Protesting Bills of Exchange in Europe (page 18)

FOREIGN TRADE

DEPARTMENT OF TRADE AND COMMERCE OTTAWA

JAN. 27. 62

FOREIGN TRADE

JANUARY 27, 1962 Vol. 117 No. 2

Established in 1904. Published fortnightly by the Department of Trade and Commerce.
The Hon. GEORGE HEES, Minister.
JAMES A. ROBERTS, Deputy Minister.
Please forward all orders to: Queen's Printer, Government Printing Bureau, Ottawa.
Price $2.00 a year in Canada; $5.00 abroad
Single copies: 20 cents each.

COMING——MARKETS FOR TOBACCO IN EUROPE, WEST INDIES, FEB. 10 ISSUE

53017-0—1

How's Business in Bolivia?

Foreign aid from several sources will go towards rehabilitating the state-owned mines, aiding agriculture. These projects may create sales opportunities. Canadian producers of basic foodstuffs, mining machinery may be able to sell here, if prices are low and credit terms as generous as those that competitors are offering.

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

IF BOLIVIA is not extricating itself from the maze of economic difficulties that surrounds it, it is at least learning to live within it. Businessmen in Bolivia appear to view the future with slightly more confidence than they did a year ago, although this may merely be a temporary feeling—the result of a flurry of spending that several foreign credits and grants have produced. Whether their optimism is justified or not, Bolivia has attained a certain stability, at least in the short run. The foreign exchange rate continued firm throughout the year, the cost of living increased by less than 6 per cent, and a mere handful of businesses failed.

But the level at which business activity has settled is low. Economic stagnation is general and total production in 1960 was virtually the same as it was a decade earlier. Declines in mining and manufacturing have offset increases in agriculture, transportation and petroleum. Import houses are operating with reduced capital and are not seeking new agencies. They and their customers generally expect the foreign manufacturer to finance imports.

Bolivia in Brief

Bolivia is slightly larger than Ontario and is one of the two Latin American countries without a seacoast. With 3.8 million people (Ontario had 5.4 million in 1956) it is the most sparsely populated country in Latin America. But the population is uneconomically distributed and the high mountainous plains or "Altiplano" are overcrowded. Three-quarters of the people live in a tenth of the total area.

Since the Spaniards discovered the silver mountain, or "Cerro Rico", of Potosi in 1545, Bolivia and mining have been synonymous in the minds of many people. It is true that minerals, primarily tin, provide more than 90 per cent of Bolivia's export earnings. But mining accounts for only 11 per cent of total production and provides work for only 3 per cent of the labour force.

Bolivia remains a predominantly agricultural country with almost three-quarters of its inhabitants engaged in farming and livestock raising, mostly on a primitive subsistence basis. Less than a third of the population is totally integrated into the money economy; the per capita annual income of $94 is among the lowest in Latin America.

Mines to Be Rehabilitated

In 1952 Bolivia's three largest mines, contributing about 70 per cent of the total mineral production, were nationalized. A state enterprise, Corporacion Minera de Bolivia (Comibol), was created to operate the nationalized mines. Output from the mining industry has declined since then and the volume of mineral exports in 1960 was only about two-thirds the 1952 level. The financial position of Comibol has deteriorated steadily and its debts to suppliers, railroads and private companies have been growing.

Earlier this year a three-year program to rehabilitate Comibol, entitled "Operation Triangle", was initiated. Its goal is a 10 per cent increase in production each year. The program is triangular because three entities are granting Comibol credit: the Inter-American Development Bank (IADB), the U.S. Government, and the West German Government. To date Comibol has signed loan agreements with the IADB for $4.5 million, with the U.S. Government for $3.5 million, and with the West German Government for $3.75 million. Separate from but in conjunction with "Operation Triangle", the United States Operations Mission has made a supplementary loan of $1.5 million as emergency aid and Argentina has granted a credit of $1.5 million for commissary supplies.

The U.S. Government credits are tied to U.S. suppliers but the IADB and German loans are open to world-wide tenders. The IADB is administering the German loan as well as its own. To date, aluminum wire and drill steel have been bought from Canada under "Operation Triangle".

Private Mining Improving

In recent years, private mining has generally fared better than the state mines; its share of mineral exports has increased from about 25 per cent in 1953 to about 38 per cent in 1960. While Comibol has been operating continually in the red, the private mines have apparently been showing profits. However, lack of capital has handicapped their operations, particularly expansion programs. Private foreign capital has been very difficult to obtain and until recently the Government Mining Bank lacked funds for development credits. The Inter-American Development Bank recently lent this bank $1.6 million, which should stimulate mining machinery imports slightly.

Early in 1961 the United Nations Special Fund approved a grant for a pilot mineral survey of the Cordillera and Altiplano of Bolivia. An operations agreement for this four-year project was signed in October and the Inter-American Geodetic Survey is working on the first stage of this project, aerial photography. The succeeding stages are to be contracted to private companies. The operating agreement contains provision for an airborne magnetometer-scintillation counter survey of the area and an interpretation of it. It is not clear yet whether the tenders will be called from New York or La Paz, but the best source of information on the project is the United Nations Special Fund offices in New York.

—W. R. Grace & Co.

Perched high in the Bolivian Andes near La Paz is the large Chojlla tin and tungsten mine. Privately owned mines like this one provided 38 per cent of mineral exports in 1960, compared with only 25 per cent seven years earlier.

Search for Petroleum

The search for petroleum in Bolivia was begun in the 1920's by United States oil companies. In 1937 the properties of these companies were expropriated and a government corporation, Yacimientos Petroliferos Fiscales Bolivianos (YPFB), created to operate them. The 1956 petroleum code reopened the door to private companies, who were again permitted to explore and produce petroleum in Bolivia. Distribution and sale of oil products remained a state monopoly.

Since 1957 about a dozen firms have been operating in Bolivia and they have invested from $80 to $90 million. The Bolivian Gulf Oil Company has discovered several promising wells. The prospects for continuing to discover oil in commercial quantities in Bolivia are sufficiently promising for exploration to go on at about its present scale for some time.

Agricultural Methods Primitive

Bolivian agriculture is characterized by a large number of small farms, most of them too small to give full employment to the owners and their families. Methods of cultivation are primitive, most of the land in the Altiplano and the high valleys is poor, and the climate on the whole is unfavourable. There are large areas of good farm land in the northern and eastern lowlands where the climate is good, but they are generally unexploited.

The main crops are potatoes, barley, yucca and corn. In recent years production of sugar and rice has increased markedly and Bolivia is practically self-sufficient in these commodities. There is some production of coffee, coca, cocoa, peanuts,

53017-0—2

citrus fruits and sunflower seeds on the semi-tropical lands, and of Brazil nuts and natural rubber in northern Bolivia. Total exports of agricultural produce approximate $4.5 million a year.

In the first half of 1960, Bolivia imported agricultural machinery worth only $29,000 and agricultural tools valued at $79,000. During a recent trip to Bolivia I travelled nine days by road through agricultural lands and can only recall seeing one tractor. Most, if not all, of the ploughs I saw were wooden.

The United Nations Special Fund has an educational project in Cochabamba that the Food and Agricultural Organization (FAO) is administering. It includes the purchase of $35,000 worth of laboratory equipment, farm tools and implements, processing equipment, farm supplies and teaching material. Recommendations for purchases are made by the UN expert in Bolivia responsible for the project but the orders are placed by the FAO headquarters in Rome.

Manufacturing Not Important

Manufacturing plays a minor rôle in the Bolivian economy. Textile factories are the most important industries, employing about one-third of the industrial labour force. Food and drink, glass, ceramics, rubber and tanning industries make up most of the remainder.

Manufacturing output increased by about 15 per cent from 1950 to 1955, largely because the Government subsidized the import of raw materials through a highly artificial exchange rate that strongly favoured the manufacturers. When the boliviano was allowed to find its own level in 1955 and this favourable rate disappeared, manufacturing production declined sharply—by 37 per cent within two years. There has been some recovery since, but manufacturing remains depressed.

Sales Prospects Unchanged

Although Bolivian exports have declined steadily during recent years, imports have largely been maintained. They totalled $68 million in 1960 and the figure for 1961 should be close to that. Roughly, the composition of Bolivian imports is manufactured goods 70 per cent, foodstuffs 25 per cent, and raw materials 5 per cent.

Canada's sales to Bolivia are insignificant, at about $320,000 a year. During 1960 the only products with sales over $10,000 were truck tires, sardines, mining machinery, pumps, pharmaceuticals, plastics, and cartridges. The major group was mining machinery, with a value of $93,000.

During the early 1950's Canada's exports to Bolivia exceeded $6 million, 80 per cent of which was earned from wheat. In recent years wheat has disappeared entirely from our exports to Bolivia, primarily because the eleven Bolivian mills are barely operating. The country now relies largely on flour imported from Argentina, France and Germany. The U.S. Government supplied $3.3 million worth of PL480 flour to Bolivia this year and is currently negotiating a new agreement which is intended to satisfy the country's entire wheat and flour needs for the next three years.

A major improvement in Canadian sales to Bolivia does not seem likely unless we succeed in obtaining a substantial share of the orders that will result from the credits the various state organizations have received. Under present conditions a possible approach to the Bolivian market is via the offices of the Inter-American Development Bank, the United Nations Special Fund, and the Food and Agriculture Organization.

New opportunities through commercial channels are not numerous. I was recently able to visit La Paz businessmen in their offices but only received inquiries for lard, soybean oil, copper wire, and sardines. Without exception these businessmen stressed that imports from Canada will only interest them if our exporters can compete in price and credit with other suppliers; quality is not a consideration.

Price and Credit First

The emphasis on price and credit is characteristic of the Bolivian market. The letter of credit has virtually disappeared from the scene, although some imports are still financed on the basis of cash against documents.

Credit of 180 days running from the arrival of the goods in port is common. German suppliers are considered to be the most generous in their credit terms; they generally demand a 15 to 20 per cent payment with the order and the remainder payable over 120 or 180 days by one or two drafts. Although delays in payment are frequent, failure to pay is relatively rare. There are at least two good credit agencies in Bolivia and the Lima office of the Trade Commissioner Service can help Canadian suppliers obtain credit information through these agencies.

The Bolivian market is a limited one and the competition is stiff. Not only is the total demand small but it is confined to relatively few items. Producers of consumer durables and many classes of machinery will probably decide that the sales possibilities do not justify the effort required and the risks run. However, Canadian producers of basic foodstuffs and mining machinery who believe their prices are competitive and who are willing to offer credit should attempt to sell in the Bolivian market. The Department of Trade and Commerce is ready to help them in their efforts.

Business Inquiries, Uruguay

THE Commercial Division of the Canadian Embassy in Montevideo can provide commercial information about Uruguay. Interested Canadian businessmen should therefore write directly to the Division, c/o Canadian Embassy, Casilla Postal 852, Montevideo, by airmail.

Dried Apricots for Canadian Tables

CANADIAN IMPORTS OF DRIED APRICOTS

(in thousands of pounds and thousands of dollars)

		1957	1958	1959	1960	1961 Jan.-June
Australia	lb.	35.4	12.2	219.2	249.2	52.5
	$	12.7	4.8	105.2	101.2	22.5
Spain	lb.	330.7	134.9	56.3	55.7	....
	$	84.8	38.7	17.4	12.2	....
Britain	lb.	....	....	34.8	64.8	30.0
	$	....	....	11.0	16.4	9.1
South Africa	lb.	....	....	218.0	220.3	130.0
	$	....	....	91.0	81.7	46.9
United States	lb.	729.5	525.3	354.5	457.6	219.7
	$	318.0	267.2	209.3	215.5	107.4
Total, including	**lb.**	**1,095.7**	**672.3**	**882.5**	**1,047.4**	**431.7**
all others	**$**	**415.3**	**310.6**	**433.9**	**427.0**	**185.9**

APRICOTS, originally from China, today are grown in central and southeastern Asia, northern and southern Africa, southern Europe, Australia, and the United States, mainly California. The world crop totalled about 921,000 tons in 1959, according to the Commonwealth Economic Committee, and the principal producers were the United States (205,000 tons), Turkey (103,000), Spain (101,000) and Iran (7,000). Canada produced only 4,000 tons, chiefly in the Okanagan Valley of British Columbia.

Apricots are sold in various forms —fresh (mainly to neighbouring countries), canned, frozen, as pulp or nectar, or dried. Before the war about half the crop was dried but today this has shrunk to about one-third and in 1958 to only 20 per cent, as the canneries took larger quantities and the frozen fruit became more popular.

Iran now leads the world as a producer of dried apricots, though she is not one of Canada's sources of supply. In 1959, out of a total apricot crop of 70,000 tons, Iran produced 13,400 tons of dried, compared with 7,300 tons in the United States, its closest competitor, and 2,000 in Spain. Exports (11,500 metric tons) went chiefly to Germany, the U.S.S.R., and France. In 1960, Iran's exports of dried apricots fell to 7,000 metric tons.

Canada's purchases of dried apricots average about 900,000 pounds a year, though in recent years they have varied from a high of 1½ million in 1955 to a low of 673,000 in 1958. Last year Canadian im-

In Australia, one of the large producers, apricot halves dry in the sun while the juice that gathered in each centre during the sulphuring process is reabsorbed into the fruit.

53017-0—2½

porters brought in 1.05 million pounds, worth $427,000. Close to half these imports (or 457,000 pounds) came from the United States, not surprising in view of the proximity of this source of supply and the large California crop.

Australia, with sales of close to 250,000 pounds, ranked second among Canadian suppliers, followed by South Africa (220,000) and Spain (56,000). Australia first became a major factor in this import trade in 1955; her yearly exports to Canada now range from 200,000 to 250,000 pounds, as the table shows. South Africa did not become a principal source of dried apricots for Canadians until 1959, when we bought 218,000 pounds; these purchases rose to over 220,000 pounds last year. In the first half of 1961, South Africa was outranked only by the United States.

Spain's sales to Canada, on the other hand, have been declining; this can be confirmed by a glance at the table, which shows a high of 331,000 pounds in 1957 falling to a low of 56,000 last year.

The following pages carry reports on production, preparation, marketing and exports of dried apricots by our four principal suppliers —the United States, Australia, South Africa, and Spain. ●

United States—*Canada's biggest supplier is nearby California.*

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

PRODUCTION of dried apricots in the United States is virtually confined to California, although they are also grown in commercial quantities in the State of Washington and in Utah. California produced 9,773 short tons of dried apricots in 1960, the largest production since 1955 and well above the five-year (1955-1959) average of 8,454 short tons. However, during these five years output was extremely small compared with earlier years, when the major portion of California's apricot crop was dried.

Until the late 1930's, the pattern of use of California apricots remained fairly stable. About 68 per cent of the total crop was dried, 24 per cent canned, and 8 per cent shipped fresh. However, since 1940 the relative importance of drying and canning has been reversed. The quantities dried declined rapidly to 26 per cent of total sales in the 1955-1959 period, and those canned rose to 66 per cent. This means that during the past twenty years (when production continued at the same average level) drying decreased from a total of 170,000 tons in 1935-1939 to 46,500 tons in 1955-1959; canning increased from 59,000 to 119,000 tons. Drying of apricots has now become of secondary importance. The increased demand for canned apricots in the domestic market and smaller demand for dried apricots, principally in Western Europe, contributed to the shift.

Small 1961 Crop

Extremely high temperatures about mid-June this year and generally hot weather during the rest of the month caused widespread damage to apricots and other crops in central and northern California. Frost damage earlier also took its toll. In some districts, apricots failed to make the expected growth because of hail damage, and cullage was also heavy because of pitburn, a result of the heat wave. The 1961 crop has recently been estimated at 180,000 short tons, compared with 230,000 in 1960. Production of dried apricots this year has tentatively been estimated at 5,863 tons. The following figures give comparisons for the previous five years.

DRIED APRICOT PRODUCTION IN CALIFORNIA

	(short tons)
1956	9,104
1957	7,674
1958	3,038
1959	8,407
1960	9,773
1961	5,863 (est.)

Exports

Before World War II, large quantities of dried apricots were shipped to Western Europe; about 16,600 tons were exported annually during the 1930's. Three-quarters of this quantity went to five countries (France, Germany, Britain, the Netherlands and Belgium), 17 per cent to other European countries, and only 8 per cent to non-European destinations. Since 1945, shipments to Europe have decreased and now total only 9 per cent of prewar shipments on the average. Exports to other countries have also declined, but only to one-half of the 1930 to 1939 average. At the present time, Canada is the largest buyer of California dried apricots, followed by the Netherlands, Belgium, Switzerland and Japan, in that order. The accompanying table gives the dollar value of dried apricots shipped during 1960 to the major importing countries.

EXPORTS OF DRIED APRICOTS, 1960

Canada	$229,132
Netherlands	172,273
Belgium	154,217
Switzerland	142,986
Japan	121,414
Sweden	97,605
Denmark	53,794

In view of the smaller demand abroad for dried apricots and the ever-increasing demand by canners in this country, it is not likely that output of dried apricots will increase, unless the present trend changes unexpectedly.

All dried fruit produced in California is inspected by representatives of the Dried Fruit Association of California, with headquarters in San José. Since 1908, this Association has provided a twofold service: supervision of state and federal grade standards and sanitary controls, and service to the buyer by issuing a certificate of inspection showing that the shipment has met the specifications of the buyer in grade, quality and condition. The Dried Fruit Association of California has informed us that, apart from some slight difficulty they have had in adjusting to the new labelling requirements in Canada, they do not experience any real problems in shipping to us. On rare occasions individual shipments may contain more sulphur than Canadian regulations permit.

The Market

California apricot growers received an average of 37.95 cents per pound for their 1960 crop of dried apricots, according to estimates made by the California Crop and Livestock Reporting Service, or nearly 10 cents a pound less than during the previous year and 23 cents a pound below the record high prices received in 1958. These lower prices largely resulted from the sizable carryover from other crops, the unusually large fresh crop in 1960, and the relatively large production of dried apricots in that year.

Dried apricots are usually packed in 25 or 30-pound cases for bulk deliveries, or in 11-ounce cartons. They are also available in transparent packages of various weights.

Current Prices

One of the largest processors of dried apricots in California has supplied the following current wholesale prices for the 1961 crop of dried apricots:

24 eleven-ounce cartons, large size $12.25 f.o.b. San Francisco

24 eleven-ounce cartons, medium size $10.00 f.o.b. San Francisco

Bulk packing (25 pounds per case)

Standard	39 cents per pound
Choice	44 " " "
Extra choice	52 " " "
Fancy	62 " " "
Extra fancy	80 " " "
Jumbo	90 " " "

Trends and Outlook

Acreage—New acreage coming into bearing in the next few years will about offset tree removals. Bearing acreage will become still more concentrated in the major districts.

Yield—A further small rise, say of 10 per cent, seems likely by 1965—provided the good cultural practices now used are not abandoned.

Production—Some increase is expected. Large annual variations will continue as in the past because of fluctuations in yield.

Canning—Larger quantities will probably be canned. By the mid-1960's as much as 75 per cent of the crop may go to canners. Efforts to produce larger tonnages of fresh apricots of higher quality do not necessarily mean increased production of dried apricots, because the latter are produced by growers who also have cannery outlets for their fresh fruit. It is interesting to note that during recent years some four million cases of canned apricots have been produced every year and the equivalent of 250,000 cases is

—Pacific Fruit News

Experienced hands set halved, destoned apricots on tables ready for sulphuring and drying in a California orchard. So far, artificial drying has meant some deterioration in the quality of the fruit.

now used each year in the pack of fruit salad.

Drying—This outlet will become even less important if canning expands as expected. Drying may decline to 20 per cent of the crop.

Sales of Fresh—A large increase in sales of fresh apricots seems unlikely for reasons given elsewhere in this report. Possibly fresh sales will reach 10,000 to 15,000 tons in the mid-1960's.

Exports—Exports are likely to continue at about present level (far below prewar quantities), especially for dried and canned apricots.

New Developments

During recent years, quantities of cannery apricots have been used in other products. The output of canned baby foods, for example, in which puréed apricot is a major item, has expanded enormously from the small pack of the early 1940's. About this same time, apricot nectar output began and has increased steadily since World War II.

There are always new developments in all phases of the dried fruit industry, most of them designed to improve quality almost irrespective of cost. Among these improvements is the current practice of holding stocks in cold storage warehouses rather than open storage. Research and experiments are being conducted on the dehydration of apricots, which so far have degenerated in quality when they were artificially dehydrated. But some time in the future, apricots may be dried in this way and the result will be a quality product with as good a colour and characteristics as the sun-dried variety. ●

Australia—*Our second largest supplier expects a smaller output this season.*

H. A. GILBERT, *Commercial Counsellor, Melbourne.*

IN Australia, no orchard is given over entirely to apricots. The cultivation of this stone fruit fits into the general fruit-growing pattern of three states—South Australia, Victoria and New South Wales. South Australia alone produces approximately 98.5 per cent of the annual pack, most of it in the irrigated areas of the Murray Valley. Growers usually raise a variety of fruits and apricot plantings comprise a relatively small proportion of the average holding. As there are about 4,000 growers engaged in the fruit industry in South Australia, the total acreage of apricots is significant. This is indicated by the accompanying table, which shows the 1960 distribution of acreage between the irrigated and non-irrigated areas in this state.

	Bearing Trees	Non-bearing (acres)	Total
Irrigated area	2,050	850	2,900
Non-irrigated area	1,550	100	1,650
Total	3,600	950	4,550

Apricots thrive best on light loam soils, such as in South Australia, but can be grown on many different types of soil if the drainage is good.

Production

The growing, processing and drying of apricots is not an Australia-wide industry, with the result that comprehensive statistics on this crop are not generally collected or published, except in the state of South Australia. Production of fresh fruit in this state for the 1959/60 season amounted to 14,540 tons,* with an average yield per acre of four tons, the highest average for all states. (This includes the yield from both irrigated and non-irrigated areas.) In the irrigated areas, the average yield was 6.15 tons per acre, approximately 4.15 tons per acre higher than in the non-irrigated ones.

Production of dried apricots throughout Australia has varied considerably in the past two decades. In 1938, a record year, 2,147 tons of dried apricots were produced; in 1952, the record low, only 587 tons.

*Ton=2,240 lb.

Last season in South Australia, the apricot crop was used in the following manner: 1,300 tons were canned, 12,670 dried, and 570 tons sold fresh for the jam, glacé and retail trade. The proportion of the crop that is dried each year depends to a large extent on the requirements of the canneries. The growers prefer to sell their crop as fresh fruit, because drying is a costly and time-consuming process and the net return is practically the same. It is only the fluctuations in the canned fruit market that force the grower into dried apricot production.

Last season Australian production of dried apricots totalled 1,984 tons, of which South Australia produced 1,950, Victoria 19 and New South Wales 15. The Australian Dried Fruits Association estimates that this season the over-all crop will drop, because of flooding, disease and dieback from one cause or another and an unusually large take by the canneries for canning, jam and apricot nectar.

Harvesting and Drying

Harvesting of apricots begins about the third week in December and continues until mid-January. Fruit for canning is harvested when it is firm and beginning to show colour. Fruit for drying is allowed to ripen on the tree and when ready, it is packed and carted to a cutting shed on the grower's property, where it is halved and placed in rows, cut side up, on wooden trays. The most common types of tray in use measure either three by two or four by three feet, and have a two-inch cleat at each end, which permits the trays to be stacked one on the other, without damaging the fruit. When a sufficient number of trays have been filled with cut fruit, they are placed in a sulphur house or box. (Burning sulphur is used in the drying of apricots to prevent fungus and bacterial growth.)

The sulphur house, a permanent structure, is usually built of concrete. The sulphur box, which is portable, consists of a wooden framework covered with an impervious rubberoid cloth. The drying trays are placed in the house but the box is placed over the stacked trays in the orchard. All openings, with the exception of two holes at either end to allow for draft, are sealed and the sulphur is then ignited and placed in the house or box.

The fruit remains in its container until the depression in each half fruit where the stone was removed is filled with juice. This indicates that the fruit is properly sulphured and ready for drying. The process usually takes from three to six hours, depending upon the heat of the day and the number of trays being processed at the time. The trays are then spread out on the ground in the sun and remain there for a few hours until the juice in the cup is reabsorbed into the fruit.

When this stage is reached, the trays are stacked in the shade for a few days, until the fruit is adequately cured. Some growers prefer not to sun-dry their fruit but to shade-dry it entirely. The latter method, it is believed, gives the finished product a better texture but takes longer. The dried fruit is then placed in large shallow boxes to "sweat" for a few days. This sweating process allows the over-dry fruit to take up moisture from more moist fruit and results in an even drying throughout. The finished product is packed to approximately 22 per cent moisture content and is then transported in boxes to one of the district packing sheds, where it is cleaned, graded and repacked into 28-pound wooden boxes for distribution through trade marketing channels. Australian exporting companies ship their dried apricots either in 35-pound bulk wooden cases or in specialty packs of 24 one-pound cello bags in cardboard cartons.

Marketing

The Australian Dried Fruits Association controls to a great extent the distribution, pricing and export of the dried apricot pack. However, there are non-member growers who market their own crop, selling to packers who in turn sell to the retailer. Most growers, however, deliver their fruit to co-operative or proprietary limited packinghouses, from whence the pack is sold through the ADFA and the proceeds divided among the members.

The greater percentage of the crop is disposed of in the dried state, the popular form for jam-making and desserts, because dried apricots retain their flavour and quality longer than fresh fruit. Glacé apricots are a luxury pack. The apricots are mixed with similarly treated fruit (such as pineapple, peaches, pears and nectarines) and packed in gift boxes, retailing from 22/- to £4.0.0., depending upon the size of the box. More dried apricots are sold on the market than all other dried fruit put together.

Apricots are graded fancy, choice and standard, with three sizes in each grade—extra large, large and medium. The average local retail price of dried apricots on the Melbourne market in October 1961 was approximately 2/9- 3/2 per half-pound, depending on quality and size. The ADFA has not yet announced the price to growers for this season's pack.

The amount of dried apricots consumed in Australia is closely related to that of dried peaches. Should one be short, the consumption of the other increases and vice versa. On the average, 55 per cent of all dried apricots in Australia are consumed at home, although this varies considerably with the size of the pack. For instance, this season it is expected that 52 per cent will be consumed at home. Last season, only 33 per cent of the crop was available for local consumption, as overseas demand was strong and 67 per cent was exported.

Dried Apricot Exports

According to the Commonwealth Bureau of Agricultural Economics, the quantity of dried apricots exported between the years 1955-1960 has fluctuated from 102 to 1,237 tons; the latter figure represents exports in the season 1959/60. The price per ton has varied from £344 to £459. The accompanying table shows the principal markets for Australian dried apricots and the amounts shipped.

EXPORTS FROM AUSTRALIA OF DRIED APRICOTS YEAR ENDED JUNE 30, 1961

	Quantity (short tons)	Value (A£)
New Zealand	415	157,580
Britain	316	82,231
Denmark	198	52,991
Netherlands	132	44,013
West Germany	76	25,452
Belgium-Luxembourg	52.5	17,026
Canada	22	8,093

Though Canada imported only 1.6 per cent of Australia's total exports of dried apricots, it was Canada's second largest supplier, exceeded only by the United States.

The most serious disease of apricots in Australia, particularly in South Australia, is a fungus disease of the eutypa species, gumosis, which causes a progressive dieback of infected branches and the ultimate death of the tree. Unfortunately, there is at present no known method of combatting the disease. The best prevention at the present time seems to be proper pruning. A badly infected tree, however, is doomed. In general, apricots are not long-lived trees in South Australia, because of the ravages of gumosis. This disease is more prevalent in non-irrigated areas, where the climate favours its spread. ●

South Africa—*since 1959, has become important as a source of Canadian imports.*

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

CANADIAN interest in importing dried apricots from South Africa is beginning to revive. A flourishing trade in this commodity was carried on in prewar years; in 1934 Canada took 800,000 pounds out of total South African exports of 4.8 million. During the war this trade fell away and in the earlier postwar years, when it showed signs of reviving, Canada's interest was non-existent or limited.

In 1959, however, the general manager of the South African Dried Fruit Company and the secretary of the Dried Fruit Board visited Canada to arouse interest in their products and to establish representation on a firm basis. Canada then entered the market again with appreciable imports. We soon took third place among countries importing dried apricots from South Africa and have now moved to second place.

The South African dried fruit industry is regarded as a "residual" industry because there are many other outlets for the disposal of the fresh fruit. The fact that present exports of apricots, although improving, have not reached the high prewar figures is to some extent the result of the development of the fruit-canning industry.

TABLE I

PRODUCTION OF DRIED APRICOTS

	(short tons, 2,000 lb.)
1957	575
1958	573
1959	1,313
1960	1,318
1961	817

Dried apricot production during the last five years is given in Table I.

The 1961 production declined because of unfavourable weather and it is expected that next season's production will also be low because of cold weather, late rains and frost that destroyed much of the crop in the Langkloof and one or two other areas. Excessive heat also tends to spoil the crop and if, as harvesting time approaches, there are heavy winds, further damage can result. Production is also related to prevailing world prices of both dried and canned apricots.

The Dried Fruit Board is continually encouraging increased output and maintains inspectors in the field whose duty it is to grade producers' deliveries and to assist them with technical advice. These inspectors work in close collaboration with the Western Province Fruit Research Station and act as a liaison between the research personnel and the producer.

All exports are routed through the South African Dried Fruit Company Limited and vary with the fluctuations in production mentioned above. Statistics of total exports and sales to the six most important importing countries in 1959 and 1960, and estimates for 1961, are given in Table II.

Values for 1961 are not yet available, but the value of Canadian imports has been given as $79,730, with Canada in second place among the importing countries. Even though production varies, the Dried Fruit Company endeavours to reserve certain proportions of the crop for countries that are regular purchasers.

Canada's Purchases

The South African dried fruit organizations are hopeful of retaining Canada as an important customer for apricots. As with other dried fruits, it is found that the Canadian buying season comes at an awkward time—either before the South African crop is ready or too late for navigation up the St. Law-

TABLE II

EXPORTS OF DRIED APRICOTS

To	1959		1960		1961
	Volume (lb. '000)	Value ($'000)	Volume (lb. '000)	Value ($'000)	Volume (lb. '000)
Britain	700.5	275.5	631.5	180.1	477.4
Denmark	245.3	104.7	245.9	77.8	101.0
Canada	206.5	91.6	230.0	78.9	217.6
Netherlands	73.7	29.2	....	....	....
United States	61.3	27.8	....	....	....
Belgium	64.4	25.4	117.8	42.4	....
Germany	....	....	482.5	93.0	....
Finland	....	....	210.4	61.8	....
Norway	....	....	....	....	95.1
Switzerland	....	....	....	....	72.5
New Zealand	....	....	....	....	71.7
Total exports, including all others	1,629.0	631.1	2,344.0	690.0	1,222.0

rence. The South Africans claim that the quality and cleanliness of the apricots produced are good and that they compare favourably with those of California, though the price is more competitive. It is expected, therefore, that the Canadian demand will be maintained.

Shipping services between South Africa and Canada are considered satisfactory and certain developments in Canada, such as the St. Lawrence Seaway, are encouraging this trade.

Packing

The packing of dried fruit for export is done centrally, according to a set of grading regulations established by the Department of Agriculture Technical Services. A special inspection at Table Bay docks ensures that all fruit exported is packed and graded correctly.

Most of the apricots that Canada buys are bulk-packed in fibre cartons each containing 25 pounds, as most of the buyers do their own packaging and this bulk pack meets with their approval. Certain quantities, however, are shipped in one-pound or half-pound Vac-U-Gas pouches. These pouches are heat-sealed laminated coverings of polythene and cellophane and can, if required, be delivered weight-marked in kilograms and printed in four languages—English, French, German or Afrikaans. After filling, the packet is vacuumized and then flushed with an inert gas that protects the fruit against insect infestation and fungi. This gives the fruit an expected shelf life of some six months even in warm climates; South Africa therefore guarantees clean fruit even if it is not recleaned in the country of destination. This packaging, introduced quite recently, has proved an outstanding success because the fruit looks more appetizing and can be eaten straight from the packet.

The grades, distinguished by diamonds—five diamonds for best quality—are similar to the Australian grades. The highest South African grade of five diamonds is considered level with the top Australian grades of six and seven crowns.

Prices

The year 1960 was the turning point for the dried fruit industry; prices toppled to an uneconomic level from highs obtaining during the previous three years. Apricots, however, did not suffer as seriously as other varieties of dried fruit, mainly because of the quality and the small crops in other producing countries.

The South African dried fruit organizations are well satisfied with Canada's reappearance as a buyer and its comparatively rapid rise to second place among importers. They intend not to neglect this market, not only for apricots but for all other dried fruit products. Following a complaint made towards the end of 1959 that the apricots arrived in Canada somewhat darker in colour than earlier shipments, the South African Dried Fruit Company installed cool chambers in its factories at Wellington and Worcester to retard the tendency of the fruit to darken and thus eliminate complaints.

The South African Dried Fruit Company Limited has three agents in Canada for direct sales to the Canadian trade—one in Montreal, one in Toronto and one in Winnipeg. ●

Spain—*sales to Canada have declined in last four years.*

M. T. STEWART, *Commercial Counsellor, Madrid.*

SPAIN produces each year about 1,000 metric tons of dried apricots, mainly in the Balearic Islands (700 tons), Murcia and Alicante (200) and Valencia and Castellón (100). In 1961, output fell to 960 tons. Climate largely determines the size and quality of the total apricot crop each year; the area under cultivation remains more or less the same. The crop harvested in 1961 is reported to be inferior in quantity, quality and the size of the fruit, because of bad weather.

EXPORTS OF DRIED APRICOTS, 1960-61

Destination	Volume (in kilos)
Norway	174,447
Denmark	110,365
Britain	51,590
West Germany	50,392
Poland	45,625
Sweden	44,801
Uruguay	40,625
Finland	25,435
Italy	17,460
France	12,980
Netherlands	11,862
Brazil	10,259
Switzerland	4,665
Belgium	2,675
Venezuela	420
Total	603,601

Exports of dried apricots during 1960-61 are listed in the table but figures on exports from Valencia are not yet available and are not included. The leading customers normally are the Scandinavian countries, Britain, and Germany. More and more apricots are being canned because the profit is larger and production and exports of dried apricots will probably decrease.

Canada is not mentioned in these statistics as an importer, though DBS figures give our purchases from Spain in 1960 as 55,633 pounds, valued at $12,210.

Spanish dried apricots are normally shipped in wooden boxes, with 11 kilos of the fruit packed in each. The fruit has no difficulty in meeting Canadian standards of quality.

The poor apricot crop this year has resulted in a rise in price from 30 to 40 pesetas per kilo, depending on the quality. ●

53017-0—3

Ethiopia's Trade Improves

Large earnings from coffee, rise in exchange reserves permitted lowering of prior deposits on imports last April, improved trading opportunities. Flow of foreign aid continues.

D. S. ARMSTRONG, *Commercial Counsellor, Cairo.*

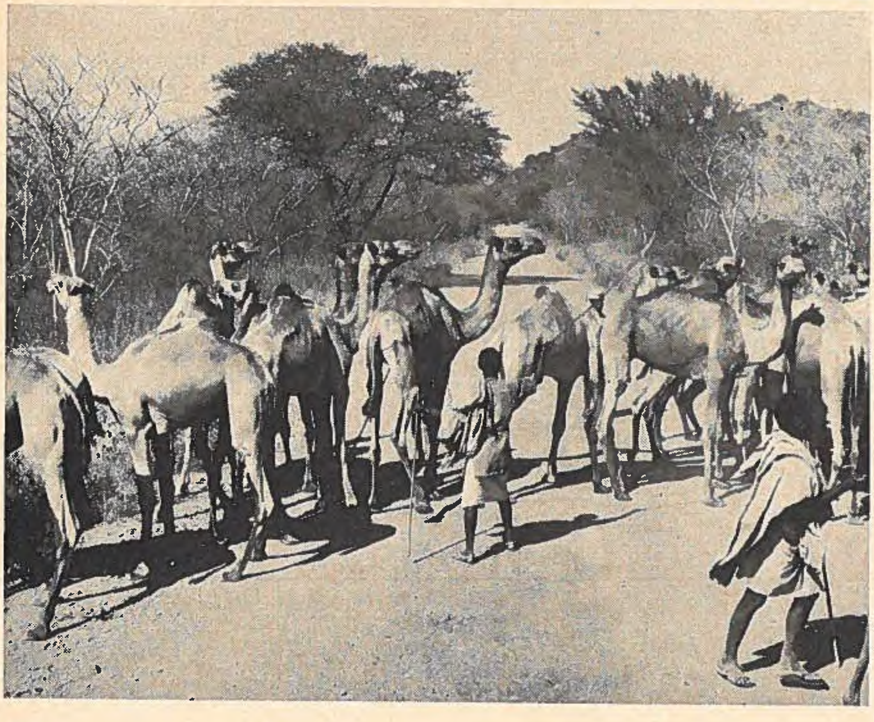
"THE trouble about Ethiopia as a market for Canadian goods is that it's too far away, the sales potential is limited and competition is keen." These remarks by a Canadian exporter are all true, and it would not be hard to find other reasons why Canadian sales seldom exceed $100,000 a year. But it is harder to explain why some fifty other countries are more successful than Canada.

The basic problem might be termed commercial ignorance: Ethiopia's importers are not familiar with what Canada has to offer and Canadian business visitors to this country are rare because it is considered off the beaten track. The commodities and services for which Canada has a world-wide reputation (newsprint, wheat, basic metals, insurance) cannot be exported to Ethiopia because there are no industries or agencies which can use them. Nor are there any Canadian banks, businesses or investment houses in Ethiopia to help with these exports.

There is only one field in Ethiopia in which Canadians are active and that is in education. There are 200 Canadian teachers in the country and an increasing number of young Ethiopians have received or are receiving university and postgraduate training in Canada.

—UN Photo

Ethiopia has about 750,000 camels; they are still widely used as transport in this country, where many of the roads cannot be used in the rainy season. The World Bank has loaned $21.5 million to Ethiopia to finance transportation improvements.



Trading Community

The trading community in Ethiopia consists largely of Europeans of various nationalities, Armenians, Arabs and Indians. The Ethiopians are employed mostly in clerical, administrative, professional and financial fields as well as in the Government. Some Ethiopians do invest in business but few participate actively in it. A movement to "Ethiopianize" commerce has just started, but unless restrictive measures are adopted (which seems unlikely at present), foreigners will dominate business for many years. In general, Ethiopia has a liberal open-minded attitude toward foreign advice, investment and partnership in business.

Economic Progress Continues

During 1961, Ethiopia again made steady progress in the economic field. Export earnings from agriculture were high, in spite of declining commodity prices in world markets. It seems likely that the 1957 record for foreign exchange earnings of Eth.$192 million* will be exceeded and reserves are expected to remain at a healthy level.

Coffee accounts for 50 to 60 per cent of foreign exchange earnings; in twelve years, exports of coffee have increased in value from Eth. $22 million in 1949 to an estimated Eth.$115 million this year—or from 22,350 tons in 1949 to approximately 64,000 in 1961. The Na-

*Eth.$192 million=U.S.$78.7 million. Eth. $1.00=U.S.$0.41.

tional Coffee Board can thus take credit for playing an important rôle in Ethiopia's progress in recent years. It has instituted quality controls which so improved the coffee that the average price per pound has doubled. It has eliminated the two-year cycle of good and poor harvests by training pickers to avoid the harmful stripping of bushes. There is every reason to believe that the Board's future efforts will enhance Ethiopia's importance as a coffee producer and thus increase her earnings.

Other exports have not shown the same dramatic upswing as coffee. Cereals and pulses had their best year on record in 1960 (exports of Eth.$22.5 million) and indications are that 1961 has been another good one. Hides and skins, oilseeds, fruits, vegetable and meat exports are all at least equal to recent averages. Ethiopia would like to diversify her exports to avoid too much dependence on coffee. A field which offers some promise is foodstuffs, particularly fresh and frozen meat; however, much research, training, investment and knowhow are necessary. The country is potentially rich in agricultural exports. Ethiopia's main customers are the United States, Italy and Britain.

Last April, the prior deposit requirement for imports, adopted in 1959 to curb over-importing and arrest the decline in the reserves, was relaxed. Prior deposits were reduced to 75 and 100 per cent; previously, importers had to pay 100, 125 and 150 per cent (depending on essentiality) of the cost of imports at the time a licence was issued. Even before the effect of this move could show up in statistics, import payments licences used during the first half of 1961 increased by 13 per cent over the same period in 1960.

Clothing and piecegoods accounted for the greater part of this rise but purchases of chemicals and pharmaceuticals, electrical goods and "development goods", such as machinery and tools, also rose. Ethiopia's main suppliers are Italy, Japan, Britain, West Germany, the United States and India.

Canadian Exports

In 1960 Canadian exports to Ethiopia more than doubled in value over any previous year, but this was the result of the sale of one aircraft for $87,000. On the basis of January-June statistics, Canadian sales in 1961 may reach $100,000. This will be approximately double the value of our *direct imports,* although much of the coffee from Ethiopia reaches Canada indirectly through purchases in New York.

Foreign Aid

Foreign economic aid plays a large part in Ethiopia's prosperity and progress. Under Point IV, the United States has contributed $100 million in ten years to agriculture, public health, economic surveys and the training of airline technicians. Loans totalling nearly $50 million have been made by the Development Loan Fund and the Export-Import Bank for the purchase of aircraft and maintenance equipment, airport construction, and the building of roads, a sawmill and a textile mill. The Development Bank of Ethiopia has also received credits. The World Bank has loaned money to the Development Bank and the Imperial Highways Authority; the latter is engaged in a most useful and necessary program of road-building in a country where roads are rare.

Most of the United Nations' agencies are active in Ethiopia. Addis Ababa has the impressive headquarters of the new UN Economic Commission for Africa, and several Eastern and Western countries are engaged in bilateral assistance programs.

Ethiopia is just beginning to attract private foreign investment such as a Dutch sugar mill and plantation, an Indian textile mill, a British cotton-growing scheme, two meat-packing plants (one Israeli and one American), and a United States potash mining development. ●

Processing Citrus in Spain

THERE are 40 citrus-processing plants in Spain, although two of them alone turn out half of all the citrus juice. The industry produces orange flower oil and water; orange leaf oil from bitter and sweet oranges; essential oils of orange, lemon and tangerine; orange peel in brine; citrus pulp (mostly from bitter orange); dehydrated peel for pectin and cattle feed; single-strength and concentrated orange juice, and citric acid.

Production during 1958/59 totalled 760,000 gallons of single-strength and over 700,000 gallons of concentrated juice—most of it orange juice preserved with sulphur dioxide. Essential oil output totalled 551,000 pounds, peels in brine 6.6 million pounds, and dehydrated peel and pulp almost one million pounds. With the increased competition in European markets, however, changes in the type of juice produced are likely. Output of chilled and frozen juice and canned hot-pack concentrate will increase; the importance of single-strength and concentrated juices will probably decline.

Exports in 1959 of single-strength orange and lemon juice totalled 548,000 gallons, of concentrated juice 701,000 gallons—most of it for industrial use. Citric acid exports reached 732,000 pounds, essential oils for perfumery 1.7 million, oils for other uses 687,000.

Spain is the main source of supply for preserved orange juice for the European soft-drink industry, although the tendency now to use non-preserved juice, canned or frozen, will present new problems since the highly coloured, acid Spanish oranges are not suitable for a frozen or pasteurized juice.

Most of Spain's citrus product exports go outside the Common Market (unlike fresh fruit exports). In 1959, more than half went to Britain (chiefly to the soft-drink industry), with Scandinavia second in importance. Germany took over half the citric acid exports; other principal buyers were Poland, Brazil and the African markets.

Spain's chief customer for essential oils is the United States. Britain, France and Germany each purchase 100,000 to 400,000 pounds a year and large quantities go to South America and Puerto Rico.

—M. T. STEWART,
Commercial Counsellor, Madrid.

Advertising Abroad

In Trinidad, about 40 per cent of the advertising dollar is spent on newspaper advertising and another 40 per cent on radio. Securing expert advice on local customs and tastes helps to make copy and illustrations more effective.

R. F. RENWICK, *Commercial Counsellor, Port-of-Spain.*

TRINIDAD is a self-governing British colony but in advertising and sales promotion follows the lead of the United States Midwest rather than that of the British Midlands. Trinidadians respond to advertising and consequently the opportunities for "wheeling and dealing" are limited by their small purchasing power rather than by custom or tradition. Giveaways, premiums with purchases, and merchandising contests or lotteries are commonplace and are well advertised through the press and radio.

It is estimated reliably that expenditures on advertising in Trinidad total $6 million a year. Practically all the advertising and promotion media used in America are available to the Canadian exporter who is considering a full-scale campaign or tentative spot advertisements. The exception is television, which is not due in Port-of-Spain until 1963.

Origins and Income

In considering the best possible use for any size of advertising budget, the advertiser must bear in mind the low per capita income ($341) of Trinidad's 820,000 people. Furthermore, this average income is unevenly distributed among the truly cosmopolitan population. As an informed guess, only about 10,000 families can afford regular purchases of any given common Canadian packaged foodstuff in addition to meat, fowl, fish, flour, rice and other essential staples.

Reasonably accurate census figures show the racial origin of the main sectors of the population as Negro 359,000; East Indian 302,000; mixed 136,000; white 16,000; Chinese 8,400. Over the years, these racial origins have become blurred. Therefore the successful advertiser faced with this complicated situation must direct his appeal to his conception of the true Trinidadian—of varying features and complexion. Some advertisers avoid this possible pitfall by never using people in photographs or illustrations. Those who do show people in action use handsome men and beautiful women in glamorous settings. Advertisements in Trinidad do not picture a construction worker getting results from using "the" soap or a brawny stevedore obtaining "satisfaction" using "such-and-such" hair straightener. Trinidadians want to be assured that the product they purchase has status and therefore the effective advertisement shows the élite using it in a corresponding setting. Advertising in the West Indies is uninhibited but a variety of taboos and local prejudices may trap the unwary who do not abide by expert local advice.

Newspaper Advertising

Thomson Newspapers of Canada and Britain acquired control of the Trinidad Publishing Co. Ltd. in mid-1961. They therefore obtained control of the politically independent *Trinidad Guardian,* the *Sunday Guardian,* and the *Evening News,* plus *Radio Guardian* and the *Guardian Press.* A few years ago Trinidad had two daily newspapers but when the *Chronicle* ceased publication the *Guardian* became the only daily newspaper in Trinidad.

There are other publications on the island but these have a relatively small circulation and some of them are affiliated with a political party.

The following are the sales figures for three papers and advertising costs for a 1,500 to 5,000 column-inch contract, which is widely used:

	Cost per column inch	Net Sales
Sunday Guardian	BWI$5.00*	65,134
Trinidad Guardian (daily)	" 3.20	40,349
Evening News	" 2.00	22,543

*BWI$1.00=60 cents Canadian.

According to the publishers, circulations or, as given above, net sales for a publishing day do not present a complete picture. Total readership is estimated at 325,670 for the *Sunday Guardian*; at 201,745 for the daily *Guardian,* and at 112,715 for the *Evening News.* Total readership of the *Guardian Press* is estimated at 314,460 for each weekday. Circulation of 3,500 copies extends as far north as St. Thomas, Virgin Islands, to the north of the Leeward Islands.

Newspaper readers include mainly the higher income groups who have a greater-than-average spending power. It is estimated that 40 per cent of all advertising is placed with the press. Increased circulations for all the newspapers over the past

"Trinidadians want to be assured that the product they purchase has status and therefore the effective advertisement shows the elite using it in a glamorous setting." The illustration shown above bears out this statement.

year or so can, to some degree, be attributed to rising standards of advertising copy, artwork and layout, in addition to interesting features and local and international news coverage.

Radio Is Popular Medium

Residents of Southern Ontario exposed to Canadian and United States border-city broadcasting stations would easily recognize the program formula adopted by Trinidad's two radio stations—*Radio Guardian* and *Radio Trinidad*. The announcers' accents would seem strange but not unpleasant. A great deal of the music, particularly in the weeks preceding Carnival, consists of steel-band tunes and calypsos, interspersed with news, features and commercials of all types. Familiar American singing commercials are used extensively, as are clever calypsonian commercials. In addition, many 45-second commercial announcements are used and also 30-second commercial flashes and 15-second flashettes. For variety, advertising skits are sometimes employed but with a few exceptions, full hour or half-hour sponsored transcribed programs are rather rare.

Radio broadcasting time in Trinidad has been set up to compete eventually with television and at present can claim a wide coverage, not only in Trinidad and the mainland of South America but in all of the Leeward and Windward Islands and Barbados. Judging from the number of radios imported and presumably sold over the past few years, there are from 140,000 to 150,000 receivers in active use in Trinidad. In many family groups the radio is an elaborate piece of furniture and in some neighbourhoods it is considered a status symbol. It is hard to find any out-of-the-way section of the island that is not reached by radio and exposed to advertising from 6.00 a.m. to 11 p.m.

Advertisers can have their pick of popular or other radio times to suit their budgets; prices range from BWI$4.00 for a large number of 15-second flashettes up to $16.00 for a single 45-second spot commercial. It is estimated that radio advertising absorbs 40 per cent of the relatively large sums spent each year on promotion and advertising in the island.

Outdoor Advertising

Outdoor advertising, signs, films, direct mail and point-of-sale advertising are all used and take about 20 per cent of the advertiser's dollar. Outdoor advertising using billboards and posters can be a costly and hazardous affair and is often controlled by the police because it can be a traffic hazard. Furthermore, if it is not extremely attractive and well sited, it may work against the advertiser's interests. Therefore, although outdoor advertisements and signs are much in evidence, they are not too popular with professionals. More acceptable are the advertisements plastered on buses (there are no streetcars) or on the exterior of delivery vans. Transportation advertising is, on the whole, unimportant, but one oil company carries on a unique and spectacular campaign, using automobile-bumper and rear-window strips. The strips are given to the drivers who use its products and each week, valuable prizes go to the one who, while displaying his strip, is selected as an outstanding example of a courteous and careful driver. The same company sponsors an outstanding Trinidadian steel band. Other would-be sponsors are faced with the problem of locating a band willing to accept sponsorship and of a high enough calibre to be associated with particular products.

At the Movies

Trinidadians are sufficiently unsophisticated to enjoy a 15-minute interval of advertising cinema slides and filmettes between movies. This is a popular, effective and extensive method of advertising and it is possible to cover all sectors of the community by the selection of cinemas, outdoor and indoor, available all over the island. There are at least three Port-of-Spain firms specializing in making advertising slides and one firm makes advertising filmettes. Nevertheless, much of this material is imported to take advantage of quantity production of slides used in many export markets.

Point-of-Sale

Point-of-sale advertising is used to a limited extent but here again, a good deal of the material (such as counter cards) is imported. These cards are considered an added free service routinely expected of overseas suppliers. Samples have to be used with discretion; although they do attract a good crowd in a short time, usually those who have no intention of purchasing the product crowd out legitimate customers. Direct mail items such as calendars are also used, but unless these are particularly attractive, there is a good chance that money will be wasted. Locally, direct mail is usually considered a waste of time and effort. Indeed, the Canadian manufacturer whose Trinidadian agent asks him to carry out a direct canvass of an extensive list of Caribbean addresses can reasonably request the agent to deliver advertising literature personally where there is some hope of obtaining firm orders.

Agency Services

Port-of-Spain has less than a half-dozen agencies capable of competent planning of an advertising campaign or who can prepare copy and arrange for space in selected media. These firms, however, can adapt Canadian advertising to conform with local customs and conditions. They also have their specialties and varying techniques and, like agencies in all other commercial centres, their own ideas about what kind of copy and which media to use to obtain maximum consumer response. (Canadian firms who wish further information about advertising agencies in Trinidad should write to the Commercial Counsellor in Port-of-Spain.)

Services of most advertising agencies are covered by a commission of 15 per cent of billings. Where an advertising appropriation is justifiably modest, however, the advertiser must expect minimum charges plus separate charges for artwork and production, or for special services including market research. In the Eastern Caribbean, unlike so many other foreign markets, translation is no problem because English is used exclusively. However, local slang may provide the successful catch phrase and therefore it is advisable to rely on the services of the experts found in agencies.

A Testing Ground

This report necessarily gives information on advertising in Trinidad, the most important consumer market in the Eastern Caribbean. Other markets—such as Barbados, British Guiana, the Leeward Islands and the Windward Islands—may be reached to a varying extent through Port-of-Spain's most important newspaper and its two radio stations. These other markets all have their own newspapers and, in some instances, commercial radio stations, which could prove useful to the Canadian exporter promoting consumer goods. Trinidad can be used as the testing-ground and if advertising proves valuable in this market, the exporter may then consider using it in other islands or adjacent areas. However, expert advice on advertising campaigns is available at moderate cost and the astute businessman will take advantage of these services.

Export Control List Revised

Following a complete review of all items at present under control, the Export Control List has been amended, effective February 5, 1962.

The Export Control List serves two purposes. It establishes the authority for control of the listed goods. It also serves as an indication to industry of the goods which will generally not be export licensed to Sino-Soviet bloc destinations and with which due care should be taken that there is no diversion to the Sino-Soviet bloc.

In the past it has been the practice to use broad definitions of goods subject to control. The revised Export Control List redefines items to provide a more precise identification and narrows control coverage of certain items that have heretofore been defined in general terms. Goods of Canadian origin outside the precise definitions will now be free of export permit control to destinations other than the Sino-Soviet bloc.

No change is made in the provisions for control of the re-export from Canada of foreign-origin goods.

Some new items have been added to the revised Export Control List, including cyrogenic (low temperature) equipment, certain thermoelectric materials and devices, ferritic materials and certain materials used in atomic energy applications. Certain items previously subject to control are not included in the revised Export Control List, such as deep hole drilling machines and rotary rock drill bits, external surface broaching tools, equipment for processing nitrogen tetroxide and high octane blending agents.

Copies of the Export Control List may be obtained by writing to the Export and Import Permits Section, Department of Trade and Commerce, Ottawa.

TRANSPORTATION NOTES

Canada

SERVICE TO LIVERPOOL—Canadian Pacific Steamships is providing winter shipping services between Quebec City and Liverpool. Scheduled sailings of the S.S. *Eskimo* are: from Liverpool January 24, arriving Quebec City February 6; leaving Quebec City February 17, arriving in Liverpool March 2.

AIR FREIGHT SERVICES—Two Canadian firms recently announced the establishment of air consolidation services to Britain and Europe. The air consolidation rates allow exporters, particularly those making shipments in the lower weight brackets, to effect savings of up to 25 per cent in their air-freight costs on commodities moving under general commodity air-freight rates. Similarly, they can make savings on shipments to which specific commodity rates or minimum charges apply.

Interested shippers may obtain additional information by contacting Border Brokers Limited in either Toronto or Montreal, and Murray and Robinson Limited in Toronto.

IMPROVED TANKER SERVICE—Munroe Jorgensson Shipping Ltd. has recently announced an improved tanker service between Great Lakes/St. Lawrence and Britain and the Continent for the 1962 season. A/S Rederiet Odfjell, Bergen and Chimo Shipping Ltd., of St. John's, Newfoundland, will operate the service jointly, using first-class tankers of medium size ranging from 3,000 to 7,000 tons, according to the nature and volume of cargo offered.

Of particular interest is the motor tanker *Rogn,* now under construction, which will be used as a parcel carrier. It will have the most modern equipment and a cargo capacity of 5,700 tons with 17 cargo tanks, all coiled, many with independent cargo lines and pumps. Eight cargo pumps will provide fast loading and discharging. Service speed will be 14 knots and the vessel will be capable of handling a wide range of cargo, including heavy-gravity solvents and chemicals as well as those requiring high heating.

Colombia

PORT CHARGES RAISED—The Colombian port authority has announced an increase of 70 per cent in port charges and the standardization of charges for all ports, effective January 1, 1962. The differentials between ports have been eliminated and the same fees are being charged for identical services in all ports. The new increase will permit the ports to pay their own way; up to now, the national treasury has subsidized the port authority by approximately U.S.$3.5 million a year. The new charges will raise the cost of imported goods by about 1 per cent, but will enable the authority to accelerate its modernization and mechanization program—Bogotá.

Mexico

RAIL FACILITIES EXPANDED—In November Mexico inaugurated its newest rail line. It connects the city of Ojinaga on the United States border with Chihuahua, capital of Chihuahua state, then proceeds southwest through the Los Mochis fruit-growing area and terminates at the seaport of Topolobampo on the Pacific. Plans are complete for the development of a deep-sea port there which will be able to handle the largest cargo vessels.

Built at a cost of approximately U.S.$100 million, the new line passes through the states of Chihuahua and Sinaloa and over 155 miles of mountainous country. Mexican engineers constructed 30 bridges and 80 tunnels, one of which is more than 1,900 yards long. Work in the Sierra Madre Occidental mountains required special equipment, such as oxygen tanks for the workers at high altitudes.

This represents the main development in Mexican rail facilities under the present administration but the Government has also made other significant improvements. It is renovating the line joining Veracruz and Mexico City, installing new heavier rails. Diesel engines now power approximately 80 per cent of the trains in Mexico and it is expected that by 1964 the expanded fleet of 800 locomotives will all be diesels—Mexico, D.F.

Poland

MARITIME SERVICES DEVELOPMENT—Planned investment of nearly 2.9 million zlotys (11 per cent more than in 1961) will accelerate the development of Poland's maritime facilities in 1962. Tonnage of the Polish commercial fleet will exceed one million deadweight tons by the end of the year, a 14 per cent increase over 1961. The increase—larger than the entire tonnage of the fleet in 1939—will come mainly in tramp steamers rather than in cargo liners. It is expected that Polish merchantmen will soon carry approximately 30 per cent of the bulk cargoes (e.g., coal and ores) passing through Polish ports. Year-end capacity will be 35 per cent, compared with 16.6 per cent in 1955. A particularly large increase in cargoes is expected on the West African and South American runs.

Dockyards will increase their repair services for both Polish and foreign ships by nearly 30 per cent. Two newly bought floating docks will go into use at dockyards in Gdansk and Szczecin—Copenhagen.

Protesting Bills of

QUESTION	AUSTRIA	BELGIUM	FRANCE	GERMANY
1. Are bills of exchange common?	Yes	Yes	Yes	Yes
2. What are the usual terms?	Sight to several years, depending on type of transaction. Ninety days is most common.	The majority are sight bills. The remainder are mainly between 30 and 90 days or with specific due dates indicated.	All periods from sight to 120 days; occasionally 180 days.	All periods, from si 180 days, and even l
3. What is the procedure when documents are attached?	Documents normally delivered against payment of bill or acceptance of draft.	Documents are normally released against payment of sight bills or acceptance of time drafts.	Documents are delivered against payment for sight draft or against acceptance of the bill of exchange.	It is customary to r documents attached to only after payment, the drawer instructs wise.
4. Is it usual to protest bills in the event of non-payment or non-acceptance?	Protests are possible and relatively frequent. Protesting occurs mainly for non-acceptance, but also for non-payment. Drafts may also be protested if drawer suspects that payment is in doubt after acceptance of draft.	It is customary to have bills protested for non-payment or non-acceptance. If a bill has been protested for non-acceptance, it is unnecessary to have it protested for non-payment.	Draft can be protested either for non-acceptance or for non-payment. There is no need, however, to have it protested for non-payment when it has already been protested for non-acceptance.	Bills are protested u for non-payment, occa ally for non-acceptar
5. What is the benefit to be derived from protesting?	Protest is a statutory prerequisite for later legal action in case of non-payment.	Establishes the right of recourse against third parties (drawers and endorsers) and to obtain judgment against acceptors, simplifying and accelerating legal action.	It establishes the right of the drawer to take legal action.	Protest establishes the to take legal action f covery against third p (drawers, endorsers guarantors).
6. What psychological benefit is derived from protesting?	There is little benefit because protests are not made public. The holder of the draft is, however, required to advise everyone involved in the bill of exchange (drawee, endorsers) that protest has been raised.	Exerts moral pressure, as all protests for non-payment of accepted bills, unless these are paid within a short time, are published in an official list. Being included in this means considerable loss of prestige.	A copy of the protest is sent to the "Tribunal de Commerce" where records of all such documents are kept at the disposal of the public. The protesting of bills may impair debtor's reputation because of the publicity.	Lists of protests are c lated to all banks c Bank credit refere would include inform that a firm is on this lis thus impair its reputa
7. What is the cost of protesting?	From approximately $1.00 to $20.00, depending on value of protested bill, plus minor legal charges.	Varies from about 60 cents to $3.80.	Each protest costs approximately $6.30.	Up to one-third per minimum $1.50.
8. How is the protest carried out?	Through a notary public or any district court.	By a public officer known as a "Huissier" (process-server).	The protest is an authentic document prepared by a "Huissier" (bailiff). Subsequent legal action is carried out through a lawyer.	There are three metho carrying out a protest: 1. through a notary pu 2. through a court bai 3. for sums up to $26 through the post offi

*A written order for a certain sum of money, to be transferred on a certain date from the person who owes the money or agrees to make the

:change* in Europe

GREECE	IRELAND	ITALY	NETHERLANDS	SWITZERLAND
	Yes	Yes, but only for bills drawn on term basis.	Yes	Yes
m 90 to 180 days is most ımon, but in the case of ain imports (e.g. machi- ʼ valued at over $5,000) ʼ run to two years. Offi- import regulations spe- the time settlement al- ed and the commodities ɔlved.	Sight and 30, 60, 90 or 180 days as arranged.	Sight up to one year; 60 to 90 days most common.	Sight and usually 30, 60 and 90 days; 180 days infrequent.	Terms are arranged for varying periods.
:uments are delivered ʼ after payment of bill ht) or acceptance of time ft.	Documents released against payment or acceptance.	Documents released only after payment (sight bills), or acceptance (time bills), unless the drawer instructs otherwise.	Documents released only after payment of sight bills or acceptance of time bills. As a rule, the term D/P, documents against payment, occurs.	Documents are delivered after payment of a sight bill or after acceptance of a time draft.
test is possible both for ı-payment and for non- eptance. However, ex- sion of maturity is grant- either against part pay- nt or without any pay- nt.	Bills may be protested for non-acceptance or non-payment.	It is possible and customary to protest in case of non-payment and for non-acceptance, when a due date is set for acceptance.	It is possible to protest in case of non-payment and non-acceptance. However this is not customary and depends upon instructions received by bank.	Bills may be protested for non-payment and non-acceptance.
establishes the right of drawer, holder, or last dorser to take legal ion.	It is customary to have them noted as a preliminary to protesting. Noting must take place not later than the next succeeding business day. After a bill has been noted, it may be protested preparatory to legal proceedings. A bill must be protested before it is admissible as evidence.	Protest is necessary to protect recourse rights of drawers, endorsers and guarantors.	Protest is legal evidence of non-acceptance or non-payment. It is essential for recourse against drawers and endorsers.	It establishes the right of the holder to take legal action against the endorsers, the drawer and/or the guarantor.
exerts moral pressure as otests are recorded by nks against firms con- ned.	Law of protest exerts moral prcssure. However there is a risk of strong resentment by the importer. Protest of bill on A-1 customer could mean loss of customer, because bill presented for acceptance on payment bears protest clause suggesting that he may bc a bad debtor.	Protest cxerts strong moral pressure. It causes loss of business reputation and credit, or at least serious damage. Protests appear in a special bulletin published by Chamhers of Commerce, which can be construed as proof that the insolvency of the debtor is publicly known.	When small and financially weak firms are involved, protest will probably exert pressure on the drawee to make prompt payment. With larger or financially stronger firms the effect is apt to be nil, except that it sometimes creates an unpleasant atmosphere.	Protest can damage the debtor's reputation.
otest costs average about 66.	Noting—$1.06; protesting —$2.30.	Protest fecs are fixed by law. Generally speaking, total cost of a protest varies from 80 cents to $4.00.	For an authentic protest, usually $7.00.	In the Canton of Zurich: bills up to the amount of SFr.50,000, min. SFr.5.70 and max. SFr.22, depending on the amount. For amounts higher than SFr.50,000 the charge is 2/100 per cent plus SFr.12.
ıally through a notary olic.	Through a notary public.	Protests are carried out through a notary public, or by a law officer (more or less similar to a bailiff) or in places whcrc neither of these are available, by the town clerk or secretary of the Commune in which the debtor resides.	Authentic protest must be made exclusively by a competent official (i.e., a bailiff). In small amounts when no authentic protest is requircd, a simplified protest is generally lodged. The drawee does this by making a signed and dated note on the draft, with the holder's permission, to the effect that he rcfuses to accept or to pay the draft.	The protest must be carried out by a notary public.

Drawee) to the creditor to whom the money is owed (Drawer).

What's current in commodities?

Pumps

Iran—Third Plan, to start in September, emphasizes a ground-water development program; will mean growing demand for pumps.

A. B. BRODIE, *Commercial Counsellor, Tehran.*

IRAN, in common with other Middle East countries, suffers from a serious shortage of water. With the exception of the Caspian littoral, which receives some 70 to 85 inches of moisture a year, the rainfall in most other districts is low. Heavy snowfalls in the mountain ranges provide an important source of water for much of the country during the spring and summer. Without this valuable runoff, much of the existing crop irrigation would be impossible. Because some 80 per cent of the Iranian population of 20 million persons live and work on the land, the question of tapping new sources of water is important.

Improving Water Resources

During Iran's Third Plan (5½ years), which is scheduled to start in September 1962, a great deal of emphasis will be placed on a ground-water development program. It will include drilling of possibly 2,000 wells during the Plan years, bringing irrigation to an additional 30,000 hectares (74,130 acres) and improving some 20,000 hectares (48,720 acres) of land. Besides the irrigation by wells, the existing ghanats (an old system of underground channels tapping water tables which, by means of gravity, finally flow into the open) will be renovated and will extend and improve existing areas fed from ghanats by some 50,000 hectares (120,000 acres). In present estimates of the Third Plan, $17 million has been allocated for well and ghanat renovation and almost $140 million for irrigation schemes.

Putting the ground-water development program into operation will mean an increased demand for pumps of all kinds. To assess the pump market in this country, the following facts and figures, though not complete, may be useful.

Size of the Market

Iran is a very competitive market for pumps of various sizes and types. Over 50 firms are endeavouring to get a foothold here but fewer than 20 have had any measure of success. During the Iranian calendar year 1338 (March 21, 1959, to March 20, 1960), some 395 million rials ($5,266,666) worth of pumps were imported. The principal suppliers were Britain, Germany, the United States, and the Netherlands, in that order. This is a substantial increase over the previous year and future sales will rise further. The imported pumps are used in the homes and villages for normal water requirements and on the land for irrigating the crops. Customers for irrigation pumps include:

1. Large landowners who are interested in increasing their crop yields and bringing new land under cultivation.

2. Small landowners and peasant proprietors, who often purchase pumps jointly.

3. Owners of large gardens and orchards.

Industrial pumps are purchased by the Iranian Government agencies by tender, as well as by the National Iranian Oil Company and the Iranian Oil Operating Companies. Purchases made by the latter are finalized in London through Iranian Oil Services Limited, #3 Finsbury Square, London E.C. 2, England.

Types of Pumps Imported

All types of pumps—with or without motors—are imported into Iran. They include, among others, horizontal centrifugal pumps, rotary pumps and portable pumping sets. Demand for the windmill-type pump is negligible. Sizes of the more common imported pumps and pump specifications vary, but the following data covering certain specific pump offers may be of interest.

There is a demand for the smaller centrifugal pumps, mainly from two up to eight inches, but almost 80 per cent of the sales are for the four-inch type. The preference is for pumps with self-contained engines (not gasoline). The specifications of some of the brands of pumps found in Iran include the following:

(1) Centrifugal self-priming four-inch outlet delivery, 12 b.h.p. diesel engine, four stroke two cylinders, developing 1,800 r.p.m., air- or radiator-cooled. Cold-starting.

Maximum output	30,000 i.g.p.h.
Maximum suction lift	25 feet
Maximum head	100 feet

Mounted on two wheels, total weight 700 pounds. (British)

(2) Centrifugal self-priming four-inch outlet delivery, 5.5 b.h.p. single-cylinder gasoline or gasoline/paraffin engine running at 1,800 r.p.m. Air-cooled.

Maximum output	20,000 i.g.p.h.
Maximum suction lift	25 feet
Maximum total head	90 feet

Mounted on two wheels (over-all dimensions 45″ × 38″ × 27″) weight 560 pounds. (British)

(3) Centrifugal self-priming six-inch outlet delivery, 20 b.h.p. diesel engine, radiator-cooled, electric-starting.

Maximum output	75,000 i.g.p.h.
Maximum suction lift	25 feet
Maximum total head	130 feet

Mounted on platform (over-all dimensions 90″ × 54″ × 27″), weight 2,800 pounds. (British)

Electric Motor Pumps

(4) 1.3 b.h.p. motor, self-priming centrifugal, one phase, 220 volts 50 cycles, AC with condensator. One, two and three-stage ¾-inch outlet delivery.

Maximum output	180 i.g.p.h.
Maximum suction lift	Approximately 18 feet
Maximum head	349 feet

Price: c.i.f. Khorramshahr 205 D.M. (German)

(5) ½ b.p.h. motor, self-priming centrifugal, one phase, 220 volts 50 cycles AC with condensator. One-stage, ¾-inch outlet delivery.

Maximum output	360 i.g.p.h.
Maximum suction lift	Approximately 18 feet
Maximum head	120 feet

Price: c.i.f. Khorramshahr 220 D.M. (German)

(6) One b.h.p. motor, self-priming centrifugal, one phase, 220 volts 50 cycles, AC with condensator. Two-stage, ¾-inch outlet delivery.

Maximum output	360 i.g.p.h.
Maximum suction lift	Approximately 18 feet
Maximum head	238 feet

Price: c.i.f. Khorramshahr 412 D.M. (German)

Submersible Pumps

(7) 1.3 b.h.p. 220 volts 50 cycles, one phase, AC 1¼-inch outlet delivery.

Maximum output	400 i.g.p.h.
Maximum head	203 feet

Price: c.i.f. Khorramshahr	694 D.M.
Estras	82 D.M.
Total	776 D.M (German)

Prices and Terms

Price is not too important a factor in selling the better known makes of pumps in the Iranian market. For all other makes, however, it is virtually impossible to interest distributors in importing unknown makes of pumps unless the prices are really attractive. It is interesting to note that although Britain holds the market, West Germany, offering the same class of pumps, is more competitive in price.

Agents/distributors often carry two or three competitive lines of pumps. This practice is not supported but it is difficult to avoid.

At the moment, there are more brand names of pumps in Iran than responsible agents. Some of the better known pump distributors are themselves deep-well water contractors and are therefore well placed to import pumps for their own account. Pump agents/distributors in Tehran normally buy for their own account and sell the pumps across the country through sub-agents. Pump tenders are called by the various government agencies, but there is little likelihood that an unknown brand of pump would be awarded a tender unless it had some record of performance within the country.

To consummate pump sales in Iran for the first time is *not* an easy task. If the prospective supplier has had some measure of success in other Middle East countries, the problem may not be so complex. At best, the manufacturer must be prepared to visit the country and endeavour to understand the pumping problems with which the Iranians are faced and which they are tackling with courage. ●

Lumber

Netherlands—High level of lumber imports should continue, possibly increase. Sweden is principal supplier, but Canadian sales of one type rose last year because of competitive prices.

J. C. BRITTON, *Commercial Counsellor, The Hague.*

A small country, the Netherlands is nevertheless a substantial importer of lumber; domestic production provides less than 10 per cent of its requirements. The Dutch lumber trade is an old established one—a number of the lumber firms have been in business for more than 100 years. These traditional importers have adapted themselves to the changing trends in sources of supply, methods of operation and the type of products handled. In the softwood trade, for example, nearly all imports are now in the form of lumber. In the hardwood trade, roundwood imports still predominate, although there is a trend toward sawn hardwood lumber.

There is a rather sharp division between the softwood and hardwood trades and importers generally specialize in one or the other. The trend towards sawn lumber imports, particularly in the softwood trade, has greatly altered the structure of this business. Importers no longer do much sawing or hold large stocks because risks formerly associated with the import of sawn lumber have lessened as quality standards have improved.

Because of extensive devastation in the Netherlands during the war, many houses had to be built or rebuilt and large quantities of lumber were imported during the period 1946-1955. The housing shortage is still substantial and lumber imports should continue at their present high level or possibly expand with the steady increase in the standard of living. Sweden is the largest supplier; considerable quantities are also purchased from Finland, the U.S.S.R. and Austria. Small quantities are brought in from Canada as the accompanying table, which lists imports during 1960 and the period January-October 1961, shows. For purposes of comparison the types of lumber supplied by the principal competing countries are also shown.

It should be pointed out that the details on imports during January-October 1961 are not yet complete.

NETHERLANDS LUMBER IMPORTS

	1960	1961 Jan.-Oct.
	(cubic metres)	
Elm logs		
Total	3,376	2,838
Belgium-Luxembourg	1,227	1,390
France	845	1,342
Canada	850	....
Coniferous wood, squared		
Total	9,300	7,771
United States	1,576	491
Honduras	1,553	1,668
Canada	1,540	3,123
Brazil	1,238	....
West Germany	1,019	....
Other wood, squared		
Total	479	215
West Germany	181	67
France	64	81
Canada	118	....
Sawn coniferous wood, of a thickness exceeding 3.2 inches and a width of up to 7.3 inches		
Total	11,844	3,005
Sweden	7,953	283
Finland	....	383
West Germany	768	....
Portugal	....	1,859
United States	726	....
Canada	329	....
Other sawn coniferous wood		
Total	2,227,488	1,690,144
Sweden	910,488	663,702
Finland	616,478	526,624
U.S.S.R.	345,140	224,388
Austria	110,316	72,845
Canada	6,892	11,518
Coniferous plywood		
Total	667	411
Brazil	259	253
Sweden	130	....
Canada	60	....

However, during the first ten months of 1961 imports of sawn coniferous wood (Douglas fir) from Canada were approximately 67 per cent higher than during the whole of 1960. This is mainly because for several months Swedish exporters were asking rather high prices and were not prepared to reduce them. According to recent reports, several suppliers began lowering their quotations in the early part of September. This is not likely to affect imports from other sources in the near future because of the quantities Netherlands importers have already contracted for with other countries. ●

Timber Mission Brings Results

CANADA'S Timber Mission to Britain and Ireland, which spent two weeks visiting seven cities in these two countries, has resulted in direct sales of lumber and lumber products worth more than half-a-million dollars, it is reported. One of the Mission's chief objectives was to assess the possibilities of increasing Canada's share of these important lumber markets by examining end-uses and consumer preferences. The visit was arranged to coincide with the Building Trades Exhibition in Manchester and to impress on British and Irish buyers and specifiers that Canada was genuinely interested in supplying their particular needs. It was timed also to coincide with a marked upswing in exports to Britain and Ireland of Canadian lumber and wood products.

The members found that British architects, engineers and specifier groups were keenly interested in receiving more technical information on the properties of Canadian timber. Among furniture, flooring and pallet manufacturers they found great interest in Canadian hardwood lumber. To quote one Mission executive: "The Mission did a lot of good in reintroducing the hardwood business that has been practically non-existent since the war started." Certain lumber and wood products from British Columbia that previously had found little or no market in Britain are now moving steadily to important customers there. The Mission has had another result: a number of new exporters of Eastern Canadian spruce to the British and Irish markets.

Among many comments made by members of the Mission, the following may interest exporters;

Continuous Contacts: "I feel that our Mission certainly did a great deal of good and it is now a matter of maintaining the contacts made between our industry and consumers over there."

Actual Sales: "We have actually done a satisfactory amount of new business since the Mission. To cite an example, at the reception in Glasgow I had a ten-minute chat with a partner of a firm with whom I had only a remote acquaintance before. Since my return, we have shipped about $24,000 worth of lumber to the firm."

Prospects: "In spite of the fact that we do not normally ship to the United Kingdom, there is a possibility that some business will develop for us this year."

New Ideas Brought Back: "I consider the trip was extremely valuable for our company as I saw items being manufactured in England which undoubtedly we can manufacture profitably here for the domestic market."

On their return to Canada, the members of the Mission recommended that the visit should be repeated in two years' time, that continued follow-up was needed, with greater emphasis on hardwood lumber promotion, and that more information on the properties of Canadian lumber species should be given to British and Irish buyers. The delegates from British Columbia agreed that the program of promoting timber-frame construction in Britain should be continued.

—P. H. JONES,
Forest Products Division.

COMMODITY NOTES

Agricultural Equipment

SOUTH AFRICA—A European company has opened a new plant near Johannesburg to make harvesting equipment. The factory is concentrating initially on forage harvesters and ensilage cutters, but plans to extend and expand its operations in the future—Johannesburg.

Beer and Glass Containers

NIGERIA—The Government of Western Nigeria has announced an agreement with Nigerian and United States interests for the establishment of a brewery and glass-manufacturing facilities near Ibadan, the capital of Western Nigeria. The three-way capital venture involves the Western Nigeria Development Corporation (a government agency), the Amkor Corporation of New York, and a group of Nigerian businessmen. Capitalization amounts to nearly $6 million.

Premier Breweries, representing an investment of $3.8 million, will have a production target of 300,000 barrels a year. Premier Glass Works will involve an investment of $2.1 million. This 15,000-ton-capacity plant will produce glass containers in any size from one-quarter ounce to one gallon—Lagos.

Diphenylamine

BRAZIL—Dupont do Brasil S.A. Industrias Quimicas has approved construction of a local plant to supply diphenylamine. The company will spend over 90 per cent of its investment in Brazil and local manufacturers will provide over 95 per cent of the equipment by weight. The proposed production will be integrated back to nationally produced benzene, a byproduct of the rapidly expanding steel industry, and will result in a significant saving in foreign exchange—São Paulo.

Flaxseed

FRANCE—The French Ministry of Agriculture has announced that the quota for duty-free imports of flaxseed for sowing is the same as last year—7,000 metric tons for the twelve months July 1, 1961, to June 30, 1962—Paris.

Hot Strip Mill

UNITED STATES—The third largest steel-producing center in the United States, Cleveland, has been given increasing importance with the announcement by the Jones & Laughlin Steel Corporation of plans for the construction of a $60 million hot strip mill at its Cleveland works.

Construction of the new mill is scheduled to start in 1962 and operations in 1963. The new plant is reported to be capable of a production rate equalling the fastest in the world—Detroit.

Ice Cream

ITALY—Italy has always been a large consumer of ice cream, but until recently there was practically no production on an industrial scale. At present, about 20 large industrial concerns produce a total of 45,000 tons of ice cream a year, worth approximately $40 million. They export to countries in Europe and Africa and distribute ice cream throughout Italy by means of an efficient cold storage distribution chain—Rome.

Nickel

JAPAN—A new company, the Sulawesi Nickel Co-operation Co., capitalized at 300 million yen, has been formed to work with the Indonesian Government in developing nickel mines in Celebes. The first step will be a joint survey and mapping out of development plans—Tokyo.

Paperboard

ITALY—The Relac Company, formed by the Albert Reed paper group of London and the Italian financial company La Centrale, is building a large paperboard factory at Cassino, near Naples. Initial investment in the mill is estimated at approximately $10 million and the first continuous machine, of the Inverform type, is expected to start operations at the end of 1963. Two or three years later production will total approximately 120 tons a day. The owners may also add a section to produce wood pulp or semi-chemical pulp—Rome.

Plywood

IRELAND—Shannon River Veneer Mills Limited, an Irish-German company, has purchased a 7½-acre site at Limerick Docks, where the construction of a factory to produce veneers will begin early in 1962. Raw material in the form of logs will be imported from Japan, South America and Africa—Dublin.

Pulp

SOUTH AFRICA—Production of dissolving pulp will top 125,000 tons in 1962. This is the prediction for the large semi-state-owned mill located on the Natal coast of South Africa. All the production of the mill is exported at present, mainly to Britain and the EEC countries—Johannesburg.

Railway Cars

UNITED STATES—The Chesapeake & Ohio Railway, the largest originator of bituminous coal traffic in the

United States, has announced that its freight-car building program for 1962 will cost over $20 million. The C & O will begin production on March 29 of 2,000 large 85-ton coal-hauling hopper cars, the largest ever built in the company's own shops. Present hopper cars have a capacity of 50 or 70 tons. The program also calls for the production of 500 new 70-ton hoppers, using reclaimed trucks, air brakes and some other components—Detroit.

Sulphur

POLAND—The chemical plant in Machow (Rzeszow-voivodship) has exported nearly 20,000 tons of refined sulphur to Czechoslovakia. Poland is making repayment in this way for the credits, equipment and machines received from Czechoslovakia for construction of a sulphur plant and development of a mine. Exports began at the end of June 1961 and now total some 3,500 to 4,000 tons a month.

Several countries are interested in the sulphur from the Tarnobrzeg mine. Sweden has already bought 3,500 tons and will buy another 500 tons in the immediate future. Sample consignments have gone to West Germany and Austria. Also, since the beginning of 1961 Polish producers have turned out over 500,000 tons of sulphuric acid, a 20 per cent increase over last year. In 1963 the industry plans to produce the acid entirely from Polish supplies of sulphur—Copenhagen.

Wool

AUSTRALIA—A survey by the Bureau of Agricultural Economics shows that pure wool products make up the major part of the wool textile industry's output. Fibres other than wool accounted for only 7 per cent of the materials used by manufacturers in 1958/59. Although the survey showed it was technically possible for Australian manufacturers to use considerably greater proportions of synthetic fibres, and that they would be used if the consumer demanded products containing them, the percentage of synthetic fibres absorbed remained small. Most manufacturers, comparing the processing of synthetic fibres with the processing of wool, listed more disadvantages than advantages in using synthetics—Sydney.

TRADE COMMISSIONERS ON TOUR

In Canada

J. H. BAILEY, Commercial Secretary and Consul in Bogotá, Colombia:

Montreal—Jan. 29-Feb. 2
Brockville, Kingston—Feb. 5
Oakville, Hamilton—Feb. 6
Waterloo—Feb. 7
Brantford—Feb. 8
Niagara Falls—Feb. 9
Toronto—Feb. 12-16
Winnipeg—Feb.19-20
Vancouver—Feb. 20-23

After he completes his tour, Mr. Bailey will return to Bogotá.

Businessmen who wish to see Mr. Bailey should get in touch with the Board of Trade or Chamber of Commerce in the cities mentioned, with the following exceptions. In Toronto, Winnipeg and Edmonton, the Trade Commissioners make their headquarters at the offices of the Canadian Manufacturers Association; in Windsor, Ontario, at the offices of the Greater Windsor Industrial Commission; in St. John's, 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

W. E. FULTON, Assistant Commercial Secretary in Oslo, Norway, will visit Reykjavik, Iceland, for a week beginning February 11.

G. L. GAGNE, Assistant Commercial Secretary in Mexico City, will visit Monterrey and Nuevo Leon February 12-14.

J. E. LANCASTER, Commercial Secretary in Karachi, Pakistan, will visit Dacca, Chittagong, Narayanganj, Khulna and Shamshernagar in East Pakistan February 5-16.

H. E. LEMIEUX, Trade Commissioner in Guatemala City, will visit Panama January 23-27, Costa Rica January 28-30, and Nicaragua January 31-February 2.

E. H. MAGUIRE, Trade Commissioner in Singapore, will visit Bangkok, Thailand, February 19-28.

K. D. TAYLOR, Assistant Trade Commissioner in Guatemala City, will visit San Pedro, Dula and Tegucigalpa in Honduras February 26-March 2, and Costa Rica March 3-8.

W. R. VAN, Trade Commissioner in Liverpool, England, will visit Manchester, February 13-15.

W. D. WALLACE, Commercial Counsellor in Caracas, Venezuela, will visit Curacao and Aruba in the Netherlands Antilles from January 22-31.

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. Fulton at Oslo, Mr. Gagne at Mexico City, Mr. Lancaster at Karachi, Mr. Lemieux and Mr. Taylor at Guatemala City, Mr. Maguire at Singapore, Mr. Van at Liverpool, and Mr. Wallace at Caracas.

FOREIGN TARIFFS AND TRADE REGULATIONS

Austria

CUSTOMS TARIFF REDUCTION ANNOUNCED—To counteract the growing upward trend in prices and wages, the Austrian Ministry of Finance has reduced, by decree of December 15, 1961, import duties on industrial commodities. The reduction of 10 per cent took effect on January 1, 1962, and will remain in force, unless rescinded earlier, until June 30, 1962. A prolongation is possible.

The complete list of customs items subject to this reduction is available from the International Trade Relations Branch of the Department of Trade and Commerce. It includes all those Austrian tariff items on which the rates are higher than those established in the common tariff of the European Economic Community (Belgium, France, Germany, Italy, Luxembourg, Netherlands), or where duties after the reduction will not be less, or only slightly less, than the EEC rates.

The reduction does not apply to rates already reduced by 30 per cent on imports from countries of the European Free Trade Association (Austria, Britain, Denmark, Finland, Norway, Portugal, Sweden, Switzerland).

Importers are required to make a special application to obtain the benefit of reduced rates and Customs officers are to advise them that the reduction is available. Importers are expected to pass on the benefit of reduced tariff rates to end-users (consumers). In the case of traders, a special note to this effect is to be recorded in the customs declaration. Instructions on how compliance with this provision is to be controlled will be issued later.

Ceylon

CHANGE IN BASIS OF VALUE FOR DUTY—The Ceylon Government has recently altered the basis for levying ad valorem duty on 39 classes of imports. Instead of the duty being assessed on the c.i.f. value, it will now be charged on the wholesale market value in Ceylon of these goods. The following items of interest to Canada are affected: brake fluid; playing cards; cotton waste; patent medicines; eau-de-cologne; canned fish, fish liver oils; writing ink; jams, jellies and marmalades; domestic sewing machines; canned meat; iron and steel; motor vehicle sparkplugs; turpentine, paints; cellophane, kraft paper, cardboard, tissue paper, various fine papers; photographic films; razor blades; rubber tires and tubes; fountain pens for which there are sole agents and distributors; cosmetic powders; certain textiles; toothpaste; radio batteries; dry yeast, and all imports by sole agents who are also sole distributors. In addition, such other items as may be listed by the Customs Department will be subject to the higher basis for valuation.

Chile

NEW IMPORT CONTROLS IMPOSED—Mr. J. R. Midwinter, the Canadian Commercial Secretary in Santiago, has cabled that on January 12, 1962, the Chilean Government issued a decree prohibiting the import of luxury goods, many other non-essential commodities, and a wide range of articles produced in Chile. Approximately 700 individual items are affected, including:

Alcoholic beverages, tobacco, many food products, leather, textiles, garments, footwear, many chemicals and related products, some primary and semi-fabricated steel and non-ferrous metals, hardware, hand-tools, small electric motors and transformers, electrical fittings and conductors, most motor vehicles, all domestic appliances, household effects, photographic equipment, paper products, plastic manufactures, etc.

Mr. Midwinter also cabled that on January 15 the Chilean Government announced a new foreign exchange policy under which there will be a controlled exchange rate for most export and import transactions, and a free rate for imports of luxuries. Precise details had not yet been worked out but most commercial importers, on registering merchandise orders, were being required to deposit with the Central Bank a sum equal to the Customs surcharge applicable. This was to be refundable on presentation of proof that foreign exchange requirements had been covered.

Cuba

TRAVEL REGULATIONS—The Commercial Counsellor in Havana reports that visitors to Cuba are required to have a valid passport and a Cuban visa. The Tarjeta de Identidad (identification slip) handed to visitors prior to leaving for Cuba is also required on departure. The important new requirement is that visitors must obtain an exit permit from the Cuban authorities by personally applying to the Immigration Department with passport, return ticket, and Tarjeta de Identidad, giving the date of departure. The Immigration Department then orders the airline concerned to reserve a seat for the stated date. The visitor, prior to departure for Cuba, should try to obtain confirmation of his flight out of Cuba. With regard to the shuttle service between Havana and Miami, it appears that the outgoing passengers, whether they are Cuban nationals or foreign business travellers, are given space on outgoing flights by the Immigration Department and that the airline may not have control of the reservation or the seating accommodation.

Denmark

SOME IMPORTS LIBERALIZED—By a notification issued by the Danish Ministry of Commerce on December 21, 1961, the following goods have been removed from the restricted import list and may be freely imported (without import licence) from January 1, 1962, on: deep frozen fish fillet; cowberries; pyrotechnic articles; stencils; electric accumulators; pipe and reed organs, including harmoniums and the like; brushes used as parts of machines.

France

IMPORT QUOTAS FOR APPLES AND CANNED VEGETABLES OPENED—On December 8, 1961, the French Government announced that quotas had been opened in the following amounts for food originating in Canada and the United States and imported during the period January 1 to March 31, 1962: table apples, 9,000 tons; canned peas, green beans and carrots, 100 tons; canned mixed vegetables, 50 tons —Paris.

Ghana

IMPORT AND EXPORT CONTROLS—Further advice has been received on the general reimposition of import and export licensing in Ghana that became effective December 1 (*Foreign Trade,* January 13, 1962). All imports except the following now require specific licences: single copies of books and magazines, trade samples, personal household effects, gifts, West African produce and animals, cocoa, chocolate confectionery, day-old chicks, animal feeds, seeds, school and reference books and educational stationery, and religious books.

The new controls apply to imports from all countries except South Africa, South West Africa, and the Portuguese monetary area, imports from which are banned. Requirements of government departments, mines, and manufacturing and industrial enterprises for spares for their own use will be licensed on an annual basis.

Importers have been advised that licences will be used to regulate the flow of imports in such a way as to reduce the inflow of non-essential goods, while continuing to permit import of essential goods in sufficient quantities. They have been advised also that the licensing regulations are subject to change without prior notice and that licences may be withdrawn, amended, or cancelled at any time.

CHANGES IN CUSTOMS DUTIES AND PURCHASE TAX—Advice has just been received of a number of changes in Ghanaian import duties and purchase tax. Main items of interest to Canada are as follows:

Customs Duties	**From**	**To**
Boots and shoes of canvas and/or rubber	1s.3d. per pair or 33⅓% whichever is the higher.	2s.6d. or 66⅔% whichever is the higher.
Cotton or rayon towels	20%	40%
Slab chocolate	10%	exempt
Beverage cocoa substitutes	6d. per lb.	exempt
Medicinal salt	3d. per lb.	30%
Ice-chests, ice and refrigerating cold storage plant and machinery	30%	10%
Lugstock and similar material for retreading tires	30%	exempt
Packing materials and paper bags (excluding envelopes and fancy containers)	30%	exempt
Purchase Tax		
Spare parts, accessories and engines for bicycles and tricycles	15%	free
Mattresses, and mattress supports, cushions and similar stuffed furnishings	66⅔%	free
Furniture parts	exempt	66⅔%
Water heaters	exempt	33⅓%
Linoleum, straw mats, door mats, coir mats and jute mats	66⅔%	exempt
Children's dresses and second-hand clothing	33⅓%	exempt

Pakistan

IMPORT POLICY—FIRST HALF OF 1962—The Pakistan Government has recently announced its import policy for the shipping period January-June 1962. Principal changes are an increase in the number of industries eligible for automatic licences for raw materials and replacement parts; an increase in the number of items that may be imported under the export-promoting Export Bonus scheme; and measures to decentralize Pakistan's import trade.

Specifically, the list of items for which commercial licences will be available has been reduced from 184 to 173, with the exclusion of building and engineering materials other than wood or iron; portland cement; electric instruments, apparatus and appliances; miscellaneous provisions including food colours; refrigerators; fibreboard; hardboard; musical instruments; sheet glass; electrical accessories, and fountain pens. All these items may still be imported under the Export Bonus Voucher scheme.

The list of items importable under Open General Licence has been reduced from 49 to 48 with the deletion of building and engineering material other than wood or iron. The 14 items on automatic licensing remain as before.

The number of industries eligible to receive automatic licences for raw materials and replacement parts has been increased from 18 to 36. Among the additions are agricultural implements; automobile pistons; barrels, buckets and pails; certain furniture; rolling mills; stationery; textile machinery parts, and doors and windows. Three industries—cosmetics, hosiery, and ready-made garments—have been removed from the list.

To decentralize Pakistan's import trade, fresh licence applications under the Open General Licence scheme will not be accepted from residents of Karachi, Lahore, Dacca, Chittagong and Narayanganj. This will have the effect of precluding establishment of new importing businesses in these centres.

Philippines

U.S. TARIFF PREFERENCE REDUCED—Canadian businessmen may feel that the Philippines market is supplied almost entirely by the United States, but conditions have been changing in recent years and will alter even more this year with a reduction in the tariff preference granted to the United States. Effective January 1, 1962, imports of U.S. origin are subject to 75 per cent of the full tariff in contrast to the 50 per cent levy applied during the past three years.

On September 6, 1955, the United States and the Philippines signed a trade agreement, effective January 1, 1956, revising the 1946 agreement between the two countries. The Philippine legislation, identified as Republic Act 1955, was passed in May 1955. The United States legislation, identified as Public Law 196 d the 84th Congress—Philippines Trade Agreement Revision Act of 1955—was passed in July 1955.

Under the terms of the revised agreement, goods of United States origin have continued to receive preferential tariff treatment in the Philippines but on a different scale than that of the 1946 agreement. Quoted below is the pertinent section of Article 1 of the agreement which shows the percentage of the regular customs duty accorded to goods of United States origin; both dates given are inclusive:

(a) From January 1, 1956, to December 31, 1958, 25 per cent ad valorem.

(b) From January 1, 1959, to December 31, 1961, 50 per cent ad valorem.

(c) From January, 1 1962, to December 31, 1964, 75 per cent ad valorem.

(d) From January 1, 1965, to December 31, 1973, 90 per cent ad valorem.

(e) Effective January 1, 1974, 100 per cent ad valorem.

It should be pointed out that although Japanese and Western European exporters are expected to benefit most from the reduction in U.S. tariff preference, these countries have increased their share of the Philippine market considerably in recent years in spite of the U.S. tariff preference. In 1949, the U.S. accounted for 80.1 per cent of Philippine imports but by 1960 its share had dropped to 42.3 per cent. Meanwhile, Japan supplied 26.4 per cent of Philippine overseas requirements in 1960, compared with 2.7 per cent in 1949. The main European suppliers (West Germany, Britain, the Netherlands, Belgium, and France) increased their share of the Philippine market from 2.4 per cent in 1949 to 11.1 per cent in 1960. This trend is expected to continue.

Can Canadian exporters benefit from the reduction in the United States tariff preference? The best opportunities appear to be in metals and minerals, steel products, copper tubing, and organic and inorganic chemicals on which the regular import duty is usually 10 per cent ad valorem. Exports of industrial and electrical machinery could also be increased, although competition is strong from Japanese and European suppliers.

The Canadian Consulate General, P.O. Box 1825, Manila, will be pleased to answer inquiries from Canadian exporters who feel that the reduction in the United States tariff preference affords opportunities for increasing their sales to the Philippines.

—R. M. DAWSON,
Consul and Assistant Trade Commissioner, Manila.

Sierra Leone

VALUE FOR AD VALOREM DUTY ALTERED—As of January 1, 1962, a slight alteration has been made in the basis for calculating ad valorem duty in Sierra Leone by now including any buying or head office commission in the value on which duty is levied. Formerly, these classes of commission up to 5 per cent could be excluded.

South Africa

NEW FORM OF INVOICE AND DECLARATION OF VALUE—Advice has just been received that a revised form of Invoice and Declaration of Value required for shipment of goods to South Africa was adopted as of November 17, 1961. As in the past, the required South African invoice form covers shipments to South West Africa, Basutoland, Bechuanaland and Swaziland, as well as to the Republic of South Africa.

The South African Customs authorities are prepared to accept the old form of invoice for a period of up to six months, but Canadian exporters are requested to adopt the revised form at the earliest opportunity.

Samples may be obtained from the Commonwealth Division, Department of Trade and Commerce, Ottawa.

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

Increase in duty on:

Portable lamps and parts—from 15 per cent to 25 per cent.

Non-portable lamps and fittings—from 5 per cent to 25 per cent.

Crown corks and stoppers—from 2½ cents per gross to 10 cents per gross.

Other caps and stoppers—from 5 per cent to 20 per cent.

Canadian firms exporting these goods to South Africa may wish to have their views on these tariff inquiries placed before the Tariff Board. The most effective method of doing so is for the Canadian exporter to have his South African agents act on his behalf. Action should be taken as soon as possible because tariff inquiries normally begin in South Africa shortly after the announcements are made.

IMPORT CONTROL POLICY FOR 1962—South African import control policy for 1962 will follow the general pattern in operation since May 1961 (*Foreign Trade,* August 12, 1961), and the current treatment of most Canadian goods should remain relatively unchanged. Added emphasis is being placed upon local availability of import substitutes and it appears that the authorities will themselves assess this increasingly in approving licence applications, rather than leaving it to importers as before.

An important feature of the 1962 policy announcement is clarification of the "Restricted List" established in May 1961. More specific descriptions now are given of individual items on the list, which includes the following products of interest to Canada: wheat; canned salmon and sardines; furskins; metal gauze, sieving and screening (except mosquito and fly screening); pipes, piping, tubes and fittings; laminated plastic sheeting; lumber and plywood (but not veneer sheets), wooden handles, pulpboard for building purposes, and plain tissue paper and sanitary paper. Deletions from the Restricted List include certain manufactures of iron and steel, veneer sheets, cardboard and certain fine papers. Dolls are one of several additions to the List. Those raw materials and capital goods for which specific permits are required have been signified as being on the Restricted List, thereby clarifying treatment of items within these two major classes of imports, most of which are licensed on a quota basis under Paragraph 2 of the import control regulations.

A procedural change now requires specific permits for goods on the Restricted List to have been converted from original permits in the "same general category". Conversion may be made at a rate of one for one up to the first R3,000 of the importer's quota and two for one on the remainder.

A number of items have been changed from one import category to another. These include commercial motor vehicles, formerly on a sales replacement basis, now importable under quota as determined by the authorities; calculating machines, cash registers and tabulators, formerly in Group B of Paragraph 4, now in Group A, which should improve access somewhat; motor cars with a retail price of over R1,900 ($2,800) from Paragraph 3 to Group B; elimination of hand-knitting yarns from the Free List, and addition of plastic sheeting exceeding .005″ thickness in rolls to the Free List.

Another new distinction is made in Paragraph 2 in that merchants who import goods for resale will do so in accordance with quotas as "may be authorized from time to time", whereas manufacturers who require the goods for processing in their own factories are assured of their "full reasonable requirements".

Information on licensing treatment of specific products may be obtained from the Commonwealth Division, International Trade Relations Branch, Department of Trade and Commerce, Ottawa, or the Canadian Government Trade Commissioners in Johannesburg or Cape Town.

Boat Show in Britain

THE International Boat Show opened at Earls Court on January 3 with the usual fanfare and rush of people in "buying" or "just looking" frames of mind. Canada's exhibit was in keeping with the glamorous air of the show—probably the most distinctive structure there and certainly one of the most unusual we have ever featured in Britain. Under a nautical canopy of manila rope in the design of a compass "rose", 21 Canadian boat, marine hardware and accessories, and sporting goods manufacturers displayed their goods to the public and the trade.

Total results cannot be reported so soon, but it is known that several formerly unrepresented firms have made connections and others may do so when the show is over. Companies that already have British agents have been able to widen their distribution in the British Isles and have made several Continental contacts as well.

Avid consumer and trade interest in unrepresented products emphasizes the broad field open to the aggressive manufacturer. But he must see the market for himself to understand its scope and tastes. The 1962 Boat Show has provided just such an opportunity for the firms that took part in the Canadian exhibit.

Department of Trade and Commerce

Head Office Trade and Commerce Bldg.,* Wellington and Lyon Sts., Ottawa

Regional Offices: St. John's, Halifax, Winnipeg, Vancouver (see page 33)

	Gov. Local
Minister: The Honourable George Hees	2-0336, 2-0337
Executive Assistant: M. R. Jack	2-7052
Private Secretary: Mrs. Reta Taylor	2-0337
Deputy Minister: James A. Roberts	2-2888, 2-5838
Executive Assistants: D. H. Cheney, C. J. MacCallum	2-2380, 2-0819
Assistant Deputy Minister (External Trade Promotion): H. Leslie Brown	2-2530, 2-0798
Assistant Deputy Minister (Trade Policy): J. H. Warren	2-4042, 2-2649
Assistant Deputy Minister (Commodities and Industries): Denis Harvey	2-5417, 2-7056
Assistant Deputy Minister (Domestic Commerce): B. G. Barrow	2-8431, 2-8502

Administration Branch

Comptroller-Secretary: Finlay Sim	2-2262

Personnel Branch

Director: L. J. Rodger	2-5430
Assistant Director: P. M. Legris	2-3208

Economics Branch

Director: V. J. Macklin	2-5658
Assistant Director: D. J. Daly	2-8900

External Trade Services

H. Leslie Brown, Assistant Deputy Minister	2-2530, 2-0798

Canadian Government Exhibition Commission 479 Bank St.

Director: Glen Bannerman	2-7412, 2-3558
Administrative Officer: A. D. Simmons	2-6795
Chief, Design Section: T. C. Wood	2-3671

Trade Commissioner Service

Acting Director: T. R. G. Fletcher	2-8286
Executive Director: T. M. Burns	2-6835

Trade Publicity Branch

Director: C. J. Van Tighem	2-2479, 2-6394
Assistant Director: J. Fergus Grant	2-2186
"Foreign Trade" and "Commerce extérieur"	
Editor: Miss O. Mary Hill	2-6588
Editorial and Art Services Division	
Chief: F. R. Hamilton	2-6435
Trade Fairs Abroad Division	
Chief: D. G. W. Douglas	2-8269

**Unless otherwise noted, all offices of the Department are in this building. Cable address: COMAGENT, Ottawa. If you are telephoning from out of town, call the government switchboard, CEntral 2-8211, and ask for the local; if you are in Ottawa, dial 9, then the government local.*

Trade Policy Services

	Gov. Local
J. H. Warren, Assistant Deputy Minister	2-4042, 2-2649

International Trade Relations Branch

Acting Director: R. E. Latimer	2-2250
Assistant Director: V. L. Chapin	2-2981
General Relations Division	
Chief:	2-7696
Asia and Middle East Division	
Acting Chief: J. L. Mutter	2-5642
Commonwealth Division	
Chief: A. W. A. Lane	2-2421
European Division	
Chief: W. G. Pybus	2-8727
Latin American Division	
Chief: B. S. Shapiro	2-7641
United States Division	
Chief: J. R. Downs	2-5176

Domestic Commerce Services

B. G. Barrow, Assistant Deputy Minister	2-8431, 2-8502

Industrial Promotion Branch

Director: B. R. Hayden	2-7886
Assistant Director: G. A. Browne	2-4143
Research Division	
R. Billard	2-6777
New Products Division	
P. Vachon	2-4181
Inport Analysis Division	
Chief: G. P. Bourne	2-5909
Regulations and Publications Division	
Chief: J. H. O'Connell	2-3713

National Design Branch

Director: Carl J. Lochnan	2-0342
Assistant Director: E. P. Weiss	2-0341

Small Business Branch

Director: J. J. McKennirey	2-4737
Information: N. Grafman	2-7573

Standards Branch Standards Bldg., Holland Ave., Tunney's Pasture

Director: R. W. MacLean	2-2132
Assistant Director: E. F. Power	2-2956

(continued)

Domestic Commerce Services

Standards Branch (continued)

	Gov. Local
Electricity and Gas Division	
Chief: E. F. Power	2-2956
Weights and Measures Division	
Chief: C. S. Phillips	2-2000
Laboratory Division	
Chief: W. J. S. Fraser	2-2575
Commodities and Precious Metals Marking	
G. R. Lewis	2-7074

Depreciation Certification Division

Chief: B. F. Armishaw	6-6904

Commodities and Industries Services

Denis Harvey, Assistant Deputy Minister	2-5417, 2-7056

Agriculture and Fisheries Branch

Director: D. A. Bruce Marshall	2-4301
Assistant Director: G. E. Woollam	2-7634
Fisheries Division	
Chief: T. R. Kinsella	2-7385
Livestock and Animal Products Division	
Chief: K. L. Melvin	2-3172
Livestock, meats and meat products: J. Kaffezakis	2-6350
Dairy and poultry products:	2-3172
Furs, sugar, beverages: D. H. Burns	2-4161
Plant Products Division	
Acting Chief: A. J. Stanton	2-7523
Fruits, vegetables and products: J. B. Mountain	2-0914
Special crops, feeds, seeds: E. T. Banting	2-6350
Grocery and confectionery products: W. J. Curran	2-6350
Oils, fats and oilseeds:	2-7523
Grain Division, Room 467, Confederation Bldg.	
Chief: R. M. Esdale	2-5830, 2-5648

Commodities Branch

Director: A. M. Tedford	2-6905
Assistant Director: E. C. Thorne	2-7163
Assistant to Director: D. F. Alger	2-5680
Appliances and Commercial Machinery Division	
Chief: G. W. Rahm	2-6950
Business equipment and office machinery: W. H. Grant	2-3209
Radio and television, scientific instruments, hospital equipment: J. A. Findlay	2-6958
Hardware, plumbing and heating equipment: D. C. Meyers	2-6383
Electrical and gas appliances: P. C. Fredenburgh	2-6552
Commercial machinery equipment and supplies: O. A. Sulzenko	2-6552
Hardware, housewares, tools: G. Weber	2-7956

Commodities and Industries Services

Commodities Branch (continued)

	Gov. Local
Chemicals Division	
Chief: G. E. McCormack	2-5993
Assistant Chief: G. A. Ferguson	2-6075
Fertilizers, synthetic resins, rubber: G. A. Ferguson	2-6075
Pesticides, adhesives, cleaning compounds, etc.: R. B. Ball	2-6075
Petroleum, heavy organic chemicals: T. V. Harquail	2-7601
Pharmaceutical products, inorganic chemicals: J. G. Touchette	2-5177
Paints, coal tar, light organic chemicals: A. G. Billingsley	2-6075
Engineering and Equipment Division	
Acting Chief: R. C. Wallace	2-4082
Consulting engineering, aerial surveying, nuclear energy: R. C. Wallace	2-4082
Engineering projects, industrial electrical equipment: R. C. Wallace	2-4082
Agricultural and automotive equipment, vehicles, aircraft, ships, railway rolling stock: G. C. Clarke	2-3873
Communications and electronic equipment: D. L. Draper	2-6479
Machine tools, heavy industrial machinery: J. R. Johnson	2-7546
Construction contracting, light industrial machinery, process equipment, nuclear reactors: L. T. Hansson	2-5859
Forest Products Division	
Chief: M. N. Murphy	2-0273
Logs, other round material, lumber and sawmill products: O. Hickie	2-4863
P. H. Jones	2-5811
J. M. Monaghan	2-5811
Manufactured wood products: A. D. Monkhouse	2-6974
Wood pulp, newsprint and other papers: F. T. Carten	2-6974
Paper and paper products: C. M. Shaw	2-5127
Metals and Minerals Division	
Chief: J. M. Rochon	2-8422
Iron and steel: R. P. Mulvihill	2-5823
Non-metallic minerals: R. P. Mulvihill	2-5823
R. T. B. Harvey	2-5159
Non-ferrous metals: R. J. Hurley	2-3823
Statistics: W. L. Power	2-3823
Textiles and Consumer Goods Division	
Chief: A. C. Fairweather	2-6197
Assistant Chief: E. G. Gerridzen	2-7815
Handicrafts, chinaware, jewellery, photographic equipment: R. A. Drouin	2-5337
Ladies' wearing apparel, linens: E. G. Gerridzen	2-7815
Leather, rubber and plastic products: W. L. Herman	2-0518
Recreational supplies, musical instruments, toys: P. G. Jones	2-4160
Textile fibres and fabrics, miscellaneous men's wearing apparel, jute products, waste: R. M. Josephson	2-3004
Watercraft, marine supplies, optical goods: G. A. Taylor	2-5378
Transportation and Trade Services Division	
Chief: G. M. Schuthe	2-6236
Assistant Chief: H. A. Hadskis	2-2737
Head, Transportation and Communications Section: J. H. Hiland	2-5851
Head, Export and Import Permits Section: G. L. Tighe	2-3640
Head, Directories Section: R. W. Bedard	2-6681

Commodities and Industries Services

Regional Offices

Halifax, N.S., 5525 Artillery Place	422-8491
Regional Manager: A. M. MacKenzie	
St. John's, Nfld., Sir Humphrey Gilbert Bldg., Duckworth St. (P.O. Box 5458)	2698
Regional Representative: Mrs. B. Robertson	
Winnipeg, Man., Room 507, Dominion Public Bldg.	WH2-2054
Regional Manager: W. MacKenzie Hall	
Vancouver, B.C., Room 405, Federal Bldg., 325 Granville St.	MU1-7161
Regional Representative: K. F. Noble	

Associated Services

Dominion Bureau of Statistics Holland Ave., Tunney's Pasture	**Gov. Local**
Dominion Statistician: Walter E. Duffett	2-2529
Assistant Dominion Statistician: J. T. Marshall	2-7695
Assistant Dominion Statistician: S. A. Goldberg	2-5458
Publications Information and General Inquiries	2-2959

Export Credits Insurance Corporation 309 Cooper St., P.O. Box 655	
President and General Manager: H. T. Aitken	CE2-4828
Vice-President: A. W. Thomas	CE2-4828
Montreal Branch, 607 St. James St. West	UN6-1268
Toronto Branch, Room 1511, 55 York St.	EM4-5778

Translation Branch	**Gov. Local**
Chief: Emile Boucher	2-2760

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

Conversion into Canadian dollar equivalent and units of foreign currency per Canadian dollar have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which the banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

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

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

For conversion to United States dollar equivalent multiply by .956080.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Jan. 15	Units per Canadian dollar	Notes (See below)
Argentina	Peso		.01262	79.24	
Austria	Schilling		.04051	24.68	
Australia	Pound		2.3528	.4250	
Bahamas	Pound		2.9410	.3400	
Belgium and Luxembourg	Franc		.02101	47.60	
Bermuda	Pound		2.9410	.3400	
Bolivia	Boliviano	Free	.00008895	11,242.27	*Dec. 29
Britain	Pound		2.9410	.3400	
British Guiana	Dollar		.6127	1.63	
British Honduras	Dollar		.7352	1.36	
Brazil	Cruzeiro	Free	.003331	300.21	
		Special Category	†	†	
Burma	Kyat		.2196	4.55	
Ceylon	Rupee		.2206	4.53	
Chile	Escudo	Free	‡	‡	
Colombia	Peso	Certificate	.1561	6.41	
Congo, Republic of.	Franc		.02101	47.60	
Costa Rica	Colon		.1579	6.33	
Cuba	Peso		#	#	
Czechoslovakia	Koruna		.1453	6.88	
Denmark	Krone		.1520	6.58	
Dominican Republic	Peso		1.04594	.9561	
Ecuador	Sucre	Official	.05811	17.21	
		Free	.04837	20.67	
El Salvador	Colon		.4184	2.39	
Fiji	Pound		2.6495	.3774	
Finland	Markka		.003269	305.90	
France, Monaco, etc.	New Franc		.2134	4.69	(1)
Franco-African Republics, etc.	Franc		.004268	234.30	(2)
French Pacific	Franc		.01174	85.18	(3)
Germany	D Mark		.2619	3.82	
Ghana	Pound		2.9410	.3400	
Greece	Drachma		.03486	28.69	
Guatemala	Quetzal		1.04594	.9561	
Haiti	Gourde		.2092	4.78	
Honduras	Lempira		.5230	1.91	
Hong Kong	Dollar	Free*	.1842	5.43	*Dec. 29
		Official	.1838	5.44	
Iceland	Krona	Official	.02432	41.12	(4)
India	Rupee		.2206	4.53	
Indonesia	Rupiah	Official	.02324	43.02	(4)
Iran	Rial		.01381	72.42	
Iraq	Dinar		2.9286	.3415	
Ireland	Pound		2.9410	.3400	
Israel	Pound		.5811	1.72	
Italy	Lira		.001685	593.47	

*Latest available quotation date.

†Exchange auctions will be held each week for limited amounts of exchange.

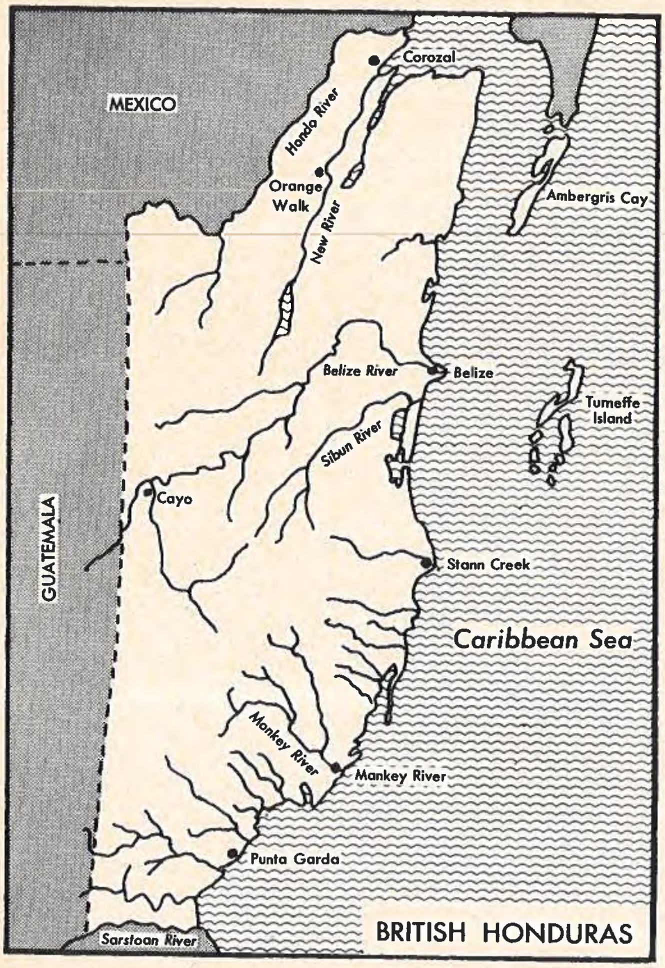
‡Exchange operations temporarily suspended.

#There is no trading in Cuban pesos in U.S. or Canadian banks at present.

Country	Unit	Type of Exchange	Can. dollar equivalent Jan. 15	Units per Canadian dollar	Notes (See below)
Japan	Yen		.002906	344.11	
Lebanon	Pound	Free	.3287	3.04	
Mexico	Peso		.08368	11.95	
Morocco	Dirham		.2092	4.78	
Netherlands	Florin		.2903	3.44	
Netherlands Antilles	Florin		.5546	1.80	
New Zealand	Pound		2.9209	.3424	
Nicaragua	Cordoba	Effective buying	.1585	6.31	
		Official selling	.1484	6.74	
Nigeria	Pound		2.9410	.3400	
Norway	Krone		.1468	6.81	
Pakistan	Rupee		.2206	4.53	
Panama	Balboa		1.04594	.9561	
Paraguay	Guarani	Official	.008268	121.04	
Peru	Sol		.03899	25.65	
Philippines	Peso	Free	.3486	2.87	
		Official	.5230	1.91	
Portugal & Colonies	Escudo		.03650	27.40	(5)
Republic of South Africa	Rand		1.4705	.6800	
Singapore and Malaya	Straits Dollar		.3431	2.91	
Spain and Dependencies	Peseta		.01743	57.36	
Sweden	Krona		.2024	4.94	
Switzerland	Franc		.2422	4.13	
Syria	Pound	Free	.2924	3.42	
Thailand	Baht	Free	.04947	20.21	(4)
Tunisia	Dinar		2.5207	.3967	
Turkey	Lira		.1162	8.60	(4)
United Arab Republic	Pound	Official	3.0035	.3329	
United States	Dollar		1.0459375	.956080	
Uruguay	Peso	Free	.09535	10.49	
Venezuela	Bolivar	Free	.2279	4.39	
		Official	.3125	3.20	
West Indies Fed.	Dollar		.6127	1.63	(6)
	Pound		2.9410	.3400	(7)
Yugoslavia	Dinar	Official	.001395	716.84	

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

BRITISH HONDURAS

Area: 8,866 square miles.

Population: 91,200.

Climate: sub-tropical, with an average temperature of 80 degrees and annual rainfall of 50 inches in north and 170 inches in the south.

Language: English is the official language. Spanish is widely spoken.

Currency: British Honduras dollar. (B.H.$=Can.$0.7295).

Weights and measures: British imperial standard. Old Spanish standards are recognized and sometimes used.

Capital: Belize.

Chief port: Belize.

Marketing centres: Belize (population) 30,953, and Corozal 2,100.

Economy: mainly forest products and agriculture; the chief crops are tropical hardwoods, citrus products, coconuts and sugar-cane. Attempts are being made to attract light industry.

Total British Honduran imports: 1960—Can.$13.7 million.

Chief imports: (Can.$ million) 1960—food 3.94, manufactured goods (materials) 2.84, machines and vehicles 2.48, manufactured articles 1.39, chemicals 1.09, fuel 0.95.

Chief suppliers: United States, Britain, Trinidad and the Netherlands.

Value of imports from Canada: 1961 (5 months)—Can. $159,857; 1960—Can.$408,661.

Chief imports from Canada: (Can.$) 1960—tires and tubes 51,532, dairy products 38,468, fish products 19,492, wheat flour 25,691, cotton products 41,773, wooden staves 26,875.

Total British Honduran exports: 1960—Can.$8.39 million.

Chief exports: (Can.$ million) 1960—timber 2.71, citrus 2.28, sugar 1.53, chicle gum 0.44; fish and lobster 0.22.

Chief markets: Britain, United States, Jamaica and Mexico.

Value of Canadian purchases: 1961 (5 months)—Can.$39,754; 1960 (12 months)—Can.$90,583.

Chief Canadian purchases: 1960—mahogany $47,638; bananas $23,584.

Prices: quote in Canadian or U.S. dollars.

Samples: samples for re-export within three months will be admitted temporarily free of duty if a bond is placed with the tariff authorities.

Trade agreements: Canada-British West Indies Trade Agreement 1926.

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

Canadian banks: Royal Bank of Canada.

Correspondence: airmail desirable; letters 10 cents per half ounce.

For detailed information on the market write to:

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

or

Canadian Government Trade Commissioner
P.O. Box 225
Kingston
Jamaica

Roger Duhamel
QUEEN'S PRINTER

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

Can I sell lumber on the Continent...?

DEPARTMENT OF
TRADE AND COMMERCE
CANADA

FOREIGN TRADE SERVICE

OTTAWA, January 11, 1962.

Mr. V.R. Keen,
President,
Exeter Lumber Exporters Limited,
Halifax, N.S.

Dear Mr. Keen:

Thank you for your letter of January 8, seeking information on the sales opportunities for lumber in Continental Europe. I am especially interested to learn that you have decided, on the basis of our discussions last month, to make a tour of the market early this year. Your letter is timely as we have been studying the potential in this market with the assistance of our Trade Commissioners.

Prospects for sales of Canadian lumber have never been better. According to a recent report prepared by the Timber Committee of the Economic Commission for Europe, lumber imports into this area during 1962 are expected to exceed those in 1961. Canada's share of the Continental European market now stands at slightly less than 2 per cent, with exports of 50 million board feet.

Most countries on the Continent are net lumber importers; total imports exceed 3,000 million board feet per year. The biggest buyer is West Germany with annual imports running at 1,200 million board feet. Italy and the Netherlands each import more than 300 million board feet and France between 300 and 400 million. Belgium-Luxembourg and Greece each require over 100 million board feet.

I am convinced that your company could take a part in increasing Canada's share of this important lumber market. However, you should be prepared to give agents and importers in those countries adequate assurance that you can supply their special requirements on a continuing basis.

We strongly urge you to visit Ottawa soon and discuss with us the full range of the Department's services to exporters. Meanwhile, we will advise our Trade Commissioners on the Continent of your proposed business trip so that they can work out an itinerary for you and arrange appointments with prospective buyers.

Yours faithfully,

O. Hickie
O. Hickie,
Forest Products Division.

Trade and Commerce Can Help You