

**Prospecting for Markets in Europe
Trade and Commerce Grows with Canada**

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Visit the markets if you want to do business in them—that's the theme of this down-to-earth article by an experienced Trade Commissioner. Though he writes from Brussels, what he has to say applies to Western Europe generally.

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Though it is surrounded by countries that produce steel and has a small industry of its own, Switzerland does occasionally buy certain iron and steel products farther afield—and even from Canada. This article outlines why this is a marginal market for Canadian producers that may be worth investigating.

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"Operation World Markets"—that's the term given to a three-part campaign to increase our export trade scheduled for next spring. One important phase of this will be a big all-Canada Samples Show in Toronto, patterned on the successful regional shows held in Montreal, Toronto, Winnipeg and Vancouver this year.

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Our fourth contribution in this series discusses the planning and carrying out of a visit to this Moslem state. You will be better prepared both physically and psychologically to make a success of your trip there after reading this report.

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COMING—DEVELOPMENT AND TRADE IN SOUTH AMERICA, DECEMBER 15



Are you hesitating about seeking customers in the sophisticated, competitive but profitable Western European market? If you follow the advice of our Trade Commissioner in Brussels, you will find it easier to take the first steps in a successful sales campaign.

"If you want to sell in the European market, come over yourself or send the best qualified salesman on your staff." This is the opinion of experienced and successful distributors of foreign products in many European countries. It applies particularly to Canadian manufacturers whose products are not already well established in these markets. This does not necessarily mean that anything can be sold, but by the same token your Trade Commissioners will seldom have occasion to say that there is anything you can't sell *until you try.*

on the agent himself and his interest in your lines but also on the support he receives from you, his Canadian principal.

Sometimes the Trade Commissioner succeeds in establishing by correspondence or perhaps as a result of a trade promotion conference a profitable export trade connection. But it is obvious that a letter, no matter how well-written, accompanied by a brochure and a price list, cannot take the place of personal and repeated calls by experienced and technically qualified sales representatives. It is unreasonable to assume that the tough and competitive European market is easier to sell to than the one closer to home and of which the manufacturer already has a thorough understanding. Yet some Canadian firms fail to realize this.

The comments and suggestions which follow cover the markets in Western Europe, but most of them hold true as well for markets for Canadian products throughout the world. The emphasis is on a personal appraisal of the market, direct contact with buyers and agents, and the 'order-book' technique. Because of the present speed and convenience of air travel, Western European markets may be closer to the manufacturer than some of his more remote Canadian customers. A sales trip to Britain and the Continent no longer is prohibitive in time or cost. Frequently such trips can be combined with a holiday, but just a word of caution—try, if possible, to keep the holiday period and the business period separated.

The Western European Market

The establishment of the European Economic Community (EEC) has created a market approximately the size of the United States market.

Prospecting for Markets in Europe

The Trade Commissioner Service is able to provide Canadian exporters with a wide variety of assistance in establishing trade contacts with buyers and agents in overseas countries. These services have been set out in *Foreign Trade* and in other publications issued from time to time by the Department of Trade and Commerce. We in Europe can, in response to your written request, provide you with the names of appropriate and sometimes keenly interested representatives. We can discuss your products and your prices with them and with others in the trade and provide you with much useful information that may enable you to secure a trial order and appoint an agent. From this point on, it is up to the agent to develop the business and much depends not only

L. H. AUSMAN,
Commercial Counsellor, Brussels.

It is a sophisticated one and the standard of living is rising rapidly. Industrial growth, the adoption of new marketing techniques (such as supermarkets, vending machines and coin-operated laundries) and the removal of import and currency restrictions have all created a demand for more raw materials, industrial and transportation equipment, foods, and consumer goods of all kinds.

In addition to stimulating production, the EEC is creating a demand for products that can be supplied not only by Common Market partners, but by manufacturers and producers in every corner of the globe. Buyers everywhere are becoming more discriminating in the face of such a plethora of competitive offers. If in the age of surface mail it was possible to carry on export trade in a leisurely fashion by a polite exchange of correspondence, this is no longer true and Western Europe presents alert Canadian exporters with the challenge of the airmail, jet and Telstar age.

Accurate Information Needed

There are a number of basic facts about export trade that the

experienced shipper has absorbed and which are now all but routine. There are other factors, such as customs tariffs, freight rates, documentation and currency regulations, (to name a few) which are changing all the time and on which the experienced exporter as well as the novice must keep himself informed. Various publications, such as *Techniques of Export Trade*, can provide much of the basic information. Trade groups and organizations like the Canadian Manufacturers' Association or the Canadian Export Association are also in a position to deal with specific matters of this type.

For other and more current information, the exporter has access to a variety of sources, including the various branches of the Department of Trade and Commerce and its Trade Commissioners in 45 countries.

Pointers to the European Market

To assist Canadian exporters to enter the European market, the Trade Commissioners in the various commercial centres are anxious to put their knowledge and services of their offices at your disposal. Here

are some of the ways you can help them to help you:

1. Choose the market

There are many ways to approach a new market, but perhaps the least satisfactory is to try to find a quick, one-time outlet for surplus stock or an off-grade product not suitable for the domestic market. Too often a prospective exporter will shoot a number of arrows in various directions on the theory that one of them may find the target. All too often each falls short. Even if one hits the target, it may be only a glancing blow and not as effective as a better-aimed attack. Occasionally it may be better for the exporter to concentrate on one or two markets at the beginning, devote as much time, travel and effort to them as possible, and expand to nearby or similar markets as trade develops.

2. Visit your customers and agents

Each market is different and only by a personal study can you understand its peculiarities. Buying habits, customs, preferences and regulations are all as important in the overseas sales territory as they are in Canada. It cannot be assumed,



Direct contact between Canadian businessman and European buyer can spell sales success, says the author (left), seen here discussing the Belgian market and the services his trade office can offer with an exporter (right) who sought his advice at the 1960 Export Trade Promotion Conference in Ottawa.

therefore, that the same product will be equally acceptable at home and in every foreign market. Changes in style, packing or labelling may be needed; seasonal requirements, shipping facilities, documentation and quotations may demand special attention.

These are only a few of the things that a successful exporter must know and although some of them can be conveyed in well-prepared letters, it is only by personal contact that a man can acquire the feel of the market and understand fully the reasons for unusual conditions.

3. Make adequate preparation for your overseas sales trip

Unless you have time to make several visits to the market you select, make your first one pay off. Take your order-book with you—but take more than that if you expect to get the best and most lasting results. Here are some of the things you should do before you leave Canada.

(a) *Price lists*—Remember that prices are usually required c.i.f. a port in or near the selected market. But sometimes the buyer or agent prefers to make his own shipping or insurance arrangements. Therefore (for your own use, and not necessarily for distribution) prepare your prices f.a.s. Canadian port and c. & f. as well as c.i.f., so that you will have this information on hand if you are asked for it. Your forwarding agent will assist you in compiling these prices.*

(b) *Quantity discounts*—If you allow discounts for quantity purchases, have these available for various quantities.

(c) *Agent's commission*—Make it clear whether your prices are net or include a discount for an agent or distributor. In the latter event, indicate the rate of commission but be

prepared also to quote a net price if the importer or agent so desires. He may wish to add his own markup in line with local practice, which may be different from your Canadian agent's discount.

(d) *Currency quotations*—Prepare your prices in terms of the currency of each of the countries you will be visiting. But have them available also, for reference purposes, in Canadian and United States dollars. Importers' preferences vary, though generally they like to be quoted in their own familiar currency. Your bank will be pleased to help you arrive at quotations in foreign currencies and will advise you if there are special reasons why you should quote only in dollars. It is also helpful to carry a letter of introduction from your bank to their correspondents in the countries you plan to visit.

(e) *Terms of payment*—Terms of payment are important and will vary according to custom in each country. Consult your bank before you leave Canada, but be prepared to consider alternative terms if circumstances make this desirable. In a competitive market like Belgium, for example, letter of credit terms are frequently unacceptable.

(f) *Tariff classification and rates*—You should know the tariff classification of your products in the countries concerned and the rates of duty and taxes. This information may be obtained from the International Trade Relations Branch of the Department of Trade and Commerce, Ottawa, or from the Trade Commissioners in the countries to be visited. A full description of the product, including illustrated brochures, is helpful in establishing the proper classification. A number of countries, members of the Customs Co-operation Council, have adopted the Brussels Nomenclature for tariff classification and although rates of duty may differ, all these countries, including the EEC, use standard definitions. It is useful to know under what item in the Brus-

sels Nomenclature your products fall.

(g) *Import regulations and documentation*—The European Division of the Department of Trade and Commerce or the Trade Commissioners can give you preliminary information on these factors as they affect your products. You can obtain further details when you visit the territory.

(h) *Freight rates and shipping routes*—You will need this information to prepare your c.i.f. prices. Discuss this thoroughly with your forwarding agent, so that you will be able to answer questions about alternative routings and freight classifications asked by your prospective customer or agent.

(i) *Statistics*—A few statistics about world production of your product, the Canadian industry and your own output will be helpful in your discussions with prospective overseas distributors. An examination of the volume and value of the imports and exports of the commodities concerned in each country to be visited will help to put the markets in perspective and pinpoint the competition from other foreign suppliers. Statistical information of this type may be obtained from the Dominion Bureau of Statistics, the Department of Trade and Commerce, and the Trade Commissioners. Business libraries and trade associations can also be helpful.

(j) *Metric equivalents*—Before you leave on a selling trip it is wise to prepare a table of metric equivalents (metre, kilo, metric ton, etc.) for each of your products, and be prepared to quote on this basis without having to do quick mathematical calculations when talking to your customer. It is preferable not to quote in such units as a dozen or a gross. If temperatures are involved, they should be in Centigrade as well as Fahrenheit.

(k) *Samples and documentation*—If at all possible, carry with you

*For further information on export prices, see articles in 1962 *Canadian Trade Index*, p. 207, and in *Techniques of Export Trade*, p. 9.

a range of samples. If your product is bulky, consider the advisability of sending a selection to each country well in advance so that it is there when you arrive. The Trade Commissioner will be pleased to clear the parcel through customs on your behalf and keep or store it pending your arrival. The same remarks apply to illustrated literature which you may carry with you or send forward to be held for you.

(1) *Advise the Trade Commissioner*—Let the Trade Commissioners in the territory you plan to visit know well in advance of your arrival. Give them a copy of your itinerary. (If this is not firm at the time of departure, advise them by telegram or telephone en route and before your arrival.) Add the names of any current or former customers or agents and the names of any persons or firms you particularly wish to see, and send along illustrated leaflets and an indication of the method of distribution you have found most satisfactory in Canada or elsewhere. (For example, agents, distributors, department stores, industrial consumers, etc.) Include also information on samples, if these are to be sent, and the disposition of these samples pending your arrival.

Be as specific as possible. One firm recently wrote: "We are manufacturers of ladies', girls' and gents' wear. We are interested in exporting goods to your market." This approach makes it difficult for us to help you.

The preparation of a small 'black book' of essential information, properly classified, will repay the time and effort put into its compilation and often spells the difference between success and failure on a business trip abroad.

The Selling Job

When you call on the Trade Commissioner in the country you have selected for a sales visit, he and his staff will interest themselves in your problem and offer you many facilities to help you establish suit-

To Give You Further Information . . .

Many exporters have found the following publications useful:

The Techniques of Export Trade

Published by the Department of Trade and Commerce. \$1.00. Order from the Queen's Printer, Ottawa.

Canadian Trade Index (Export Section)

Published by the Canadian Manufacturers' Association, 67 Yonge Street, Toronto, Ontario. \$15.00. Order direct.

Trade and Commerce at Your Service

Published by the Department of Trade and Commerce, in French and English. Free.

Selling Abroad: How to Start

Published by the Department of Trade and Commerce, in French and English. Free.

Federal Services for Business

Published by the Department of Trade and Commerce, in French and English. Single copy free from the Small Business Branch, Department of Trade and Commerce; additional copies \$1.50 each, order from the Queen's Printer, Ottawa.

Trade of Canada

Published by the Dominion Bureau of Statistics.

(a) Commodities Exported to Each Country

Quarterly statistics by country of destination. Single copy \$1.00, \$4.00 a year.

(b) Exports

Monthly statistics by commodity. Single copy 75 cents, \$7.50 a year.

Order these publications from the Dominion Bureau of Statistics.

able contacts. He will suggest appropriate calls, make personal introductions and, if necessary, help you with language difficulties. He can obtain banking and credit reports and advise on the standing and reputation of the firms concerned and on the terms of payment that are appropriate and acceptable.

You, the Canadian exporter, however, are the one who must *sell* the goods. It is important, therefore, that you have the authority to adjust prices if necessary to meet local or

import competition or for quantity orders. You should also be able to discuss possible alterations in style, packing or labelling to suit local preferences or regulations. If such changes cannot be made, a reasonable explanation of the manufacturer's problem creates a better sales climate than a blunt "No", or "This is how we sell in Canada."

Reasonable requests for the acceptance of a small trial order on terms comparable with those quoted for a larger normal shipment should

be considered. It is unwise, however, to quote a special price in order to secure an initial order and revert to a higher price on repeat business.

Few consumer products can be sold in Canada without advertising or promotion campaigns. It is unreasonable to expect them to find a ready market abroad without any support of this kind. After an initial trial period, the Canadian exporter may be asked to contribute to a modest local promotion. If the distributor is willing to bear part of the cost, the proposal should be considered and an advertising factor should be included in export pricing.

Follow-Up Is Vital

Assuming that you have been successful in securing some orders for your products in Europe, there are several matters which will require your personal attention if they are to result in repeat business.

1. Confirm to your client or agent the arrangements you have made. The Trade Commissioner would appreciate receiving a copy of this letter for record and follow-up purposes on your behalf.
2. Make certain that the goods are shipped when promised. Should there be any unavoidable delay, advise the consignee at once by cable.
3. Ship the goods as ordered. Do not make any substitutions without prior authority. Pay particular attention to quality, which should be equal to specifications or samples.
4. Answer all correspondence promptly, using airmail or cable as determined by the time factor. Make sure that all your letters carry sufficient postage.
5. Deal with the problem of language. Your visit to Europe will have indicated whether your customer or agent is conversant enough with English to avoid misunderstandings. If there is any doubt on this point, it would be well worth

the time and nominal expense to have your letters translated. This is particularly true of French, and some Canadian firms adopt the procedure of exchanging bilingual correspondence with their French-speaking overseas contacts; each party uses his own language for ease and clarity.

Every transaction will involve its own special problems, and experience will show those which repeat themselves. Here again, a black book or company guide to export procedures will be helpful because the export or sales manager, the production manager, the shipping, accounting and mailing departments can all refer to it. Some firms have devised a checklist to make certain that all the necessary details are covered for every export shipment.



Even when the goods are on their way to the overseas market, there is still one important consideration for the company management—continuity. Export trade is essential to our balance-of-payments position and therefore to the Canadian economy. It is also a profitable operation for the firms engaged in it, often permitting a lowering of cost as a result of production economies not possible for the domestic market alone. But in-and-out business or the occasional disposal of surpluses has only a marginal value. The Canadian manufacturer can obtain best results in the long run if he plans his export sales program as carefully as his home market program. This involves setting aside a certain percentage of production for export and making every effort to maintain and, if possible, gradually increase this figure. In this way, Canada's export trade can be built up on a solid foundation. ●

São Paulo's Power Projects

THE State of São Paulo is completing projects begun under the First Plan of Action instituted by its present Governor, Dr. Carlos Alberto Carvalho Pinto. Authorities have now set out their proposals for the next four years. Funds will go into education, roads, social institutions, water and sewerage developments and, most important, power generation and distribution.

Planners foresee the expenditure of several hundred million dollars over the next four years on power projects. These will include the completion of power projects already under way at Limeiro (14,000 kw.), Euclides da Cunha (49,000 kw.), Barra Bonita (132,000 kw.), Chavantes (300,000 kw.), Graminha-Paradouro (70,000 kw.), Jupia (1,380,000 kw.), and Bariri (132,000 kw.).

In addition, new projects will be initiated at Piraju (100,000 kw.), Carrapatos (30,000 kw.), Ilha Solteira (1,700,000 kw.), Buquira (8,000 kw.), Jaguari (36,000 kw.), Paraiuna (48,000 kw.), Piraitininga (21,000 kw.), Caraguatatuba (356,000 kw.) and Ibitinga (100,000 kw.).

During the next four years São Paulo should also begin to receive 450,000 kw. from the Furnas installations located outside the state proper, and a further 116,000 kw. from other sources also outside the state.

Power distribution schemes will receive considerable attention and 350 kilometres of 132 kv. line will be put up in the area serviced by the Companhia Hidroelétrica do Rio Pardo and 80 kilometres of 99 kv. line, plus other lines of 230 kv. and 140 kv. in the territory of the Usinas Elétricas do Paranapanema.

It is hoped that by the end of the four-year plan the state will have 1.36 million kw. of new power capacity, over 1,900 kilometres of new transmission lines of various voltages, a further 20,000 rural properties electrified, and 18,000 kilometres of new distribution lines.

Until recently the two privately owned companies, São Paulo Light and the Cia. Paulista de Força e Luz, were the chief power developers and distributors in the state. In the 1950's the State Government began constructing hydroelectric plants and the Second Plan continues and expands this work. The emphasis is on rural electrification but there will be a need for even more power if industrial development is to continue.

—R. H. GAYNER,
Consul and Assistant Trade
Commissioner, São Paulo.

What's current in commodities?

Australia

Forest Products—The Canadian Trade Mission that visited Australia last spring studied the market for forest products; foresees larger Canadian sales provided problems are overcome.

GORDON FERGUSON, *Commodities Branch.*

AUSTRALIA has been a good market for British Columbia timber for many years and (in order of importance) imports substantial quantities of Douglas fir, western red cedar and hemlock. There can be little doubt that the market will expand and, depending upon the service and attention given by Canadian shippers, this country's participation can increase. The mission noted some lack of confidence in Canada as a continuous supplier and every effort should be made to overcome this quickly. The increasing popularity of local Australian woods and the interest shown by competitors are among the problems to be faced.

Douglas Fir

The principal sizes of Douglas fir imported are 6" × 12" and wider, practically all of which Australian mills resaw into smaller sizes and use for a wide variety of purposes. Australian customs duties on smaller sizes are substantially higher than on the heavier sizes, in order to encourage the secondary timber manufacturing industry. This gives rise to complaints among users, who feel that fitches should be graded with a view to remanufacture into smaller dimensions rather than on the basis of the size in which they are shipped.

Generally, buyers appear satisfied with the quality of Canadian timber. Most Australian customers appreciate that checking is characteristic of Douglas fir, but shippers should take care to keep it to a

minimum by having the timber freshly sawn or, if possible, protected before loading. Smooth trimming and the use of more durable ink would help to improve appearance on arrival.

Clear fir seems quite satisfactory to Australian buyers, but occasional exception is taken to pieces that are hard and cross-grained and not suitable for high-quality joinery work. Other foreign suppliers in some cases are end-sealing clears to retard checking and this should also be considered by Canadian shippers. The importance of treating timber against sap stain cannot be over-emphasized, particularly in view of the varying weather conditions experienced in transit.

Western Red Cedar

Western red cedar is becoming increasingly popular in Australia and in a number of instances has replaced California redwood and local woods. It is, however, important that Canadian grades be maintained because a small percentage of hard cross-grained timbers can spoil the appearance of and the impression made by an otherwise good shipment. Another problem is that of cedar with a very high moisture content which, if dried too rapidly, produces cell collapsing or crimping. This is very difficult material for the Australian buyers to handle and could have a serious effect on the future of cedar in the market if more than a few pieces are included in a parcel.

Some Australian buyers have been ordering cedar kiln-dried but the local climate makes it desirable to have the moisture content not lower than 16 to 18 per cent. Since this is difficult to achieve with a certainty of uniform drying, exporters should consider shipping clear cedar green, except in cases where the buyer insists on kiln-dried material. There is a distinct possibility that more cedar can be sold in Australia, particularly if demand can be created among ultimate consumers.

Hemlock

Little hemlock was in evidence during the Mission's visit and many Australian buyers still regard it as an inferior wood because of its early history as box shoo material. Progress is being made, however, in overcoming this prejudice and a number of importers are prepared to handle this wood if a demand can be created. Sample shipments received in Australia have created favourable impressions.

In February 1961, the B.C. Lumber Manufacturers Association appointed a representative in Sydney and he has done considerable work in promoting the sale of hemlock and western red cedar. Primarily because of his efforts, hemlock was recently approved by the major lending institutions in New South Wales for use in home construction. This will open up a large new potential market for this species.

In Western Australia

Very little timber from British Columbia is being imported into Western Australia. This state has very large forests, mainly of kauri and jarrah, with some smaller stands of radiata pine. The proximity of

Borneo and Malaya also influences consumers in that state and large quantities of ramin and maranti are imported from these areas. There are, however, good possibilities of increasing Canadian softwood exports to Western Australia, provided sufficient effort is put forward in selling local consumers on the advantages of using softwoods as opposed to hardwoods for joinery work. There is definite interest in western red cedar.

There is no doubt that although the long-range market potential for British Columbia timber in Australia is good, Canadian shippers should take definite steps to maintain the position they enjoy in that country. Particularly important is continuing the close co-ordination of activities and good connections between shippers and buyers. Consistent attention to the market will be needed.

Paper Products

Australia has been a good steady market for newsprint for many years and the Canadian product has been well received because of good service and high quality. Exports in 1961 were over 131,000 tons valued at \$16.6 million, the largest item in Canada's trade with Australia.

Prospects for continuation of this volume are not promising, although it is likely that lesser quantities will continue to be imported. Publishers are anxious to retain Canada as a source of supply for a portion of their requirements, provided prices remain competitive.

There is a single newsprint mill in Australia near Boyer, Tasmania, and its total production of approximately 100,000 tons is consumed domestically. The remainder of Australian requirements have been supplied principally from Canada and New Zealand, with some 50,000 tons imported from the latter. Imports from New Zealand will quite likely more than double following the completion in early 1963 of a new machine with a capacity of 100,000 tons. In addition, production capacity in Australia may be increased and this would further

reduce the market available to the Canadian product. Altogether, steadily increasing consumption because of population growth offers Canadian newsprint a continued but smaller share of the total market.

Opportunities for certain other grades of paper appear good and depending on prices and quality, sales should be possible. Australia, for example, must still import many specialty papers, such as magazine, directory and other printing papers. For such lines as facial and toilet tissue, paper bags and napkins, this country also continues to purchase a portion of its requirements of base stock from abroad. In view of the large converting industry in Australia, however, sales of tissues, nap-

kins, etc., would probably have to be in the form of jumbo rolls for further processing here.

Paper bags, particularly five-pound and ten-pound kraft bags for the grocery trade, are uncommon and offer an excellent area in which to create a consumer demand.

Imported pulps currently play an important role in quality products such as tire yarn but the state governments are well aware of the future need for trees. Forest-planting programs have been undertaken which will provide radiata pine and other species capable of producing most of the types of pulp required in papermaking, and considerable increases in pulp production are planned. ●

Textiles—The Mission also investigated opportunities for selling textiles there; reports on how to take advantage of them.

IN 1961 Canada sold \$998,000 worth of textile products in Australia, despite a growing domestic industry. Domestic production supplies about 70 per cent of the man-made textile market, about 15 per cent of the cotton fabrics, about 90 per cent of the wool textiles, practically all of the garments, and a high proportion of other made-up textiles. There is, however, a limit to the variety the local industry can make and this is where the opportunities for Canada arise.

The Australian market has high standards, with a per capita fibre consumption only 9 per cent below that of Canada. But this does not mean that tastes and requirements are necessarily the same. The climate is warm to semi-tropical; styles are later and slower to change because style influences are more remote; there are some notable differences in the colours and types in demand and some hesitation toward innovation. As three precise examples, suitings are heavier, towel colours more vivid, and cottons are preferred for draperies.

A simplified picture of the pattern of Australian textile imports in 1959-60 is given in Table I.

There are several reasons why Canada can sell textiles in Australia in competition with the domestic industry or with the other import sources. Among these are:

- Something different in style or design or performance; the advanced designs or types available among the great variety of Canadian output will attract customers, often at higher prices.
- Even if the same goods are available elsewhere, Canadian mills may, at times, be able to ship sooner (there is even a small danger of being too soon for some innovations to be readily accepted). The six months' difference in seasons between the two countries makes it possible for Canadian manufacturers to have their samples available well before they are required for the same Australian season.
- Conditions of sale more attractive to the customer, smaller quantities

TABLE I
AUSTRALIAN TEXTILE IMPORTS 1959-60

		Britain	Asia	U.S.	Canada	EEC	Other	All Countries
Staple fibre	m.m. lb.							
Yarn	" "	5.3	0.7	2.2	0.7	2.4	1.3	12.5
cotton	" "	7.3	0.3	0.2	.....	0.1	0.1	7.9
synthetic	" "	5.4	1.0	3.0	0.1	6.6	2.0	18.1
wool	" "	0.4	.....	.....	.....	.....	.....	0.4
Woven fabrics	m.m. sq. yd.							
cotton	" "	44.6	270.1	7.5	0.1	37.1	29.1	388.5
synthetic	" "	5.3	9.3	2.1	0.1	6.4	2.8	25.8
wool	" "	3.4	0.1	.....	.....	0.4	0.1	4.0
Knit fabrics	'000 lb.							
cotton	" "	277	769	14	.....	22	6	1,088
synthetic	" "	89	.....	32	.....	43	10	174
other	" "	65	19	16	.....	14	13	127
Blankets	no. 000	88	353	.....	2	189	31	663
Towels	doz. 000	68	158	12	.....	2	32	267
Carpets	sq. yd. 000	2,761	529	12	.....	905	72	4,279

per style, guaranteed exclusiveness of design, better terms.

- Shortages from other sources.
- British preferential tariff margins, often helpful where higher rates apply to other import sources.

It is because of such factors that Canadian exporters have succeeded in selling textiles in Australia at a rate increasing from \$342,000 in 1957 to nearly \$1,000,000 in 1961. Notable recent increases have been in cotton and synthetic fabrics,

towels, synthetic fibre and yarn, and papermakers felts. Sales of other products could be further explored—for example, processed yarns, household textiles (especially in gift packages), a few types of carpets, draperies, laminated and outerwear fabrics, fashion woollens. There appear to be few opportunities for garments.

In every case it is necessary to determine whether the potential Canadian advantages in any product will secure sufficient volume to war-

rant the effort and expense of export selling. Requirements in colour, style, service, promotional support, local stocks, and so forth all need to be analyzed locally, but with a full knowledge of the products and the capabilities of the potential Canadian exporter.

Distribution Practices

There are some differences in the trading conditions in Australian textile markets that the exporter should understand in advance. The place of the wholesaler is more prominent than in Canada; the servicing of small stores over widely scattered areas remains an important business, although retailing in the metropolitan areas is concentrated in relatively few hands. Wholesalers also supply garment manufacturers to some extent, tend to have the import connections, and even act as stylists and converters for foreign printers. Wholesalers and some of the well established garment manufacturers visit Europe and America rather frequently for style and product ideas. Since distances dictate this extensive travel, some of these businessmen might visit Canada on these trips if efforts to invite them were made by appropriate Canadian firms.

Canadian textiles are well regarded in the Australian market and will often secure the preference, other things being equal. A factor which would further improve the regard for textile imports from Canada would be more expansion in the sale of Australian wool tops in Canada. There is a large and efficient combing industry in Australia which has now assessed the particular requirements of the Canadian wool top market, equipped itself to meet those requirements, and commenced to sell vigorously, with some government support. An adjustment in freight rates has also been of assistance, but there seems every evidence of continued ocean freight discrimination against the Australian top, a factor which will limit further expansion in Canadian imports until it is removed. ●

The Trade Mission to Australia last spring was headed by James Stewart (left), shown here being greeted on arrival by Canada's Commercial Counsellor in Sydney, S. V. Allen, (right), as seven members of the eleven-man mission look on.



India Advances More Slowly

Surge forward in agriculture was not maintained and industrial growth slowed up in 1960-61; causes are being studied and remedied.

GERALD A. NEWMAN,
Commercial Counsellor, New Delhi.

INDIA'S national income for the fiscal year 1961-62 (April-March) rose by an estimated 3 per cent compared with 7.1 per cent in the previous year and the annual average of 4 per cent for the Second Five Year Plan, which ended in 1961. This slackening is attributed to a failure to maintain the surge forward in agriculture which characterized the previous year and to a throttling down in industry.

Agriculture Misses Target

Wheat was the only foodgrain production of which increased; it attained a new record of 11.8 million metric tons compared with 11 million in 1960-61. Production of rice dropped to 33.15 million metric tons from 34.2 million last year and jowar to 7.8 million metric tons from 9.4 million. This means that grain production did not keep pace with the Five Year Plan target—an increase of 26 per cent in foodgrains by 1965-66 compared with 1960-61, for a total of 101.6 million metric tons. This in turn reflects the pressure of a population increase of about 2.15 per cent, or eight to ten million people a year. The immediate economic need is for ample food supplies to ensure stability in India's price levels in order not to undermine the financing of the Five Year Plans.

The other aspect of agriculture is the production of cash crops, the foundation of India's exports on which so much emphasis is being placed in order to cope with increasing imports for industry.

After two thin years—1959-60 and 1960-61—in jute production, 1961-62 brought a bumper crop that established an all-time record of 6,320,000 bales and 1,720,000 bales of mesta, thereby exceeding the target of 6½ million bales set for the Third Five Year Plan. But the increase was at the expense of rice production, from which farmers were diverted by the rise in prices of raw jute.

The success in cash crops was offset by a drop in the cotton crop which, at 4,450,000 bales, was 900,-

000 bales less than in 1960-61. This has created problems for the cotton textile industry.

With these and other changes, the rise in agricultural output as a whole in 1961-62 was estimated at 1.6 per cent as against 8.1 per cent in 1960-61.

Industrial Growth Slower

The conditions governing India's industrial production in 1961-62 have already been reviewed in some detail in *Foreign Trade* of April 21, 1962. To round out the present picture, however, it should be noted briefly that the rate of industrial growth in 1961-62 was 4.6 per cent less than the 11.1 per cent of the previous year. It was also below the average annual target of 14 per cent for the first year of the Third Five Year Plan and the average 8 per cent rate of growth of the Second Five Year Plan.

Among the obstacles in the attainment of target production were tighter restrictions on foreign exchange for imported industrial materials as apart from projects; inadequate supply of indigenous raw materials, particularly coal, which was associated with bottlenecks in transport because the railway was strained beyond its capacity; power shortages, and increasing need for trained technical personnel.

As the New Delhi office has already reported, steps are being taken to meet the domestic difficulties in transport, to increase production of coal, and to provide more technical training. In the process Canada has benefitted commercially through certain orders for rail supplies and through a contract to supply technical knowhow and training in a specialty steel plant. Moreover, under the Colombo Plan and special loan funds Canada has contributed raw materials for industry and has given continued support in the erection of hydro power plants.

India's most serious and immediate difficulty continues to be the securing of adequate foreign exchange to cover needed imports and for other purposes. ●

India's Sources of Industrial Finance

The Indian Government has set up several companies and statutory corporations charged with providing financial assistance for various industries. Their functions and resources may be of interest to Canadians who may consider joint ventures.

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

INDUSTRY'S usual source of capital is the investing public, which here in India is showing an increasing awareness of the advantages of participating in new enterprises, especially those which include collaboration with responsible overseas companies or which involve the extension of operations of well-established Indian companies. According to preliminary data, non-government companies last year raised approximately Rs.100 crores (\$220 million) through the sale of shares (other than bonus shares) and debentures, compared with Rs.88 crores (\$185.6 million) in 1960.

The commercial banks and insurance companies also furnish capital but the Indian Government has felt it desirable to encourage investment further by establishing several companies and statutory corporations whose specific task it is to provide financial assistance to various industries.

As these and other sources of capital are likely to come to the attention of Canadian firms considering collaboration with Indian companies in joint company ventures, the following brief outlines

of financing organizations in India may be of interest.

Industrial Finance Corporation of India

Head Office: New Delhi

Established: 1948

Authorized capital: Rs.100 million

Paid-up capital: Rs.70 million

Chairman: K. P. Mathrani

Constituted under the Industrial Finance Corporation Act 1948 to assist industries in the private sector, IFC's shares (face value: Rs. 5,000 a share) are subscribed to by the Central Government, the Reserve Bank of India, scheduled banks, insurance companies, investment trusts, and other similar financial institutions and co-operative banks.

IFC grants medium- and long-term loans in rupees or specified foreign currencies and subscribes to debentures repayable in not more than 25 years; guarantees loans floated in the public market and repayable in not more than 25 years and loans from scheduled banks and state co-operative banks; underwrites issues of share capital and debentures and subscribes to

share capital; guarantees loans from foreign banks and financial institutions in foreign currencies; guarantees deferred payments on imports of capital goods from abroad or their purchase in India.

IFC has at its disposal lines of credit from the Agency for International Development, Kreditanstalt für Wiederaufbau (German Bank for Reconstruction), the French Bank (Banque Française du Commerce Extérieur), and an allocation in yen from the Government of India for granting sub-loans to industries.

IFC's interest rate is 7½ per cent a year with a ½ per cent rebate for punctual payments (i.e., a net rate of 7 per cent) and of 8½ per cent with a rebate of ½ per cent (net rate, 8 per cent) on loans in foreign currency. Repayment can be spread over a period not exceeding 25 years.

Industrial Credit and Investment Corporation of India Ltd.

Head Office: Bombay

Established: 1955

Authorized capital: Rs.250 million

Paid-up capital: Rs.50 million

Chairman: G. L. Mehta

ICICI's chief function is primarily to provide assistance to industries in the private sector. It encourages the participation of private capital, both domestic and foreign, and makes long- and medium-term loans both in rupees and in foreign currencies. It participates in the equity capital of companies, underwrites capital issues, and guarantees loans from other private investment sources.

Shares (face value: Rs.100 a share) are subscribed to by Indian banks and insurance companies, U.S. corporations, British exchange banks, British and Commonwealth insurance companies, etc., and German banks.

ICICI's resources have been supplemented by foreign currency funds from the International Bank for Reconstruction and Development, which has so far extended

four lines of credit aggregating U.S. \$60 million. The Development Loan Fund (now called the Agency for International Development) has sanctioned a line of credit of U.S.\$5 million and loans are being negotiated with the Kreditanstalt fur Wiederaufbau. ICICI has also obtained rupee resources from the Government of India through credits totalling Rs.175 million.

State Financial Corporations

Head Offices: in the respective states

There are fifteen State Financial Corporations, one for each state, and each promotes industrial growth by assisting medium- and small-scale industries that do not fall within the purview of the Industrial Finance Corporation.

Refinance Corporation for Industry Limited

Head Office: Bombay

Established: 1958

Authorized capital: Rs.250 million

Issued capital: Rs.125 million

Paid-up capital: Rs.25 million

Chairman: P. C. Bhattacharyya, Governor of the Reserve Bank of India

This corporation was set up in the public sector to provide re-lending facilities against loans made by banks to industries authorized in the private sector under the Five Year Plans. Loans to be eligible for re-discount must be for three to seven years and must not exceed Rs.5 million. Assistance is given only to firms with paid-up capital and resources of less than Rs.25 million but not under Rs.500,000. RCI does not invest directly in industry.

Shares (face value: Rs.100,000 per share) are held by the Life Insurance Corporation (250 shares), the Central Bank of India (25), the Reserve Bank of India, and scheduled banks.

National Industrial Development Corporation Ltd.

Head Office: New Delhi

Established: 1954

Chairman: K. P. Mathrani

This government agency under the Ministry of Commerce and Industry has leading private industrialists also on its board.

NIDC was incorporated to study and formulate projects to fill out gaps in the economic structure and to assist certain industries that play a vital part in the country's economy.

(Another government agency, the National Small Industries Corporation, assists small-scale firms only.)

Life Insurance Corporation of India

Head Office: New Delhi

Established: 1956

Chairman: B. K. Kaul

LIC was incorporated under the Life Insurance Corporation Act, following the nationalization of the life insurance business in India in 1956. It invests its ample funds in securities, stocks and debentures of private industrial concerns, in government and public-body loans, and in the stocks of government companies. Funds for investment are being used chiefly to stabilize the stock market.

Commercial Banks

Commercial banks are not enthusiastic about investing in the share capital of industries these days because of statutory limitations. They cannot subscribe to more than 10 per cent of the capital of any joint stock company and their total investment in the equity of all companies must not exceed 33 $\frac{1}{3}$ per cent of the bank's paid-up capital. Nevertheless, the commercial banks do play a vital role in supplying finance. They advance straight loans, subscribe to bonds and debentures, guarantee loans, and underwrite capital issues.

Other Loan Corporations

In addition to all these, there are private investment corporations which buy the stocks and debentures of other companies in which

a particular family or group of industrialists is interested. Thus, Bird and Company has promoted three corporations: Bird Investment Limited, Eastern Investments Limited, and Investment and Finance Company Limited. Tatas has set up the Investment Corporation of India Limited (ICI) in Bombay. Kotharis of Madras operates the Investment Trust of India Limited and J. K. Group of Kanpur runs J. K. Investment Trust Limited.

India's Priority List for Capital Goods Imports

THE continuing critical shortage of foreign exchange has made it necessary for the Indian Government to issue the following list of industries that will receive priority in issuing licences for the import of capital goods. It is unlikely that industries not on this list would readily obtain licensed approval for any joint collaboration schemes entailing imports of capital goods.

Alloy and special tool steels
Steel castings
Steel forgings
Heavy structurals including cranes
Railway boxcars and other railway equipment
Industrial machinery for textiles, jute, tea, mining, washeries, cement making and papermaking
Machine tools, on a selective basis
Pig iron
Shovels and earthmoving equipment
Rayon-grade pulp
Fertilizers
Special refractories
Industrial explosives
Ferro-chrome, ferro-molybdenum and ferro-silicon
Equipment for modernizing steel re-rolling plants to enable them to manufacture wire rods and special steel sections
Cotton textile machinery particularly used with short and medium staple cotton
Trucks and ancillaries
Ball bearings
Cast iron spun pipes from domestic pig iron and scrap
Tinplate
Steel wires

It should be understood by inference from this list that collaboration projects for the manufacture of paper, for example, would probably receive favourable consideration.

Swiss Market for Iron and Steel

Switzerland imported three quarters of its iron and steel requirements, or more than \$209.3 million worth, in 1961. Canadian producers shipped pig and cast iron, ferro-alloys, rods, alloy and high-carbon steel to the Swiss in 1960 and 1961.

JOHN H. NELSON, *Assistant Commercial Secretary, Berne.*

SWITZERLAND'S iron and steel industry today consists of two pig iron producers, four primary sheet producers, four steel foundries, three hot-rolling mills, 73 grey cast iron foundries, two malleable cast iron foundries, 28 forge works, nine cold-rolling mills, four rod mills and 12 wire-drawing mills. Many of these facilities are related to one another and some are associated with the machine industry.

Despite the many advances in the domestic industry during the last few decades, Switzerland nevertheless produces only about one-quarter of its own iron and steel requirements. Official statistics are not available but annual domestic production is estimated at 50,000 tons of pig iron, 150,000 tons of steel, 150,000 tons of rolling mill products, 150,000 tons of grey and malleable cast iron, and 15,000 to 20,000 tons each for forges, cold rolling mills, rod mills and wire mills.

Limiting Factors

Expansion of production is hindered in the first place by the limited local supply of the necessary raw materials—ore, coal and scrap. There are several small deposits of iron but their development would become economic only if some emergency cut off imported supplies. These deposits total an estimated 70 million tons and have an iron content of 20 million. Coal is available in small quantities only and the quality is poor; there is one small deposit of anthracite coal that is suitable for iron and steel production, with a reserve of about 10

million tons. Waste and scrap iron and steel from local sources are in reasonably good supply and meet a large portion of the raw material

requirements of the industry. Other limiting factors are the small domestic market and the high cost of transporting raw materials.

SWISS IMPORTS OF IRON AND STEEL

	1960	1961		1960	1961
	(million kilograms*)			(million kilograms*)	
Pig and Cast Iron			CANADA	.03	.01
West Germany	33.90	39.01	Other	6.50	6.79
Netherlands	10.87	14.57	Total	136.58	200.83
France	5.80	11.60	Iron and steel angles, shapes and sections		
CANADA	.71	.21	West Germany	46.21	74.03
Other	6.93	10.27	Belgium-Luxembourg	41.82	46.86
Total	58.20	75.66	France	32.44	39.32
Ferro-alloys			Other	5.96	4.76
West Germany	4.64	3.97	Total	126.42	164.97
Sweden	.18		Iron and steel hoop and strip		
France	.....	.57	West Germany	34.23	30.13
Norway	.....	1.34	France	30.51	35.44
CANADA	.04	.....	Belgium-Luxembourg	28.72	27.40
Other	4.43	5.01	Austria	7.43	8.48
Total	9.29	10.89	Other	2.59	3.91
Iron and steel waste and scrap			Total	103.49	105.37
West Germany	24.33	12.87	Iron and steel sheets and plates		
United States	9.52	2.17	West Germany	109.76	110.49
Britain	6.03	.....	France	91.35	103.48
Other	4.83	3.24	Austria	48.26	61.71
Total	44.71	18.29	Belgium-Luxembourg	31.27	38.58
Iron and steel shot, grit, powders and sponge			CANADA	.....	.45
Total	3.02	3.38	Other	57.04	61.82
Iron and steel Ingots, blocks, billets, slabs, coils and universal plates			Total	337.67	376.53
West Germany	106.01	162.91	Iron and steel wire, not insulated		
France	34.18	39.61	West Germany	7.53	10.57
Austria	9.65	14.34	Other	3.57	5.44
Italy	8.60	11.08	Total	11.09	16.02
Czechoslovakia	2.95	.....	Alloy and high-carbon steel in primary form		
Belgium-Luxembourg	.....	4.15	West Germany	14.41	30.68
Other	6.43	.22	United States	4.65	3.13
Total	167.83	232.30	Sweden	5.37	8.48
Iron and steel bars and rods			Austria	6.99	8.55
West Germany	56.14	86.81	France	8.16	12.30
France	47.67	70.55	Britain	1.71	2.18
Austria	18.08	21.05	CANADA	.16	.35
Belgium-Luxembourg	8.16	15.63	Other	2.55	6.40
			Total	44.01	72.06
			Grand Total	1,042.30	1,276.27

*907.2 kilograms=one short ton.

This combination of circumstances means that the Swiss market will always depend on iron and steel imports. The fact that in both 1960 and 1961 imports of primary iron and steel equalled 7.2 per cent of total imports helps point up the extent of this dependence (see table).

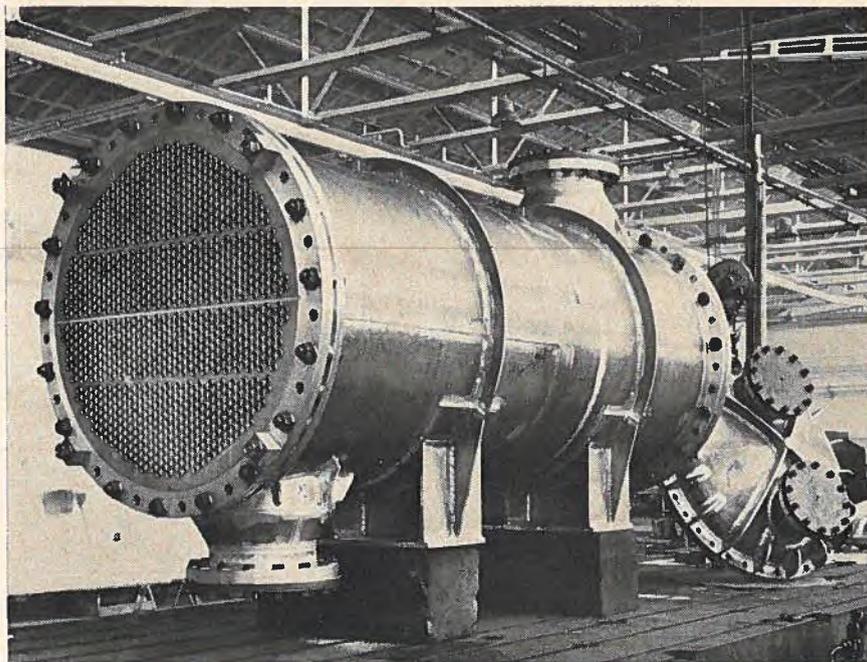
Switzerland's major supplier of imported primary iron and steel is West Germany, source of approximately 37 per cent of the imports in 1960 and 40 per cent in 1961. Next in importance come France, Austria and Belgium-Luxembourg.

Canada is only a marginal supplier. In 1960 and 1961 our exports consisted of small quantities of pig and cast iron, ferro-alloys, small diameter hot-rolled, extruded or forged rods, and alloy and high-carbon steel. In 1960, these were valued at Swiss francs 1,070,356 and in 1961 at 1,882,666 francs (about 4.2 francs to the Canadian dollar).

In 1961, Swiss exports of iron and steel in primary forms totalled approximately 31,800 tons valued at Swiss francs 28.2 million, compared with 26,000 tons worth 23.2 million in 1960. In both years the chief exports were ferro-alloys, waste and scrap, cold formed rods of 64 mm. or less, and alloy and high-carbon steel. Principal customers are West Germany, Italy and Austria.

Any increase in Canadian sales of primary iron and steel to Switzerland will be limited by two factors. First, European producers are able to quote competitively on a large part of Switzerland's requirements. Second, the European producer can make much quicker deliveries than can his North American competitor.

Despite this situation, and bearing in mind Switzerland's dependence on imports of iron and steel, the Canadian exporter may wish to investigate the market further. The Commercial Counsellor, Canadian Embassy, Kirchenfeldstrasse 88, Berne, will be pleased to provide any additional information required. ●



The engineering works of a Dutch shipyard made this large aluminum heat exchanger for the high-flux reactor at Petten, where government and industry operate a centre for testing industrial materials and carrying on various types of research.

Netherlands Enters the Nuclear Field

Dutch industry is beginning to make use of the knowhow provided by the various nuclear research organizations and is supplying equipment for nuclear energy projects at home and abroad.

N. RIEMEIJER, *Commercial Assistant, The Hague.*

AN active program of pure nuclear research and experiments in industrial applications began in 1955 in the Netherlands. The nuclear industry has grown considerably since then, with the support of government, industry and the universities. The several organizations now working in this field include:

Scientific Nuclear Energy Council—advises the Government, the Nuclear Energy Committee and other bodies on scientific and technical matters and on the co-ordination of national with international programs.

Nuclear Energy Committee—responsible for co-ordinating inter-

departmental contacts and advises the Government and the Netherlands Reactor Centre on the development of peaceful uses of nuclear energy.

Netherlands Reactor Centre (RCN)—the central body for promoting research and developing nuclear energy applications. The State, the electricity companies, scientific institutes and industry all participate in the RCN. It was established in 1955 to build a research centre around a high-flux reactor (HFR) intended primarily for testing industrial materials, for neutron physics research, and for producing radioactive isotopes. Because more capital was needed than was available initially, the Government undertook to furnish the funds for a large-scale centre serving all interested parties, situated at Petten, 40 miles north of Amsterdam. The greater part of RCN's work is done at this centre. The approximately fifty groups involved include manufacturers of large thermal-power installations, shipowners, chemical companies, the electrical engineering and metallurgical industries, and manufacturers of artificial fibres.

A low-flux reactor (LFR) has been operating there since October 1960; the high-flux reactor became critical for the first time in November 1961 and reached maximum capacity (20,000 kw.) at the end of May 1962. It is used for both fundamental research and for industrial applications. The LFR served as a neutron source until April 1962, when the HFR took over that function. The LFR now is used for measurements relating to reactor physics and for training operating personnel.

RCN Projects

Before the end of the year a number of experiments employing the HFR will have started. For example, steel and uranium oxide samples will be irradiated in collaboration with the Institute for Atomic Energy in Norway. Irradiated materials are

investigated in the chemical laboratories at Petten, where three lead cells are available. A hot laboratory is also being built.

Research at Petten is directed partly toward development of a ship's reactor. A study of a small reactor of a specific capacity which could be used to drive a ship is under way.

Other studies include a critical experiment (zero-energy reactor) now being set up for the measurement of core figurations and the development of a ceramic fuel based on uranium oxide (pure nuclear research); the development of pressure vessels and heat exchangers (for industry); and work on heat extraction, hydraulic resistances and protection. (The latter program is part of the group of studies being carried out by the technical colleges and the Netherlands Organization for Applied Technical Research.) It is going forward with the collaboration of Euratom, which contributes 40 per cent of the cost of developing a pressured-water reactor for the propulsion of ships.

Present methods of separating U-235 and U-238 using a centrifuge are not economic but Dutch scientists consider that the possibilities offered by the ultra-centrifuge should be investigated thoroughly.

A company specializing in testing electrical equipment known as KEMA is doing research on the so-called suspension reactor in collaboration with the RCN. Euratom has also assisted this project since 1960.

Other Participants

Other Netherlands institutes involved in nuclear energy research are:

Delft Reactor Institute—An inter-university foundation which uses a 100 kw. swimming-pool reactor in its research program.

Institute for Application of Nuclear Energy in Agriculture—Located at Wageningen; it will have a 100 kw. swimming-pool reactor in 1963.

Netherlands Organization for Applied Scientific Research—Carries out nuclear energy research and is active in the fields of heat transfer, materials research, radiobiology, and the use of radioisotopes.

Industry Supplies Equipment

Netherlands industry is now supplying more and more equipment for foreign and international nuclear energy projects. For example, in 1959 a group known as Neratoom N.V. was formed to build reactors and reactor parts. Neratoom combines several industries and can handle large orders. In addition, some important Dutch companies have earned a world reputation in fields such as instrumentation. Others have licensing agreements with large international organizations for the manufacture of reactor parts.

In 1960 the Ministry of Economic Affairs set up a Committee for Nuclear Industrial Development. The committee reported that substantial amounts of money would be necessary for research and development programs and the Government responded by making capital available and by helping in other ways to stimulate the industry.

Co-operation with similar enterprises in other European countries and in North America will be highly important for the Netherlands, especially in the work of developing reactor components. Backed by the country's high standards of scientific research and the national nuclear organization, the domestic industry should be able to meet the challenge that rapid progress in this field provides.

Index to Foreign Trade

The index to Volume 117 of *Foreign Trade*, covering the issues from January 13 to June 30, 1962, has now been printed. Readers who wish to have copies should write to the Editor.

FAIRS AND EXHIBITIONS

■ Machinery at Los Angeles

THERE'S an amusing story told by the Commodity Officer who co-ordinated Canada's exhibit in the Western Tool Show, Los Angeles, October 1 to 15. Midway through the show a Canadian exhibitor of automotive equipment approached him: "You had a lot of trouble persuading me to come into this fair," he said. "After what's happened, though," he continued, referring to the fine reception his product was receiving, "if you told me to go into a hairdressers' show I'd do it."

Other Canadians too had cause for satisfaction. One was doubtful also whether it was worthwhile exhibiting, but he allowed himself to be nudged into it. The subsequent sale of seven of his 12,000-pound injection moulding machines was the talk of the show. A West Coast industrial newspaper commented, "One doesn't expect orders of this magnitude (about \$200,000) for machine tools at a show." Another Canadian received a serious inquiry one day, took the six o'clock flight to San Diego next morning, and returned to man his booth that afternoon with a contract for 40 units in his pocket. Finding himself swamped, a fourth exhibitor had to turn down orders for ten of his machines. Another Canadian went down to Los Angeles to find an agent and is now trying to decide between eight of them—all keen to handle his line. A major oil company wants to take the total production of one Canadian product exhibited after it has been remodelled to its specifications.

Reporting on the appearance of the Canadian displays, our Los Angeles Trade Commissioner notes: "I believe it would be accurate to say that the Canadian exhibit was the most attractive in the show." Of interest, he says, was the number of comments received on the knowledge of their products the Canadian exhibitors displayed and their courtesy in handling inquiries. Each of the Canadian exhibits was manned constantly throughout the show; the effectiveness of this manning he describes as "remarkable".

Publicity played a part in the success of the Canadian participants. Special letters went out from the Los Angeles trade office inviting executives to visit the Canadian exhibit. There was an extensive direct-mail campaign, and individual companies placed some advertising in trade papers and magazines. In addition, radio and TV reports on the Canadian exhibit over local stations helped attract visitors to the stands. These broadcasts covered the arrival of the Canadian Consul General at the site to open the Canadian booth.

An idea that worked well was the handing out of the Department's "Canada for Variety and Value" shopping bags. These, chock-full of show literature, were often to be seen on the streets of Los Angeles

and as far out as the International Airport. People distributing smaller shopping bags sometimes saw them disappear, fully laden, into the larger Canadian bag.

The Western Tool Show takes place each year under the sponsorship of the American Society of Tool and Mechanical Engineers. This year there were 220 exhibitors and about 18,000 visitors (50 per cent more than the previous record attendance and most of them ASTME members). Some Canadian on the job there in 1963 may well be able to wire to head office, as one did this year: "Show open. Looks good."

■ Holiday Equipment in Brussels

THE fourth Salon des Vacances, Brussels, ended March 20 this year and attendance figures illustrate the growing success of this fair, which presents to the public the numerous facilities and products available for relaxation and holidaying. The first of these shows was held in 1959 with the theme, *Well Prepared Holidays Are Happy Holidays*. It featured camping, caravanning and yachting and also photographic, tourist and sports equipment and covered about 5,000 square metres at the Heysel fairgrounds. Organizers stressed the social, family and cultural aspects of holidaying and support for the project came from the Ministries of

Interested visitors and officials, including Canada's Consul General in Los Angeles, G. R. Paterson (second from left), examine a Canadian exhibit at the Western Tool Show held in Los Angeles and in which 10 Canadian companies took part.



Public Health and Communications, the National Youth Service, the National Institute for Physical Education and Sports, the National Belgian Camping and Caravanning Federation, and others.

Attendance has increased from 60,000 in 1959 to 200,000 in 1962. Each year, some section of the exhibits receives special attention, such as camping, the caravan, or yachting. Aquatic sports have achieved increasing prominence. In 1962, 24 firms exhibited in this classification and showed nearly 100 models of boats, ranging from canoes to large yachts.

■ Fine Foods in London

"DELICATESSEN" in Europe, means "fine food", and the Fourth Delicatessen Exhibition, to be held in the New Hall of the Royal Horticultural Society, London, February 25-March 1, 1963, offers manufacturers of specialty foods the opportunity of exhibiting their products in a large market. The objective is to direct the attention of the retail trade and the public to exotic foods and wines. Over 16,000 visitors attended the five-day show in 1962, and 80 per cent of them were from the trade. Buyers came from all over Europe, because the show is increasingly recognized as a centre where new products are shown and sales potential is large. Visitors included agents looking for new lines, industrial caterers, service catering departments, wholesale and retail store buyers, small grocers and supermarket executives. The exhibition receives considerable publicity in food journals, women's magazines, and the national press.

The Canadian Government is sponsoring an exhibit of Canadian products in the 1963 show. Going overseas for display are Canadian cheeses, honey, pickles, soups, macaroni products, maple products, quality jams, spices, peanuts and peanut butter, instant coffee, fish specialties, gourmet meat spreads, cocktail pickles, and other foods.

■ Consumer Goods in West Berlin

"DOESN'T anyone in Berlin work during the Green Week?" asked an astonished foreign visitor at the International Green Week Fair, West Berlin, last February. Over the past few years the Green Week (January 26-February 3, 1963) has tended to become less of an agricultural fair and more of a gigantic 'supermarket' promoting the sale of perishable consumer goods. Exhibitors have laid greater emphasis on fresh and manufactured food products. Attendance from countries of the West has steadily increased and the 1962 figure reached 438,000. Over 300 foreign firms participated through their national exhibits (there were twelve), through agents, or with their own stand. In addition, 68 foreign organizations, official or semi-official in character, were represented. Canada entered

the same display that had gone into the earlier ANUGA show.

The Second International Agricultural Film Festival was scheduled to run concurrently, as were several West German agricultural and farmers' conventions.

■ Cheese in Japan

MAIN purpose of the Fourth World Cheese Show, Japan, will be to promote consumption of domestic cheese. Foreign producers and exhibitors will benefit indirectly because considerable quantities of foreign cheeses are used for blending in Japan's processed cheese industry. The Japan Dairy Products Association and the Milk and Milk Products Propagation Association organize this travelling exhibition. This year they will take the displays to four cities—Tokyo, Nagoya, Osaka, and Fukuoka (January 29 to March 17)—and will set them up in large department stores. In 1962 about 750,000 saw the travelling cheeses.

Canada will enter a display in 1963 and probably the United States, Australia, New Zealand, Denmark, the Netherlands, Switzerland and Italy will follow suit. We will send samples of cheddar, processed cheese, cheese spreads and sticks, etc., as well as brochures, recipe booklets, and other advertising pieces for handing out. Visitors to the show will also see films, demonstrations and samples.

■ Industrial Equipment, Brno

CANADA took exhibits of electronic equipment, industrial chemicals, synthetic rubber, isotopically labelled compounds, tire-vulcanizing machines and atomic radiation equipment to Czechoslovakia's Brno Fair in September. Although the state trading corporations control all imports, their decisions to purchase foreign equipment are influenced by requests from the end-users in Czechoslovakia and the latter attend the show in large numbers.

How did the Canadian exhibitors fare? Our Trade Commissioner in Vienna reported: "We received over 350 inquiries during the course of the show. Of these, 295 came from the trading corporations themselves or related organizations. Over 240 concerned the products on display but about 110 were of a general commercial nature covering a broad range of manufactures. There was a large increase in the number of inquiries from end-users—the engineers, technicians, factory, research institute and university personnel who have a direct interest in obtaining suitable equipment."

Department organizers of the Canadian exhibit are gratified at the success achieved. The show bore out predictions by revealing a concrete interest in Canadian equipment, some of which has already been sold. The Trade Commissioner notes that he received 65 inquiries alone from the pre-fair advertising and publicity campaign.

Trade and Commerce Grows with Canada

1892
to
1962

On December 3, 1892, the Act setting up the Department of Trade and Commerce received Royal Assent and four days later the Hon. Mackenzie Bowell was sworn in as the first Minister of Trade and Commerce.

In his first annual report, the Deputy Minister of the Department stated: "The executive powers, both positive and possible, assigned to the Minister are at the outset both important and extensive and may, as occasion requires, be expanded so as to embrace duties not heretofore performed or contemplated, and extend to avenues which may yield vast consequences to the future welfare of the Dominion."

The framers of the Act farsightedly provided for the growth of the Department and of its functions. In the past seventy years Trade and Commerce, as they expected, has expanded its services and added to its duties in carrying out its primary task—the promotion and regulation of Canadian trade at home and abroad. A look at the record for 1892, 1927 and 1961 illustrates how the Department has expanded with Canada and with our foreign trade and has adapted its services and increased its responsibilities as the times demanded.



1892-93 Minister: Hon. Mackenzie Bowell

"Canada's trade materially increased during the fiscal year ended June 30 last (1893), the imports and exports having gained materially on the exceptionally high figures of the previous year, aggregating over \$6,000,000 more than ever before reached."

—Annual Report for 1892-93.

Population of Canada: 4,833,239 (1891 census).

Value of exports: \$114 million (fiscal year).

Value of imports: \$129 million (fiscal year).

Number of offices abroad: Seven, staffed by Honorary Commercial Agents, plus five by agents with other duties as well.

Services performed by the Department

Supervision of Commercial Agents abroad

Control and supervision of the Department of Customs and the Department of Internal Revenue

Administration of the provisions of the Chinese Immigration Act

Administration of steamship subsidies and payment of mail subsidies

Administration of the Acts relating to the regulation of trade (forerunner of today's Standards Branch).



1927-28 Minister: Hon. James Malcolm

"Total trade for the year, amounting to \$2,359,412,000, was exceeded on only two previous occasions, viz., the war year 1918 and the post-bellum boom year 1921. The physical volume, however, of Canada's trade in 1928 was greater than in any previous year on record. The increase in imports was responsible for this improvement, as there was a slight decline in exports."

—Annual Report for the fiscal year 1927-28.

Population of Canada: 9,637,000.

Value of exports: \$1,250,456,000.

Value of imports: \$1,108,956,000.

Number of offices abroad: 25.

Services performed by the Department

Supervision and direction of the Commercial Intelligence Service (now the Trade Commissioner Service).

Compilation and distribution of information on foreign tariffs by the Foreign Tariffs Division (created in 1920).

Administration of the Dominion Bureau of Statistics (set up in 1918).

Direction of the Canadian Government Motion Picture Bureau (set up in 1917; forerunner of the National Film Board).

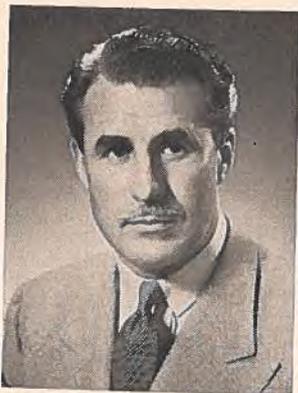
Direction of work of Board of Grain Commissioners.

Administration of the various Acts governing the regulation of trade.

Payment of mail subsidies and steamship subventions and of bounties on copper and hemp.

Direction of the work of the Canadian Government Exhibition Commission (transferred to Trade and Commerce on December 1, 1927).

Direction of the Trade Publicity Branch, set up 1927.



1961 Minister: Hon. George Hees

"An important factor contributing to expansion in 1961 was the further strengthening in Canada's trade position . . . All in all, Canada's trade performance in 1961 indicated that Canadian producers were making significant headway in the further penetration of both home and foreign markets . . . Canada's merchandise trade for the calendar year moved to a surplus position for the first time since 1952."

—Annual Report for 1961.

Population of Canada: 18,238,247.

Value of exports: \$5,896 million.

Value of imports: \$5,771 million.

Number of offices abroad: 64 in 46 different countries.

Services performed by the Department

The Department now comprises four major areas of responsibility, or services, as follows: Commodities and

Industries, Domestic Commerce, External Trade, and Trade Policy.

Commodities and Industries—Two of the branches in this group, the Commodities Branch and the Agriculture and Fisheries Branch, serve as a source of knowledge of materials, products and services which Canada has to offer for export and similarly of the industries which might market them abroad. These branches maintain an active liaison with the industries themselves and with their various trade associations. The third

branch, the Trade Services Branch, looks after certain trade service functions apart from the ordinary commodity work and also services to export in the transportation and communication fields.

Domestic Commerce—Assists domestic industry and trade by providing businessmen with information and assistance in such fields as product design, industrial development, new products, commodity standards, sources of financing, double depreciation, production under licensing arrangements, and managerial and technical training and education. This section of the Department also maintains close liaison with provincial government departments concerned with trade and industry and complements the work of the provincial and local agencies. Included in Domestic Commerce are the Industrial Promotion Branch, Small Business Branch, Standards Branch, and National Design Branch.

External Trade—The three branches grouped under this head are the Canadian Government Exhibition Commission, the Trade Commissioner Service, and the Trade Publicity Branch. Each of them has special

responsibilities in the development and maintenance of Canada's foreign trade. They provide a wide range of services of interest to Canadian firms already engaged in export or interested in exploring the export prospects for their products—from participation in international trade fairs to the services of Trade Commissioners, and to publicity in support of exports and of the Department's activities.

Trade Policy—The International Trade Relations Branch concerns itself with safeguarding and improving terms of access for Canadian exports in foreign markets. As a service to Canadian exporters, the branch provides expert information, advice and assistance on tariffs, import and exchange controls, documentation requirements, and other foreign governmental regulations affecting trade. Policies and practices in other countries which affect international trade are kept under close and continuing review. The Branch is also concerned with the conduct of Canada's commercial relations with other countries, including the negotiation and administration of trade agreements and Canada's participation in international conferences in these fields.

Teenagers:

New Australian Customers?

Teenagers 'down under' have about \$700 million a year to spend, says a recent survey. If your company makes a product that appeals to the teens in Canada, you may be able to sell it in Australia too.

L. D. BURKE, *Assistant Commercial Secretary, Sydney.*

ONE of the fastest growing age groups in Australia today is the teenage. Not only have their numbers increased, but their purchasing power has also expanded to the point where, in recent years, they have become one of the most important consumer groups. This development has not gone unnoticed by local firms and industry here is making special efforts to provide most of the goods and services demanded by those in the age group 13 to 19. There could conceivably

be opportunities in this field for Canadian exporters as well, in view of the quantity and variety of goods now being purchased by teenagers here.

Numbers and Income

In 1958 there were approximately one million persons in Australia between the ages of 13 and 19. Today there are one and a quarter million, or over 10 per cent of Australia's population, and this group is expected to increase more

than 20 per cent in the next five years. One recent survey indicated that 75 to 80 per cent of these teenagers are employed either full time or part time and that their disposable income, plus the resources of those attending school (including allowances), amounts to approximately \$700 million. By 1967, it is expected, the teenage market will be valued at more than \$1,000 million. At this rate the teenage market will, in fact, be expanding at more than twice the rate of the Australian market as a whole.

What They Buy

Australian teenagers differ in certain ways from their counterparts in Canada and the United States. For

the younger teens, coeducation is out; most of the young boys and girls attend separate schools and wear school uniforms. This tends to reduce clothing needs, particularly those of the teenage girl. These young people are also probably more conservative and on the average a larger percentage is permanently employed here than in North America. This latter point is important, for with the entry of many of the young people into business or industry at an early age, the teenagers tend to lose, at least to a certain degree, their identity as a group. As a result, it is more difficult for fads in clothing, accessories, etc., to develop among them than if they were all in school.

In spite of these differences, however, the local teenagers generally follow the trends set by their contemporaries overseas and are probably more like those in Canada and the United States than elsewhere. As a group they are clothes-conscious, well-informed, fond of sports and music, interested in the untried and novel, and have their own definite ideas about their special needs.

The younger Australian teenagers spend the major part of their income on personal grooming (clothes, cosmetics, imitation jewellery), school supplies, entertainment (records and record players, books, radios, musical instruments), food (soft drinks, candies), sports and transportation (motorcycles and bicycles). In the 18-19 age group, which is made up of young people either married or thinking about marriage, the interest is directed more to durable goods, such as appliances, cars, boats, jewellery, furniture and furnishings. For most items, price and styling are undoubtedly more important, as far as the teenager is concerned, than the durability of the goods. Apart from the products that they buy for themselves, it is also generally agreed that teenagers here, as in most countries, have a definite influence on the other purchases made by the family, in terms of homes and

cars—and even, perhaps, what Mother may wear.

Local Competition

Australian industry has responded in a positive way to the upsurge in teenage demand. Most of the larger manufacturers here produce at least one or two teenage products in their over-all range. The major Australian department stores now have a 'Young Idea', 'Youth Section', or 'Teenage Section', etc. Charm schools operate exclusively for the benefit of the teenage miss and credit buying has even been instituted for this age group. (The first store to introduce this system now has several thousand teenage credit accounts in operation.) Any overseas supplier wishing to export to Australia therefore can expect keen competition from local industry, and in certain lines the tariff and cost of freight may make sales impossible. This is especially true of clothing, where most articles for teenagers are now made by Australian firms, in certain instances operating under licensing agreements from abroad. The only products in this field that might sell here would be those in which the Canadian styling or material was unique.

Where Opportunities Lie

Nevertheless there could well be opportunities here for Canadian firms who—

1. Manufacture accessories and novelties for teenagers in Canada.
2. Provide the raw materials and other requisites for industries in Canada manufacturing teenage items.

For the first group of companies, prospects appear encouraging because of a number of factors—including general acceptability of North American styling and tastes, the uninhibited nature of the Australian teenager's spending, preferential tariff treatment on most Canadian products sold here (but unfortunately not including non-knitted



—*Australian Women's Weekly.*
This Australian boy and girl in the 16-17-year age group are photographed with a cross section of the products they and their fellow teenagers are buying yearly.

garments), and the fact that the seasons in Australia and Canada are reversed. (If an item is successful in Canada, it might do equally well in the following season here.) For the second group of companies there are also opportunities in view of the fairly substantial industry which has been established here to serve the teenage trade.

Canadian firms in these categories which would like to evaluate their prospects in the rapidly expanding Australian teenage market are asked to send prices and literature describing their products to the Trade Commissioners in either Sydney or Melbourne. Samples are not necessary to begin with but they may be needed later on to interest a suitable distributor or customers. ●

First Call for the National Canadian Samples Show

It is not too early to reserve space in the big Samples Show planned for next April.

EARLY in April 1963, the Department of Trade and Commerce will stage a National Canadian Samples Show. At this show, Canadian manufacturers will display to foreign buyers for department and chain stores the Canadian products that they can purchase for retail sale in their own countries. Patterned on the Canadian Samples Shows held this year in Toronto, Montreal, Winnipeg and Vancouver (at which 365 companies exhibited) the 1963 show will be far larger in numbers of exhibits and numbers of buyers. To it will come, as before, buyers from the United States but they will be joined by their counterparts in Britain, Western Europe and the West Indies.

In choosing buyers to be invited to this show, the emphasis is on those who can actually place orders, rather than on presidents or other executives. The smaller 1962 shows did not always contain enough exhibits of specific types of merchandise to attract buyers specializing in these lines. Wherever only two or three firms displayed products in a particular field, large U.S. merchandisers did not consider it worthwhile to send specialized buyers. Instead, they dispatched the merchandise manager, who could look over the exhibits and relay information to his buyers. By its very size, the National Samples Show should go far towards solving this problem. Because it will feature 10, 20, or even 30 exhibits of any one class or type of merchandise, it will attract the buying specialist. Every Canadian manufacturer who participates in the show is thus enhancing its attraction for buyers in his field.

This criticism of the earlier shows voiced by Canadian firms had its counterpart in the comments of the American visitors. They complained that there were not enough displays in their particular fields to warrant their attending another show unless it was much larger. This the National Show promises to be.

Here is essential first-stage information about the 1963 show and how Canadian manufacturers may participate in it.

When and where will the National Canadian Samples Show be held?

It will be held in the Automotive Building, Exhibition Park, Toronto, from 9 a.m. to 5 p.m. on April 2, 3 and 4. For the first two days, only visiting foreign

buyers and the press will be admitted. On the third day, the show will be open to Canadian buyers and friends of the exhibitors to whom the latter issue passes. Details about the issuing of these passes, which will be valid for April 4 only, will be sent to exhibitors early in the new year.

What types of manufacturers may participate?

Any Canadian company making a product that can be sold in a department or chain store, in a supermarket or mail-order house should exhibit at the show. This naturally excludes heavy machinery and raw materials and used or secondhand articles cannot be displayed. The exhibits will be divided into four main categories: wearing apparel, furniture and recreation, specialties, and food; each category will be subdivided into classes or types. Each will be distinguished by the colour used on the stands and buyers of each class of products will wear badges colour-coded in the same way. Exhibits of products closely associated with Canada, such as outdoor wear, sporting equipment, furs, etc., are particularly welcome because one objective of the show is to create a distinctive image of Canadian production.

From what countries will the buyers come?

The four regional shows held this year brought in buyers from the United States only. This time, U.S. buyers will be joined by merchandisers from Britain, Western Europe, and the West Indies. Invitations will go out to over 400 buyers in the United States and to more than 200 in the other countries. The Trade Commissioners in these areas, in submitting to the Department lists of persons to be invited, are to bear in mind that the buyers should be from large buying organizations and must be purchasing either for their own retail stores or be representing supply houses and similar organizations which buy for companies in other countries.

What are the arrangements for bringing these buyers to Canada?

The arrangements are to charter a 131-passenger jet to bring in buyers from Britain and Western Europe, who will assemble in London. Another aircraft will fly up buyers from the West Indies and additional planes will bring in those from the various parts of the United States. The Department will pay the transportation

costs. Trade Commissioners stationed in the countries from which the visitors come will be selected to escort them to the show.

What is the first step for a Canadian company that wishes to participate?

Any Canadian manufacturer making a product suitable for the show and wishing to exhibit it should write to G. W. Rahm, Co-ordinator, National Canadian Samples Show, Department of Trade and Commerce, Ottawa 4, Ontario, for further information and a set of application blanks. The earlier the application is made the better, even though the closing date is February 25, 1963. The Trade Commissioners are kept informed each week of the firms reserving space and the products they expect to display and this information will guide them in their selection of buyers. The later the registrations, the harder it will be to ensure the presence of buyers of particular lines. Altogether, some 700 companies have expressed interest in participating and at the time this issue of *Foreign Trade* went to press, 104 had reserved 113 booths.

What is the cost of participating?

The cost per booth—the booths are 12 feet wide and 10 feet deep—is \$250.00 and a company may reserve more than one. This fee covers the rent of the building and of the stands and is also expected to cover the cost of meals and accommodation for the visiting buyers. It does not cover cartage or labour, electrical services, and any furniture in addition to the two tables and three chairs provided for each stand. Each exhibitor receives one ticket to the dinner to be given on April 2 by the Minister of Trade and Commerce to the visitors and Canadian participants. (Additional tickets will be \$10.00 each.) Exhibitors will be allowed to erect display panels along the back and side walls of their stands, provided that these are kept within certain limits.

How should the individual displays be designed?

The Department is encouraging exhibitors to emphasize in their displays Canadian design, workmanship and materials. In choosing products for display, each manufacturer should include enough to illustrate the scope and variety of his production. It is helpful to have a picture of the plant and perhaps a map of Canada showing its location. It is essential that every exhibitor have top-notch salesmen on hand at all times, ready to persuade buyers to come to his stand, examine the products, and seek information about them.

In what other ways should an exhibitor prepare for this show?

It is important that the exhibitor devote some time to working out export prices for the various countries to be represented. By the time the show opens, he

should have at his finger-tips prices f.o.b. Canadian seaport, c.i.f. British, European and West Indian ports, and (for the U.S. buyer) net duty-paid prices delivered to a U.S. city. Whenever possible, the delivered prices quoted should be broken down into their various components—cost ex factory, duty, customs brokers' fees, insurance, transportation, etc. (Companies in need of help in working out probable customs duties should write to the International Trade Relations Branch of the Department.) The exhibitor should also give thought to the discounts to be allowed on volume orders and to delivery dates.

Needs Follow-Up

The National Canadian Samples Show is not intended to be a one-shot foray into the export market. The Canadian company which makes contacts with buyers through this show will have to follow up these contacts, and the best way is by returning the buyers' visit. Canada's exports of manufactured goods still fall far behind its exports of raw and semi-processed materials. But because these manufactured products have a high labour content, wider markets for them mean more employment and increasing incomes for Canadians. The National Samples Show thus represents an opportunity to profit individually and to advance Canadian prosperity.

Trade Commissioners on Tour

In Canada



D. J. McEACHRAN,
Assistant Trade Commissioner
in Hong Kong:

Toronto—Nov. 28-Dec. 7
Vancouver—Dec. 12-21

When he completes his tour and leave, Mr. McEachran will be posted to Lima, Peru, as Assistant Commercial Secretary.

In Territory

J. H. BAILEY, Commercial Secretary in Bogotá, Colombia, will visit Ecuador during the week of January 21.

J. H. STONE, Commercial Counsellor in Rome, Italy, will visit Naples for two days in mid-December.

L. J. TAYLOR, Assistant Trade Commissioner in Johannesburg, South Africa, will visit Durban December 3-7.

Businessmen who would like these officers to undertake assignments should get in touch with them at their posts as soon as possible. Write to Mr. Bailey at Bogotá, Mr. Stone at Rome, and Mr. Taylor at Johannesburg

The Businessman Abroad

Visit it yourself—that's the best way to get the feel of a foreign market and succeed in selling there. Your business trip will run more smoothly, bring better results if you rely on the Trade Commissioner Service to help you with your plans. In this series of articles Trade Commissioners in many countries will tell you, drawing on their experience, how to line up and carry out a productive business visit.

Pakistan

JAMES A. ELLIOTT, *Assistant Commercial Secretary, Karachi.*

PAKISTAN is an Asian country and the standards of living and business methods differ widely from those in North America. Canadian businessmen who wish to visit the country—the number is not large but is increasing rapidly—should make careful preparations to save themselves inconvenience and time-consuming delays and to ensure better results. They will not encounter any language problem, because English is the common language of business and government and British methods still prevail in many aspects of Pakistani life.

Entering Pakistan

The Canadian coming to Pakistan needs a valid passport but as a citizen of a Commonwealth country (except India) needs no visa to enter the country. He must carry a valid certificate of vaccination against smallpox within the last three years and against cholera within the last six months. He would be well advised to have typhoid and paratyphoid inoculations (TAB) for his own protection.

Travellers who come from areas where there is yellow fever must also submit proof of vaccination. While here, the visitor should be careful about eating uncooked food and drinking unboiled water.

The business visitor may arrange to have samples sent ahead to a registered importer because regis-

tered importers may bring them into the country up to Rs.250 (\$55) in any one year. Or he can bring samples in his baggage without duty provided they are re-exported within six months. For further information on this point, consult the Commonwealth Division of the International Trade Relations Branch in Ottawa.

Currency Regulations Strict

The Government of Pakistan exercises rigid control over foreign exchange transactions and the traveller must complete a currency declaration form listing the currency and travellers cheques he has in his possession. He retains this form and notes on it any currency converted into rupees; the form may be examined when he leaves the country. Only 80 Pakistan rupees may be brought into Pakistan per person at any one time. No Rs.100 notes may be brought in, even as part of the currency imported by a family or group. This regulation is strictly enforced and travellers are strongly advised not to stock up on Pakistan rupees, even though these may be offered at bargain rates in other countries. However, the visitor should obtain ample supplies of travellers cheques before arriving in Pakistan. The purchase of additional ones here, even when dollars are used, involves time-consuming delay because the permission of the State Bank of Pakistan is required.

Karachi and the other major centres have good banking facilities and these include branches of British, U.S. and German banks.

Timing the Visit

From the first of November to the end of March is the best time to visit Pakistan. In Karachi during the winter temperatures range from 78 degrees at midday to 50 degrees or lower at night. (There is no central heating.) Up-country in West Pakistan, continental weather conditions prevail and freezing temperatures, although rarely snow, may be encountered. In summer, Karachi and other centres are unpleasantly hot by Canadian standards—as high as 115 degrees in Karachi and up-country centres may be ten degrees hotter. East Pakistan is humid and tropically hot from March on. The visitor can wear his usual business suit during the three or four cooler months and will need a topcoat for winter visits up-country. East Pakistan is mostly tropical, although in winter medium-weight suits may be worn. A dinner jacket is essential if the businessman expects to attend evening receptions. In summer, lightweight tropical clothing is needed and sufficient clothing to permit frequent changes should be carried. Air conditioning is becoming more common year by year, particularly in Karachi and other larger cities, but in requesting hotel accommodation, be sure to specify it.

Office hours in government and semi-official organizations are from 8.30 a.m. to 2 p.m. six days a week. Business hours in Karachi are 9 a.m. to 4.30 p.m. with a half-day Saturday. Because Pakistan is a Muslim state and Friday the day of congregational prayers, offices are usually closed Friday afternoons. The Muslim faith enjoins a month of fasting (Ramadan) on its followers and during Ramadan offices close at noon to accommodate those who will not allow food or drink to pass their lips during the daylight hours. As the beginning of the lunar month is determined by the actual sighting of the new moon, it is impossible to forecast the date of Ramadan precisely—each year it advances about ten days from the preceding year and in 1963 it will approximate the month of February. Business activity of necessity slows down during this time and it is advisable for Canadian businessmen intending to visit Pakistan to find out from the High Commission when Muslim and other holidays are scheduled.

On Arrival

Karachi is on the main staging route from Europe to the Far East and many international airlines serve the city. Unfortunately, because it is the halfway staging point, Karachi airport seems to be at its busiest at about 3 a.m. Nevertheless most of the airlines provide bus service to the centre of the city and the principal hotels are used to catering to late arrivals.

In the larger centres, such as Karachi and Lahore, hotel accommodation is acceptable but not up to North American standards. Hotels of the ordinary commercial type tend to be expensive by western standards of accommodation, food and services. The Commercial Section of the High Commission can provide detailed information and make reservations on request.

Where to Go

Most business visitors arrange to visit Karachi, the largest city and

business centre, with a population of approximately 2.3 million. Karachi is headquarters for most large Pakistani business firms, banks and insurance companies and most firms that maintain branches in both parts of Pakistan have their headquarters here. The political capital has been moved from Karachi and is now temporarily located in Rawalpindi, 1,000 miles north of Karachi. Many government departments are now established in Rawalpindi and businessmen who need to contact officials of these departments should be prepared to fly there; flying time (via Lahore) approximates four hours, air service is good, and the cost is about \$45.00 return. (The site of Islamabad, the planned future capital of Pakistan, is about ten miles from Rawalpindi.)

Anyone who intends to travel by rail should be prepared to bring his own bedding for an overnight trip; express trains have air-conditioned coaches and dining cars.

The businessman who wishes to contact agencies such as the railways, the Water and Power Development Authorities, the Pakistan Industrial Development Corporations, the Inland Water Transport Authority and others that are under provincial control will want to visit the two provincial capitals—Lahore, West Pakistan (population 1.6 million), and Dacca, East Pakistan (population 750,000). Both cities are secondary commercial centres. Lahore is 700 miles or two hours and 40 minutes' flying time from Karachi and Dacca is a four-hour jet flight. The Commercial Division of the High Commission, Karachi, will advise businessmen where to find officials they wish to interview.

Social Customs

Social customs based on the Muslim faith, followed by the majority of Pakistanis, differ considerably from those in Canada. Practising Muslims do not touch alcoholic beverages, and an invitation to "come up to my hotel room for a

drink" should not be as freely or liberally given as in Canada. The tenets of the Muslim faith are followed more strictly in the smaller centres than in Karachi and other large cities, where familiarity with European customs has led to a somewhat freer interpretation. Nevertheless Muslim women have a different status from their Christian sisters. Although the strict observance of the purdah system is on the wane, particularly among members of the business community in the larger centres, discretion should be exercised in extending invitations to Muslim women. Canadian businessmen need not worry unduly about offending their Muslim hosts in Pakistan if they practise the usual courtesy and good manners. The Pakistanis are a friendly people with a strong tradition of hospitality. They extend it generously to Canadians, who are well regarded.

Doing Business There

Pakistan is an Eastern country and the Canadian visitor should be prepared for delays that otherwise would leave him feeling frustrated. Nor should he expect North American standards of efficiency and concern about the wasting of time. Few leave Pakistan after a two or three-day visit with well-filled orderbooks. Depending on the type of goods he has to offer, the businessman will have to spend a good deal of time and effort before he can expect tangible results. Moreover, it is almost a truism to say that if you want a decision, you must make an approach at the highest level of officialdom.

Representatives of Canadian firms bent on introducing their lines should, on their first visit to Pakistan, arrange calls on prospective local agents with whom initial correspondence has presumably been opened. The next step is to call on prospective purchasers in the company of the new agent. If there are only one or two non-government buyers, a local agent may not be

needed as direct sales may be possible. Price lists in Canadian or U.S. dollars, or better still Pakistan rupees (which are pegged to the U.S. dollar) c. and f. Karachi are a necessity because almost all buying is done solely on the basis of price and c. and f. prices are normal, as the insurance is usually arranged from the Pakistan end. The difficulty in bringing in samples of large products and the fact that local agents almost never sell from stock mean that larger-than-usual quantities of descriptive literature are needed. If copies are circulated widely enough, there is a chance that a non-technical procurement officer will use them in drawing up specifications for tendering.

A local agent should be appointed whenever possible; the

Commercial Section of the High Commission can help in the selection. This is a requisite especially when selling to the Government—and the Government of Pakistan, through its various agencies and corporations, is the largest buyer of imported goods. All its purchases (with the exception of foodstuffs, railway requirements and military equipment) are channelled through the Directorate General of Supply and Development, a Branch of the Ministry of Industries. This body calls for tenders, normally on a worldwide basis, and makes purchases with an eye to cost and with less attention to quality or design. A local agent keeps the Canadian firm informed of government tenders as they are called and can look after its interests. He can advise on

the competitive position and other relevant facts.

Engineering firms should be prepared to have a senior representative visit Pakistan and study business prospects at first hand. Although developments under Pakistan's Second Five Year Plan, Indus Basin Development Scheme and so on provide challenging opportunities for consulting and construction engineering services, the competition is extremely keen. We suggest that engineering firms first consult the Engineering and Equipment Division of the Department of Trade and Commerce in Ottawa, and also this Mission. The firm may find it necessary to open an office in Pakistan, establish or arrange participation in a Pakistani firm before going after business here. ●

COMMODITY NOTES

Aluminum Bottles

GHANA—Ghana Distilleries Corporation has awarded a £75,000 contract to the Ghana Pioneer Aluminium factory to produce light aluminum bottles. The factory has recently purchased £17,000 worth of machinery capable of producing over 60,000 of these bottles a year; they will be used for storing water and other liquids—Accra.

Chemicals

ISRAEL—An integrated mining and chemical industry is to be established in the next three years at Oron, in the Negev Desert between the Dead Sea and the Mediterranean. The cost will approximate U.S.\$23 million. Four plants—a phosphate calcination plant, a soda ash plant, a triple superphosphate plant and a defluorination plant—are to be erected. The enterprises are to be financed by development funds and international loans, including a loan from the Export-Import Bank—Tel Aviv.

Cotton

SOUTH VIETNAM—The Government has earmarked U.S.\$270,000 of its 1962 special economic budget to boost production of cotton and thread at the Sicovina

Weaving Mill, the first plant of its kind in Vietnam. In addition, the firm is planning a branch at Da Nang in which the Government has already invested U.S.\$1.8 million this year, and a dyeing plant at An Nhon near Saigon at an estimated cost of U.S.\$2.25 million—Hong Kong.

Crawler Tractors

PAKISTAN—The Government has extended its practice of standardizing the equipment it purchases to include crawler tractors for agriculture. One British make, one German make, and models from two firms with plants in both the United States and Britain have been approved. Imports of crawler-type tractors of other makes will not be permitted—Karachi.

Frozen Fish

PAKISTAN—Starting in November, a local firm will process, quick-freeze and pack 3,600 tons of shrimps or 4,800 tons of fillets a year. Known as Ocean Industries Ltd., the company has an authorized capital of approximately Can.\$1.2 million, with shares offered for public subscription. The factory will have the latest machinery for quick freezing and processing.

Though it is not included in the Second Five Year Plan, it received government sanction as a special case and obtained the necessary import licences.

The firm has made an agreement with one of the major fish importers in the United States and the sale of its entire production is assured. It is expected to earn approximately \$6 million in foreign exchange—Karachi.

Furs

DENMARK—The Danish Fur Farmers Association has announced that sales in 1961-62 totalled 115 million kroner, compared with 84 million the year before. The average price per pelt was 98.5 kroner, a rise over 1960 of 15.5 kroner, and 1,165,280 pelts were sold, an increase of 149,652. The United States took 64 per cent of the 1961-62 production; the rest went to European countries, chiefly Britain, Italy and West Germany. Denmark now has 3,800 fur farms. Within 16 years the industry has become one of the country's largest exporters—Copenhagen.

Ilmenite

CEYLON—The first consignment of 3,000 tons of ilmenite to Japan left Ceylon recently on the S.S. *Asateru Maru*. The local ilmenite factory is now complete with all automatic aids; production is estimated at about 12,000 tons a year but may rise by the end of 1962—Colombo.

Marine Equipment

UNITED STATES—A steering nozzle which eliminates the ship's rudder by directing the prop stream to steer the ship will shortly make its appearance on the Great Lakes. Although the Kort nozzle has been popular for some years in Europe, this will be the first unit built in North America to be used on the Great Lakes. It is being built for the Great Lakes Towing Company—Chicago.

Newsprint

SWEDEN—Scandinavian newsprint producers have agreed to reduce output for export by 25 per cent. This is double the previous reduction of 12 per cent effective April 1. For Sweden it will involve a drop of about 100,000 tons a year, since Swedish newsprint exports total about 450,000 tons a year. It is not known how long the cutbacks will remain in force but it is estimated that present over-capacity will continue for at least a year. Swedish exports to July 31 this year totalled 226,300 tons, compared with 235,400 tons for the same period of 1961—Stockholm.

Potatoes

URUGUAY—Experiments in preserving stocks of potatoes with antigerm treatment have proved successful according to reports, particularly in the Departments

of Canelones and San José. The potatoes were planted in over 40 trial areas with different classes of soil and were treated with different types of fertilizers and pesticides. They were harvested over seven months ago and treated with the antigerm preservative. Results show little loss of weight and colour; the potatoes are without sprouts and have the same appearance and taste as those newly harvested. The experiments are part of the national agrarian development plan—Montevideo.

Readymade Garments

ITALY—The manufacture of readymade garments on an industrial scale is expanding rapidly in Italy. Some 2,000 firms now produce garments worth almost U.S. \$500 million a year. Exports in 1960 totalled about U.S.\$40 million and increased in 1961 to some U.S.\$60 million. The purchase of readymade garments on a wide scale has only recently become common in Italy—Rome.

Refrigerators

GUATEMALA—A new factory, capitalized at \$100,000, under construction here will design and produce refrigerators for restaurants and supermarkets—Guatemala City.

Rubberized Cloth

HONG KONG—The first factory in Hong Kong to manufacture rubberized cloth has started production and will reportedly make about 150,000 yards of fabric a month. Initial output will go to local factories making raincoats and car-coats for export to South East Asian markets. Full capacity is 600,000 yards a month. The rubber comes from Singapore and the cloth is woven locally—Hong Kong.

Shoes

HONG KONG—Shoe exports are increasing rapidly as the styles created for men, women and children become popular with foreign buyers. Manufactures include a wide range of shoes, sandals and slippers and the largest markets at present are Britain and certain South East Asian countries, particularly Malaya—Hong Kong.

Telecommunications Equipment

PAKISTAN—Official approval has been given to expand Pakistan's only telephone factory, located at Hairpur in West Pakistan. The project is expected to cost approximately \$2.5 million and to increase capacity by about 500 per cent. Production of telephone instruments will rise from 15,000 to 18,000 and of automatic exchange lines from 8,000 to 12,000. About 500 teleprinters and 300 teleprinter exchange lines will be

built and output of allied equipment expanded. The project should save Pakistan about \$1 million a year in foreign exchange on imports of telecommunications equipment, and will also help standardize equipment throughout the country—Karachi.

Textiles

HONG KONG—The textile industry has expanded considerably since 1948 and is now the Colony's major industry. Mills are operating over 350,000 spindles and more than 120 million pounds of cotton yarn were produced in 1958. Woven products include cotton grey drill, canvas and shirting and in 1958 production

exceeded an estimated 250 million square yards. Dyeing, printing and finishing have also advanced during the past few years—Hong Kong.

Uranium

GREENLAND—The Greenland Geological Investigation Authority has completed this year's geological survey, which discovered large uranium deposits extending over about 200 square kilometres. Seven borings were made to a depth of 200 metres in the Ilmaussak massif, from Kvanefjeld to south of Skovfjord—Copenhagen.

FOREIGN TARIFFS

AND TRADE REGULATIONS

Colombia

NEW ECONOMIC CONTROL MEASURES—Mr. J. H. Bailey, Commercial Secretary in Bogotá, has reported that, as of November 8, 1962, all imports into Colombia have been temporarily suspended until the Colombian Government approves the adoption of new economic measures, including the introduction of a tax amounting to 2.30 pesos per U.S. dollar applicable to exchange covering permissible imports.

Following the approval of this devaluation, the effective certificate exchange rate will consequently be 9 pesos per U.S. dollar instead of the former rate of 6.70 pesos per U.S. dollar.

New Zealand

INCREASE IN IMPORT LICENCES—Effective October 19, 1962, the New Zealand Government announced some increase in import licences for a wide range of goods, and the reintroduction of token licences.

Most of the extra licences are in the consumer goods field. However, special consideration will be given to import applications for raw materials where the experience of the past few months has shown that extra licences are necessary to maintain production at 1960 levels. Among the items for which licence quotas have been increased are sporting requisites, glassware, tractors, domestic sewing machines, office machines, toys, gloves, cameras and photographic equipment, firearms and cartridges, cutlery and watches.

A token licence category has been reintroduced for a number of commodities. Licences for these products will be issued on the basis of 100 per cent of the value of licences issued in the 1961 licensing period for the

same goods. Among the items in this category are pickles and sauces, toilet soaps in tablet form, certain types of apparel, footwear, purses, bicycles, toilet preparations, stationery, lawnmowers, vacuum cleaners, aluminum hollowware, window sashes, perambulators, paints, and roofing material.

Details on individual commodities and quotas may be obtained from the Commonwealth Division, International Trade Relations Branch.

United States

TARIFF RECLASSIFICATION DATE—The United States Tariff Reclassification Act and related considerations were described in an article in *Foreign Trade* of June 16, 1962.

The United States had until recently intended to bring into force this very important technical and administrative change in its tariff nomenclature on January 1, 1963. The United States has now decided to postpone the effective date of this measure. Although the exact date on which the new classification will be implemented had not been announced at the time of writing, it appears likely to be between April 1, 1963, and January 1, 1964. The U.S. Division will be informing Canadian exporters of the date decided upon when it is announced.

Postponement of the new classification by the authorities will give Canadian exporters additional time to study the new tariff terminology in relation to items of interest to them. It is recommended that exporters do not postpone this task. Requests for assistance in clarifying the new classification can be directed to the U.S. Division.

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)

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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. T. Charland	2-2380, 2-0819
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Economics Branch: Director, V. J. Macklin	2-5658
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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

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Media Relations Division

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*Unless otherwise noted, all offices of the Department are in this building. 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.

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Electrical Industries Division

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Chief: B. F. Armishaw 2-6904

Textile Industries Division

Chief: P. L. Boisclair 2-2771

National Design Branch

Director: Carl J. Lochnan 2-0342

Assistant Director: E. P. Weiss 2-0341

Design Information Division

Mrs. M. Platek 2-8971

Commodities and Industries Services

Gov. Local

Appliances and Commercial Machinery Division

Chief: G. W. Rahm	2-6950
Assistant Chief: W. H. Grant	2-3209
Sewing machines (domestic), gas, gasoline and kerosene pressure stoves, lamps, lanterns and appliances: W. H. Grant	2-3209
Scientific equipment and supplies: J. A. Findlay	2-6958
Plumbing, heating, air conditioning, hardware: D. C. Meyers	2-6383
R. F. Harris	2-6958
Appliances and housewares: P. C. Fredenburgh	2-6552
H. G. Weber	2-6552
Commercial machinery equipment and supplies, including office: O. A. Sulzenko	2-7956
V. J. Byam	2-7956
A. M. Mackenzie	2-4160

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	2-2905
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	2-2905

Engineering and Equipment Division

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Engineering Services Section: R. C. Wallace	2-4082
Consulting engineering, aerial surveys	2-4082
Construction contracting: V. P. Rossiter	2-5382
Communications and Electric Equipment Section: R. Sangster	2-8086
Nuclear instrumentation: R. Sangster	2-8086
Communication electronic equipment: D. L. Draper	2-6479
Transportation and Industrial Plant Equipment Section: J. F. Frank	2-8897
Nuclear reactor equipment	2-8897
Agricultural and automotive equipment, vehicles, aircraft, ships, railway rolling stock: G. C. Clarke	2-3873
Metal working and industrial plant equipment: J. R. Johnson	2-7546
Process Plant Equipment and Projects Section	
Forest products, mining, rolling mill plant equipment, projects: L. T. Hansson	2-5859
Electrical and chemical plant equipment and projects	
Municipal plant equipment and projects	
Food processing plant equipment and projects	

Forest Products Division

Chief: M. N. Murphy	2-0273
Assistant Chief: D. D. Lockhart	2-4863
Logs, other round material, lumber and sawmill products: P. H. Jones	2-5811
J. M. Monaghan	2-5811
Manufactured wood products: D. D. Lockhart	2-4863
A. D. Monkhouse	2-4863
Wood pulp, newsprint, other papers and paper products: E. J. White	2-5127
M. K. Paumann	2-5127
F. T. Carten	2-6974

Metals and Minerals Division

Chief:	2-8422
Assistant Chief: O. L. L'Esperance	2-7731
Iron and steel: O. L. L'Esperance	2-7731
Non-metallic minerals: R. P. Mulvihill	2-5823
R. T. B. Harvey	2-5159
Non-ferrous metals: R. J. Hurley	2-3823

(cont'd.)

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

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

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

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

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

For conversion to United States dollar equivalent multiply by .927536.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Nov. 19	Units per Canadian dollar	Notes (See below)
Argentina	Peso .....	.....	.007260	137.74	
Austria	Schilling .....	.....	.04179	23.93	
Australia	Pound .....	.....	2.4168	.4138	
Bahamas	Pound .....	.....	3.0210	.3310	
Belgium and Luxembourg	Franc .....	.....	.02168	46.12	
Bermuda	Pound .....	.....	3.0210	.3310	
Bolivia	Potosi	Free	\$	\$	
Brazil	Cruzeiro	Free .....	.002306	433.65	
		Special Category	†	†	
Britain	Pound .....	.....	3.0210	.3310	
British Guiana	Dollar .....	.....	.6294	1.59	
British Honduras	Dollar .....	.....	.7523	1.33	
Burma	Kyat .....	.....	.2264	4.42	
Ceylon	Rupee .....	.....	.2266	4.41	
Chile	Escudo	Free .....	.4139	2.42	
Colombia	Peso	Certificate	\$	\$	
Congo, Republic of	Franc .....	.....	.02168	46.12	
Costa Rica	Colon .....	.....	.1627	6.15	
Cuba	Peso .....	.....	†	†
Czechoslovakia	Koruna .....	.....	.1497	6.68	
Denmark	Krone .....	.....	.1558	6.42	
Dominican Republic	Peso .....	.....	1.0781	.9275	
Ecuador	Sucre	Official .....	.05990	16.69	
		Free .....	.04690	21.32	
El Salvador	Colon .....	.....	.4313	2.32	
Fiji	Pound .....	.....	2.7216	.3674	
Finland	Markka .....	.....	.003369	296.82	
France, Monaco, etc.	New Franc .....	.....	.2200	4.54	(1)
Franco-African Republics, etc.	Franc .....	.....	.004400	227.27	(2)
French Pacific	Franc .....	.....	.01210	82.64	(3)
Germany	D Mark .....	.....	.2690	3.72	
Ghana	Pound .....	.....	3.0210	.3310	
Greece	Drachma .....	.....	.03593	27.83	
Guatemala	Quetzal .....	.....	1.0781	.9275	
Haiti	Gourde .....	.....	.2156	4.64	
Honduras	Lempira .....	.....	.5391	1.85	
Hong Kong	Dollar	Free* .....	.1880	5.32	*Nov. 9
		Official .....	.1888	5.30	
Iceland	Krona	Official .....	.02507	39.89	(4)
India	Rupee .....	.....	.2266	4.41	
Indonesia	Rupiah	Official .....	.02396	41.74	(4)
Iran	Rial .....	.....	.01423	70.26	
Iraq	Dinar .....	.....	3.0188	.3312	

‡No quotation available.

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

§The new effective certificate exchange rate applicable to imports, when approved, will be increased to 9.00 pesos per U.S. dollar.

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

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent Nov. 19	Units per Canadian dollar	Notes (See below)
Ireland	Pound		3.0210	.3310	
Israel	Pound		.3594	2.78	
Italy	Lira		.001737	585.82	
Japan	Yen		.002995	333.89	
Lebanon	Pound	Free	.3538	2.83	
Mexico	Peso		.08625	11.59	
Morocco	Dirham		.2156	4.64	
Netherlands	Florin		.2993	3.34	
Netherlands Antilles	Florin		.5717	1.75	
New Zealand	Pound		3.0004	.3333	
Nicaragua	Cordoba	Effective buying	.1540	6.49	
		Official selling	.1529	6.54	
Nigeria	Pound		3.0210	.3310	
Norway	Krone		.1508	6.63	
Pakistan	Rupee		.2266	4.41	
Panama	Balboa		1.0781	.9275	
Paraguay	Guarani	Official	.008739	114.43	
Peru	Sol		.04019	24.88	
Philippines	Peso	Free	.2763	3.62	
Portugal & Colonies	Escudo		.03750	26.67	(5)
Republic of South Africa	Rand		1.5105	.6620	
Singapore and Malaya	Straits Dollar		.3522	2.84	
Spain and Dependencies	Peseta		.01797	55.65	
Sweden	Krona		.2090	4.78	
Switzerland	Franc		.2498	4.00	
Syria	Pound	Free	.3012	3.32	
Thailand	Baht	Free	.05073	19.71	(4)
Tunisia	Dinar		2.6198	.3817	
Turkey	Lira		.1198	8.35	(4)
United Arab Republic	Pound	Official	2.4797	.4033	
United States	Dollar		1.078125	.927536	
Uruguay	Peso	Free	.09832	10.17	
Venezuela	Bolivar	Free	.2382	4.20	
		Official	.3215	3.11	
West Indies	Dollar		.6294	1.59	(6)
	Pound		3.0210	.3310	(7)
Yugoslavia	Dinar	Official	.001438	695.41	

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 and Tobago, Leeward and Windward Islands.
7. Jamaica.

Markets in Brief: GREECE

Area: 50,550 square miles, of which approximately 10,000 represent the combined area of the Greek islands.

Population: 8.4 million (1961)

Climate: Pleasantly warm and dry throughout the greater part of the year. In the Athens area temperatures rise to 95 or even to 105 degrees from mid-June to mid-September.

Language: Greek; English and/or French are spoken by most senior government officials and by many members of the business community. Leading firms correspond in English and/or French.

Currency: Drachma; one drachma=Can. \$0.03586.

Weights and measures: metric system.

Capital: Athens.

Chief ports: Piraeus (the port of Athens and by far the most important), Salonica, Patras, Volos, Cavalla, Candia (Crete).

Marketing centres: Athens-Piraeus metropolitan area (population) 1.8 million; Salonica 374,000; Patras 95,000; Volos 67,000; Candia 483,000; Rhodes 123,000.

Economy: basically agricultural although emphasis is now on industrial development. Mining, fishing and forestry are carried on to a substantial although relatively minor extent.

Total Greek imports: 1961—\$583 million.

Chief imports: (million \$) 1961—machinery and equipment 143; agricultural products for human consumption 93; ferrous and non-ferrous ores and metals 67; chemicals 55; textiles and basic manufactures 50; fuel and petroleum products 47; lumber, pulp and paper 40.

Chief suppliers: (million \$) 1961—West Germany 115, United States 86, Britain 69, Italy 44, France 35, U.S.S.R. 21, Yugoslavia 21, Belgium-Luxembourg 20.

Value of imports from Canada: 1961—Can.\$4,995,258; 1960—Can.\$5,546,209.

Chief imports from Canada: (Can.\$'000) 1961—aluminum in primary form 1,255; copper ingots, bars and shapes 738; flaxseed 402; dressed fur skins 396; sheet and strip steel 255; seed potatoes 191; pneumatic tires 185; newsprint 185; copper strip and tubing 170; synthetic rubber 148; dressed mink furs 116; raw asbestos 74; tissue and sanitary paper 60; bolts and nuts 53.

Total Greek exports: 1961—\$234 million.

Chief exports: (million \$) 1961—tobacco and cigarettes 81; currants and sultanas 29; raw cotton 27; citrus fruits, fresh fruits and grapes 16; various ores and metals 13; raw hides and skins 11; colophony and turpentine 8; olives and olive oil 5; wine, must and beverages 3.2; furs 3; calcinated magnesite 2.7; dried figs 2.7; marine sponges 2.2; cotton yarns and fabrics 2.

Chief markets: (million \$) 1961—West Germany 46, United States 38, Britain 21, U.S.S.R. 18, France 11, Czechoslovakia 10, Italy 5.

Value of Canadian purchases: 1961—Can.\$544,731; 1960—Can.\$537,910.

Chief Canadian purchases: (Can.\$'000) 1961—olives in brine 101, manufactures of furs 78, canned vegetables 49, dried figs and fig paste 43, marine sponges 41, non-sparkling



wines 35, Turkish tobacco unstemmed 35, olive oil 28, brandy 20.

Dollar exchange: freely granted.

Prices: quote in Canadian or U.S. dollars, c.i.f. Piraeus.

Import policy: Greece follows a very liberal import policy but is an extremely price conscious market; import duties are substantial on most products made domestically.

Credit terms: terms of 30 to 180 days or even longer are indispensable in many trades.

Samples: duty-free if of no commercial value; travellers' samples of commercial value admitted on payment of a deposit, which is refunded if samples re-exported within six months.

Foreign banks: American Express Hellas Co. Ltd. is the only one operating at present, but all leading Canadian banks have connections with one or other of the principal Greek banks.

Correspondence: airmail essential; letters 15 cents per half-ounce.

Trade agreements: modus vivendi with Canada signed in 1947. Greece became an associate member of the European Economic Community on November 1, 1962.

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

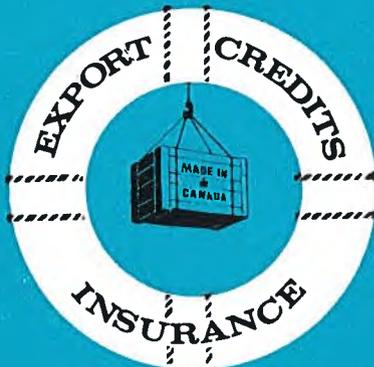
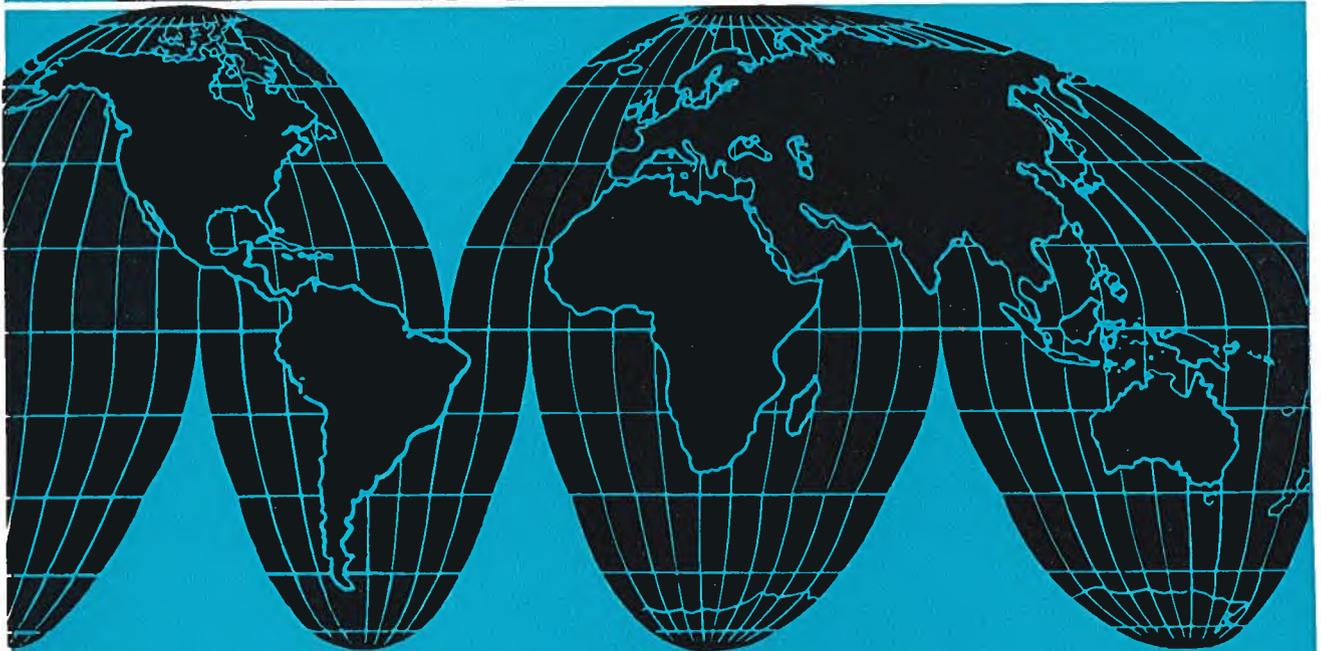
For detailed information on this market write to:

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

or

Commercial Counsellor
Canadian Embassy
31 Vassilissis Sophias Avenue
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