percentage that United States manufacturers devote to research.

Raw Materials Imported

Switzerland possesses none of the raw materials—all based on coal and mineral oil—that the chemical industry needs. (The only exception to this is the electro-chemical industry and, to a certain extent, the manufacture of soda.) The industry depends entirely on foreign countries—mainly Western Europe and the United States—for its supplies and with few exceptions is a processing industry only. It has had to devote all its efforts to the manufacture of finished products of high quality. Intermediate products come mainly from West Germany. Under normal conditions this dependence on foreign countries presents no problem, but in time of war it can have serious consequences. For this reason, the industry is trying to develop domestic sources of supply for basic materials, such as soda and tar, but this involves expenses that are uneconomic for a private industry as long as cheaper sources are available.

Producers not only depend on foreign countries for raw materials, but also as markets for the finished goods. Over-all output is valued at about Sfr.1,800 million and no less than 70 per cent of this goes to foreign markets. In some branches of the industry the percentage is still higher: for coal-tar dyes and synthetic perfumes it reaches 90 per cent. On the other hand, heavy chemicals and soap are sold mainly on the home market. In 1961, the value of chemicals exported was Sfr.1,273 million or about one quarter of all Swiss exports. They were second only to machinery and ahead of watches. Best customers were West Germany, France, Italy, Britain and the United States. Compared with 1960, exports of chemicals increased by 8 per cent although the growth rate is slowing down. Switzerland accounts for 1 per cent of world production of chemicals, but for 4.6 per cent of world chemical exports; in the aniline-dye trade, it holds second place.

SWITZERLAND'S CHEMICAL TRADE WITH CANADA, 1960*

	Imports from Canada	Exports to Canada
	(Swiss francs)	
Acyclic alcohols and derivatives	205,721	87
Polyacids and anhydrides	120,092	4,532
Aldehydes and complexes	117,005	13,547
Nitrile-function compounds	79,839	....
Aluminum oxide, artificial corundum	62,430	49,646
Halogenated derivatives and hydrocarbons	57,283	....
Solvents for varnishes	34,019	30
Carbon	14,700	....
Heterocyclic compounds	10,349	2,656,487
Imide- and imine-function compounds	5,947	532,382
Synthetic organic dyestuffs	5,040	6,577,357
Varnishes and lacquers	3,562	20,183
Organic surface-active agents	1,684	386,184
Other chemical products	1,250	74,020
Anaternary ammonium salts and hydroxides	1,164	30,608
Perfumery and cosmetics	1,127	39,962
Amide-function compounds	842	59,841
Polishes and creams for footwear, etc.	306	82,406
Disinfectants, insecticides, etc.	40	675,414
Ketones and complexes	....	325,540
Single or complex oxygen-function acids	....	228,738
Mixtures of odoriferous or aromatic substances	....	198,929
Single or complex oxygen-function amino-compounds	....	163,298
Synthetic tanning substances	....	84,905
Chlorates and perchlorates	....	46,980
Prepared glazings and dressings for the textile, paper, leather industries	....	36,840
Gelatin and derivatives	....	20,538
Lactones, lactams, sultones, sultams	....	17,585
Ethers and derivatives	....	12,429
Tannins (tannic acids) and derivatives	....	10,650
Total	**722,400**	**12,349,118**

*Extracted from Swiss trade statistics.

World Sales Force

The industry has built up a world-wide sales organization and its agents abroad assist buyers by advising them on the correct applications and use of the various products. This technical service has helped to some degree in developing foreign markets in the face of the various difficulties raised by importing countries, such as currency exchange restrictions, high tariffs, and quota systems designed to protect the domestic industry. Import of chemical products into Switzerland is entirely free and subject only to modest customs duties.

To get closer to sources of supply and to counteract the effects of import restrictions by foreign countries, producers have transferred some production facilities abroad. In the most important markets they have established factories, sometimes as a joint enterprise of several Swiss-based firms. Basle dye manufacturers have set up joint operations in Britain, Italy and the United States. Some firms have set up branch plants in Montreal and Toronto and supply the Canadian market with certain types of chemicals. This sort of development is still going on, encouraged in part by the labour shortage in Switzerland. Thanks to its strong financial position, the industry is able to provide the necessary capital from its own reserves. In countries supplied direct from the factories in Switzerland, a network of agents and sub-agents has been established.

Trade with Canada

Canada and Switzerland, as the accompanying table shows, carry on a two-way trade in chemicals, though we buy more chemicals from the Swiss than we sell to them. Because the Swiss economy is booming, however, it might be possible to increase sales of those Canadian chemicals already introduced, and other chemicals could be offered.

The Commercial Division, Canadian Embassy, Kirchenfeldstrasse 88, Berne, will be pleased to receive inquiries from Canadian producers interested in exporting chemicals to Switzerland. ●

India Examines Trade Policy

Committee set up a year ago to study import and export policy and how to increase exports has submitted its report. Its recommendations—some of them have already been implemented—should interest Canadians who are concerned about our future trade with India.

W. F. HILLHOUSE,
Trade Commissioner, Bombay.

THE Indian Government has in the last eleven years pursued its goals of industrial development and national self-sufficiency with vigour, dedication and careful planning. In the field of industrial development, impressive progress has been made. The general index of industrial production for 1960-61 was almost double the figure for ten years earlier; in the machinery field the increase has been fivefold. The target of self-sufficiency, however, is proving much more elusive.

As other developing countries have discovered, increased industrialization brings not a reduction in the demand for imports but a perpetually startling increase. India's imports during the Second Five Year Plan (1956-61) were valued at over 53,000 million rupees, almost 50 per cent higher than the 36,000 million rupees during the five years of the First Plan. During the same period, exports apparently remained almost static, rising to only 30,690 million rupees in 1956-61 from the earlier figure of 30,430 million. Although during the First Plan exports were somewhat inflated because of the exceptional demand created by the Korean War, it is abundantly clear that import demand has raced ahead of export performance.

The initial effect was that India's foreign exchange reserves had to be drawn down. Severe tightening of import licensing followed; so did a substantial increase in assistance from other countries. During this period the need for increasing exports was discussed continually and a series of measures designed to stimulate them were initiated. They ranged through organizational changes to increased facilities and additional incentives for export and included the establishment of an Export Risks Insurance Corporation and Export Promotion Councils, removal of export controls and duties, import privileges for exporting companies, and so on.

It is possible that without these measures exports would have been even smaller but to most observers they did not appear to make any noticeable impact on the problem.

As the Indian people became more familiar with the targets of the Third Five Year Plan (1961-66), concern over the failure of exports to increase became more widespread—and with good reason. Import requirements for the period 1961-66 were estimated at over 63,000 million rupees—that is, 20 per cent higher than in the previous five years. It was also generally conceded that the allotment of 36,500 million rupees for "maintenance" imports was well short of the real demand and, if not exceeded, would result in considerable under-utilization of productive capacity. Such under-utilization would contribute to India's already high costs of production.

Prospects seemed good that foreign aid would be forthcoming to bridge the ever-widening trade gap, at least for the first years of the Third Plan. Yet there was a growing realization that if India is to maintain its cherished reputation as a good credit risk and as a country from which investment profits and capital can be remitted, if it is to bring the Plan to fruition and raise the living standards of the masses, if it is ever to reach the promised land of self-sustaining growth—exports must be increased.

Policy Committee Set Up

It was in this context that a special Import and Export Policy Committee was established on March 30, 1961, with very broad terms of reference. These, in summary, instructed the committee to:

inquire into the working of import trade control

examine questions relating to allocations for import of raw materials and capital goods

review the efficacy of the existing export promotion measures and

recommend measures necessary for stepping up exports during the Third Five Year Plan.

The committee (which became commonly known as the Mudaliar Committee) consisted of nine members, including the chairman and the secretary. The chairman, Sir A. Ramaswami Mudaliar, has served India well in many capacities at home and abroad. The secretary was drawn from the Directorate of Export Promotion of the Ministry of Commerce and Industry and other members represented the Federation of Indian Chambers of Commerce and Industry, the All-India Importers Association, and the State Trading Corporation and included a distinguished economist and outstanding men from the business world.

Gathering Information

In an endeavour to organize its task efficiently and to canvass as wide a cross-section of interested parties as possible, the committee drew up a questionnaire which was sent to all Chambers of Commerce and Industry and government departments concerned with all aspects of trade. This questionnaire was divided into import and export sections and contained more than 150 questions. These ranged from the general to the specific and seemed well designed to assist the committee to carry out its work as defined in the terms of reference.

Through the questionnaires (which were returned by July 31, 1961) as well as through direct submissions, personal interviews and its own experience, the committee collected a mass of material. The volume of this material and the complexity of the task combined to prevent the committee from reporting to Parliament before mid-March 1962.

What Committee Recommended

The summary of conclusions and recommendations of the report takes 101 paragraphs. Although many of the paragraphs merely discuss the problem and point to the need for further or continuing investigation, the committee did recommend a number of steps. The most important of these are considered to be:

Imports

1. The import licensing of such raw materials and related equipment as are essential to industries where exports are assured, but continuation of the present stringent restrictions on imports for companies producing for the domestic market.

2. The establishment of licensing on an annual rather than the semi-annual basis practised for a number of years.

3. The elimination of *ad hoc* licensing, except in a few special cases.

Exports

1. The establishment of a revolving Import-Export Stabilization Fund, whereby funds loaned by international credit institutions for the import of additional raw materials would be repaid from the proceeds of exports of goods made from those raw materials. (The committee estimates that for a provisional increase in India's exports of, say, 1,000 million rupees a year, it might be necessary to place at the disposal of the importers an additional sum of possibly 250-300 million rupees as a revolving fund.)

2. The provision of the following measures of income tax relief:

a tax remission of 7½ per cent on profits on "basic" exports

a tax rebate of 5 per cent on all export earnings to enable the exporter to build an "Export Development Reserve".

3. The provision of a general rebate (say 25 per cent) on the railway freight on all goods actually exported, with consideration to be given to special cases that may require a larger rebate.

4. That, as sales tax is under the jurisdiction of the states in India, the Central Government should assume the responsibility for the remission of sales tax entering into export costs. (A uniform rebate of, say, 2 per cent would be a help to the export effort.)

5. A detailed and organized study, by industry and commodity, of the items that could be or should be released for export. These studies should be undertaken urgently and the findings should be reflected in the export plans which should be an annual feature of economic planning.

6. The inauguration of a campaign of public education to increase exports, rather than making exports compulsory by statute as some have suggested.

In addition, there were a number of recommendations aimed at simplifying import procedures.

Opinions Expressed

The committee also expressed its opinion in some detail on a number of major problems facing the country that have important implications for the economy as a whole and for the foreign trade segment in particular. Foremost among these was its discussion of the problem of whether India's limited foreign exchange resources should be directed mainly towards maintenance or development. As one might expect, the committee took the view that maintenance and development of the economy are two facets of the same problem. In brief, they thought the policy should be to provide facilities for the import of raw materials and components, etc., for all existing industries, but that an over-riding priority should be given to certain types of new industries (such as power and transport) and export-oriented and import-reducing industries.

Public reaction to the report has been generally favourable. Although some have taken the view that the committee did not delve deeply enough into the problem of unused capacity nor go far enough in its recommendations, most have expressed the opinion that the recommendations not only will make a contribution if they are adopted but that they can be adopted. This is considered preferable to a number of more spectacular suggestions that, for political or economic reasons, could not be put into force.

Recommendations Accepted

The report was presented to Parliament only two weeks before the publication on March 31 of the next official Import Control Policy. It was generally realized, therefore, that no action could probably be taken in that short time on the major policy recommendations relating to the Import-Export Stabilization Fund, income tax relief, etc. Nevertheless there was greater than normal interest in the new policy, because of the feeling that it would give some indication of the Government's reaction to the report.

In the new policy the Government has accepted a number of the procedural changes recommended by the Mudaliar Committee, the most significant of which is the return to annual licensing. However, although applications for import licences will now be made only once a year, the actual scope of annual licensing has yet to be announced. Even when annual licences are granted, only 50 per cent of the licence will be usable in the first six months of the year. There are those who believe that such limitations greatly reduce the effectiveness of the change to an annual policy.

Future Policy

In other respects, the new policy closely resembled its predecessors. Quotas have been further reduced for 55 items and increased for only two; imports in ten categories have been prohibited. Such a policy is aimed at forcing people to obtain their supplies from Indian sources to the greatest possible extent and reflects the Government's continuing need to conserve its almost exhausted foreign exchange reserves.

As this is written, the Government has not yet announced its decision on the major recommendations of the Mudaliar Committee, but other straws are in the wind. The Prime Minister has just selected his new Cabinet and has announced the establishment of a new Department of International Trade within the Ministry of Commerce and Industry. Mr. Manubhai Shah has been named as Minister of State for that department and apparently has accepted the appointment only after receiving assurance that he will be given a relatively free hand. Mr. Shah, who was Minister of Industry in the last Government, has earned a reputation for dynamism and dedication that augurs well for the new department.

Recently it was announced that the Refinance Corporation for Industry will in future undertake the refinancing of medium-term export credits. This was one of the recommendations made by the Study Group on Credit Facilities to Exporters constituted in April 1960 as an informal group to examine the question of liberalizing and improving these facilities.

It has been indicated recently that the State Trading Corporation, a government entity, should help small and medium-scale manufacturers to become established in export trade. The scheme, which will be started on a pilot basis, will cover 79 products. In addition to taking on the rôle of recourse party to foreign bills, the State Trading Corporation will provide assistance on promotion material, pricing, sample arrangements, shipping, insurance, etc.

The budgetary implications of some of the major recommendations of the Mudaliar Report are such that a snap decision on them cannot be expected. When it comes, however, that decision will be significant not only for India but also for Canada, as a Commonwealth friend and as an important trading partner. In the long run, India's ability to survive as a free nation and to buy from Canada depends on her ability to export. The coming policy decisions will therefore be awaited with interest. ●

Michigan: Expanding Market

RECENT statistics of imports into the Michigan Customs District drawn from the records of the Federal Department of Commerce reveal a sizable traffic in many commodities across the Canadian border. Prominent among these are animal products (both edible and inedible), vegetable food products and beverages, textiles, manufactured wood and paper products, minerals, metals and metal products, machinery and vehicles, chemicals, and miscellaneous items. Canadian exports entering this state totalled $696,300,000 in value in 1959, and $618,800,000 in 1960. Figures for 1961 and 1962 are expected to surpass the 1959 one.

The value of Canadian exports actually remaining in Michigan must, of course, be considerably smaller because of the on-carriage of a good percentage to other states of the Union. None the less, they remain impressive.

Although Detroit, the principal business centre in Michigan, has not increased in population at the same rate as some other large U.S. and Canadian cities, it still is a very large buying centre located close to Canada's greatest concentration of industry. The five-county area which is regarded as Metropolitan Detroit has today a population of 4,085,000.

The outlook for the automobile industry is of the greatest importance to the Detroit area. It is fully anticipated that passenger-car output will reach about 6,495,000 units this year—a gain of about 17 per cent over 1961 and only slightly below the 6.7 million figure achieved in 1960. Truck and bus production will react to the over-all prosperity of the economy and reach a level of about 1,210,000 units. Contracts between the automakers and the labour unions have been concluded and the industry can look to three years of work reasonably free of wasteful disputes.

Detroit, with Cleveland, Chicago, and other Midwestern centres, is deriving increasing benefit in its world trading operations through the ocean-going traffic using the St. Lawrence Seaway. Expanded dock and warehouse facilities are handling much larger imports and exports. A tendency for foreign suppliers to use Detroit and the other ports in the Midwest as distributing centres and agency locations rather than, or as well as, wholesalers and representatives in the East Coast ports is a natural result of the opening of the Seaway.

—BLAIR BIRKETT,
Consul and Trade Commissioner, Detroit.

Indian Budget Brought Down

In presenting the 1962-63 budget, Finance Minister stressed critical foreign exchange position, need for greater exports and increased savings. Some tariffs and excise duties were increased.

GERALD A. NEWMAN, *Commercial Counsellor, New Delhi.*

INDIAN budgets are geared to achieving an investment of Rs. 10,400 crores ($22,880 million) required to finance the Third Five Year Plan which began in 1961-62. The budget which Mr. Morarji Desai, the Finance Minister, brought down on April 23rd is the first under the Third Plan. It estimates revenues of Rs.1,391.94 crores ($2,783 million) and expenditures of Rs.1,381.65 crores ($2,763 million).

The Finance Minister referred to the "most critical" shortage of foreign exchange, averring that despite assurances of external aid "to cover a large part of our project requirements, the ways and means position in regard to foreign exchange remains acutely difficult. Our foreign exchange reserves have declined to very low levels. [Rs. 136 crores, i.e., $299 million, sterling balances] and the need for conserving foreign exchange by the strictest watch on imports and by limiting our demands within the resources in sight is greater than ever today. Beyond a point, however, economy in imports of essential requirements becomes self-defeating in that it inhibits domestic production, raises prices, and in consequence, leads to a fall in exports. Further, shortages in the key sectors cannot but weaken and slow down our plan."

Increased Exports Stressed

The Minister went on to stress the urgent need for increased exports in the face of monetary loans and credits to be repaid and the need to curtail domestic consumption. As an export incentive, export duties had been reduced on tea and jute goods—India's major dollar-earners—but excise duties had been raised to limit domestic consumption. A further export incentive was provided by the rebate of one-tenth of the income tax and the supertax attributable to income from exports.

Finally, the Minister stressed the importance of increased savings, notably the steps the Government had taken to broaden and strengthen the banking system and the encouragement of deposits through a scheme of deposit insurance; the welcome interest now being shown by the public in equity capital, which he felt should be encouraged instead of the use of loans; the significance of life insurance; and, finally, the great importance of the "Small Savings" movement.

Speaking of government-controlled companies, the Finance Minister stressed that they should not only pay their way but become serious income-earners in support of the country's expanding economy.

Excise Taxes, Tariffs

In keeping with this general policy of austerity, excise duties were increased on what India regards as luxury products—namely, tobacco and cigarettes, superfine cloth and gramophone records and accessories. Other items on which excise duties were increased were tea, jute manufactures, certain iron and steel products, electric cables and wires, certain acids and gases, plywood, asbestos-cement products, tread rubber and latex foam sponge, and mineral oils and their products.

Although customs tariffs do not play too significant a role under the present severe import restrictions, it should be noted that the following changes in tariffs were announced:

Iron and steel items (main items to be affected are structurals, fittings for pipes and tubes, steel ingots)	35 per cent ad val. to 40 per cent
Art silk yarns	50 per cent ad val. to 55 per cent or Rs.6.60 per kilogram to Rs.7.04 per kilogram (whichever is higher)
Stainless steel plates, sheets, rods and bars	45 per cent ad val. to 70 per cent (standard rate of duty) 35 per cent ad val. to 60 per cent (British preferential)
Copra	40 per cent ad val. to 65 per cent (standard rate of duty) 30 per cent ad val. to 45 per cent (preferential tariff)
Tools (excluding machine tools and agricultural implements)	35 per cent ad val. to 50 per cent
Automobiles	100 per cent ad val. to 150 per cent

Although Indian income tax measures are not a matter of immediate interest to Canadian businessmen, it may be noted that the new taxation proposals call for a 5 per cent increase in corporation tax on Indian companies, or from 45 to 50 per cent; the rate on foreign companies remains at 63 per cent. Income tax applicable to all companies is raised from 20 to 25 per cent. ●

Advertising Abroad

In Portugal, TV advertising, such as short cartoons or films with a musical background plus commentary, brings best results.

M. de SOUZA GUEDES, *Office of the Commercial Counsellor, Lisbon.*

ADVERTISING is not as widely used in Portugal as in many other European countries and in North America, because the country is small and commercial and industrial development less advanced. Nevertheless, interest in it is growing and so is the volume.

Ten years ago, advertising was limited largely to the daily press, a few magazines, radio and billboards. The industrial development and the improvement in the standard of living that have taken place since the last war have stimulated advertising. Ten years ago, from $1 to $2 million a year was spent on advertising; today this has risen to an estimated $7 to $8 million a year. This expenditure can be roughly divided as follows:

	Per cent of total spent on advertising
Television	23
Radio	18
Cinemas	2
Press, Lisbon and Oporto daily papers	15
Catalogues, leaflets	9
Free samples, gifts	6
Window and interior displays, cinemas and theatres	6
Provincial newspapers	5
Magazines, periodicals, trade and other journals	5
Outdoor advertising	4
Exhibitions	3
Miscellaneous	4

Television Leads

Undoubtedly television is the most successful advertising medium today and it is seen throughout the country. The most popular types of TV advertising are short cartoons or films with musical background and appropriate commentary.

Television in Portugal is operated by one company, Radiotelevisão Portuguesa, S.A.R.L. (RTP), supported by the Government and by all private broadcasting stations. It has two transmitting and three retransmitting stations. It transmits through one channel in Lisbon and one in Oporto, and is then retransmitted by the three substations.

For TV advertising with films, the cost may vary from $54 to $200 for 15 seconds to a maximum of 2 minutes and for 13 continuous showings; for slides, the cost is about $24 for a 6-second showing, 13 continuous showings.

Films and slides are shown on TV mainly from 8.30 p.m. to 11 p.m., considered the best period of the day. If a special time is required, the cost is increased by 10 per cent.

Apart from advertising films of from 15 seconds to 2 minutes, films of up to 10 minutes may be projected, showing, for example, the process of manufacturing a product; sponsored programs may run up to 30 minutes. For these two types of advertising, special prices are established, according to the general interest of the material.

Radio and Cinema

The official broadcasting stations in Portugal do not carry advertising, but the private stations do. Prices and broadcasting conditions vary with the category and the power of the station. The first group, consisting of five stations in Lisbon and five in Oporto, reaches mainly the areas around these two cities (the most populated centers of Continental Portugal) and prices vary from $1.10 to $2.20 for each of a minimum of 30 broadcasts lasting 30 seconds. The second group consists of four stations, two in Lisbon and two in Oporto. These cover practically the whole country and the cost of advertising for from 20 to a maximum of 40 seconds varies from $0.12 to $0.38 per second for a minimum of 30 broadcasts. In both groups, broadcasting time cannot exceed 40 seconds for spot advertising.

These stations also broadcast sponsored programs, the cost of which varies from $12 to $25 per period of 14 minutes, according to the hour chosen, for a minimum of 60 broadcasts.

As TV programs have expanded, advertising in cinemas, with filmstrips or slides shown during refreshment breaks, has lost a good deal of ground. However, this still remains a valuable medium of publicity. The cost of advertising is low, varying from $1.00 a metre for filmstrips a week to $12 a week for slides.

Press

Of the 468 newspapers and periodicals in Portugal, only 12 daily papers have a fairly wide circulation; three in Lisbon and two in Oporto have circulations of 150,000. There is also a small number of technical journals, the circulation of which varies from 30,000 to 50,000 copies, and more than 300 magazines dealing with industry,

Oporto, second largest city in Portugal, offers advertisers many media from which to choose—a TV station, seven radio stations, and three well known daily newspapers.

trade, literature, religion, scientific and professional matters.

The most important daily papers are *Diário de Noticias, O Século, Diário Popular* and *Jornal do Comércio,* all of Lisbon, and *Primeiro de Janeiro, Comércio* and *Noticias* of Oporto.

The cost of advertising in newspapers with a large circulation varies as follows: full page in a weekday issue, news section, $1,080, weekend or Sunday issue $1,224. In the advertisement section, any day, $792; half-pages or quarter-pages cost 50 per cent and 25 per cent of the above. For small advertisements in the news section and in the advertising pages, costs are respectively 25 and 10 cents per line, standard column about two inches wide in the news section and about one inch wide in the advertising section. In daily papers with smaller circulation, prices vary from 20 per cent to 50 per cent below those quoted, with full-page costs ranging from $108 to $720.

In magazines and periodicals, costs per page average about $35 to $40, with proportionate charges for half or quarter page.

The layout costs for advertising in newspapers naturally depend on the subject matter, size, etc. For an advertisement for automobiles, for instance, it is about $36, plus 21 cents per 1.5 square inches for the zinc plates.

Other Media

Direct mail advertising is still widely used and varies in cost, depending on the agency and the material used. As an illustration, a three-leaf coloured folder with a circular letter, plus mailing charges for 2,000 copies, would cost about $300.

Paper posters and billboards still rate among the more popular forms of outdoor advertising; they are used on walls, on proper billboard sites, and on the sides of trams and buses. Printing and sticking-up of some 700 posters ($6\frac{1}{2} \times 2\frac{1}{2}$ feet) costs about $330 plus $250, a total of $580. For sides of trams and buses the cost per year of an ad ($17 \times 2\frac{1}{2}$ feet) may vary from $60 to $137. Posters in the underground and railway stations (4.5×3 feet) vary in price from $30 to $36 per month. Small ads in public transport vehicles (34×11 inches) are very inexpensive—about $2.20 to $2.50.

It should be added that the authorities are discouraging the use of outdoor billboards on the roads and streets of Portugal. However, coloured neon signs are still gaining in popularity.

Musical records, songs and music are used as advertising media and have proved successful. Recently an oil company distributed free to its clients 10,000 plastic records which cost about 20.5 cents each. This appears to be a relatively inexpensive means of advertising and a novel and interesting one.

Trade Fairs

Only two international fairs a year are held in Portugal. One takes place in Oporto, the "Exposição Textil Internacional" (International Textile Exhibition), and the other in Lisbon "Feira Internacional de Lisboa" (International Lisbon Fair). The former covers yarn, textile fibres, textiles, machinery, chemical products for the textile industry, etc., and includes fashion shows and mannequin parades. The latter is an international fair at which the most varied products are exhibited by commodity groups.

In addition, throughout the country there are large market fairs held regularly in the open, at which industrial, agricultural, livestock and food products, etc., are shown. To attract the public, folk dancing and singing, thoroughbred cattle shows, bullfights and horse-racing are included. These fairs are used as promotion media.

Agency Services

For the size of the country, the number of firms handling advertising and publicity is relatively large; however, full-fledged advertising agencies in the Canadian sense number not more than six to ten.

In Portugal, there are no advertising agencies that are closely associated with Canadian or U.S. agencies; however, some represent firms from the United States, Britain and France. Some Portuguese advertising agencies receive from their counterparts in other countries requests for advertising to be carried out in Portugal.

Apart from the restrictions on outdoor billboard advertising and on material considered offensive, restrictions on advertising in Portugal are practically nil. However, advertisements are subject to taxation, which may vary from 4 per cent for ads in the press to 9 per cent for radio and 10 per cent in other media, except outdoor billboards, on which this tax may be as high as 50 per cent. The Commercial Division of the Canadian Embassy, Lisbon, can give further details to any Canadian exporter interested in advertising in Portugal. ●

Comeback for Ostrich Feathers?

Once a high-fashion item, ostrich feathers were a big foreign exchange earner for South Africa in the early 1900's. Fashion changes, World War I, and the depression practically wiped out the industry. Last year, export orders and prices picked up—encouraging signs that fashion will favour feathers once again.

M. R. M. DALE, *Trade Commissioner, Cape Town.*

HOW the vagaries of fashion affect a business can be illustrated by looking at South Africa and ostrich feathers. From about 1870, when an act for the preservation of wild ostriches in the Cape Colony (now Cape Province) was passed, until 1913, ostrich farming and the sale and export of the feathers flourished. From 1903 until 1913, ostrich feathers ranked fourth among South African exports, after gold, wool and diamonds. Then fashions began to change. During the First World War marine cargo space for luxury products was hard to find and austerity clothing was the order of the day. Before long, the bottom fell out of the ostrich-feather market.

The ostrich, indigenous to desert country, flourishes primarily in the arid climate of the Little Karoo area of Cape Province, particularly around the town of Oudtshoorn, where it does well on a diet of lucerne or maize. The only other thing it requires is an abundant supply of stones and pebbles which it swallows and uses as "choppers" to grind its food. It is said that the ostrich is probably the hardiest of all farm livestock and requires no special attention. However, experience shows that when the birds are bred in more humid areas, rain at the wrong time discolours the feathers and robs them of lustre. In any event, the birds do not thrive in such a climate.

In the early days, hunters killed the ostrich to obtain the feathers. The wild birds retreated farther and farther into desert country and were in danger of being wiped out. Records from the first half of the 1800's prove that very small exports of feathers brought £5 and £6 a pound—surprisingly high prices for those days.

The Boom Years

The first efforts to domesticate the ostrich were made some time after 1850; wild chicks were captured or hatching eggs were taken from the nests of wild birds, and many farmers allowed tame ostriches to feed at large on their farms. By 1880 ostrich breeding had become virtually the sole occupation of a number of farmers. These pioneers in the industry did not receive much encouragement. Their sales were affected by a rumour that feathers from tame birds would not curl, and the failure of French attempts to introduce ostrich farming in Algeria and Egypt seemed to substantiate this belief. But the South Africans persisted and were rewarded with high prices for feathers and for stock too—birds were valued at £7.10.0 each and special breeding stock sold for as much as £500 a pair.

By 1880, production and export of feathers had increased considerably and prices started to fall. In 1882, with the ostrich population estimated at 100,000, some 254,000 pounds of feathers were exported at an average value of £4.4.0 a pound. Both exports and prices began to decline in 1885; by 1888 prices had reached a low of £1.6.6 a pound. But business revived in 1889 (229,000 pounds were exported at an average of £2.12.8 a pound), and during the next 24 years the industry progressed and flourished, with only minor setbacks. In 1913, domesticated ostriches totalled 750,000, and feather ex-

A South African farmer in the Oudtshoorn area photographed with part of his flock of ostriches. This district today has about 30,000 ostriches and numbers may increase if demand for the feathers from the fashionable, now going up, continues to grow.

ports totalled 1,023,000 pounds worth £2,953,587 (about £3 a pound). This was the last big year —World War I had begun.

The Crash

In the early stages, the ostrich farmers regarded the drop in sales as a normal trade recession and looked forward to a revival. The depression continued for so long, however, that many became seriously embarrassed and had to discontinue operations entirely. Some turned to other types of farming but retained a nucleus of ostriches in the hope that the tide would turn. Others opened the gates of their camps and allowed the ostriches to roam free. A few brave souls, although not able to discern a gleam of hope, continued to study breeding methods and concentrated on stock improvement, activated apparently by sheer love of the cause and perhaps also by a hunch that the situation would improve some day.

For some years after the war, the industry managed to maintain an annual export volume in the neighbourhood of 500,000 pounds of feathers. Prices dropped to £1 a pound in 1924, and to the all-time low of about 7s.6d. a pound in 1943. That year only 17,411 pounds were exported.

Normally, the highly ornamental wing feathers sell at a much higher price than body feathers, but the market sank to such a low ebb in 1940 that the price of both was fixed at 7s.6d. a pound. During the next few years prices improved and in 1948 body feathers were quoted at £2.5.0. per pound and some wing feathers fetched £12.10.0 per pound. That year marked the climax of a slight revival in the industry. During the 1950's, although there were no spectacular decreases, the industry did little more than maintain this small improvement.

Ostrich Leather Introduced

During the bad years of the 1930's, experiments in tanning and dyeing ostrich skins were begun and by 1940 an effective process had been discovered. The leather is hard-wearing, soft and pliable, and is suitable for making shoes, handbags, luggage and other leather goods. It has been claimed that because of the marks of the quill sockets the leather actually breathes. Exports of ostrich leather have never been outstanding but a high of 350,313 pounds valued at £121,688 was recorded in 1955.

Business Picks Up

Now there are reports that fashion houses are showing interest in ostrich feathers once again, and 1961 exports of 98,832 pounds valued at £227,811 increased both in quantity and value compared with 1960. There is still some pessimism, but in general ostrich farmers are feeling encouraged, particularly by the 1961 price increase which they expect will be maintained in 1962. The 1960 drought forced many farmers to slaughter a number of birds when food and water supplies were exhausted, and today there are only about 30,000 ostriches in the district. Week-old chicks are fetching up to £2, pairs of breeding birds average £25 to £30. The farmer does not expect a return to the boom days at the turn of the century, but he hopes that current fashion trends will assure him of a reasonably flourishing business.

The main markets for South African ostrich feathers during 1961 and Canada's purchases are shown in the following table:

EXPORTS OF OSTRICH FEATHERS

	lb.	Can.$*
United States	59,601	344,987
Britain	11,269	79,170
Australia	10,752	77,198
Canada	524	4,133
Other countries	16,686	155,164
Total	**98,832**	**660,652**

*Conversion made at rate Can.$2.90 =£1.

This has been the pattern for some time, but last year Britain took less than her usual quantity. Italy, a quite large buyer during the last ten years, now purchases more modest amounts. At the turn of the century, Britain and the Continent absorbed most of the production, but it is estimated that even then as much as 35 per cent of purchases were re-exported from London to New York. ●

Japan's Import Budget

Announcement of the foreign exchange budget for the first half of the fiscal year was accompanied by liberalization of imports of 320 products. Rate of import liberalization now stands at 73 per cent.

J. L. MUTTER, *Chief, Asia and Middle East Division.*

THE Japanese foreign exchange budget for the first half (April-September) of the fiscal year 1962 was set by the Government's Ministerial Council on March 31 at $3,959 million, of which commodity imports account for $3,114 million and payments for invisible trade $845 million.

Influenced by a number of measures invoked by the Government in recent months to correct an undesirable trend in the balance of payments, the budget total is about 10 per cent less than that of the budget for October 1961-March 1962 as finally revised, $4,399 million. If the allocations for commodity imports only are compared, then the decrease is about 12½ per cent—from $3,326 million in October-March to $2,914 million.

The Japanese Economic Planning Agency, in compiling the latest half-yearly foreign exchange budget, reckoned that production of the mining and manufacturing industries would be greater in fiscal 1962 by 5½ per cent than in the previous fiscal year. In forecasting the trend of the country's balance of international payments, the agency surmised that foreign exchange transactions in April-September would result in a deficit of $110 million on the over-all account, one of $200 million on current account, and a surplus of $90 million on capital account. Commodity exports are expected to amount to $2,270 million during the first half of fiscal 1962 and imports to $2,280 million.

Part I of the appended table compares allocations for the various commodity groups in the first half of fiscal 1962 with those for the two previous half-years. It will be noted that the appropriation for goods importable under the Automatic Approval System, (AA), whereby licences to import certain specified items are approved automatically, is reduced to $1,650 million compared with $1,800 million in October 1961-March 1962 and $1,850 million in April-September 1961. The amount set aside for imports under the Automatic Fund Allocation System (AFA), whereby imports of certain specified commodities are permitted automatically upon application to the authorities, remains at the same

TABLE I

FOREIGN EXCHANGE BUDGET FOR APRIL-SEPTEMBER, 1962

(thousands of U.S. dollars)

I. Commodity Imports

Commodity Groups	**April-Sept. 61**	**Oct. 61-March 62 (revised)**	**April-Sept. 62**
Foodstuffs	206,696	163,485	177,936
Monopoly goods	9,210	37,168	9,482
Coal (incl. coke)	86,636	105,252	86,845
Metals (incl. ores) and non-metallic minerals	99,000	94,000	58,000
Petroleum	241,990	271,613	228,692
Machinery	480,000	450,000	350,000
Miscellaneous imports	189,468	184,482	133,045
Automatic Fund Allocation goods	115,000	220,000	220,000
Automatic Approval goods	1,850,000	1,526,000	1,264,000
Sub-total	3,272,000	3,326,000	2,914,000
Reserve fund	0	200,000	200,000
Grand total	**3,272,000**	**3,526,000**	**3,114,000**

II. Invisible Imports

	April-Sept. 61	**Oct. 61-March 62 (revised)**	**April-Sept. 62**
Scheduled Items			
Transportation	111,000	109,900	97,500
Insurance	800	900	900
Foreign travel	10,000	9,500	9,000
Profit payments for foreign investment	15,275	13,300	8,500
Expenses accompanying trade transactions	80,000	66,500	73,200
Foreign technological assistance	8,300	8,300	8,500
Other services	47,600	53,600	57,900
Gifts	1,100	1,100	1,100
Long-term capital transactions	97,000	83,600	84,000
Short-term capital transactions	6,000	10,400	4,000
Expenses accompanying commodity trade	4,400	4,900	8,400
Sub-total	381,475	362,000	353,000
Liberalized Items			
Current transactions	328,000	364,000	393,000
Capital transactions	137,000	97,000	49,000
Sub-total	465,000	461,000	442,000
Reserve fund	20,000	50,000	50,000
Grand total	**866,475**	**873,000**	**845,000**

TABLE II

IMPORT SCHEDULE FOR MAIN COMMODITIES

Commodity	Unit	April-Sept. 61	Oct. 61-March 62	April-Sept. 62
Wheat	1,000 metric tons	977	927	856
Sugar	" " "	650	550	627
Salt	" " "	1,095	1,205	1,370
Coal	" " "	5,387	6,155	5,612
Crude oil	1,000 Kl	19,968	21,938	20,734
Heavy oil	" "	2,531	3,622	2,035

level as in the previous half year, $220 million. As for the commodities subject to Fund Allocation (the FA system) and requiring a prior allocation from the designated authorities, appropriations have been cut down for all categories except foodstuffs. In this case, there is an increase from $163.5 million to $177.9 million, chiefly attributable to seasonal demand for sugar and animal feeds. A particularly notable reduction is evident in the machinery category, for which $350 million has been set aside compared with $450 million in the second half of fiscal 1961.

Part II is concerned with invisible imports. The exchange budget for payments for invisible trade, at $845 million, is $28 million less than the revised budget total of $873 million for the second half of fiscal 1961. A noteworthy decrease occurs against the item "Foreign Travel".

Table II compares the quantities of the principal import commodities provided for in the current and the two preceding half-years.

Liberalization of Imports

The Japanese Government has pointed out that although the budgetary framework for April-September 1962 is more limited than that for the preceding half-year, it is nevertheless broad enough to cover completely imports of goods essential to the economy. (Apparently it was not necessary to utilize fully the foreign exchange scheduled for the previous budget.) At the same time, the Government has reaffirmed its intention to adhere to its previously announced liberalization program which calls for 90 per cent liberalization on October 1, 1962.

With effect from April 1, 1962, the import of 320 items was liberalized. Of these, 150—including rayon pulp, certain special steels and fireproof materials for construction—are now importable under the AA (Automatic Approval) system, while 170 items, including such commodities as certain textile machinery and machine tools and newsprint are added to the list of AFA (Automatic Fund Allocation) imports. As a result, the rate of import liberalization (the ratio of the value of freely imported commodities to the total value of imports, less government imports, on the basis of customs clearances during the calendar year 1959) now stands at 73 per cent.

Hitherto, in implementing the import liberalization program, the Japanese authorities have followed the so-called "positive list" procedure, under which additions to the list of goods permitted to be imported freely have been publicized by means of Import Notices or Import Announcements. Effective April 1, 1962, this procedure is replaced by the "negative list" approach, whereby goods the import of which is under control are enumerated. Items on the "negative list" as of April 1 totalled 497, set forth in accordance with the Brussels Nomenclature. Future import liberalization will be effected by the removal of items from the negative list, where they are subject to FA (Fund Allocation) system procedures and subsequent transfer to either the Automatic Approval or Automatic Fund Allocation category of imports. ●

Freight Forwarders Can Help

COMPANIES entering the export field can expect to deal with new and possibly unfamiliar documents. The additional paperwork need not necessarily cause concern. Leaving aside the financial rewards that can come from broadening a company's operations into overseas markets, a built-in traffic department can be called upon as needed by engaging the services of an experienced freight forwarder.

International traffic movements cover a number of stages, including contact with one or more types of carriers or their agents, customs brokers, insurance brokers, warehousemen, government authorities and foreign consulates. Each contact can require some specialized knowledge to enable the traffic to proceed uninterrupted to destination. The freight forwarder is prepared to relieve the inexperienced exporter (or sometimes exporters of long standing) of the detailed arrangements for routing goods to overseas markets.

A competent freight-forwarding firm can perform numerous services for the exporter in moving goods to ocean carriers. It can also arrange for correspondent forwarding firms in foreign countries through which the shipment may proceed or to which it is destined to supply certain services. These services frequently include:

1. Arranging for most economical inland transportation to the proper port of exit.

2. Arranging for and booking space on ocean carrier.

3. Preparing documents, including consular invoices where required.

4. Arranging for insurance coverage.

5. Assisting the shipper in the proper packing, marking and other requirements of the buyer and foreign government.

6. Attending to any export permit requirements and to customs clearance and drawback claims.

7. Tracing shipments to ensure that the goods arrive at destination at the specified time and initiating investigations covering any shipments that go astray.

Canada today has some seventy-five firms that specialize in handling the movement and documenting of goods exported to foreign markets. Known as "international freight forwarders", these firms are staffed by personnel experienced in the various phases of moving goods in export trade. Readers can obtain a list of Canadian freight forwarders by writing to the Transportation Division, Trade Services Branch, Department of Trade and Commerce. ●

TRADE COMMISSIONERS ON TOUR


G. E. Blackstock


E. H. Maguire


W. B. McCullough


P. V. McLane


J. E. Montgomery


G. F. J. Osbaldeston


J. H. Stone


W. B. Walton

In Canada

G. E. BLACKSTOCK, Vice Consul and Assistant Trade Commissioner in New Orleans:

Ottawa—June 4-8
Fredericton—June 11
Saint John—June 12
Moncton—June 13
Charlottetown—June 14-15
St. John's, Nfld.—June 18-19
Sydney, Glace Bay—June 20
Halifax—June 21-25
Hantsport, Wolfville—June 26
Kentville—June 27
Digby—June 29

Mr. Blackstock is expected to visit Western Canada in September. He will then return to New Orleans.

E. H. MAGUIRE, Trade Commissioner in Singapore:

Toronto—June 4-13
Hamilton—June 14-15
Winnipeg—June 18
Calgary—June 19
Vancouver—June 21-29

When he completes his tour and leave, Mr. Maguire will return to Singapore.

W. B. McCULLOUGH, Commercial Counsellor in Santo Domingo, Dominican Republic:

Montreal—June 7-13
Quebec City—June 15
Grand Falls—June 19
Charlottetown—June 22
Halifax—June 25
Saint John—June 27

When he completes his tour and leave, Mr. McCullough will be transferred to Wellington, New Zealand, as Commercial Counsellor.

P. V. McLANE, Canadian Government Trade Commissioner in Glasgow, Scotland:

Montreal—June 7-12
Ottawa—June 13-19
Toronto—June 20-29
Windsor—July 3
Hamilton—July 4
Winnipeg—July 6
Vancouver—July 9-13

When Mr. McLane completes his tour and leave, he will be posted to Dublin, Ireland, as Commercial Counsellor.

J. E. MONTGOMERY, Assistant Commercial Secretary in The Hague, Netherlands:

Kentville—June 5
Halifax—June 6-7
Amherst—June 8
Sackville—June 9
Saint John—June 11
Fredericton—June 12
Montreal—June 18-22
Toronto—June 25-29
Hamilton—July 3
St. Catharines—July 4
London—July 5
Chatham—July 6
Winnipeg—July 9-11
Regina—July 12
Calgary—July 13
Vancouver—July 16-19
Victoria—July 20

When he completes his tour and leave, Mr. Montgomery will return to The Hague.

G. F. J. OSBALDESTON, Consul and Trade Commissioner in Los Angeles:

Ottawa—June 18-22
Montreal—June 25-29
Toronto—July 2-6

When he completes his tour, Mr. Osbaldeston will return to Los Angeles.

J. H. STONE, Commercial Counsellor in Wellington, New Zealand:

Vancouver—June 4-8	Toronto—June 18-22
Winnipeg—June 11-12	Hamilton—June 25-29

Mr. Stone is expected to visit Montreal in September. When he completes his tour and leave, he will be transferred to Rome, Italy, as Commercial Counsellor.

W. B. WALTON, Assistant Commercial Secretary, Beirut, Lebanon:

Toronto—June 5-8	Saskatoon—June 15
Brantford—June 11	Calgary—June 18
Hamilton—June 12	Vancouver—June 22
Winnipeg—June 13-14	

When he completes his tour and leave, Mr. Walton will be transferred to Manila, Philippines, as Assistant Commercial Secretary.

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 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, Halifax, Ottawa, Winnipeg 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

J. H. BAILEY, Commercial Secretary in Bogotá, Colombia, will visit Cali and Medellin June 18-21.

R. A. BULL, Assistant Commercial Secretary in Bogotá, Colombia, will visit Cartagena and Barranquilla June 2-8.

M. R. M. DALE, Trade Commissioner in Cape Town, South Africa, will visit Kimberley June 6 and 7, and South West Africa June 8-26.

B. I. RANKIN, Deputy Consul General (Commercial) in New York, will visit Bermuda during the first two weeks in July.

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. Bailey and Mr. Bull at Bogotá, Mr. Dale at Cape Town, and Mr. Rankin at New York.

COMMODITY NOTES

Bauxite

SWITZERLAND—The Swiss company Aluminium Industrie AG has signed a long-term contract with the Government of Sierra Leone covering the extraction and export of 100,000 to 200,000 tons a year of bauxite. It has formed a subsidiary, the Sierra Leone Ore and Metal Co. Ltd., with headquarters at Freetown. To bring out the bauxite, 35 kilometres of new roads will be built connecting the mines with the River Sherbo. Special riverboats are being made to transport the bauxite; the first of these will be launched in 1963—Berne.

Chemicals

PAKISTAN—Three petrochemical plants are to be established in West Pakistan under a West German credit agreement. The plants will produce polyacrylonitrile (4,950 tons of fibre a year) and polyvinyl chloride (4,950 tons a year). The third plant will provide acetylene for the other two. Both the polyacrylonitrile (PAN) and polyvinyl chloride (PVC) plant will produce more than the Pakistani market can absorb and in addition to replacing imports of nylon twine and wool tops, 2,500 tons of polyacrylonitrile fibre and 1,000 tons of polyvinyl chloride products will be available for export. Severe penalties have been prescribed should exports fall below 2,000 tons of PAN and 750 tons of PVC. The projects, to be privately owned, will cost about $40 million—Karachi.

NICARAGUA—A chemical company, Soda e Insecticidas de Centro America, will soon be established in Nicaragua under the terms of the Central American Treaty of Economic Integration. United States, Mexican and Central American investors have supplied the necessary capital—U.S.$6 million. Annual production of 9,300 tons of caustic soda, 8,000 tons of chlorine, 2,700 tons of DDT and 3,300 tons of other chlorinated insecticides will have a value of U.S.$4 million—Guatemala City.

Ferro-silicon

NORWAY—A ferro-silicon plant operated by a newly formed company, K/S A/S Fesil-Nord & Co., jointly owned by the seven ferro-silicon producers in Norway, has started production in the county of Troms, northern Norway. The plant has one 7,500 kw. smelting furnace with a yearly capacity of some 10,000 tons of ferro-silicon. Another 7,500 kw. furnace will come into operation next autumn. Ample supplies of both iron and quartz of high quality are available in Norway, as are the large quantities of cheap hydroelectric power needed for ferro-silicon production. Norway already ranks high among world ferro-silicon exporters. Production is expected to increase still further because a number of companies are implementing large expansion schemes—Oslo.

Furniture

JAPAN—A United States-Japanese business enterprise opened recently in Tokyo to supply better Western-style furniture of Japanese design to local customers. The Jackson Furniture Company of California has taken space in the Takashimaya department store and intends to exploit Japanese interest in Western-style living. Jackson's plans to stage two major furniture shows each year in the store—Tokyo.

Locomotives

PAKISTAN—The 23 diesel locomotives that Pakistan Western Railways imported this year under a United States loan have brought its total to 229. Forty-three more are to be imported next year to cope with the increased traffic created by the Indus Basin project and the construction of the new capital at Islamabad. It is expected that the new locomotives will be financed by another United States credit—Karachi.

Paper Board

URUGUAY—A local papermaking company has installed Uruguay's first hard and soft board plant. As well as standard hardboard of all types, extra-hard board will be made for coating with plastics or enamels—Montevideo.

Papermaking Equipment

BRAZIL—Brazilian authorities recently issued a decree permitting the drawback of the import duties paid by Cia. Federal de Fundicao for the import of certain items used to make a Fourdrinier table to be exported to Greece. This is believed to be the first export of papermaking equipment from Brazil—São Paulo.

Milk

BRITAIN—Production of condensed milk declined to 154,000 tons in 1961 from 161,000 in 1960. Milk-powder output rose, however, from 96,000 to nearly 103,000 tons, with the most marked increases in spray and roller skim-milk powder—London.

Newsprint

NORWAY—Norwegian forest owners have formed a new company, Nordenfjeldske Treforedling A/S, to build and operate a 100,000-tons-a-year newsprint mill in the county of Trøndelag. The company recently offered shares worth $3-4 million for public subscription on the Norwegian capital market and nearly $3.75 million worth was taken up. Various forest-owners' organizations had previously subscribed about $3.6 million, and share capital now totals approximately $7.4 million. The projected plant will cost an estimated $26.3 million and the company will need an additional $3.75 million in working capital for purchases of raw materials, etc. The plant will consist of a mechanical pulp mill with annual capacity of 80,200 tons, a chemical pulp mill of 20,000 tons capacity, and a newsprint factory with one newsprint machine able to produce 100,000 tons a year. A second newsprint machine may be installed in the future—Oslo.

Nylon Yarn

TURKEY—It is reported that Turkey's first nylon yarn plant will be built at Bursa at a cost of $3.3 million in local and foreign currency. The plant is expected to be completed by June 1964 and will produce one ton a day at capacity. It will import nylon chips initially and make fine-denier nylon yarn for clothing. The possibility of manufacturing nylon tire cord at a later date for the three tire factories now under construction in Turkey is being studied. A West German company, Badische Analine and Soda Fabrik, will supply half the capital in the form of machinery and know-how—Athens.

Petroleum

ANGOLA—Petroleum output and refining in Angola during 1962 will far surpass 1961 totals. Capacity at the Luanda refinery—180,000 tons a year in 1961—will reach 550,000 tons this year, enabling Angola to meet all its own requirements. Production of crude, which in 1960 totalled 66,800 and in 1961 104,400 metric tons, will in 1962 meet the entire needs of the Luanda refinery and still leave considerable quantities for export to the Lourenco Marques and Lisbon refineries. This increase in production has resulted from the discovery and exploitation of seven wells at Quicama near Cabo Ledo. These now produce about 1,200 cubic metres a day and will supply some two million tons a year over the next 20 years—Lisbon.

JAPAN—According to the Japan Petroleum Federation, Japan's oil-refining capacity at the end of 1961 totalled 1,076,090 barrels a stream day, putting it among the principal refining countries—Tokyo.

Pine

BRAZIL—The final shipment of an export sale of one million cubic feet of pine to Europe left the port of Paranagua in the state of Parana recently. Several state, federal and industrial organizations are preparing plans for the development of further exports of Parana pine—São Paulo.

FOREIGN TARIFFS AND TRADE REGULATIONS

Burma

IMPORT CONTROL REGULATIONS AMENDED—In a press release dated March 31, 1962, the Burmese Ministry of Trade Development announced regulations concerning the import by foreign firms of goods admitted under Open General Licence.

According to the announcement, action is being taken to deregister all foreign firms registered as importers under the Registration (Imports and Exports) Order, with effect from September 30, 1962. As a result, all such foreign firms will not be permitted to open letters of credit or to place orders for goods admitted under Open General Licence with effect from October 1, 1962. All O.G.L. goods shipped on or before September 30, 1962, that are not covered by irrevocable letter of credit, and all O.G.L. goods covered by irrevocable letters of credit opened on or before September 30, 1962, must be imported not later than December 31, 1962.

Any imports by deregistered foreign firms from January 1, 1963, on will be regarded as unauthorized.

Indonesia

NEW EXPORT AND IMPORT REGULATIONS ANNOUNCED—On March 5, 1962, the Government of Indonesia introduced changes in the export and import regulations by means of a number of decrees and announcements. The new regulations were introduced to create incentives for exports and to facilitate imports.

Under a regulation effective from February 20, 1962, exporters who ship goods abroad and receive payment therefor are granted the use of 15 per cent of the proceeds usually surrendered to the State for the import of goods and payment for services. This permission is given in the form of a foreign exchange permit issued by the Exchange Fund which is valid for six months from date of issue. Permits may be sold wholly or partly only once to a third party through an Exchange Bank. If the permits are not used within the validity period, the holders are compensated by the Exchange Fund at the basic rate of rupiahs 45 to the U.S. dollar. A list of goods which may be imported from abroad within the framework of this regulation is attached to the announcement.

One of the decrees, dated March 5, 1962, outlines the procedure for the issue and use of the foreign exchange permits. Appended to this decree is the list of services which may be paid for with foreign exchange permits.

A further decree authorizes the formation of a Committee of Representatives from government departments to establish selling prices for export goods.

A supplementary decree makes certain goods indicated in the announcment subject to the fixed selling price and the other export commodities to an exchange rate of 65 rupiahs to the U.S. dollar in order to stimulate exports of these products.

Another decree establishes the maximum commission levied or charged on exports at 2 per cent of the price of the goods.

Another decree provides that, insofar as producers or exporters require goods from abroad, the said imports must be paid for by using the foreign exchange they earn. Producers or exporters which are state enterprises are no longer permitted to sell foreign exchange earned within the framework of the regulations outlined above.

The new measures are expected to benefit the import trade and help to encourage exports. They are not, however, expected to have any appreciable effect on the prevailing high prices for imported goods. Nevertheless, the measures should afford some relief and encouragement to private traders.

Iran

EXCHANGE CONTROL REGULATIONS AMENDED—The new import-export regulations were announced recently by the Government of Iran for the Iranian year 1341, March 21, 1962, to March 20, 1963. Under the new foreign trade regime certain amendments were made to the import trade procedure.

The new regulations permit import of the following commodities to continue on a documentary collection basis:

Industrial, agricultural and productive machinery, plants and parts
Other machinery
Tractors, combines and other agricultural machinery, implements and spare parts
Drugs of all kinds
Component parts for television sets
Radios
Refrigerators
Motor cars, trucks, buses, jeeps and landrovers
Books and magazines
Newsprint

Certain other items which were previously imported on a collective basis or against letters of credit, must now be imported under letters of credit only with a statutory margin of 20 per cent. Drafts drawn thereunder must be at sight. These commodities are:

Chemicals of all kinds and dyes for industrial use
Raw, natural and synthetic rubber
Fertilizers and insecticides
All kinds of plastic materials in the form of powder, grain, tube, bar and sheet
Artificial silk, nylon and perlon yarns and other artificial fibres
Raw wool
Machine knitting wool yarn and worsted yarn
Metal in the form of wire, sheets and bars
Cow and buffalo raw hides
Writing paper

Import of trucks, vanettes and buses is now prohibited, except where the capacity is one ton or less.

The statutory margin in respect of letters of credit covering the import of iron and steel bars, hot forged or rolled, has been reduced from 40 to 20 per cent.

The Central Bank of Iran has issued four lists of commodities, depending upon their essentiality to the economy of the country. These schedules are as follows:

1. A list of most essential goods which can be imported on a collection basis. Such goods may be imported on a letter of credit basis with 20 per cent margin.

2. A list of less essential goods which must be imported on a letter of credit basis with 20 per cent margin. If such goods are imported by a manufacturer, they may be imported on a collection basis.

3. A list of semi-essential goods which must be imported on a letter of credit basis with 40 per cent margin.

4. A list of non-essential goods, import of which was prohibited in the year 1340 (March 21, 1961, to March 20, 1962), but is now permitted. Import of these goods is only permitted on a letter of credit basis with 100 per cent margin.

There is also a list of some 250 different commodities that may not be imported, except under special circumstances and with the permission of various government bodies. All goods not appearing in the above schedules may be imported into Iran under letters of credit with 70 per cent margin.

Further information will be available when details of new regulations and schedules of commodities are received.

Syrian Arab Republic

IMPORT CONTROL REGULATIONS CONSOLIDATED—In a communique from the Ministry of Economy, dated April 16, 1962, the Government of the Syrian Arab Republic summarized its current import trade control regulations. Attached to the communique are four schedules of goods classified according to their essentiality as follows:

(1) A schedule of materials and products the import of which is prohibited and not authorized.

(2) A list of products the import of which is suspended and not authorized until further advice from the Ministry of Economy.

(3) A schedule of materials and products the import of which is authorized under quota limitation and for which import licences are issued according to the relative import procedure.

(4) A list of materials and products the import of which is authorized without limitations and for which import licences are issued within the limits of the conditions indicated for each material or product.

The import of all other products or materials that are not included in the lists or schedules indicated above is considered as authorized without quota limitations, the communique advises. Authorizations or licences to import such goods will be issued according to the regulations in force.

Exceptions are made to the terms above without reservation in the issuing of pertinent licences for certain imports, including the following: imports by the diplomatic and consular corps, and organizations and services of the United Nations; imports by concessionary societies for the work of their enterprises; merchandise returned after its export from Syria; merchandise imported on a temporary basis and returned, subject on export to the repatriation of the charges and profits of the industries.

Licences for the import of materials or products imported directly by the services and public administrations or through their agents will be granted within the limits of their financial budgets upon signature of the Director of Economic and Financial Affairs.

For the import of products or merchandise that are not authorized, on the condition that similar products are not manufactured locally by Syrian industries, applications for import licences should be submitted to the Minister of Economy.

All tables, lists and instructions relative to the prohibition or the temporary decree or suspension of import of certain products, or their binding to the system of quotas contrary to the resolutions above, are abrogated, the communique states.

Canadian exporters to Syria may obtain the status of any particular commodity under the new import control regulations from the Asia and Middle East Division, International Trade Relations Branch.

Visiting Chile?

Hotel accommodation in Santiago, Chile, is completely booked up to June 18 because of the world football championship being held there, the Commercial Secretary in Santiago reports. Businessmen who wish to visit Chile should bear this in mind.

Foreign Trade Service Abroad

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Argentina Paraguay	C. O. R. Rousseau Commercial Secretary J. G. Ireland Assistant Commercial Secretary	Canadian Embassy Bartolome Mitre 478 Buenos Aires	*Mail:* (City Address) *Cable:* Canadian *Phone:* 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	21st Floor A.M.P. Building Circular Quay Sydney Cove Sydney	*Mail:* P.O. Box 3952 G.P.O. *Cable:* Canadian *Phone:* 27-7565
Australia (Victoria, South Australia, Western Australia, Tasmania)	H. A. Gilbert Commercial Counsellor for Canada I. R. Smyth Assistant Commercial Secretary	Mobile Centre 2 City Road South Melbourne	*Mail:* (City Address) *Cable:* Canadian *Phone:* 61-3473
Australia	R. B. Nickson Commercial Counsellor	Office of the High Commissioner for Canada State Circle Canberra	*Mail:* (City Address) *Cable:* Domcan *Phone:* U-1304 *Telex:* CBA C217 (Domcan CBA)
Austria Albania, Bulgaria, Czechoslovakia, Hungary, Rumania, Yugoslavia	R. K. Thomson Commercial Counsellor for Canada P. A. Freyseng Assistant Commercial Secretary	Opernringhof Opernring 1 Vienna 1	*Mail:* (City Address) *Cable:* Canadian *Tel.:* 57-25-97 *Telex:* 1-3380 (Domcan Vienna)
Belgium Luxembourg, European Economic Community, European Atomic Energy Com- munity, European Coal and Steel Community	L. H. Ausman Commercial Counsellor A. A. Lomas Assistant Commercial Secretary P. T. Eastham Assistant Commercial Secretary	Canadian Embassy 35 rue de la Science Brussels 4	*Mail:* (City Address) *Cable:* Canadian *Phone:* 13.38.50 *Telex:* 0-2613 (Domcan BRU)
Brazil	Wm. Jones Commercial Counsellor Malcolm Rowan Assistant Commercial Secretary	Canadian Embassy Edificio Metropole Av. Presidente Wilson 165 Rio de Janeiro	*Mail:* Caixa Postal 2164 *Cable:* Canadian *Phone:* 42-4140 *Telex:* Rio 175 (Dominion Rio)
Brazil	D. M. Holton Consul and Trade Commissioner R. H. Gayner Vice Consul and Assistant Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 Sao Paulo	*Mail:* Caixa Postal 6034 *Cable:* Canadian *Phone:* 36-6301
Britain	B. C. Butler Minister (Commercial) S. G. Tregaskes Commercial Counsellor W. Gibson-Smith Commercial Counsellor D. B. Laughton Agricultural Counsellor	Office of the High Commissioner for Canada One Grosvenor Square London, W.1	*Mail:* (City Address) *Cable:* Sleighing, London, W.1 *Phone:* Mayfair 9492 *Telex:* 2-2526, or 2-8240 (Dominion LDN)

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Britain	J. M. Rochon Commercial Counsellor (Metals and Minerals) E. J. White Commercial Secretary (Timber) W. M. Miner Assistant Agricultural Secretary Geo. Hazen Assistant Commercial Secretary S. G. Harris Assistant Commercial Secretary Miss M. A. Armstrong Attaché (Exhibitions)		*Cable:* TIMCOM, LONDON, W.1
Britain (Midlands, North England)	W. R. Van Canadian Government Trade Commissioner	Martins Bank Building Water Street LIVERPOOL	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* MARitime 2177
Britain (Scotland)	Finlay Sim Canadian Government Trade Commissioner E. J. Ward Assistant Trade Commissioner (Timber)	Cornhill House 144 West George St. GLASGOW C.2	*Mail:* (City Address) *Cable:* CANTRACOM *Phone:* Douglas 6751
Britain (Northern Ireland)	Finlay Sim Canadian Government Trade Commissioner E. J. Ward Assistant Trade Commissioner (Timber)	15-17 Chichester St. BELFAST 1	*Mail:* (City Address) *Phone:* 21867
Ceylon	Commercial Secretary (absent)	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO	*Mail:* P.O. Box 1006 *Cable:* CANADIAN *Phone:* 91341
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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	*Airmail:* Apartado Aereo 8582 *Surface Mail:* Apartado 1618 *Cable:* CANADIAN *Phone:* 43-00-65
Congo Angola, Central African Republic, Chad, Congo (Community), Gabon	Consul General	Canadian Consulate General C.C.C.I. Building Boulevard Albert 1er LEOPOLDVILLE 1	*Mail:* Boîte Postale 8341 *Cable:* CANADIAN *Phone:* 2706 *Telex:* LEO 68 (DOMCAN LEO)
Cuba	P. A. Savard Commercial Counsellor	Canadian Embassy Edificio Ingenieros Civiles Calle 17 y O Vedado HAVANA	*Mail:* Gaveta 6125 *Cable:* CANADIAN *Phone:* 32-3526
Denmark Greenland, Poland	K. Nyenhuis Commercial Counsellor	Canadian Embassy Prinsesse Maries Allé 2 COPENHAGEN V	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* Hilda 3306

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
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France Algeria; Cameroon Republic, Dahomey, Guinea, Ivory Coast, Mali Republic, Mauretania, Morocco, Niger, Senegal, Togoland, Upper Volta	A. G. Kniewasser Commercial Counsellor R. G. Woolham Assistant Commercial Secretary Y. C. Jauron Assistant Commercial Secretary G. P. Morin Assistant Commercial Secretary	Canadian Embassy 35 Avenue Montaigne PARIS 8e	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* BALzac 99-55 *Telex:* 2-0600 (DOMCAN PARIS)
Germany Federal Republic	J. A. Stiles Commercial Counsellor W. J. O'Connor Assistant Commercial Secretary (Agriculture)	Canadian Embassy Zitelmannstrasse 22 BONN	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 21971 *Telex:* 886421 OR 886422 (DOMCAN BONN)
Germany	H. E. Campbell Consul Louis de Salaberry Vice Consul	Canadian Consulate Bismarckstrasse 95 DUSSELDORF	*Mail:* P.O. Box 2102 *Cable:* CANADIAN *Phone:* 2-05-25
Germany	R. E. Gravel Consul General Richard Turcotte Vice Consul	Canadian Consulate General Ferdinandstrasse 69 HAMBURG	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 326149
Ghana Gambia, Liberia, Sierra Leone	K. F. Osmond Commercial Secretary P. A. Thébèrge Assistant Commercial Secretary	Office of the High Commissioner for Canada E 115/3 Independence Ave. ACCRA	*Mail:* P.O. Box 1639 *Cable:* CANADIAN *Phone:* 4824
Greece Cyprus, Turkey	B. A. Macdonald Commercial Counsellor	Canadian Embassy 31 Vassilissis Sophias Ave. ATHENS	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 74044
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	H. E. Lemieux Commercial Secretary K. D. Taylor Assistant Commercial Secretary	Canadian Embassy 5a Avenida 11-70, Zone I GUATEMALA CITY, C.A.	*Airmail:* P.O. Box 400 *Surface Mail:* P.O. Box 444 *Cable:* CANADIAN *Phone:* 28448
Haiti	Chargé d'Affaires, a.i. and Consul	Canadian Embassy Route du Canape Vert St. Louis de Turgeau PORT AU PRINCE	*Mail:* P.O. Box 826
Hong Kong Cambodia, Communist China, Laos, Vietnam, Macao	Canadian Government Trade Commissioner (absent) J. M. T. Thomas Acting Trade Commissioner D. J. McEachran Assistant Trade Commissioner D. Molgat Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg. HONG KONG	*Mail:* P.O. Box 126 *Cable:* CANADIAN *Phone:* 27743

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
India (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	*Mail:* P.O. Box 11 *Cable:* CANADIAN *Phone:* 74261
India (States of Gujerat and Maharashtra)	Canadian Government Trade Commissioner (absent)	Gresham Assurance House Mint Road BOMBAY	*Mail:* P.O. Box 886 *Cable:* CANADIAN *Phone:* 255154
Indonesia	Commercial Division	Canadian Embassy Djl. Budi Kemuliaan No. 6 DJAKARTA	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* Gambir 1313
Iran	A. B. Brodie Commercial Counsellor	Canadian Embassy Bezrouke Building Corner of Takht Jamshid Ave. and Forsat St. TEHRAN	*Mail:* P.O. Box 1610 *Cable:* CANTRACOM *Phone:* 4-9291
Ireland	W. G. Brett Commercial Secretary for Canada	66 Upper O'Connell St. DUBLIN	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 44251
Israel	B. C. Steers Commercial Secretary for Canada	35 Carlebach St. TEL AVIV	*Mail:* (P.O. Box 20140) *Cable:* CANADIAN *Phone:* 221203
Italy Libya, Malta	Commercial Counsellor (absent) M. S. Strong Commercial Secretary W. J. Jenkins Assistant Commercial Secretary	Canadian Embassy Via G. B. De Rossi 27 ROME	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 864-327 *Telex:* RMO 86 (RMO 86 DOMCAN OR RMO 56 DOMCAN)
Japan Korea, Okinawa	A. P. Bissonnet Commercial Counsellor C. M. Kerr Assistant Commercial Secretary D. A. Hilton Assistant Commercial Secretary	Canadian Embassy TOKYO	*Mail:* Canadian Embassy *Cable:* CANADIAN *Phone:* 408-2101/8 *Telex:* TK 2218 (DOMCAN TK 2218)
Lebanon Iraq, Jordan, Persian Gulf area, Syria	L. A. Campeau Commercial Counsellor	Canadian Embassy Alpha Building Rue Clemenceau BEIRUT	*Mail:* Boîte Postale 2300 *Cable:* CANADIAN *Phone:* 50955
Mexico	F. B. Clark Commercial Counsellor H. S. Hay Assistant Commercial Secretary	Canadian Embassy Melchor Ocampo 463, 7th Floor MEXICO 5, D.F.	*Mail:* Apartado 25364 *Cable:* CANADIAN *Phone:* 25-15-60
Netherlands	J. C. Britton Commercial Counsellor J. E. Montgomery Assistant Commercial Secretary (absent) J. R. Caux Assistant Commercial Secretary	Canadian Embassy Sophialaan 5-7 THE HAGUE	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 61-41-11 *Telex:* 31270 (DOMCAN HAGUE)

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
New Zealand Fiji, Samoa, Tahiti, Tonga	Commercial Counsellor (absent) W. J. Collett Acting Commercial Secretary	Office of the High Commissioner for Canada Government Life Insurance Bldg. WELLINGTON	*Mail:* P.O. Box 1660 *Cable:* CANADIAN *Phone:* 70-644 *Telex:* WGN 9 (DOMCAN WGN)
Nigeria	H. W. Richardson Commercial Counsellor N. L. Williams Assistant Commercial Secretary	Office of the High Commissioner for Canada Barclays Bank Building, 4th Floor 40 Marina Road LAGOS	*Mail:* P.O. Box 851 *Cable:* CANADIAN *Phone:* 25262
Norway Iceland	M. B. Bursey Commercial Counsellor W. E. Fulton Assistant Commercial Secretary	Canadian Embassy Fridtjof Nansens Plass 5 OSLO	*Mail:* P.O. Box 1379—Vika *Cable:* CANADIAN *Phone:* 33-30-80
Pakistan Afghanistan	J. E. P. Lancaster Commercial Secretary J. A. Elliott Assistant Commercial Secretary	Office of the High Commissioner for Canada Hotel Metropole, Victoria Rd. KARACHI	*Mail:* P.O. Box 3703 *Cable:* CANADIAN *Phone:* 50322 *Telex:* KRC 10
Peru Bolivia	K. G. Ramsay Commercial Secretary	Canadian Embassy Edificio Boza, Carabaya 831 Plaza San Martin LIMA	*Mail:* Casilla 1212 *Cable:* CANADIAN *Phone:* 72760
Philippines Republic of China (Taiwan)	T. G. Major Consul General and Trade Commissioner	Canadian Consulate General L & S Building, 3rd Floor 1414 Dewey Boulevard MANILA	*Mail:* P.O. Box 1825 *Cable:* CANADIAN *Phone:* 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	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	L. S. Glass Canadian Government Trade Commissioner	8th Floor Grindlays Bank Chambers Baker Avenue SALISBURY	*Mail:* P.O. Box 2133 *Cable:* CANTRACOM *Phone:* 26571
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	E. H. Maguire Canadian Government Trade Commissioner (absent) K. O. Hillyer Acting Trade Commissioner	American International Building Robinson Road and Telegraph St. SINGAPORE	*Mail:* P.O. Box 845 *Cable:* CANADIAN *Phone:* 74260
South Africa (Natal, Orange Free State, Transvaal) Malagasy, Mauritius, Mozambique, Reunion	C. R. Gallow Canadian Government Trade Commissioner (absent) L. J. Taylor Acting Trade Commissioner	Mobil House 17th Floor, Corner Rissik and De Villiers Streets JOHANNESBURG	*Mail:* P. O. Box 715 *Cable:* CANADIAN *Phone:* 33-2628
South Africa (Cape Province), St. Helena, South West Africa	M. R. M. Dale Canadian Government Trade Commissioner	13th Floor African Life Centre St. George's St., CAPE TOWN	*Mail:* P.O. Box 683 *Cable:* CANTRACOM *Phone:* 2-5134/5

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
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	*Mail:* Apartado 117 *Cable:* CANADIAN *Phone:* 47-54-00
Sweden Finland	G. F. G. Hughes Commercial Counsellor	Canadian Embassy Strandvagen, 7-C STOCKHOLM	*Mail:* P.O. Box 14042 *Cable:* CANADIAN *Phone:* 67-92-15
Switzerland Tunisia	S. G. MacDonald Commercial Counsellor J. H. Nelson Assistant Commercial Secretary	Canadian Embassy Kirchenfeldstrasse 88 BERNE	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* 44-63-81 *Telex:* 2-2386 (DOMCAN GENEVE)
Union of Soviet Socialist Republics	R. V. N. Gordon Commercial Counsellor (absent)	Canadian Embassy 23 Starokonyushenny Pereulok MOSCOW	*Mail:* (City Address) *Cable:* CANAD *Phone:* 415142
United Arab Republic Aden, Sudan, Ethiopia, Saudi Arabia, Yemen	D. S. Armstrong Commercial Counsellor	Canadian Embassy 6 Sharia Rouston Pasha Garden City CAIRO	*Mail:* Kasr el Doubara Post Office *Cable:* CANADIAN *Phone:* 23110
United States	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.	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* DEcatur 2-1011
United States	N. R. Chappell Counsellor (Energy)	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* DEcatur 2-1011
United States (Connecticut, the eleven northern counties of New Jersey, New York) Bermuda	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 Vice Consul and Assistant Trade Commissioner	Canadian Consulate General 680 Fifth Ave. NEW YORK CITY 19	*Mail:* (City Address) *Cable:* CANTRACOM *Phone:* JUdson 6-2400
United States (Maine, Massachusetts, New Hampshire, Rhode Island, Vermont)	J. C. Depocas Consul and Trade Commissioner L. D. R. Dyke Consul and Assistant Trade Commissioner	Canadian Consulate General 607 Boylston Street BOSTON 16	*Mail:* (City Address) *Phone:* COngress 2-1245
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Kentucky, Missouri, Nebraska)	H. J. Horne Consul and Trade Commissioner N. L. Currie Vice Consul and Assistant Trade Commissioner	Canadian Consulate General 111 North Wabash Avenue CHICAGO	*Mail:* (City Address) *Cable:* CANADIAN *Phone:* RAndolph 6-6033

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

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 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 .919012.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent May 18	Units per Canadian dollar	Notes (See below)
Argentina	Peso		.01044	95.78	
Austria	Schilling		.04216	23.72	
Australia	Pound		2.4485	.4084	
Bahamas	Pound		3.0606	.3267	
Belgium and Luxembourg	Franc		.02185	45.77	
Bermuda	Pound		3.0606	.3267	
Bolivia	Potosi	Free	♯	♯	
Brazil	Cruzeiro	Free	.003465	288.60	
		Special Category	†	†	
Britain	Pound		3.0606	.3267	
British Guiana	Dollar		.6376	1.57	
British Honduras	Dollar		.7651	1.31	
Burma	Kyat		.2285	4.38	
Ceylon	Rupee		.2295	4.36	
Chile	Escudo	Bank rate	1.03434	.9668	
		Free	.7230	1.38	
Colombia	Peso	Certificate	.1624	6.16	
Congo, Republic of	Franc		.02185	45.77	
Costa Rica	Colon		.1642	6.09	
Cuba	Peso		‡	‡	
Czechoslovakia	Koruna		.1511	6.62	
Denmark	Krone		.1577	6.34	
Dominican Republic	Peso		1.0881	.9190	
Ecuador	Sucre	Official	.06045	16.54	
		Free	.04761	21.00	
El Salvador	Colon		.4353	2.30	
Fiji	Pound		2.7573	.3627	
Finland	Markka		.003400	294.12	
France, Monaco, etc.	New Franc		.2221	4.50	(1)
Franco-African Republics, etc.	Franc		.004442	225.12	(2)
French Pacific	Franc		.01222	81.83	(3)
Germany	D Mark		.2721	3.67	
Ghana	Pound		3.0606	.3267	
Greece	Drachma		.03627	27.57	
Guatemala	Quetzal		1.0881	.9190	
Haiti	Gourde		.2176	4.59	
Honduras	Lempira		.5441	1.84	
Hong Kong	Dollar	Free*	.1908	5.24	*May 11
		Official	.1913	5.23	
Iceland	Krona	Official	.02531	39.51	(4)
India	Rupee		.2295	4.36	
Indonesia	Rupiah	Official	.02418	41.35	(4)
Iran	Rial		.01436	69.61	
Iraq	Dinar		3.0468	.3282	

♯Not available.

†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 May 18	Units per Canadian dollar	Notes (See below)
Ireland	Pound		3.0606	.3267	
Israel	Pound		.3627	2.76	
Italy	Lira		.001752	570.78	
Japan	Yen		.003023	330.80	
Lebanon	Pound	Free	.3438	2.91	
Mexico	Peso		.08705	11.49	
Morocco	Dirham		.2176	4.59	
Netherlands	Florin		.3028	3.30	
Netherlands Antilles	Florin		.5770	1.73	
New Zealand	Pound		3.0397	.3290	
Nicaragua	Cordoba	Effective buying	.1554	6.43	
		Official selling	.1543	6.48	
Nigeria	Pound		3.0606	.3267	
Norway	Krone		.1526	6.55	
Pakistan	Rupee		.2295	4.36	
Panama	Balboa		1.0881	.9190	
Paraguay	Guarani	Official	.008820	113.38	
Peru	Sol		.04056	24.65	
Philippines	Peso	Free	.2802	3.57	
Portugal & Colonies	Escudo		.03798	26.33	(5)
Republic of South Africa	Rand		1.5303	.6535	
Singapore and Malaya	Straits Dollar		.3571	2.80	
Spain and Dependencies	Peseta		.01813	55.14	
Sweden	Krona		.2114	4.73	
Switzerland	Franc		.2514	3.98	
Syria	Pound	Free	.3039	3.29	
Thailand	Baht	Free	.05147	19.43	(4)
Tunisia	Dinar		2.6224	.3813	
Turkey	Lira		.1209	8.27	(4)
United Arab Republic	Pound	Official	3.1246	.3200	
United States	Dollar		1.088125	.919012	
Uruguay	Peso	Free	.09924	10.08	
Venezuela	Bolivar	Free	.2386	4.19	
		Official	.3247	3.08	
West Indies	Dollar		.6376	1.57	(6)
	Pound		3.0606	.3267	(7)
Yugoslavia	Dinar	Official	.001451	689.18	

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

The Netherlands

Area: 12,850 square miles.

Population: 11,720,000.

Climate: moderate.

Topography: flat.

Language: Dutch.

Currency: florin or guilder; one florin=Can.$0.3008.

Weights and measures: metric system.

Capital: Amsterdam; seat of government, The Hague.

Chief ports: Rotterdam and Amsterdam.

Marketing centres: Amsterdam (population) 865,703, Rotterdam 730,225, The Hague 605,213, Utrecht 255,255, Eindhoven 172,388.

Economy: important primary and secondary industries; well-developed agriculture; natural resources consisting of coal, natural gas, oil and salt. Rotterdam, second largest port in the world, handles extensive quantities of goods destined for transhipment to Western European countries. There are large oil refineries in the vicinity of Rotterdam.

Total Netherlands imports: 1961—Can.$5,176,240,000 (per capita Can.$442); 1960—Can.$4,441,038,000.

Chief imports: (per cent) 1961—petroleum and petroleum products 10.5, industrial machinery 9.8, electrical machines and apparatus 8.2, transport equipment 7.1, iron and steel 6.1, yarns, fabrics and finished textiles 5.9.

Chief suppliers: (per cent) 1961—West Germany 23.1, Belgium and Luxembourg 19.0, United States 11.1, Britain 7.2. (Canada 0.55).

Value of imports from Canada: (Netherlands figures) 1961—Can.$28,409,306; 1960—Can.$35,935,012. (Drop in 1961 imports due to smaller purchases of grains.)

Chief imports from Canada: (per cent) 1961—wheat 24.0, oilseeds 8.7, lumber 8.5, electrical machines and apparatus 6.6, asbestos 6.5, synthetic rubber 5.3, iron ore 4.5. Demand for finished goods growing slightly.

Total Netherlands exports: 1961—Can.$4,361,651,200; 1960—Can.$3,947,159,500.

Chief exports: (per cent) 1961—petroleum and petroleum products 9.4, electrical machines and appliances 9.2, dairy products and eggs 7.4, yarns, fabrics and finished textiles 7.2, machines 5.5, fruits and vegetables 5.0.

Chief markets: (per cent) 1961—West Germany 23.1, Belgium and Luxembourg 15.1, Britain 9.9, France 6.2, Sweden 4.5, (Canada 0.7).

Value of Canadian purchases: 1961—Can.$31,364,914; 1960—Can.$29,485,965.

Chief Canadian purchases: (per cent) 1961—electrical machines and apparatus 14.3, vegetable raw materials (mainly binder twine) 10.0, cotton fabrics 7.7, musical instruments and gramophones 4.9, vessels 4.6, cocoa 3.2.

Dollar exchange: freely available for all imports; a very few commodities subject to import licensing.

Prices: quote in Canadian dollars or Netherlands florins, preferably c.i.f. Netherlands port.

Samples: dutiable only if of commercial value; travellers' samples are also free, provided they are recognizable as samples.

Trade agreements: most-favoured-nation agreement with Canada as a member of the GATT; preferential tariff treatment for imports from Belgium, Luxembourg, West Germany, France, Italy and, in general, overseas territories of the Common Market partners.

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

Correspondence: airmail only; letters 15 cents per half ounce.

For detailed information on this market write to:

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

or

Commercial Counsellor
Canadian Embassy
Sophialaan 7
The Hague, Netherlands

Roger Duhamel
QUEEN'S PRINTER

If undelivered return to:
The Queen's Printer, Ottawa, Canada

DO as you would be done by

or you will be undone

—if we may put it that way. When you write to a supplier inquiring about his product and prices you expect the quickest reply* possible, even if he is on the other side of the world. You expect him to be interested, and courteous enough to tell you whether or not he can do business. If he doesn't respond promptly (or at all), you write him off.

The other fellow has the same expectations and the same reactions.

Some Canadian exporters are undoing themselves—and their country's export reputation.

* By airmail naturally.