

South Africa Experiences Economic Revival

U.S. Market for Automotive Parts

FOREIGN TRADE

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Canada's sales to the South Africans have been falling off, as locally made products replace imports. But industry itself will need many types of materials and equipment as it begins to expand again, and much of this Canada can supply.

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Canadian design and production knowhow, plus use of varied materials for lamp bases and shades, have wooed and won British customers for our household lamps and lighting fixtures. It's a market that could be cultivated intensively.

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The Canadian Government recently offered new incentives to our automotive companies to increase their sales of automobile parts to the United States. If your products qualify, this report from our Detroit office will help you to sell.

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Demand for both original and replacement automotive equipment is brisk, our Trade Mission to Israel discovered. Canada could well supply a part of it, even competing against U.S. and European suppliers, who have most of the business.

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Working in a highly competitive field, textiles, Duplan of Canada has established itself in a number of European markets. The company's general sales manager discusses its export strategy and how it has worked out in practice.

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COMING—THE MARKET IN BENELUX, JANUARY 12 ISSUE

Recovery from 1961 financial crisis continues; exports are rising, exchange reserves increasing, and substantial public and private investment in industry planned. Initial issue of import permits for 1963 is slightly larger than initial issue last year.

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

SOUTH AFRICA appears to be experiencing an economic revival, although the tempo of expansion is not as rapid as its total resources could support. Revenue from exports has fallen off during 1962 but private consumption and, to a lesser extent, private investment are increasing and gold output is expected to continue rising. Imports will

official gold and foreign exchange reserves continued to rise.

Table II, prepared by the Bureau of Economic Research, forecasts the position in 1962 and 1963.

Foreign Trade

Tables III and IV show South Africa's imports and exports as indicated by South African statistics. These do not always give country of ultimate destination and, in some instances, Canada's purchases are actually higher than the tables show—for example, of karakul pelts, wool, and industrial diamonds.

The South African authorities do not treat gold as a commodity. However, it is an important item of trade and if gold is included with exports, South Africa has a substantial favourable balance of trade each year.

Canada's purchases of South African commodities continue to increase. Our sales to South Africa, on the other hand, have fallen off at a faster rate than those of any other country. This is largely because some of our traditional exports—including lumber, paper and leather, as well as a great range of consumer goods such as hardware and toys—have been replaced by goods made locally. There are opportunities, however, for continuing sales of these commodities on a selective basis and also for marketing a wide range of materials and industrial equipment needed by South Africa's expanding industry.

South African industry has expanded remarkably since the war. This development has been stimulated by the import controls in effect during this period. During the 1950's import restrictions were gradually relaxed but they were re-imposed during the financial crisis

South Africa Experiences Economic Revival

probably be larger in 1963 and the country seems to be in a position to sustain and benefit from increasing government spending and expansionist monetary and fiscal policies.

Balance of Payments

Changes in the rate of expansion of the domestic economy are reflected in the movement of the balance of payments on current account. In 1961 both the net gold output and merchandise exports increased substantially (see Table I) but demand for imports remained relatively weak and private consumption and investment continued low. This brought a record surplus on the balance of payments. During the third quarter of 1962, as a result of greater spending and investment, imports rose strongly and, as exports held steady, the surplus declined. However, as the current account and the over-all balance of payments remained favourable, the

TABLE I

SOUTH AFRICA'S TRADE

	Imports	Exports	Gold Production
	(millions of rands)		
1960	1,112	800	536
1961	1,006	847	575
1962			
January	85	60	50
February	76	68	48
March	88	78	52
April	79	81	51
May	86	80	53
June	83	75	54
July	92	65	54
August	93	68	55
September	79	78	55
October	90	74	56

One rand=Can.\$1.52.

TABLE III

SOUTH AFRICA'S FOREIGN TRADE
1961 BY COMMODITY GROUPS

	Imports	Exports
	(millions of rands)	
Animal, agricultural and pastoral products	9.7	169.8
Foodstuffs	41.3	198.8
Ales, spirits, wines and beverages	3.5	7.7
Tobacco in all forms	3.6	2.6
Fibres, yarns, textiles and apparel	162.3	11.2
Metals, metal manufactures, machinery and vehicles	453.1	253.1
Minerals, earthenware and glassware	39.1	101.6
Oils, waxes, resins, paints and varnishes	92.8	20.5
Drugs, chemicals and fertilizers	52.1	13.4
Leather, rubber and manufactures thereof	24.8	8.5
Wood, cane, wicker and manufactures thereof	20.6	13.4
Books, paper and stationery	42.6	5.7
Jewellery, timepieces and musical instruments	14.3	25.5
General	40.7	13.5
Total	1,000.5	845.3

of 1961 and remain stringent at the moment. Because of the marked improvement in the country's balance-of-payments position, however, the initial issue of import permits for 1963 is somewhat greater than the initial issue in 1962.

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TABLE II

CURRENT ACCOUNT OF THE SOUTH AFRICAN BALANCE OF PAYMENTS

	Actual 1961	1962	Forecast 1963 (expected)	1963 (most adverse)
	(millions of rands)			
Merchandise imports, f.o.b.	-1,021	-1,065	-1,120	-1,172
Merchandise exports, f.o.b.	928	965	980	915
Trade balance	-93	-100	-140	-257
Net gold output	576	635	660	655
Other current items (net)	-282	-265	-280	-290
Total current account (net)	201	270	240	108
Level of gold and foreign exchange reserves at year-end	276.7	between 450.0 and 470.0	between 600 and 650	over 500

TABLE IV

SOUTH AFRICA'S FOREIGN TRADE
1961 BY COUNTRIES

	Imports (millions of rands)	(Per cent of total imports)
Britain	291.8	29.2
United States	176.7	17.7
West Germany	109.0	10.9
Japan	35.8	3.6
Iran	32.8	3.3
Italy	27.6	2.8
CANADA	26.8	2.7
Rhodesia and Nyasaland	25.9	2.6
Netherlands	24.5	2.4
Congo	24.5	2.4
France	22.3	2.2
Belgium	20.2	2.0
	Exports (millions of rands)	(Per cent of total exports)
Britain	249.9	29.6
Rhodesia and Nyasaland	97.3	11.5
United States	68.4	8.1
Japan	51.2	6.1
West Germany	37.8	4.5
Italy	35.5	4.2
Belgium	32.5	3.9
France	31.6	3.7
Netherlands	28.2	3.3
CANADA	8.0	1.0

TABLE V

SOUTH AFRICA'S TRADE
WITH CANADA, 1961

	Imports from Canada	Exports to Canada
	(thousands of rands)	
Animal, agricultural and pastoral products	62.4	406.9
Foodstuffs	320.6	4,403.7
Ales, spirits, wines and beverages	4.5	586.5
Tobacco in all forms	25.5
Fibres, yarns, textiles and apparel	307.5	1.6
Metals, metal manufactures, machinery and vehicles	11,963.9	1,074.2
Minerals, earthenware and glassware	40.6	377.7
Oils, waxes, resins and paints	182.1	341.1
Drugs, chemicals and fertilizers	285.8	9.4
Leather, rubber and manufactures thereof	1,833.2	0.5
Wood, cane, wicker and manufactures thereof	4,390.5	477.8
Books, paper and stationery	6,449.1	3.3
Jewellery, timepieces and musical instruments	248.4	121.5
General	723.2	142.5
Total	26,811.8	7,972.1

Industrial Progress and Trade

South Africa's industrial progress will eventually increase its capacity to consume a wide range of luxury and consumer goods, many of which will have to be imported. The industries themselves may also offer

an outlet for various types of materials and equipment.

Both the public and private sectors of the economy are planning substantial further development. Among the most promising fields are the iron, steel, metal and en-

gineering industries, because South Africa has the needed raw materials, plus abundant supplies of cheap coal for generating electric power. The motor vehicle and tractor industries offer scope for development too; so do the manufacture of chemicals and some segments of the textile industry.

The Government and public corporations have announced expansion projects (some of which have already begun) that will eventually cost more than R2,000 million. Among them are:

Iron and steel—expansion plans by Iscor to almost double its output by 1972, R560 million.

Electric power—expansion plans announced by Escom, R400 million.

Petrol from coal and processing of byproducts—expansion planned by Sasol, R200 million.

Transport—railways and road expansion program, R400 million.

Water conservation and irrigation—Orange River scheme, R450 million.

To this must be added an undetermined amount of government expenditure on defence and other local developments.

Announcements of establishment of new industries and extensions by private enterprise amount to more than R110 million. These include:

- Erection of an oil refinery near Durban and extensions to an existing one—R60 million.

- Projects for the production of iron and steel and beneficiation of certain base metals—R20 million.

- Erection of new or extensions to various industries which include textiles (R6 million); aluminum smelting and rolling (R5 million); blast furnace cement (R2 million); food and beverages (R3 million); saw-milling (R2 million)—R18 million.

- Projects for the production of synthetic rubber and other chemicals and gases—R16 million.

In addition, another refinery is being projected and plans are taking shape for increasing the local content of motor vehicles assembled in South Africa and for refining certain ores mined in the country.

Opportunities Continue

Because of this industrial development and for many other reasons, the South African market merits continued attention from Canadian exporters. It has the biggest national income, the largest income per person, and the largest income per non-

white person in the whole African continent. Its large modern cities are important centres of consumption. It produces most of the world's gold and diamonds and has a large steel output, big wool and sugar production, flourishing fisheries, an important wine industry, and a fast developing motor car assembly industry. It also has textile mills, coal mines, chemical plants, food plants, oil refineries, paper mills, lumber and plywood producers, and steel fabricators. The pattern of our exports to South Africa has changed and may continue to change, but the opportunities should remain for those ready to grasp them. ●

New Public Warehouse Opened in Panama

A new public warehouse in Panama City offers certain benefits to the Canadian exporter who is making sales in Panama. Among these are lower transportation costs, effective sales control, and tax incentives. The exporter places a consignment of his goods in the warehouse (Custodia Panama, S.A., P.O. Box 1570, Panama, R.P.). He then instructs the collecting bank to release partial deliveries to the agent or purchaser upon receiving payment for the sales value of the merchandise delivered. The bank then remits the proceeds to the exporter, either on each delivery or through a single large remittance at the end of each month. Until they are delivered, the goods remain the property of the exporter and the warehouse receipt is issued in his name.

Although the exporter's agent in Panama usually pays customs duties and storage charges, some shippers prefer to pay these charges themselves and adjust the sales prices to include them. Most consignors ship to the warehouse at sales value so that when the duties and shipping expenses are added, the price shown on the warehouse documents is the final one for the customer. If after a certain time (say five months), the goods are still

in Custodia Panama with little prospect for sale, the exporter can tell his agent to sell them for the best possible price or demand that the agent take the goods himself. The import duties have already been paid and the onus is on the agent to sell the goods.

Among the advantages offered by Custodia Panama, the most obvious is that goods can be shipped to Panama in sufficient quantities to cover the needs of the market for the winter before the St. Lawrence River navigation season ends. Nevertheless, the cost of storage and of effecting deliveries from the warehouse must be weighed against the additional expenses of shipping via Halifax or Saint John.

Other features of shipping to Panama on consignment are that a large assortment of the exporter's products are available for immediate delivery, that larger consignments mean lower unit freight costs, and that interruptions because of shipping strikes are avoided. In addition, the exporter is able to retain title to the merchandise until the buyer pays the bank for it. Currently, newsprint, fine paper, liquor, electrical equipment and construction materials are the main products in storage.

—K. D. TAYLOR, *Assistant Commercial Secretary, Guatemala City.*

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.

Switzerland

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

IN these days of travel by jet aircraft and of increasing emphasis on the benefits of export trade, more and more Canadian businessmen are visiting personally existing and potential foreign markets. These visits represent an investment in time and money and the returns should be as rewarding as possible. To help you, we offer the following information on a trip to Switzerland which you may find useful.

Prepare for Your Trip

"My grandfather successfully packaged our product in plain brown pulpboard boxes and there is no reason why I should change." Fortunately, this type of comment is seldom heard today but this attitude of mind often affects the planning of business trips. The procedures used in a trip to another part of Canada or even to the United States do not always apply to a visit to Switzerland. Frequent exposure has accustomed many Swiss businessmen to North American business techniques, but this does not alter the fact that there are differences and the old adage, "when in Rome", is nowhere more applicable.

The most successful business trip is inevitably the one that is planned well in advance. Let the people you want to see know exactly when you will call and allow sufficient time

to receive confirmations and to amend your itinerary when necessary. If you would like assistance in arranging appointments, the Office of the Commercial Counsellor in Berne will be pleased to work out the necessary details for you. Let us know if you want to meet with your established contacts, the dates and times of your arrival and departure, cities to be visited, hotels where you will be staying, and the full names and addresses of the people and/or firms you wish to see. We should have three weeks' notice of your intended visit.

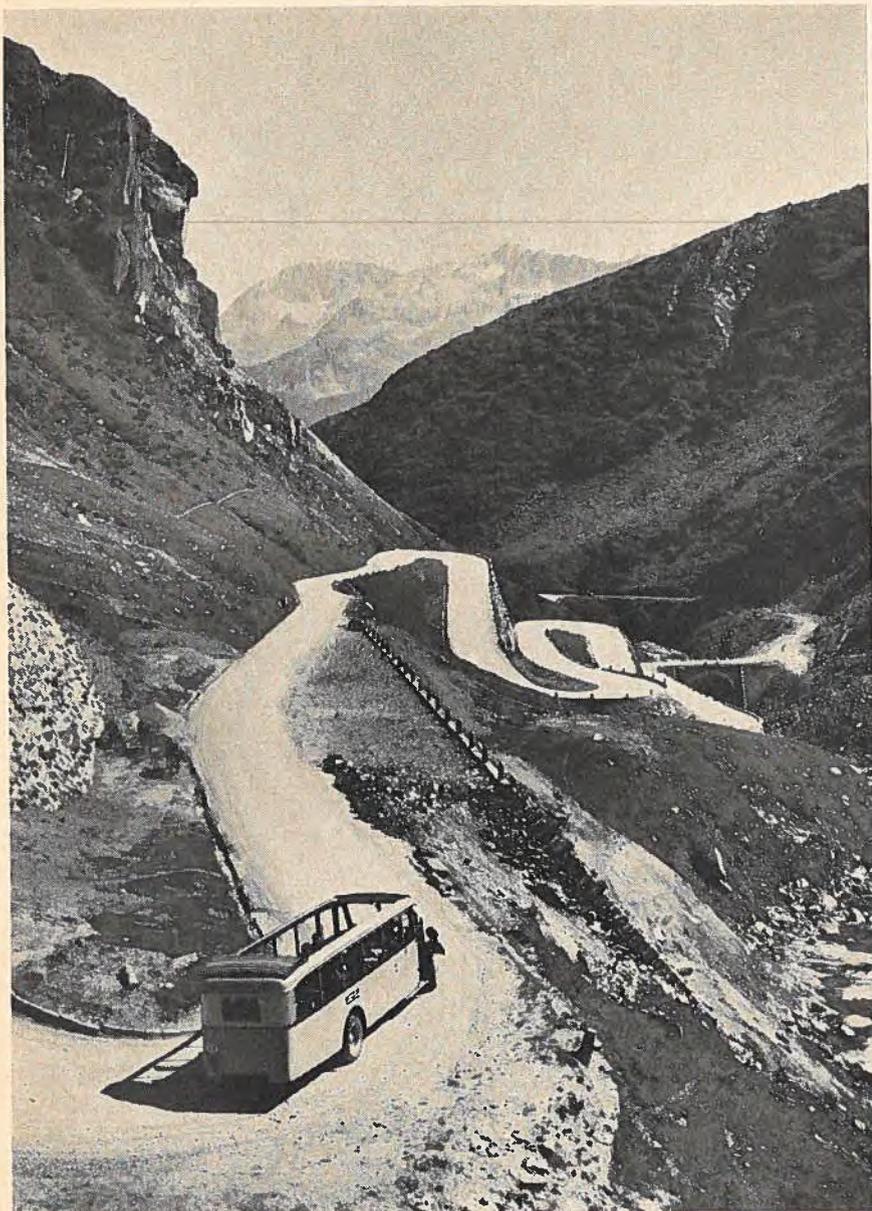
If this is an exploratory visit to open up a new market or to locate a suitable agent, you can save considerable time and effort by obtaining information on the market for your products or services from a Commodity Officer of the Department in Ottawa or from the Regional Offices of the Department in St. John's, Newfoundland, Halifax, Winnipeg and Vancouver, and by having the Office of the Commercial Counsellor carry out a market survey before you arrive. In addition to the details of your itinerary, therefore, you should forward as much information as possible about the products or services you are offering. This normally includes, where applicable, descriptive literature, export prices c.i.f. Ant-

werp/Rotterdam, and samples. It usually takes four to six weeks after receipt of this information to do our survey and let you know the results.

In planning your visit, be sure to allow enough time to transact your intended business adequately. From personal observation, the least effective visitors are those who rush from city to city and from appointment to appointment. If you finish your business in less than the allotted period, you will find it rewarding to spend some time calling on your agent's customers or learning a little more about the market through talks with other businessmen, or by visits to museums or other tourist attractions.

Travel Agent Can Help

For travel arrangements to and from Switzerland you should consult your travel agent. There are several convenient air routes from Canada to Switzerland. Trans-Canada Air Lines operates a direct service from major Canadian cities to Zurich. There are also TCA flights to Shannon, Prestwick, London, Vienna, Duesseldorf and Paris and from there connecting airline services carry you to Switzerland. Canadian Pacific Airlines offers a service across Canada through to Lisbon, Madrid and Rome, and a polar service from Western Canada to Amsterdam, with connecting airline services from these cities to Switzerland. When booking transportation



Though the businessman visiting Switzerland will probably only cover the major cities, he will find transportation to every part of the country fast and efficient. Here is one of the major mountain highways, the Gotthard Road, that leads from Lucerne to the Canton of Tessin over the Gotthard Pass. Note the postal bus in foreground.

you should speak to your travel agent also about hotel accommodation.

The only document you require for a visit to Switzerland is a valid passport. No visas or inoculations are needed.

Climate and Holidays

The climate of the non-mountainous parts of Switzerland, which include all the major cities, is fairly

moderate. The winters are warmer and the summers cooler than in most parts of central Canada and the weather much like that on the east and west coasts. Rainfall is moderate to heavy.

It is important to remember that Swiss holidays do not coincide exactly with Canadian holidays. The last half of July and all of August is, broadly speaking, not a good time for business visits. Many firms close

for some part of this time. The weeks before and after Christmas and Easter week are not good, either. Some Swiss also take a short vacation in October or at the height of the skiing season in January or February. The official holidays observed throughout Switzerland are:

- New Year's Day
- Bank Holiday (January 2)
- Good Friday
- Easter Monday
- Ascension Day
- Whit Monday
- Swiss National Day, August 1
- Christmas Day
- Boxing Day

In addition there are a number of local holidays, the most important of which are Carnival Week in Basel, which starts on the Monday following Mardi Gras, the Fête de la Réformation (December 31), and the Jeûne Genevois (first Thursday in September) in Geneva.

Foreign Exchange and Customs

There are no restrictions on foreign or Swiss currency brought into or taken out of the country. Foreign currency may be freely bought and sold at current rates of exchange in all Swiss banks or at the offices marked "Change" and "Geldwechsel" in major railway stations and the airports at Zurich, Geneva, and Basel. It is often useful to have a dollar or two in Swiss currency in your possession before arrival to take care of tips, taxis, etc., should these offices happen to be closed. Immigration and customs clearance of persons and luggage is normally carried out without undue delay or difficulty.

Bona fide commercial samples of no commercial value enter duty free. On samples of commercial value the duty must be paid and a refund obtained when these are re-exported. Alternatively, you can arrange before departure from Canada for the Swiss correspondent of your freight forwarder to clear the samples and place a bond for the duty payable. It should be remembered that dutiable samples must be readily identified. For in-

stance, jewellery must have a distinguishing mark stamped on each piece; clothing must have sealed labels or indelible stamps. Failure to comply with these provisions can cause delays in clearing samples.

Reserve Accommodation Early

Hotel rooms are at a premium in all the main Swiss cities the year round. It is essential that you reserve space well in advance, either direct or through a travel agency. Most Swiss hotels will not hold room reservations after 6.00 p.m. unless you advise them in advance of your flight or train time and your expected hour of arrival at the hotel. When you are settled in your hotel, remember that the concierge or porter (identified by the crossed-keys insignia on his jacket lapel) is a useful source of information and help.

Public Transportation Efficient

Public transportation throughout Switzerland is highly organized and efficient. In cities large and small, taxis are usually easy to find. For inter-city travel, trains (first and second class) are recommended. (First-class trains can be spotted by the horizontal yellow band above the windows of the coach.) Between Geneva, Berne, Basel and Zurich there is a train almost every hour of the day. Service to other centers is good but less frequent. Reservations are required on most international trains but are not available or required between points in Switzerland. Full details on public transportation and car rentals are available from the hotel concierge or a travel agent.

Appointments and Customs

As for your business meetings—the reason you have come to Switzerland—there are several points to remember.

First, have an appointment. Business calls in North America are often made rather casually but the Swiss businessman expects you to have an appointment. Although he will try to fit you into his schedule

if you telephone, unannounced, the day of or the day before your intended visit, you will not be as welcome as if he had been informed in advance. It is important therefore to make sure that the exact date and time of your visit are acceptable and arranged beforehand. Be punctual. You will find that you are not only expected, but expected at the exact time. An informal approach to appointments and punctuality may well mean that you are kept waiting or not received at all.

Business hours are normally 8.00 or 8.30 a.m. to noon and 2.00 p.m. to 6.00 p.m., Monday through Friday. Fewer and fewer firms work on Saturday mornings.

You will find that the Swiss businessman is more formal than many Canadians and Americans. Punctuality and prearranged appointments are only two indications of this characteristic. The use of Christian names is normally restricted to relatives and close friends and the best advice is to wait until you are asked to use a Christian name. Most Swiss make a sharp distinction between their business and family lives. The two are seldom mixed and if you are invited to a Swiss home, it should be considered an honour. If you receive an invitation, do not forget to take a small bouquet of flowers with you for your hostess. You will always greet a person and say farewell with a handshake, irrespective of how many times you have seen him during the day.

Language

Switzerland has four official languages—German, French, Italian and Romansh. Multilingualism is found primarily in the German-speaking regions where French is widely known. The Swiss businessmen you meet will almost all speak English, although your knowledge of French will be helpful in some circumstances. If translations are required, an interpreter from the Swiss firm's staff may be available or you may have to obtain the services of a qualified person. Information on

translators may be obtained from the hotel concierge.

Prices and Agents

When discussing your products or services you should have certain basic information at your fingertips. Prices may be quoted in Canadian or U.S. dollars or Swiss francs. Brochures and other descriptive literature should be left with the people on whom you call. English-language brochures are usually acceptable for exploratory discussions, although literature in German or French is preferable and may ultimately have to be prepared. Samples should be available for examination if this is practicable. Export prices are absolutely essential. Except for certain special trades where f.o.b. prices are normally used, export prices to be meaningful must be quoted c.i.f. or c. and f. Most ocean shipments from Canada to Switzerland come through Rotterdam or Antwerp and it is sufficient to quote prices to these ports. On air shipments quote prices c.i.f. or c. and f. Zurich.

Remember that Switzerland uses the metric system of weights and measures; quotations using this system rather than English weights and measures are always preferred. The domestic electricity supply is usually 220 volts, 50 cycles. Most buildings also have a three-phase, 380-volt power supply for stoves and other heavy appliances. Information on Swiss standards may be obtained through the Commercial Division, Canadian Embassy, Berne.

If your offer is successful and if your sales are made to one or two large accounts, you will usually find that they prefer to buy direct rather than through an agent. If on the other hand you appoint an agent to handle sales to a number of accounts, he will probably want a contract giving him exclusive rights to the whole Swiss market. Such a demand is not unreasonable because one agent can usually cover the whole territory adequately, and the relative smallness of the market makes it unprofitable for him to

handle a line for only part of the country.

In Switzerland there are laws governing the notice that must be given when an agency agreement is cancelled. If a proposed agreement contains a clause about cancellation, you should obtain legal advice about what is involved. If you are considering changing agents, be sure to obtain the assent of the first one before granting the agency to a second firm. Failure to do this, even though your agreement is informal, could result in legal difficulties.

When you return to Canada, write immediately those bread-and-butter notes that you were unable to get done en route. It is wise also to confirm in writing any understandings or agreements that you made during your visit. Promised documentation, prices, etc., should be forwarded as quickly as possible. If you provide an outline of what happened during your visit and send copies of subsequent correspondence with Swiss firms to the Commercial Division, Canadian Embassy, Berne, the Commercial Counsellor and his staff

will follow up in your interest until a final agreement or sale is made.

The Office of the Commercial Counsellor is always pleased to help in every way to make a visit to Switzerland a success. It should be emphasized again, however, that you will be effective only if you plan your trip in advance, make your requirements known in time to have the necessary surveys, arrangements and appointments made, and do the necessary follow-up promptly after returning to Canada. ●

Why Not Sell Lamps in Britain?

The British spend well over two million pounds a year on imported electric lighting appliances and fittings. Canada could secure at least 10 to 15 per cent of this business. Interested? Here are the details.

S. G. TREGASKES, *Commercial Counsellor, London.*

THE average British home-owner is becoming increasingly aware of the importance of proper lighting, both for practical purposes and as an integral part of room décor. An article in a national newspaper recently made the following comment:

"Lighting is the single most important thing in any room. It can create a feeling of warmth and comfort or chilly depression; it can make a room seem larger or smaller, higher or lower, lighter or darker.

"It can tip the balance between a room scheme which works and one which just misses.

"People are becoming far more aware of all this. They are no longer satisfied with the depressing effect of a single light hanging high up from the centre of their sitting-room ceiling. They realize they can get a far warmer effect with several well-placed lamps. They know that though an overhead light is fine in

a hall or passageway, it is not the best way to light a room."

The article goes on to describe the growing use of low-slung lamps over tables and desks, spotlights to show up pictures or pieces of sculpture, wall-mounted swivel lamps, table lamps and standard lamps, and giant table lamps to stand on the floor.

Local Production and Imports

There is a well-developed and extensive lighting fixture industry in Britain. Nevertheless, Canadian design and production knowhow—for lamps in particular and to a lesser extent lighting fixtures—appear to offer certain features over British models and are well received by British buyers. Moreover, the range of materials used in lamps and shades produced in Canada is more extensive than that used in Britain. To date the Canadian light-fixtures

industry has not taken full advantage of the market offered in this country.

British statistics indicate that more than £2 million worth of lighting appliances are imported each year. The figures are: electric lighting appliances (excluding lamp bulbs and tubes) and fittings and parts thereof: 1961, £2,207,472; 1962 (eight months), £1,476,666.

A breakdown of these totals by principal supplying countries is not available, but the major suppliers are France, West Germany, Italy, Scandinavia, Belgium and the United States.

Canada became a substantial supplier of electric lighting fixtures and lamps to Britain for the first time in 1961. The Dominion Bureau of Statistics *Exports of Canada* for the years 1958 to 1962 (eight months only) gives the following figures for Canadian exports to Britain of elec-

tric lighting fixtures, lamps and parts:

	(Can.\$)
1958	523
1959	1,791
1960	828
1961	121,251
1961 (8 mos.)	22,608
1962 (8 mos.)	38,103

Although there is no fixed buying season in Britain for this category of goods, it is interesting to note that the great bulk of the exports from Canada took place during the last four months of 1961. There seems to be no reason why Canadian manufacturers should not enjoy at least 10 to 15 per cent of this import market; this would mean from \$600,000 to \$1,000,000 in export business.

How to Get Started

Canadian manufacturers of lamps and lighting fixtures need a representative in Britain. The London office can advise and assist them in finding a representative, but alert and enterprising manufacturers would be well advised to make their selection on the spot and in person. This could be combined with a market investigation and an exploratory sampling operation. This might take one of two forms:

1. Taking part in any one of several trade exhibitions in Britain where lighting fixtures and lamps are featured, displaying representative samples of merchandise and appointing an agent if prospects seem to warrant it.

2. Using the display area in the London office of the Department of Trade and Commerce to show sample lamps and fixtures.

In both cases the London office can assist by supplying lists of buyers, trade press representatives and prospective agents. Samples should be dispatched from Canada at least six weeks before the date planned for the display. The Canadian firm should arrange for a visit

to Britain of two weeks at a minimum.

Duties and Purchase Tax

The London office has a wealth of information available to assist a prospective Canadian exporter. For example, he may wish to know the duty on lamps exported to Britain from Canada. The appropriate section of the British tariff is 83.07, which covers lamps and lighting fixtures of base metal and parts thereof of base metal. The rates are:

Full rate—16 per cent

Commonwealth preference—free

EFTA—10 per cent

These rates apply on complete lamps irrespective of the material from which the shades are made, and Canadian products coming within this category are therefore free of duty, provided they fulfil the requirements of the Commonwealth Preference regulations. The preferential requirement briefly is that the lamps have a Commonwealth content (including Canadian) of not less than 50 per cent. As indicated above, lamps and lighting fittings of Canadian manufacture have a 16 per cent tariff preference over similar products originating in non-Commonwealth countries and of 10 per cent over goods originating in countries of the European Free Trade Area. If lamp bases are imported separately from the shades, the latter might be subject to different tariff treatment, depending on the constituent material. Similarly, if lamp bases and lighting fittings are made of material other than metal (such as wood, glass, china, etc.) they may come under a different category in the tariff. In all instances, however, the Canadian manufacturer enjoys a tariff preference over suppliers from non-Commonwealth countries.

A Canadian manufacturer may want to know something about purchase tax (similar to sales tax in Canada) and how it is applied. All goods in this category, either locally

manufactured or imported, are subject to purchase tax at the rate of 25 per cent on the open market *wholesale value*.

The London office can offer assistance on customs procedures, documentation requirements, methods of packing and shipping, pricing, clearance procedures, internal freight charges, trade exhibitions in Britain in 1963, location of sample showrooms, and a variety of other services that the Canadian exporter will find helpful while he is here.

Investigate Opportunities

The London office believes that there is a receptive market in Britain for Canadian lighting fixtures and lamps and that the Canadian industry has not exploited this potential demand to the full. An interested Canadian manufacturer should be prepared to spend time and effort in studying the British market and should take advantage of the services and facilities available to him through the London office. More detailed information about his particular problems can be obtained from either:

The Minister (Commercial)
Office of the High Commissioner for Canada
One Grosvenor Square
London, W.1
England

or

The Department of Trade and Commerce
Ottawa, Canada

Canadian lamp and lighting fixture manufacturers might remember that there are also Canadian Government Trade Commissioners in Glasgow and Liverpool. Their addresses are:

Canadian Government Trade Commissioner
Martins Bank Building
Liverpool, England

Canadian Government Trade Commissioner
Cornhill House
144 West George Street
Glasgow, C.2., Scotland

A manufacturer who introduces his products successfully in London and Southern England could call on these offices for assistance in introducing his products into the Midlands and Scotland. ●

U.S. Agricultural Policy

From our Washington office comes this review of the Kennedy Administration's A B C D agricultural program and of the main provisions of the Food and Agriculture Act of 1962 passed by the United States Congress in September.

W. J. VAN VLIET, *Commercial Counsellor (Agriculture), Washington.*

FARM policy is one of the most difficult domestic problems in the United States, where a rapidly growing capacity to produce far outruns the growth of domestic and foreign demand for food and fibre. Although the population is expected to increase by 65 million by 1980, farmers will be able to produce all that is needed on 50 million acres less than are in cropland today.

The development of programs that best serve the interests of the farm economy and the national welfare has exercised and frustrated succeeding governments and the Congress since the thirties. Should the price supports be increased and production controls strengthened? Or should government lessen its participation in agriculture by reducing both price supports and controls in the hope that farmers themselves will bring supply and demand into better balance? The Secretary of Agriculture under the Eisenhower Administration of the 1950's, Ezra Benson, sought "adjustment from government controls to a greater freedom for agriculture." Despite his efforts, however, surplus stocks increased and by the end of 1960 the annual carrying cost alone was exceeding \$1 billion.

The Kennedy Policy

President Kennedy, upon taking office in January 1961, offered an A B C D program, covering the related goals of Abundance, Balance, Conservation and Development. The policy of the Administration that incorporates these goals sees an expanded role for government. The

focal points of the policy now being applied to agriculture are:

1. Seeking continuing legislation to permit control of production so that surplus stocks (grains particularly) will be reduced over the next few years to levels deemed adequate to domestic and export needs and, at the same time, making provision permanently to remove surplus land from cultivation and put it into alternative use.

2. A gradual increase in the "Food for Peace" program, making surpluses available to developing countries. With this program valued at \$1.5 billion in 1961, the Secretary of Agriculture indicated that the present absorptive capacity of recipient countries had been reached. New avenues of use are developing but the rate of increase is expected to be slow. In general, this program has been widely accepted within the U.S. as serving the dual function of providing an outlet for surpluses and contributing to the direct food needs and economic development projects of foreign countries. Exporting countries, however, continue to be concerned about the effect of this immense program on the commercial trade in agricultural commodities. Recognizing these hazards, the U.S. undertakes consultations with the prime supplying countries before concluding agreements with recipient countries.

3. Seeking expanded access to foreign markets by commercial producers. In 1961, in addition to the \$1.5 billion "Food for Peace" pro-

gram, the U.S. exported \$3.5 billion worth of agricultural commodities on commercial terms. Increased emphasis is being placed on commercial agricultural exports, both in the direct interest of producers and as an integral part of the export drive to improve the position of the dollar. It is hampered by special protection in the field of agriculture in many importing countries. The European Common Market particularly is considered as offering excellent potential for increased sales, provided the restrictive tendencies can be modified.

The Trade Expansion Act signed by the President in October 1962 is looked upon as offering effective bargaining strength to bring about improved conditions of access for U.S. agricultural exports. This legislation provides authority for the most sweeping reductions in the U.S. tariff that have ever been authorized at any one time for the purpose of negotiating with other countries.

Formulating a Program

It is within this framework of logic that the farm program is being formulated. The Administration sees the only answer in supply-management price-support programs, with definite controls on production and marketing plus programs designed to take the excess land out of cultivation permanently. Acreage allotment and marketing quota programs have operated in conjunction with a Soil Bank scheme for many years for a number of crops, including tobacco, cotton, rice, peanuts and

wheat. They can be effective in total production control, provided national allotments are permitted to decrease sufficiently. To illustrate, acreage reductions were large enough to cut production of peanuts, rice and tobacco during the 1950's. They were also large enough to reduce output of wheat and cotton in 1954-57, the years immediately following the imposition of controls on these crops. However, as farmers kept their best land in these relatively high-value crops, production did not decline in proportion to acreage. Although some diverted acres were placed in the Soil Bank and so no crops could be harvested, substantial acreage was used for feed grains, thereby adding to the problem of excess feed-grain production. It is for wheat and feed grains particularly that the Administration has been seeking legislation in the last two years.

Legislation Passed

The Omnibus Farm Bill submitted to Congress by the Administration last February was much debated and certain major changes were made before it emerged on September 27 as the Food and Agriculture Act of 1962. The major provisions are:

1. Feed Grains (corn, sorghum and barley)—For 1963 a voluntary acreage reduction program much the same as in 1961 and 1962 is authorized. Producers may reduce their 1959 and 1960 acreages by a minimum of 20 per cent and a maximum of 50 per cent, thereby making them eligible for price supports of \$1.20 per bushel for corn. In addition, producers will receive 50 per cent of the value of the normal production on the idled land but this does not apply when the land has been put into the non-surplus crop. Non-participants will receive price support at \$1.02 per bushel.

For 1964 and subsequent crop years, the Secretary of Agriculture will have authority, in the absence of new legislation, to set feed-grain

supports at 50 per cent to 90 per cent of parity, provided the support level does not increase stocks, the likely effect of which would be to drop prices substantially below the 1963 non-participant level.

The Administration unsuccessfully sought permanent legislation for feed grain along the lines of the mandatory wheat legislation obtained for 1964 and subsequent years. However, it has expressed satisfaction with the voluntary program, pointing out that this has not only stopped further stock accumulation but is reducing stocks so that by 1964 the carryover will not be excessive. Nevertheless, to avoid the relatively low prices that the present Act demands for 1964 onwards, it is likely that new legislation will be introduced next year, perhaps to continue the present voluntary program.

2. Wheat—For 1963 the legislation authorizes a voluntary acreage reduction program similar to that in effect for the 1962 crop but in effect for the 1962 crop the basic support price is \$1.82 per bushel. Producers approved a referendum for marketing quotas thereby being eligible for price supports of \$2 per bushel, provided they divert to approved uses 20 per cent and not more than 50 per cent of their allotment. Co-operators may receive in addition up to 50 per cent of the normal production value of the idled land.

Production of all wheat in 1962 is estimated to be about 11 per cent smaller than the year before and stocks at the end of the 1962 crop year (i.e. July 1, 1963) will approximate 1,200 million bushels. For 1963, assuming a voluntary cut of 7 million acres, production is expected to be a little higher than in 1962. But because of carryover adjustments and increased disappearance, stocks at the end of the 1963 crop year on July 1, 1964, would show little change from the 1,200 million bushels currently estimated for July 1, 1963.

The legislation for 1964 and beyond is considerably different. The

Secretary of Agriculture is authorized to set a national marketing quota that he estimates will meet total wheat requirements (including provision for reduction in stocks). A two-price system would operate, whereby wheat for domestic food use plus part of exports would be eligible for support at prices ranging from 65 to 90 per cent of parity and the remainder at a lower level, which would take into account the world price of wheat and the price of wheat as feed. Acceptance by producers would be subject to a two-thirds majority referendum and if rejected, the price support would be set at 50 per cent of parity.

Before the introduction in 1961 and 1962 of the voluntary reduction schemes, the national acreage allotment for wheat was 55 million acres. Assuming that the Secretary of Agriculture, as has been suggested, aims at a production of one billion bushels in 1964, it would take about 40 to 41 million harvested acres to produce this quantity.

3. Land Use Adjustment—For the first time legislation was enacted that authorized financial assistance for turning farm lands to non-agricultural purposes and thereby broadened the many existing programs aimed at land retirement and development.

Upon signing this Act the President stated that: "The Agriculture Act of 1962 represents an important step forward in our program to increase farm income while reducing costs to the Government of the farm program and holding the accumulation of farm surpluses."

Proposals for Cotton and Dairy Products

Having failed to get new dairy legislation through the last Congress, the Administration is expected to propose new measures early next year aimed at controlling production of dairy products. A supply management program would be accompanied by price supports higher than the current ones. Moreover,

the President has asked the Department of Agriculture to formulate a domestic program for cotton that would eliminate the "inequity" of the current two-price system. Under the existing program, domestic mills pay a price for raw cotton higher than the export price.

Farm Bureau Critical

The influential American Farm Bureau Federation has been highly critical of the Administration's domestic farm policies. In general, it views the controls and restrictions as being so secure that the appropriate economic adjustment to agriculture and individual farm enterprises cannot take place. The cost of the feed-grain program is described as excessive. It doubts whether the two-price program for wheat can operate without an equally stringent control program for feed grains. The bureau advo-

icates a comprehensive program for taking land out of production but in a manner that would have a substantially different effect on the farming community than the Administration's current one.

Sweeping Changes Suggested

Agricultural policy continues to be a highly complex and controversial issue in the U.S. This was vividly demonstrated this summer when the Committee for Economic Development, a well-regarded private body of prominent businessmen and educators, released a report calling for sweeping changes in U.S. farm policy. Mass movement of workers out of farming was advocated as part of a five-year program, at the end of which government guaranteed prices would operate on a free-market basis. The report contends that the net result would be higher incomes both for those re-

maining in agriculture and those who would inevitably take up other occupations. It envisages total assistance to ensure employment mobility as well as for land retirement and alternative use programs. It also expresses the view that over a period of time government expenditures on agriculture (estimated at \$6 billion a year) would be halved.

The House of Representatives Committee on Agriculture held hearings on the report and widespread comment by farm organizations, civic bodies and legislators followed. Public reaction generally was that the effect on American agriculture would be harshly disruptive. Although the Farm Bureau made no comment, certain observers expressed the view that the objectives of the Bureau and the Committee for Economic Development were similar, even though methods of approach differed. ●

FAIRS AND EXHIBITIONS

■ Instrument Show, New York

THE report from our Trade Commissioner in New York on Canada's participation in the ISA Instrument-Automation Conference and Exhibit at the Coliseum, October 15-18, contains the following interesting summary.

"Canada's participation in this show was an unqualified success. Many factors helped achieve this, but foremost among them were:

"Outstanding esprit de corps—everyone appeared to be happy and anxious to return to future ISA shows. One Canadian firm sent down nine representatives this year. Enthusiastic and aggressive manning by all Canadian participants together with . . .

"Top-calibre Canadian participation—the sixteen firms were carefully selected and well suited to the show. This produced . . .

"Lucrative results—tentative orders booked by Canadians amounted to over one and a half million dollars. This favourable response was largely because of . . .

"A-1 visitor attendance—at 23,000 the highest since 1954. In addition, visitors included a high proportion

of persons capable of influencing business and represented a major portion of the instrument and control industry. This meant a serious and meaningful interest in the Canadian products, a useful exchange of technical information, and immediate orders or requests for quotations. The Canadian participants received over 500 recorded inquiries. Our efforts were also assisted by a . . .

"Good location—it would have been impossible under the circumstances to improve on our excellent site on the main floor. We also had an . . .

"Attractive and well laid out exhibit—and both these latter factors helped attract the majority of show visitors. Much of our success can be attributed to the cohesive, attractive exhibit."

Comments from Canadian participants echo the Trade Commissioner's enthusiasm. One exhibitor encountered, he said, "some remarkably interesting people and prospects." One arrived in New York a little pessimistic about his chances. He was, he states, "literally jumping for joy" two hours after show open-

ing time. However, "it is significant," noted another, "that our most outstanding success came in our most sophisticated equipment, not our components. We established contact with the buying personnel of major commercial and military establishments." Requests for representation rights for one firm's products were so numerous that a decision had to await return to Canada.

■ Electronic Equipment at Chicago

CANADIANS could probably cover all the commercial market for electronic equipment in the United States by exhibiting at the Institute of Radio Engineers show in New York (usually in March), the Western Electronic Conference in Los Angeles or San Francisco (about mid-August), and the National Electronic Conference in Chicago (October). In addition there is the Institute of Radio Engineers show in Dayton, Ohio, at Wright-Patterson Field. This is essentially an aircraft instrument show and is important in the military procurement field; only manufacturers on the Qualified Procurement List exhibit. Because the electronics industry in the United States and in Canada is growing rapidly and the equipment contains a high degree of engineering, Canadian manufacturers are in a good position to compete, compared with makers of mass-produced items who have to cope with their larger U.S. counterparts.

To test the effectiveness of exhibiting at these electronics shows, the Department entered an information booth in the National Electronics Conference and Exhibition, McCormick Place, Chicago, October 8-10. Trade Commissioners staffing the exhibit distributed literature on the Canadian industry, its capabilities and

products. These pieces included the *Canadian Commodities Index*, the *Guide to Research and Development Capabilities in the Canadian Defence Industry*, *Canada-United States Defence Production Sharing*, and *A Guide to the Manufacturers of Electronic Equipment in Canada*.

About 20,000 persons visited the show to see the 500 exhibits, of which seven were from Japan, two from Germany, and one from the Netherlands. Many expressed surprise that there was an electronics industry in Canada; others were aware of and interested in Canadian capabilities. Trade Commissioners received four serious inquiries, three originating in the Chicago area and one in Philadelphia. Several Canadian companies had taken note of the Department's interest in this show. One manufacturer went down to get assistance in finding a representative and others wrote for help. Another Canadian at the trade fair said: "Each of these shows I attend leads to a stronger conviction that the Canadian industry should always be encouraged to participate."

■ Consumer Goods in Frankfurt

FRANKFURT'S International Spring Fair will take place next year from February 17-21. This is a samples fair for consumer goods and is open to all manufacturers, importers and exporters specializing in the following categories of goods: home textiles, furnishing fabrics, carpets, allied arts and handicrafts, musical instruments, paper goods and stationery, clocks, jewellery, gifts, porcelain, ceramics, pottery, glassware, and toilet preparations.

This year, 122,000 square metres of exhibition space comprising 13 halls and 10 pavilions were available



One of the more dramatic displays in the Canadian exhibit at the ISA Instrument Automation Show at New York was this extendable, retractable antenna, of a type used on a topside sounder similar to Canada's "Alouette" space satellite. Explaining this equipment is D. B. Cannon of de Havilland of Canada (centre), flanked by H. Price, editor of "Canadian Electronics Engineering" (right) and Assistant Canadian Trade Commissioner R. D. Sirrs, New York.



This attractive Canadian Trade Information stand in the international centre at the Hannover Fair last spring used Canadian-made furniture; had more than 1,000 visitors sign its guestbook.

for the displays. Over 3,000 exhibitors from 31 European and overseas countries showed their products. Visitors numbered 242,000 and 12 per cent of them came from 56 foreign countries.

Indications are that the 1963 show will surpass last year's in attendance and numbers of exhibitors. Enlarged facilities and the trend toward better-quality exhibits will add to its interest and importance.

■ Industrial Goods at Hannover

THE 14th annual German Industries Fair, the so-called Hannover Fair, will take place April 28-May 7, 1963, and merits the interest of Canadian firms. The exhibition space at this fair has increased every year since its opening in 1947 and will total 590,000 square metres in 1963. In spite of these increases, the authorities still find it impossible to meet the demand for space and many firms are on the waiting list.

Participation by foreign firms has increased significantly—from zero in 1947 to 1,152 in 1962 (21.2 per cent of the total) with 25 countries represented. Thirty-seven per cent came from Germany's Common Market partners and 46 per cent from EFTA. Leading foreign exhibitors were France, Britain, the United States, Austria and Switzerland.

Largest sector is the mechanical engineering group, followed by the electrical industry, office equipment, chemicals and plastics, tools, construction equipment, precision mechanics and optics, consumer goods, jewelry and silverware, glass, ceramics and china.

Just as the 1961 fair featured a North American Day and 1962 a Latin American Day, 1963 will bring a

European Day, with special events and a convention. There will be special studies of the problems of selling capital and consumer goods in Europe.

The Canadian Government may, as it did in 1962, mount an information stand in the International Centre on a 50-square-metre area. Our stand last April had over a thousand visitors who took away printed material describing various aspects of Canadian life. In addition, there were 115 serious trade inquiries.

■ Toys and Games in Nuremberg

THE annual Nuremberg International Toy Fair will take place February 10-15, 1963. The 1962 show ranked second only to New York's as the world's biggest specialized toy fair. In numbers of registered buyers attending it was in fact the world's largest—and the 1963 one will be even bigger. It will also be the sixth in which foreign firms have participated directly. More than 1,000 exhibitors, over 300 of them foreign, have already registered, compared with 273 foreign firms and a total of 971 exhibitors in 1962. Italy will again take the lead, followed by Britain and France.

■ Books at Frankfurt

THE 1962 Frankfurt Book Fair, September 20-25, was an important occasion for Canadian publishers. It marked the first time Canada has ever sent a display to this world-renowned event, which was first held in 1470. The display of some 400 Canadian books and magazines was made possible by a grant from the Canada Council and by the work and enthusiasm of H. E. Heinemann of Montreal, who assembled the books with the help of the Book Publishers' Association of Canada and the Association des Editeurs Canadiens. The volumes took their place beside the 100,000 others exhibited by about 2,000 of the world's publishing houses.

The titles included were selected for the most part from lists submitted by Canadian publishers, and final choices illustrated the character and variety of our publications, especially those that might interest Europeans.

The Frankfurt show is considered the most important annual commercial event in the literary world. Our participation this year brought orders for about \$10,000 worth of books, and we received, says Mr. Heinemann (who accompanied the exhibit to Frankfurt), many requests for translation, film and reprint rights. The volume of business should grow if Canada exhibits at this fair every year.

After the Frankfurt Fair ended, the Canadian exhibit was taken to Berlin where it appeared at the Free University, the American House, and the British Centre for one week each. The books will be left in Germany, a gift to the Free University, the American Memorial Library and West Berlin's central library.

What's current in commodities?

Automotive Parts

United States—Do you want to win a share of the big U.S. demand for automotive production parts and after-market parts? The author interviewed the purchasing officers of the big U.S. automobile companies to find out how you and other Canadian suppliers should go after this next-door market.

IAN MACDONALD, *Consul and Trade Commissioner, Detroit.*

"We need suppliers who are justifiably proud of their know-how, technical and sales people, their ability to deliver uniformly high-quality products on schedule at competitive prices . . . and at a fair profit so they can prosper and expand to keep pace with the changing nature of our products from year to year."

—*Ford Motor Company, Dearborn, Michigan.*

RECENT record-breaking auto sales in the United States and new import incentives present good opportunities for Canadian manufacturers and suppliers to renew their efforts to sell to the Big Three and to other automakers. These U.S. companies would welcome your efforts to join the ranks of their many suppliers. But before you introduce yourself to the Purchasing Department of General Motors, Ford and Chrysler in Detroit, or to other companies elsewhere, read this article to discover the qualifications and performance these companies expect of their suppliers, as told to your Trade Commissioner by the purchasing officers themselves.

Buyers Emphasize Quality

The automotive manufacturers buy tens of thousands of different production parts, service parts, equipment items, repair and main-

tenance parts, etc., and in almost all instances they want high quality in parts and materials at lowest cost. The insistence on quality extends beyond the products themselves to the financial standing of the supplier and the capabilities and physical equipment of his plant. Once the buyer is assured that a prospective supplier qualifies in these respects, he is prepared to place the company on an eligible list from which he selects potential suppliers.

Steps to Becoming a Supplier

If you have not already been introduced to United States automakers, consider the following steps to becoming a supplier:

1. Prepare a case for your company, emphasizing particularly your experience, engineering ability, competitiveness, suggestions for improved products or better production methods, reliability for scheduled delivery, and your history as a supplier to the Canadian auto industry.
2. Select a buyer or buyers in one or more divisions, plants or offices of the Big Three or other auto manufacturers listed below, including service parts division. (Note that service parts are bought from the production parts supplier as long as

he is supplying the production parts for the current model. Thereafter, the tools may be transferred to firms specializing in past-model service parts or new tooling purchased if the original tooling is not suitable for smaller production runs.)

3. Present your case to the buyer either in person, by letter or telephone, giving complete details of your Canadian operations, including date established, size of plant, number of employees, major present customers, production and sales volume, transport connections and your procedures for quality control inspection and tryouts. Strict quality control is essential. Emphasize your sales, if any, to the Canadian subsidiary and, if applicable, the fact that you already have tooling in your plant for some of the products required.

4. Once accepted as a potential supplier, request blueprints and specifications on items which you believe you can supply satisfactorily, if you are not already producing the component for the Canadian industry.

5. Report to buyer any manufacturing difficulties that you foresee and that might affect the quality of the parts. Suggest modifications if indicated.

6. Where feasible, be prepared to submit samples prepared on your own production tools.

7. Before beginning volume production, submit promptly samples turned out on regular production tools and quality inspected at your plant. Satisfactory performance at this stage is important.

8. When volume production is under way, maintain quality standards and rigid inspection. Do not leave this function to the customer. Where required, carry out durability tests periodically.

9. Invite and welcome visits to your plant by the automaker's technical personnel to discuss and eliminate any possible deficiencies.

Where to Start

The main purchasing centres of the major automakers in Michigan and Ohio are listed below. Names of responsible purchasing officers and other assistance can be obtained from the Trade Commissioner at Detroit.

General Motors Corporation, General Motors Building, 3044 West Grand Boulevard, Detroit 2, Michigan

Main purchasing offices in Michigan and Ohio (including defence products)

AC Spark Plug Division, 1300 North Dort Highway, Flint 2, Michigan

Buick Motor Division, 1051 East Hamilton Avenue, Flint 2

Buick-Oldsmobile-Pontiac Assembly Division, General Motors Building, Detroit 2, Michigan

Cadillac Motor Car Division, 2860 Clark Avenue, Detroit 32

Cadillac Motor Car Division, Cleveland Ordnance Plant, 6200 Riverside Drive, Cleveland 35, Ohio

Chevrolet Motor Division, Central Office Purchasing Department, 3044 West Grand Boulevard, Detroit 2

Deico Products Division, 329 East First Street, Dayton 1, Ohio

Detroit Diesel Engine Division, 13400 West Outer Drive, Detroit 28

Euclid Division, 5404 Darrow Road, Hudson, Ohio

Fisher Body Division, 30001 Van Dyke Avenue, Warren, Michigan

GMC Truck & Coach Division, 660 South Boulevard East, Pontiac, Michigan

Oldsmobile Division, 1014 Townsend Street, Lansing 21, Michigan

Pontiac Division, 196 Oakland Avenue, Pontiac 11

Saginaw Steering Gear Division, 3900 Holland Road, Saginaw, Michigan

Ternstedt Division, 30007 Van Dyke Avenue, Warren

In most cases it is advisable to seek the advice of the Central Purchasing Division at the General Motors Building, Detroit, as well as approaching the individual divisions listed above.

Ford Motor Company, Central Office Building, The American Road, Dearborn, Michigan (including defence products).

Central Purchasing Office, Dearborn, (purchases raw materials, machinery, tooling, etc.)

The Vice-President, Purchasing, at the Central Purchasing Office is assisted by a Director of Supply Relations in discussing matters of mutual interest with suppliers.

Each of the following divisions buys production parts and materials.

The Ford Division, 17101 Rotunda, Dearborn, (purchases production parts and assemblies, original and service, for all car lines and for tractor and implement divisions)

Metal Stamping Division, Body Engineering Building, Research and Engineering Center, Dearborn, (purchases production parts and materials, experimental materials, etc.)

Engine & Foundry Division, 3001 Miller Road, Dearborn

Transmission and Chassis Division, 36200 Plymouth Road, Livonia, Michigan

Hardware and Accessories Division, General Office and Rawsonville Plant, McKean and Textile Roads, Ypsilanti, Michigan

Chrysler Corporation, Corporate Purchasing Office and Central Buying Office, 341 Massachusetts Avenue, Highland Park, Michigan.

Power Train Group, 6230 John Road, Detroit

Stamping Group, 3675 East Outer Drive, Detroit

Service Parts and Accessories Division (Mopar), Center Line Office Building, 7000 East Eleven Mile Road, Center Line, Michigan.

Defence Group, 7000 East Eleven Mile Road, Center Line

Defence Operations Division, 7000 East Eleven Mile Road, Center Line

Detroit Tank Plant, 28251 Van Dyke Road, Center Line

American Motors Corporation, Administrative Offices, Subsidiaries Division, Body Purchasing Division, 14250 Plymouth, Detroit

Special Products Division (Defence Products), 12155 East Vernor, Detroit

Awarding a Contract

United States auto manufacturers are today highly ethical in the selection of suppliers and awarding of contracts. Generally they refrain from discussing with suppliers their competitors' prices, although they will inform an unsuccessful bidder where certain aspects of his price structure make him non-competitive. The automobile company generally does not reveal the price quoted by the successful supplier.

With certain exceptions, quotations are usually solicited from three or more potential suppliers. There is then strong incentive for the buyer to accept the lowest qualified bid.

Transportation costs, the U.S. customs duties, and customs brokerage charges must of course be included where applicable. Your traffic department and that of your customer should co-ordinate closely to obtain best freight rates and quickest service.

A contract is usually in the form of a purchase order showing details of the part to be supplied and the terms and conditions that the customer requires. In special cases this may be preceded by a letter of intent to enable the supplier to make preliminary preparations for his production run.

U.S. defence contracts offer a particular advantage to Canadian companies, because in many instances they permit Canadian im-

ports to enter the United States duty-free. Information on forthcoming opportunities to bid on sub-contracts for vehicle components, etc., can be obtained from the appropriate divisions of the auto companies and from the Department of Defence Production, Ottawa; DDP, 36 Adelaide Street East, Toronto; or the Canadian Liaison Officer DDP, c/o Detroit Ordnance District, 1580 East Grand Boulevard, Detroit 11.

Other Sales Opportunities

Although this article covers selling directly to the automobile manufacturers, it is well to keep in mind that their suppliers in the United States purchase, in turn, parts and materials for incorporation in their products. These suppliers, and the auto companies themselves, also offer a good market for raw materials and chemicals. They are in fact one of the largest single markets for chemicals, using vast quantities of plating chemicals, petroleum products, additives and ethylene glycol, in addition to such raw materials as zinc, lead, steel and rubber. They constitute one of the larger markets for plastics, synthetic fibres, solvents, sealers, paints and innumerable other chemical products.

Supplementary Sales Promotion

The direct approach to United States manufacturers is the most effective sales technique in dealing with Original Equipment Manufacturers accounts. This could be supplemented by participation in the Automotive Engineering Congress and Exhibition to be held January 14 to 18, 1963, at Cobo Hall, Detroit (details from Society of Automotive Engineers Inc., 485 Lexington Avenue, New York City 17), and the SAE Engine and Power Plants Show in Philadelphia in the fall. The International Automobile Services Industries Show is held each year in varying locations. The 1963 show is being held in Philadelphia, February 13 to 16, 1963, and is designed to reach primarily wholesalers and members

of the service trades, such as garages, service stations, fleet accounts, car dealers, etc.

Other sales techniques include advertising in trade publications such as the *SAE Journal* (which is directed at original equipment manufacturers), and in numerous other trade magazines designed to reach the fleet and trucking industry, the service and wholesale industries, etc. These techniques can be accompanied by the supply of 'point of sale' displays and literature, and direct mail campaigns. However, none of these methods is a substitute for a visit to potential customers by an experienced sales engineer or representative.

Recently the Canadian Government introduced new and effective

legislation, providing incentives for importers of automatic transmissions and engines to have their United States parent companies increase their imports of Canadian automobile parts. Almost all categories of Canadian automobile parts benefit from this legislation (as classified in the Canadian Tariff under Sections 438(a) to 438(u) inclusive). However, a few types of parts are not included nor are raw materials. To learn whether your products qualify under the above tariff sections, contact the U.S. Division, International Trade Relations Branch, Department of Trade and Commerce, Ottawa, or the Canadian Trade Commissioner, Detroit. ●

Israel—During its visit to Israel last spring, a Canadian Trade Mission found a \$3.4 million market for automotive parts, and promising opportunities for Canadian exporters.

R. MULVIHILL, *Commodities Branch.*

VIGOROUS promotion is all-important in breaking into the market for automotive parts in Israel where at present the quantity of Canadian automotive supplies sold is negligible. With a vehicle population of about 110,000 units (see Table I), Israel represents a spare parts market worth approximately \$3 million a year. Some Canadian manufacturers assuredly can compete against present United States and European suppliers.

Israeli importers commented on the luxury taxes on functional parts, and emphasized the necessity for a relaxation of import restrictions. In some cases, Israeli-made parts are more expensive than imported ones and in several assembly plants rigid inspection of all local castings and

forgings received for machining is necessary because of variations in quality. A relaxation of import controls could well force a higher standard of local production to meet the new import competition. Because of Israel's extensive development program, truck parts have priority over auto parts, and licences may be granted more freely for the former.

At present Israel produces 6,300 vehicles a year; Kaiser-Ilin produces 4,500 automobiles (3,000 Jeeps, 900 Larks, 600 others) and Autocar 1,800 units, all with fibreglas bodies. Production can be expected to increase. Both Kaiser-Ilin and Autocar are enjoying export trade and foresee enlarged overseas and domestic markets. Kaiser-Ilin has a

TABLE I
TYPES OF VEHICLES IN ISRAEL

Total	About 110,000
Of which:	
Private cars	35,000
Trucks	30,000
Buses	2,700
Taxis	2,500
Special purpose, ambulances, etc.	1,500
Road tractors	6,000
Trailers	2,000
Motorcycles and scooters	27,000

target production rate of 10,000 vehicles a year, to be achieved in two years. Both companies have firm plans for major plant expansion.

Kaiser-Ilin reports that in 1962 there will be a 45 per cent Israeli content in the Lark and 65 per cent Israeli content in the Jeep, an increase of 20 per cent in each over 1961. These high figures are achieved by the use of hand labour, a logical move when labour costs are basically quite low. It may be difficult, however, for such production methods to keep pace with a projected total assembly of 10,000 units.

Autocar makes a sports car, a station wagon, a pick-up truck and a few special-purpose vehicles. All major parts for these models are standard except for the sports car engine. Autocar hand-moulds a fibreglas body reinforced with steel bars or tubing. A small quantity of aluminum strip is required. The car is designed around a British Ford engine; the electricals, instruments, axles, front suspension assembly, propeller shaft and other major parts are British.

Markets for Canadians

The market for Canadian products may be considered under two headings: original equipment and replacement equipment.

Original Equipment — Kaiser-Ilin and Autocar are at present the only buyers in this field. Based on current production rates, there is a

limited field here for quotations on parts. Kaiser-Ilin would welcome inquiries from suppliers of: sealed beam units (about 10,000 are required annually, and are now being bought in the United States); shock absorbers; hubs, drums and rims; ball bearings; bushings; steering wheels; heater-defrosters (about 200 units are needed for cars exported to Finland); Jeep parts from government surplus; any other Canadian-made parts for Studebaker or the Willys Jeep that can meet U.S. delivered prices.

A high proportion of major Autocar parts are British-made. Sealed beam headlights, bearings, bushings and steering wheels present the best opportunities for Canadians in Autocar production.

Leyland Motors plans to assemble buses and trucks in Israel in 1962, but parts will likely come mainly from the parent company in Britain.

Replacement Equipment — This field, often called the "after market", involves repair and maintenance parts. The size of the market is governed largely by the number and variety of vehicles in service in the country.

The 1961-62 Israeli budget outlined import totals for parts and accessories in terms of dollars available. They were as follows:

Total permitted imports (estimate): \$3,400,000

Parts and accessories for trucks and commercial vehicles, except engines: \$1,585,000

Parts and accessories for passenger cars: \$1,000,000

Engines of all kinds, except motorcycles and scooters: \$750,000

The taxi business in Israel presents a peculiar situation. Cabs are of the seven-passenger type, of which 2,200 are Chryslers and 1,600 of them 1954 De Sotos. Parts for maintenance of the De Soto cabs are becoming hard to obtain in the United States. Some

TABLE II
ISRAEL NEEDS THESE PARTS

Clutch discs
Clutch assemblies
Carburetors
Fuel pumps
Water pumps
Dynamos
Generators
Starting motors
Armatures
Coil springs
Axle assemblies
Used engines for reconditioning
Sealed beam headlamps
Hubs } for passenger cars
Drums } and De Soto taxis
Steering wheels
Electric horns
Ignition contact points
Shock absorbers
Bearings
Bushings
Steering gears and columns
Piston rings

3,000 hubs and drums for these taxis are urgently needed. There are 5,000 Chrysler trucks in Israel from three-quarter ton to five tons; all require engine and transmission parts and rear axles, as well as fuel pumps and injectors for reconditioning. Table II lists the various parts Israel needs.

Generally speaking, the Israeli Government is anxious to encourage manufacture under licence in Israel. Inquiries from firms interested in manufacturing or having parts produced under licence in Israel for local use and export would be welcomed by the Industrial Development Bank. The bank is interested in attracting manufacturers, particularly in the fields of electricals, instruments, stampings, wiring harness and springs.

Correction

IN a Transportation Note on air services from Denmark to the Faroe Islands in our issue of October 20, 1962, their position was incorrectly given as southeast of Sweden. They are, of course, northwest of Scotland and roughly halfway between Iceland and Norway.

How We Cultivated New Export Markets

When Duplan of Canada wanted to find new European customers, it used a step-by-step approach that brought worthwhile results.

MILTON STOBER, *General Sales Manager, Duplan of Canada Ltd.,*
As told to O. Mary Hill.

MANY Canadian firms would like to step up their production and increase their sales by doing business abroad—if it isn't too much trouble. But when they are faced with setting up an export department, travelling to foreign markets, and adapting the product to the needs or tastes of foreign customers, their feeling often is, "We don't want to be bothered."

But Canadians can learn the techniques and can succeed in export trade. Some of them just need encouragement. The experience of our company, Duplan of Canada Limited, may help some potential exporters who are hesitating about taking the first steps.

Duplan began looking for customers in Europe about three years ago, when we set up our Export Department under the direction of Mr. Geoffrey Knowles. Mr. Knowles started in Britain, made excellent progress there, and then moved into Scandinavia. We were not trying to sell the whole range of our production but were concentrating on synthetic fabrics for use in rainwear and in casual wear. The logical move from Norway and Sweden was to some of the other Western European countries. Here, step by step, is the method developed by Mr. Knowles in the early days and used last spring in opening up business in six European countries—Belgium, Holland, France, West Ger-

many, Austria and Switzerland. Today we are sampling and selling in all of them.

One—Collect information on the markets you plan to visit

This is always the starting point. We collected information from many sources: magazines like *Foreign Trade*, trade journals, booklets and so on. We set up a folder on each country and into it we put articles clipped from newspapers and magazines or information obtained from other sources.

Next, we wrote to the Trade Commissioners stationed in Western Europe about six months ahead of the intended visit, telling them of our plans. We described what we wanted to sell and enclosed samples and included prices too—worked out to c.i.f. port of entry. And we talked in terms of metres not yards, and in grams not ounces.

We have found that if you want specific information from a Trade Commissioner, it is best to ask specific questions. We inquired about suppliers selling lines something like ours and whether domestic manufacturers were making similar materials. We asked about import duties, whether there were any import restrictions or quotas, and the usual terms of payment and discounts for cash. We sought their opinion on the most serious competition we would have to face.

Two—Analyze the information that you gather

When we had a good deal of information collected, we sat down to analyze it and to decide whether these markets really had potential and should be cultivated. When we had made up our minds to visit six countries where sales seemed possible, we wrote again to the Trade Commissioners in each country (about two months before the planned visit) and sent a copy of the probable itinerary. We asked advice on which centers to visit. In Switzerland, for example, we knew that the textile industry was centered around St. Gallen, but the Trade Commissioner in Berne told us that most of the agents had offices in Zurich and it was there that we spent most of our time. The Trade Commissioners, at our request, lined up appointments with agents who might be interested in representing Duplan.

Three—Spend enough time in each country to do an adequate job

Some exporters whistle through Europe at top speed, spending only a day or two in each country. This is a mistake. We tried to do our travelling over the weekend and then spend Monday through Friday in each country we visited. It's little enough time if your intention is to interview potential agents and possibly customers and to obtain a clear idea of the market. Shortly before we set out on the trip, we sent off letters confirming our itinerary and usually before we left one country we telephoned to the Trade Commissioner in the next, to make sure that all arrangements were firm and appointments scheduled.

Four—Select agents with care and don't make up your mind too quickly

Our system was to interview each agent more than once and to check with the Trade Commissioner and the banks, etc., about his financial standing, contacts in the trade, and

general reputation. Nor did we stop there. At a certain point we got a list of firms that might use our fabrics and went to call on them. We showed them our samples. "Beautiful," was a typical reaction, "where can we buy them?" "We're not here to sell you," we replied, "but to find a good agent. Whom do you recommend?" In this way we often got a line on a good man, well thought of in the trade.

You may have to sell your line to the agent. The better he is, the surer he wants to be that he is on to a good thing. He may not want to commit himself right away—and neither should you. Our preference is for the agency that is not handling too many accounts and will have time to push our product. We like an agent who is hungry, hard-working, and in need of more business. And we expect him not only to sell for us, but to keep us up-to-date on changes in the market, on what our competitors are doing, and on changes in taste and styles.

Five—When you have found a good agent, encourage and support him

Sometimes we do not make a final choice of agents until we return home and have time to think about it. Or we may make a verbal commitment to an agent and confirm it later. Duplan has a formal contract with each of its agents and usually this contract provides for a nine to twelve month trial period. Once we have decided on an agent, we give him ungrudging support. We keep in constant touch with him by mail. We answer his letters *immediately*—even if only to say that we will forward the information he wants later. We support him through an advertising program. We have a budget for overseas advertising and the advertisements are prepared here and forwarded to the agent, who sees to the translation and chooses the media (mainly European trade journals). We support him also by supplying products that are up to sample or better, and

by living up strictly to delivery dates.

We try also to be flexible in our dealings with agents. If an agent asks for an adjustment in price under certain circumstances, we study his request and, if we can, grant it. We invite our agents to come to Canada and if they do, take them through our plants and entertain them. Most of our agents work on commission; a few buy for their own account so that they can service smaller manufacturers.

Six—Have an export philosophy

The company that succeeds in export in the long run is, we are convinced, the one that has an export philosophy. The basis of it is a sincere desire to get into export trade and to stay in it. The real exporter doesn't look on foreign markets as places to get rid of surpluses from time to time. He sets aside a certain percentage of his production for foreign customers—and goes after those customers. Our company has discovered that it is best to begin in a small way, become established in one or two areas, and then spread out. It is important to set up a proper organization at home office and to become familiar with the mechanics of export. Remember that overseas customers (especially Europeans) are often more exacting than Canadians and your products must meet their standards. They also expect reasonable discounts—Europeans, we have found, ask for 3 per cent for cash or ten days and 2 per cent for 30 days. And you must have something different to offer to compensate for what are often higher Canadian prices.

Nothing is guaranteed in export—as every export manager knows. Here at Duplan we sometimes develop a good market for our fabrics and work up sales only to find that the country begins to make the fabric itself. Then we have to offer something new. But that's export trade—it is always changing and the successful exporter changes with it. ●

Export Control List Revised

FOLLOWING a review of items at present under export control, the Export Control List has been revised, effective January 1, 1963.

The Export Control List serves two purposes. It establishes the authority for control of the listed goods. It also serves as an indication to industry of goods for which export permits will generally not be forthcoming for shipments to Sino-Soviet Bloc destinations and for which due diligence must be observed to ensure that there is no diversion to the Sino-Soviet Bloc.

The current revision affects certain existing items, in some cases narrowing the coverage as, for instance, in deleting nickel ores and concentrates, and in other cases extending the coverage to include new developments of strategic importance, particularly in electronics and chemicals. Forty-one items have been thus amended. Four new items have been added: devices for generating electric energy in space applications, electric beam welding equipment, electric arc devices, and gravity meters for airborne and marine use. Four items have been deleted in their entirety: jig boring and grinding machines, forging hammers, certain types of marine steam boilers, and picric acid or trinitrophenol.

Certain types of synthetic rubber have been specified in the Chemicals Group in the revised Export Control List and the former group, "Rubber and Products", has been eliminated. The commodity groups have, in consequence, been renumbered. New reference numbers have been attached to the items in the List to provide for continuity in future revisions.

Recently, the United States Department of Commerce notified United States exporters that when they ship via Canada to a third country they must present to Canadian Customs an authenticated copy of the United States Shipper's Export Declaration. The revised Canadian Export Control List shows clearly that any goods shipped from the United States in transit in bond through Canada are excepted from the requirement for a Canadian export permit only if they are accompanied by an authenticated copy of the United States Shipper's Export Declaration which does not contain terms conflicting with those of the billing.

Copies of the Export Control List may be obtained on request from the Trade Services Branch, Department of Trade and Commerce, Ottawa.

Guatemala Imposes Exchange Controls

Flight of capital, fall in exchange reserves forced Government to impose exchange controls in mid-October. Imports of essentials remain unrestricted; import permits for others may be withheld.

H. E. LEMIEUX, *Commercial Counsellor, Guatemala City.*

ON October 12, 1962, for the first time in over 35 years, the Guatemalan Government put into effect a system of foreign exchange controls. This was done to stave off a further deterioration of the foreign exchange holdings, which by October had reached a new low estimated at between \$24 million to \$34 million. The measures were intended to check the flight of capital which had been gathering momentum ever since the political disturbances reached a climax last April. The complete text of the "Emergency System for International Monetary Transfers and Its Regulations", as it is officially known, covers over 16 foolscap single-spaced pages. A translation into English can be consulted in the Latin American Division of the Department of Trade and Commerce, Ottawa, and in this office.

Why Controls Needed

For decades, Guatemalan exporters have been entirely free from controls in all their operations. Importers had until last October complete liberty to import goods from abroad in unlimited amounts, regardless of the nature of the goods. As a result, over the past several years Guatemala has been importing annually an average of U.S.\$138 million worth of goods. Its exports have averaged in value approximately U.S.\$125 million a year, so

that the country has always had a deficit in its balance of trade. The Banco de Guatemala estimates that some 65 per cent of total imports can be considered essential and the rest as non-essentials or luxuries. This is the situation that led to the depletion of the foreign exchange reserves; the safe level is considered to be U.S.\$55 million. In most quarters, surprise has been expressed that the controls were not imposed earlier and, generally speaking, the public has come to accept the measure—sometimes with a certain degree of enthusiasm.

Main Features

All imports of essential goods into this country and all exports are subject to the licensing system. For these goods (the list is available from this office or the Latin American Division in Ottawa) the local importer goes through the normal procedure of applying for an import licence from the Bank of Guatemala, and the corresponding foreign exchange is automatically made available at the current official rate of exchange—one quetzal to the U.S. dollar. There are no quantitative restrictions on imports of essential goods, at least for the time being. The list of essential goods is extensive and again it is not practical to reproduce it here. However, the bulk of the items traditionally imported into this country from Canada are on that list.

For so-called non-essential and luxury goods no import licences are required but foreign exchange is not necessarily made available at the official rate.

The Banco de Guatemala, the Central Bank, has just announced that beginning November 25 importers of non-essential goods will be assigned a certain amount of foreign exchange equivalent to 50 per cent of the imports of non-essential goods effected by each importer during the months of November and December 1961. The charge of 2 per cent has been fixed on the value of the exchange licences for non-essential imports. The rate of exchange at which these non-essential and luxury goods are importable is the newly established free rate of exchange which, at the time of writing, is at a premium of from 4 to 5 per cent maximum over the fixed official rate of exchange.

At the time that the controls were put into effect, the Bank of Guatemala asked all owners of foreign holdings abroad or in Guatemala to declare these to the bank. Those who have declared them are free to use their own foreign exchange resources to import any class of merchandise, whether it is classified as essential or not—provided, as always, that an import licence has been obtained. The big disadvantage for the moment is the red tape involved in obtaining the required import and export licences and arranging for foreign exchange remittances. This difficulty is obviously administrative, and there is hope that within the next several weeks the Bank of Guatemala will have employed enough additional competent personnel for the smooth and prompt operation of the system.

Effect of Controls

Because the system was instituted just over six weeks ago, there has not yet been a significant decrease in imports. The foreign exchange reserves, however, have improved slightly and there is every reason to expect a marked gain within the next five or six months. The reason

is that the coffee crop, which normally yields about 70 per cent of total foreign exchange earnings, is now being exported and the cotton crop will be on its way to overseas markets within the next few weeks. By March or April, the foreign exchange reserves will almost certainly have returned to a safe level. Consequently the reasonable assumption is that by that time (and surely this is their intention) the authorities of the Bank of Guatemala will relax some of the controls on the import of non-essential and luxury goods. It is even possible that the quota system that came into effect by the end of November may be eliminated altogether. On the other hand, the likelihood is that the controls on exports and foreign exchange derived from exports will be retained indefinitely because of the danger of another massive flight of capital if they were relaxed.

Canadian Exporter Advised

In view of these controls, the following recommendations are made to the Canadian exporter:

1. That no shipments of goods included in the essential list be made to Guatemala before the exporter is certain that the importer has secured the corresponding import licence.
2. That no shipments of non-essential goods be made by Canadian exporters until they satisfy themselves that the importer has the foreign exchange available for payment on arrival, or that he will be able to obtain it at the time of the arrival of the goods, or that the exporter is prepared to authorize the collecting bank to deliver the documents against payment in local currency.
3. Because in most cases Canadian exporters will not be prepared to accept the risk of exchange and conversion, it is strongly recommended that non-essential goods be shipped to this country on sight draft, provided that the exporter is reasonably sure that the importer in Guatemala will be able to obtain the necessary exchange. ●



Eighty per cent of all Australia's wine is made from grapes grown in the Barossa Valley. Frank Stiller of South Australia last year won the grape-picking championship of this 40-mile-long valley by gathering 324 pounds in just thirty minutes.

Australia Promotes Wine Exports

Canada is an important market for Australia's wine and brandy producers. Quality control is slowly increasing reputation of Australian wines in overseas markets and production is rising.

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

WINE-MAKING, in terms of capital investment (£70 million) has become Australia's fourth largest agricultural industry. It has achieved this stature in just over 130 years; in 1830 a James Busby returned to Australia from a methodical tour of France, Germany, Spain and Portugal with 365 varieties of grapevines, the foundation stock of present-day Australian viticulture. In 1960-61, this country processed 225,000 tons of grapes for wine, its largest vintage ever.

South Australia is now the chief wine-producing state, although it is considered a comparatively late starter—it began to grow grapes some 50 years after the birth of the industry in New South Wales in 1788. The enthusiasm of the Lutheran settlers from Germany made their grapes South Australia's most important agricultural crop and the state now makes 80 per cent of all Australia's wine, mostly in the 40-mile-long Barossa Valley. This valley, named after the famous Barossa Valley of Spain and protected by rugged wooded hills, provides a well-drained soil and climate ideal for the growing of grapes for wine. New South Wales is the second largest producer, followed by Victoria and Western Australia and the small output in Queensland.

Range of Output

Australia made 35 million gallons of wine in 1960-61, some five million more than the 25-year average of 30 million. This total includes wines of every type, from light dry reds and whites and sweet dessert wines to sherries. (The latter range from very dry to sweet, including the cream types.) Australia's sparkling wines take their place among the best in the world.

Unlike Europe, Australia has few districts that make one special type of wine. Most of the wine-producing areas yield a range of varieties. It could be said generally that the Hunter Valley produces light types and that the Rutherglen district (in Victoria) is noted for its heavier varieties. In the Barossa Valley,

both light and heavy are produced, with equal success; there is no wine recognized by the world as a type that this prolific area does not produce. A smaller district in the south-east corner of South Australia is noted for its very light Bordeaux-type reds, which have a distinctive character of their own. Elsewhere—including the large irrigated vineyards along the banks of the Murray River, the longest river in Australia (1,300 miles)—the full-bodied as well as the delicate light wines are made, including champagne of excellent quality.

Improvement in quality has kept pace with the increasing output, as evidenced by the fact that Australian wines are consistent winners at European wine fairs, in competition with the finest vintages of the Continent. It has generally been assumed that only France can provide the finest in light wines, particularly the reds. Now, however, experts agree that Australia's finest light reds, though different in character due to differences in soil and climate, are as good as the comparable wines of any other country.

Exports

Wine exports totalled 1,927,795 gallons valued at £1,309,000 in 1960-61, an increase of 175,338 gallons and £28,000 over the previous year. Britain has traditionally been Australia's chief customer, buying more than two-thirds of all wine exports each year. Canada is the second-best customer and our purchases have increased considerably over the past few years. In

1956, Australia exported 177,000 gallons to Canada; in 1961, shipments reached 361,398 gallons.

The accompanying table shows Australia's principal wine markets in 1959-60 and 1960-61.

The best wines are made available for overseas markets, contrary to an often-expressed opinion that only inferior wines are exported. In addition, an Australian wine centre has been opened in Soho in London, more or less in reply to criticism levelled by Australians living abroad that they cannot obtain the better Australian wines. At this centre, every Australian brand-name wine is available.

Approximately 50 per cent of the exported varieties consist of dry table wines and the other half are the heavier fortified types such as sherry and port. The individual wineries handle the exporting. Every large firm of wine makers has its own agencies in the various countries to which it exports.

Canada Buys Brandy

Wine is not the only beverage made from grapes in Australia. Brandy too is produced in fairly large quantities. In 1959-60, 103,123 proof gallons of brandy valued at £160,219 were shipped to some thirty-five countries. In 1960-61 these exports fell by about £20,000 and 19,000 gallons, but in 1961-62 they achieved the highest figure in ten years—113,333 gallons.

Canada is the most important market for Australian brandy, taking more than half of total exports. In 1959-60 we imported 75,934

TABLE I
AUSTRALIA'S PRINCIPAL WINE MARKETS

Destination	1959-60		1960-61	
	(gallons)	A £	(gallons)	A £
Britain	1,314,581	810,112	1,373,455	740,169
CANADA	269,520	291,009	361,398	361,928
New Zealand	56,007	62,148	67,730	82,092
Malaya and Singapore	25,696	19,717	28,090	21,415
West Indies	25,655	22,281	22,284	16,994
Hong Kong	12,376	10,275	18,359	13,525
New Guinea	6,305	9,645	11,112	12,513
Other	42,317	55,906	45,367	60,369
Total	1,752,457	1,281,093	1,927,795	1,309,005

proof gallons valued at £98,700, and in the following year 53,000 gallons worth £73,000. Malaya and Singapore come next in importance as customers.

The bodies that control Australia's wine industry and that are behind the broad plan to ensure

that quality is maintained are the Australian Wine Board, the Federal Wine and Brandy Producers' Council of Australia, various state associations and the Australian Wine Research Institute.

The industry has established a good reputation both at home and

abroad and is determined to maintain this reputation. The Australian wine-maker is most co-operative in his response to the requirements of the Board and the Council and the world-wide recognition that Australian wines have won is an indication of the results achieved. ●

COMMODITY NOTES

Agricultural Equipment

UNITED STATES—Retail sales in the U.S. of major farm equipment will reach U.S.\$1.4 billion in 1963, an increase of about 3 per cent over 1962 sales, according to a speech given in St. Paul, Minnesota, by Mr. D. A. Coape-Arnold, president of the U.S. subsidiary of Massey-Ferguson. According to Mr. Coape-Arnold, "much of the dollar increase in retail farm equipment sales next year will be the result of the farmers purchasing the more sophisticated, higher-capacity equipment now coming off the industry's assembly lines." U.S. farm income is expected to decrease slightly next year because of surplus farm commodity controls, he said—Chicago.

Aluminum

FRANCE—The Ugine Company is adding 66 new electrolytic pots of 65,000 amperes, using the Söderberg process, at its Lannemezan (Hautes-Pyrénées) works to raise aluminum production there to 50,000 tons a year (1961 output: 39,000 tons). Half the alumina used is produced by Ugine at Barasse (Bouches-du-Rhône) and half comes from Fria in Guinea—Paris.

NORWAY—One of the world's largest producers of super-purity aluminum, A/S Vigeland Brug, Norway, recently celebrated its 50th anniversary. Before the war this firm produced ordinary grade aluminum, but in 1948 the reduction works were converted into an aluminum refining plant, based on the electrolytic three-layer method. The raw material is ordinary grade commercial aluminum (about 99.5 per cent aluminum), and the refined product is super-purity aluminum with a guaranteed minimum of 99.99 per cent aluminum. Among the outstanding characteristics of super-purity aluminum are excellent corrosion resistance, high ductility, high thermal and electric conductivity, excellent anodizing properties and high reflectivity. A/S Vigeland Brug produces about 2,800 tons a year, all of which is exported. The Vigeland output represents 10-12 per cent of total world production of this grade—Oslo.

Citrus Fruit

ISRAEL—1962/63 promises to be a good citrus crop year. The Ministry of Agriculture announced that the fruit in certain groves in the Jordan River Valley had ripened at the beginning of October, two weeks earlier than usual. The fruit met the stringent export qualifications. Exports of navel oranges started at the end of October and of Jaffa in early November. The Government's Fruit Control Department expect to license 250,000 crates for the European Christmas market. Last year only 56,000 crates were shipped by Christmas. The estimate for the total crop exceeds 11 million cases—Tel Aviv.

Diamonds

ISRAEL—Canada has become the eighth biggest buyer of Israel's diamonds. According to local statistics, Canadian importers purchased U.S.\$1,376,000 worth of diamonds in the first nine months of this year. The other leading purchasers in order of size are the United States, Hong Kong, the Netherlands, Belgium, Germany, Switzerland and Britain.

Diamond exports in the first seven months of 1962 reached U.S.\$46.3 million as against U.S.\$41 million for the same period last year. The 1962 total is expected to be \$80 million (1961: \$65 million). This is due to general development and increasing specialization.

The Diamond Syndicate in London, recognizing Israel as a leading supplier of diamonds, this year approved an increase from \$8.3 million to \$20 million in the annual quota of crude small stones. Limited quantities of other categories will also be made available.

Diamonds now head the list of Israel's exports. Specialists here believe that Israel now produces almost the total world output of small stones, known to the trade as meles—Tel Aviv.

Fish

UNITED STATES—Arkansas, Louisiana and Mississippi accounted for 20.2 per cent of the United States

1961 fish catch. Louisiana accounted for 643 million pounds, Mississippi 392 million, and Arkansas 6 million. Value of the catch totalled \$28.2 million—New Orleans.

Furniture

UNITED STATES—Next year retail furniture store sales in the U.S. Midwest are expected to be well above those of 1961 and 1962. At present 70 per cent of all furniture purchased is sold on a part-payment plan, and leading retailers forecast an increase in stepped-up instalment buying. Styles will probably continue to lean toward the traditional, with emphasis on early American and French provincial, according to a recent survey of 28 Midwest retailers with annual sales totaling U.S.\$47 million—Chicago.

Glue

CEYLON—The Ceylon Government is examining a project report for the establishment of a factory to produce gelatine and glue. The scheme envisages an investment of Rs.4.7 million in a plant that will produce about 450 tons of bare glue, 264 tons of hide glue, 66 tons of technical gelatine, 1,050 tons of bare meal, 300 tons of bare fat and 90 tons of hide fat. For the production of these items the factory will use byproducts such as fleshings from tanneries, hide and skin wastes from slaughterhouses, and animal bones—Colombo.

Hardware

CEYLON—The setting-up of a plant for the manufacture of hardware has been approved by the Ministry of Industries. All details have now been worked out with the assistance of Polish experts. The plant is to manufacture certain types of hand tools, including agricultural implements such as mamoties, crowbars, axes, forks, pickaxes, shovels, spades, etc. The total capital involved is estimated at about Rs.11.72 million—Colombo.

Marine Engines

CEYLON—The Fisheries Department has decided to standardize the engines fitted to powered fishing boats. At present ten types of marine diesel engines are used—Colombo.

Metallized Paper

PAKISTAN—A vacuum metallizing plant is to be established in Karachi to produce metallized paper, chiefly for packaging cigarettes, tea, pharmaceuticals, confectionery and cosmetics. It will have a capacity of about 25,000 square meters per shift, and will also treat textiles and plastics. The Industrial Development Bank of Pakistan will handle the financing and has

granted a foreign exchange loan from the second \$7.5 million German credit.

This new industry will save Pakistan considerable foreign exchange, including the approximately \$700,000 a year at present spent by the cigarette industry on imports of paper-backed aluminum rolls and metallized paper—Karachi.

Nuclear Fuel

MEXICO—The National Nuclear Energy Commission is building Mexico's first experimental unit for refining uranium concentrates. This will permit the extraction of uranium from nuclear-grade ammonium, from uranium oxide, and metallic uranium for the production of nuclear fuel—Mexico, D.F.

Oil

AUSTRALIA—The Queensland Minister for Mines has announced that the Union-Kern-Australian Oil & Gas group of companies will build a 200-mile pipeline from the Moonie oilfield to Brisbane. The pipeline will take more than a year to build and will cost an estimated A£5 million to A£7 million. However, assessment of the Moonie field has not been completed and there is no firm estimate of total reserves—Sydney.

Paper

UNITED STATES—Georgia took over top place in the country in 1961 as a producer of paper and board. It manufactured 2,297,020 tons, compared with Wisconsin's 2,252,549 tons. In 1960 Wisconsin produced 2,225,059 tons and led all other states. Georgia has moved up from ninth place in the 1950's to its present leadership. Between 1950 and 1961, its output increased 131.4 per cent, compared with Tennessee 241.9 per cent and Alabama 175.7 per cent. In moving up to first place, Georgia passed Florida, New Jersey, Maine, Pennsylvania, Ohio, Wisconsin and Michigan—New Orleans.

Particle Board

PAKISTAN—A particle-board plant with annual capacity of 8,400 tons is to be built in connection with a jute mill in East Pakistan. The board will be made from the sticks that remain after the jute fibre has been extracted from the jute plant. A West German process and equipment will be used—Karachi.

Plywood

ISRAEL—A new plant with a capacity of 7,000 cubic meters (over 3 million board feet) per year has been so built that it can be extended to three times its present size. It is the fifth plywood factory in Israel. Plywood output increased by 18,500 cubic meters (about 7.9 million board feet) in 1958, to a total of

46,500 cubic meters (about 20 million board feet) in 1961. All timber for the Israel plywood industry is imported, mainly from Africa's tropical forests—Tel Aviv.

Pulp

SWEDEN—Swedish pulp and paper mill machine manufacturers are to provide equipment for a large-scale extension of the pulp mill at Mönsterås, South Sweden, belonging to the Skogsägarnas Cellulosa AB. The extension will double the annual output of the mill, completed only a few years ago, to 150,000 tons by 1964.

The delivery will include a lime-sludge burning plant, equipment for continuous cooking and washing by the Kamyr system, and the wet part for a drying machine. With a length of 29 metres (95 feet) and a diameter of

4,200 millimetres (13 feet 9 inches), the continuous digester will feature a washing stage, which will be a novelty for Swedish mills.

On the east coast of Sweden, a wet part for a new drying machine is to be installed in a sulphate mill belonging to Ströms Bruks AB. Designed for an output of 150 tons of bleached sulphite pulp per 24 hours, this machine will have a working width of 3,200 millimetres (126 inches)—Stockholm.

Steel Cable

GHANA—Kaiser Engineers, the United States firm of consultants for Ghana's Volta River hydroelectric project, are to increase their investment in Ghana. It is reported the firm is considering opening a steel cable manufacturing plant similar to the one it has at San Francisco—Accra.

FOREIGN TARIFFS AND TRADE REGULATIONS

Colombia

CONSULAR FEE REDUCTION—Our Commercial Secretary in Bogotá reports the Colombian Government has just announced that, from January 1, 1963, the consular fee of U.S.\$5.00 per page charged for the legalization of consular invoices will be reduced to U.S.\$5.00 per invoice, regardless of the number of pages in any invoice.

IMPORT RESTRICTIONS RELAXED—The Canadian Commercial Secretary in Bogotá reports a partial lifting of the Colombian Government's ban on imports. According to Decree No. 3167 of December 6, 1962, imports with an estimated annual value of \$80 million have been transferred from the prohibited list to the permitted import list. Goods on this list may be freely imported and do not require a prior import permit.

Included among the liberalized products are these of interest to Canadian exporters: asbestos, newsprint, motors and other spares for vehicles and aircraft, most chemicals, pharmaceuticals and pharmaceutical raw materials, pigments and inks, fishing nets, aluminum and nickel.

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.

Trade Commissioners on Tour In Territory

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

Businessmen who would like Mr. Bailey to undertake assignments should get in touch with him at Bogotá.

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 .929422.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 14	Units per Canadian dollar	Notes (See below)
Argentina	Peso		.007741	129.18	
Austria	Schilling		.04166	24.00	
Australia	Pound		2.4133	.4144	
Bahamas	Pound		3.0166	.3315	
Belgium and Luxembourg	Franc		.02163	46.23	
Bermuda	Pound		3.0166	.3315	
Bolivia	Boliviano	Free	\$	\$	
Brazil	Cruzeiro	Official Free	.002301	434.59	
		Special Category	†	†	
Britain	Pound		3.0166	.3315	
British Guiana	Dollar		.6285	1.59	
British Honduras	Dollar		.7541	1.33	
Burma	Kyat		.2259	4.43	
Ceylon	Rupee		.2262	4.42	
Chile	Escudo	Free	.4668	2.14	
Colombia	Peso	Certificate	\$	\$	
Congo, Republic of	Franc		.02163	46.23	
Costa Rica	Colon		.1624	6.16	
Cuba	Peso		‡	‡	
Czechoslovakia	Koruna		.1494	6.69	
Denmark	Krone		.1560	6.41	
Dominican Republic	Peso		1.0759	.9294	
Ecuador	Sucre	Official	.05977	16.73	
		Free	.04761	21.00	
El Salvador	Colon		.4304	2.32	
Fiji	Pound		2.7177	.3679	
Finland	Markka		.003362	297.44	
France, Monaco, etc.	New franc		.2195	4.55	(1)
Franco-African Republics, etc.	Franc		.004390	227.79	(2)
French Pacific	Franc		.01207	82.85	(3)
Germany	D Mark		.2693	3.71	
Ghana	Pound		3.0166	.3315	
Greece	Drachma		.03586	27.89	
Guatemala	Quetzal		1.0759	.9294	
Haiti	Gourde		.2152	4.65	
Honduras	Lempira		.5380	1.86	
Hong Kong	Dollar	Free	.1880	5.32	
		Official	.1885	5.30	*Nov. 23
Iceland	Krona	Official	.02502	39.97	(4)
India	Rupee		.2262	4.42	
Indonesia	Rupiah	Official	.02391	41.82	(4)
Iran	Rial		.01420	70.40	
Iraq	Dinar		3.0126	.3319	

#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 Dec. 14	Units per Canadian dollar	Notes (See below)
Ireland	Pound		3.0166	.3315	
Israel	Pound		.3586	2.79	
Italy	Lira		.001733	577.03	
Japan	Yen		.002989	334.56	
Lebanon	Pound	Free	.3531	2.83	
Mexico	Peso		.08608	11.62	
Morocco	Dirham		.2152	4.65	
Netherlands	Florin		.2989	3.34	
Netherlands Antilles	Florin		.5705	1.75	
New Zealand	Pound		2.9960	.3338	
Nicaragua	Cordoba		.1537	6.51	
Nigeria	Pound		3.0166	.3315	
Norway	Krone		.1507	6.63	
Pakistan	Rupee		.2262	4.42	
Panama	Balboa		1.0759	.9294	
Paraguay	Guarani	Free	.008721	114.66	
Peru	Sol	Free	.04011	24.93	
Philippines	Peso	Free	.2758	3.62	
Portugal & Colonies	Escudo		.03742	26.72	(5)
Singapore and Malaya	Straits dollar		.3515	2.84	
South Africa (Republic of)	Rand		1.5083	.6630	
Spain and Dependencies	Peseta		.01793	55.76	
Sweden	Krona		.2073	4.82	
Switzerland	Franc		.2493	4.01	
Syria	Pound	Free	.3003	3.33	
Thailand	Baht	Free	.05062	19.75	(4)
Tunisia	Dinar		2.5930	.3856	
Turkey	Lira		.1195	8.37	(4)
United Arab Republic	Pound	Official	2.4747	.4041	
United States	Dollar		1.0759375	.929422	
Uruguay	Peso	Free	.09812	10.19	
Venezuela	Bolivar	Controlled market rate	.3215	3.11	
		Official Free	.2378	4.20	
West Indies	Dollar		.6285	1.59	(6)
	Pound		3.0166	.3315	(7)
Yugoslavia	Dinar	Official	.001435	696.86	

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.

Foreign Trade Service Abroad

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Argentina Paraguay	C. O. R. Rousseau Commercial Counsellor J. G. Ireland Assistant Commercial Secretary	Canadian Embassy Bartolome Mitre 478 BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 33-8237
Australia (Capital Territory New South Wales, Northern Territory Queensland) Dependencies	S. V. Allen Commercial Counsellor for Canada R. L. Richardson Assistant Commercial Secretary E. E. Price Assistant Commercial Secretary	21st Floor A.M.P. Building Circular Quay SYDNEY	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Phone:</i> 27-7565
Australia (Victoria, South Australia, Western Australia, Tasmania)	H. A. Gilbert Commercial Counsellor for Canada I. R. Smyth Assistant Commercial Secretary	Mobile Centre 2 City Road SOUTH MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 61-3473
Australia	R. B. Nickson Commercial Counsellor	Office of the High Commissioner for Canada State Circle CANBERRA	<i>Mail:</i> (City Address) <i>Cable:</i> DOMCAN <i>Phone:</i> U-1304 <i>Telex:</i> CBA C217 (DOMCAN CBA)
Austria Albania, Bulgaria, Czechoslovakia, Hungary, Rumania, Yugoslavia	C. J. Van Tighem Commercial Counsellor for Canada P. A. Freyseng Assistant Commercial Secretary	Opernringhof Opernring 1 VIENNA 1	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 57-25-97 <i>Telex:</i> 1-3380 (DOMCAN VIENNA)
Belgium Luxembourg, European Economic Community, European Atomic Energy Com- munity, European Coal and Steel Community	L. H. Ausman Commercial Counsellor A. A. Lomas Commercial Secretary P. T. Eastham Commercial Secretary	Canadian Embassy 35 rue de la Science BRUSSELS 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 13.38.50 <i>Telex:</i> 0-2613 (DOMCAN BRU)
Brazil	Wm. Jones Commercial Counsellor Malcolm Rowan Assistant Commercial Secretary	Canadian Embassy Edificio Metropole Av. Presidente Wilson 165 RIO DE JANEIRO	<i>Mail:</i> Caixa Postal 2164-ZC-00 <i>Cable:</i> CANADIAN <i>Phone:</i> 42-4140 <i>Telex:</i> RIO 175 (DOMINION RIO)
Brazil	D. M. Holton Consul and Trade Commissioner R. H. Gayner Consul and Assistant Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Phone:</i> 36-6301
Britain	B. C. Butler Minister (Commercial) S. G. Tregaskes Commercial Counsellor J. M. Rochon Commercial Counsellor (Metals and Minerals) D. B. Laughton Commercial Counsellor (Agriculture)	Office of the High Commissioner for Canada One Grosvenor Square LONDON, W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING, LONDON, W.1 <i>Phone:</i> Mayfair 9492 <i>Telex:</i> 2-2526, OR 2-8240 (DOMINION LDN)

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Britain	W. M. Miner Commercial Secretary (Agriculture)		
	E. J. Ward Commercial Secretary (Timber)		<i>Cable:</i> TIMCOM, LONDON, W.1
	L. D. Burke Commercial Secretary		
	O. Hickie Assistant Commercial Secretary (Timber)		
	G. W. Rooney Assistant Commercial Secretary (Industrial Development)		
	E. L. Bobinski Assistant Commercial Secretary		
	Miss M. A. Armstrong Attaché (Exhibitions)		
	H. G. Garland Attaché (Fisheries)		
Britain (Midlands, North England)	W. R. Van Canadian Government Trade Commissioner	Martins Bank Building Water St. LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> MARitime 2177
	C. M. Kerr Assistant Trade Commissioner		
Britain (Scotland)	Finlay Sim Canadian Government Trade Commissioner	Cornhill House 144 West George St. GLASGOW C.2	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Phone:</i> Douglas 6751
	N. L. Williams Assistant Trade Commissioner		
Britain (Northern Ireland)	Finlay Sim Canadian Government Trade Commissioner	15-17 Chichester St. BELFAST 1	<i>Mail:</i> (City Address) <i>Phone:</i> 21867
	N. L. Williams Assistant Trade Commissioner		
Ceylon	Commercial Secretary (absent)	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> CANADIAN <i>Phone:</i> 91341
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	G. L. Gagne Assistant Commercial Secretary		
Colombia Ecuador	J. H. Bailey Commercial Secretary and Consul	Canadian Embassy Edificio Banco de Los Andes Carrera 10, No. 16-92 BOGOTA	<i>Airmail:</i> Apartado Aereo 8582 <i>Surface Mail:</i> Apartado 1618 <i>Cable:</i> CANADIAN <i>Phone:</i> 43-00-65
	R. A. Bull Assistant Commercial Secretary		
Congo	Chargé d'Affaires	Canadian Embassy C.C.C.I. Building Boulevard Albert 1er LEOPOLDVILLE 1	<i>Mail:</i> Boîte Postale 8341 <i>Cable:</i> CANADIAN <i>Phone:</i> 2706 <i>Telex:</i> LEO 68 (DOMCAN LEO)

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Cuba	Commercial Division	Canadian Embassy Calle 30 No. 518 esquina 7 ^a Avenida Miramar HAVANA	<i>Mail:</i> Gaveta 6125 <i>Cable:</i> CANADIAN <i>Phone:</i> 32-3526
Denmark Greenland, Poland	K. Nyenhuis Commercial Counsellor	Canadian Embassy Prinsesse Maries Allé 2 COPENHAGEN V	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> Hilda 3306
Dominican Republic Puerto Rico	J. C. Leith Acting Commercial Secretary and Vice Consul	Canadian Embassy Edificio Copello 408 Calle El Conde SANTO DOMINGO	<i>Mail:</i> Apartado 1393 <i>Cable:</i> CANADIAN <i>Phone:</i> 2-8138
France Algeria, Morocco	A. G. Kniewasser Commercial Counsellor R. G. Woolham Assistant Commercial Secretary Y. C. Jauron Assistant Commercial Secretary G. P. Morin Assistant Commercial Secretary D. H. M. Branion Assistant Commercial Secretary	Canadian Embassy 35 Avenue Montaigne PARIS 8e	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> BALzac 99-55 <i>Telex:</i> 2-0600 (DOMCAN PARIS)
Germany Federal Republic (States of Baden-Wurt- temberg, Bavaria, Hesse, Rhineland-Palatinate, Saar)	J. A. Stiles Commercial Counsellor W. F. Hillhouse Commercial Counsellor (Agriculture) C. Renaud Assistant Commercial Secretary	Canadian Embassy Frankengrabenstrasse 35 BAD GODESBERG	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 21971 <i>Telex:</i> 886421 OR 886422 (DOMCAN BONN)
Germany (State of North-Rhine- Westphalia)	H. E. Campbell Consul Louis de Salaberry Vice Consul	Canadian Consulate Bismarckstrasse 95 4 DUESSELDORF 1	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 2-05-25
Germany (City States of Bremen and Hamburg, States of Lower Saxony and Schleswig-Holstein)	R. E. Gravel Consul General Richard Turcotte Vice Consul	Canadian Consulate General Ferdinandstrasse 69 HAMBURG	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 326149
Ghana Guinea, Ivory Coast, Mali, Mauretania, Togo, Upper Volta	K. F. Osmond Commercial Counsellor P. A. Thébèrge Assistant Commercial Secretary	Office of the High Commissioner for Canada E 115/3 Independence Ave. ACCRA	<i>Mail:</i> P.O. Box 1639 <i>Cable:</i> CANADIAN <i>Phone:</i> 4824
Greece Turkey	B. A. Macdonald Commercial Counsellor F. I. Wood Assistant Commercial Secretary	Canadian Embassy 31 Vassilissis Sophias Ave. ATHENS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 74044

**Mail and Cables,
Office Telephone & Telex**

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Guatemala Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	H. E. Lemieux Commercial Counsellor K. D. Taylor Assistant Commercial Secretary	Canadian Embassy 5a Avenida 11-70, Zone I GUATEMALA CITY, C.A.	<i>Airmail:</i> P.O. Box 400 <i>Surface Mail:</i> P.O. Box 444 <i>Cable:</i> CANADIAN <i>Phone:</i> 28448
Haiti	Chargé d'Affaires, a.i. and Consul	Canadian Embassy Route du Canape Vert St. Louis de Turgeau PORT AU PRINCE	<i>Mail:</i> P.O. Box 826
Hong Kong Cambodia, Communist China, Laos, Vietnam, Macao	R. K. Thomson Senior Canadian Government Trade Commissioner J. M. T. Thomas Assistant Trade Commissioner N. R. Gish Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg. HONG KONG	<i>Mail:</i> P.O. Box 126 <i>Cable:</i> CANADIAN <i>Phone:</i> 27743
India (except States of Gujerat, Maharashtra, Andhra Pradesh, Mysore, Madras, Kerala) Bhutan, Nepal, Sikkim	G. A. Newman Commercial Counsellor for Canada J. H. Suggitt Assistant Commercial Secretary	13 Golf Links Road NEW DELHI 1	<i>Mail:</i> P.O. Box 11 <i>Cable:</i> CANADIAN <i>Phone:</i> 74261
India (States of Gujerat, Maharashtra, Andhra Pradesh, Mysore, Madras, Kerala)	B. Horth Acting Canadian Government Trade Commissioner	Gresham Assurance House Mint Road BOMBAY 1-BR	<i>Mail:</i> P.O. Box 886 <i>Cable:</i> CANADIAN <i>Phone:</i> 255154
Indonesia	Commercial Division	Canadian Embassy Djl. Budi Kemuliaan No. 6 DJAKARTA	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> Gambir 1313
Iran	Commercial Division	Canadian Embassy Bezrouke Building Corner of Takht Jamshid Ave. and Forsat St. TEHRAN	<i>Mail:</i> P.O. Box 1610 <i>Cable:</i> CANTRACOM <i>Phone:</i> 4-9291
Ireland	P. V. McLane Commercial Counsellor for Canada	66 Upper O'Connell St. DUBLIN	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 44251
Israel Cyprus	B. C. Steers Commercial Secretary for Canada	35 Carlebach St. TEL AVIV	<i>Mail:</i> (P.O. Box 20140) <i>Cable:</i> CANADIAN <i>Phone:</i> 221203
Italy Libya, Malta	J. H. Stone Commercial Counsellor M. S. Strong Commercial Secretary W. J. Jenkins Commercial Secretary	Canadian Embassy Via G. B. De Rossi 27 ROME	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 864-327 <i>Telex:</i> RMO 86 (RMO 86 DOMCAN OR RMO 56 DOMCAN)

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Jamaica Bahamas, British Honduras	R. W. Blake Commercial Counsellor R. H. M. Cathcart Assistant Commercial Secretary	Office of the High Commissioner for Canada Barclays Bank Building King St. KINGSTON	<i>Mail:</i> P.O. Box 225 <i>Cable:</i> CANADIAN <i>Phone:</i> 26948
Japan Korea, Okinawa	A. P. Bissonnet Commercial Counsellor J. D. Blackwood Commercial Secretary D. A. Hilton Assistant Commercial Secretary	Canadian Embassy 16, Omote-Machi 3-chome, Akasaka, Minato-ku TOKYO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 408-2101/8 <i>Telex:</i> TK 2218 (DOMCAN TK 2218)
Lebanon Iraq, Jordan, Persian Gulf area, Syria	L. A. Campeau Commercial Counsellor C. E. Rufelds Assistant Commercial Secretary	Canadian Embassy Alpha Building Rue Clemenceau BBIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN <i>Phone:</i> 250955
Mexico	F. B. Clark Commercial Counsellor H. S. Hay Assistant Commercial Secretary	Canadian Embassy Melchor Ocampo 463, 7th Floor MEXICO 5, D.F.	<i>Mail:</i> Apartado 25364 <i>Cable:</i> CANADIAN <i>Phone:</i> 25-15-60
Netherlands	J. C. Britton Commercial Counsellor J. E. Montgomery Assistant Commercial Secretary	Canadian Embassy Sophialaan 5-7 THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 61-41-11 <i>Telex:</i> 31270 (DOMCAN HAGUE)
New Zealand Fiji, Samoa, Tahiti, Tonga	W. B. McCullough Commercial Counsellor C. A. Carruthers Assistant Commercial Secretary	Office of the High Commissioner for Canada Government Life Insurance Bldg. WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Phone:</i> 70-644 <i>Telex:</i> WGN 9 (DOMCAN WGN)
Nigeria Cameroun, Dahomey, Gambia, Liberia, Niger, Senegal, Sierra Leone	H. W. Richardson Commercial Counsellor J. R. Caux Assistant Commercial Secretary	Office of the High Commissioner for Canada Barclays Bank Building, 4th Floor 40 Marina Road LAGOS	<i>Mail:</i> P.O. Box 851 <i>Cable:</i> CANADIAN <i>Phone:</i> 25262
Norway Iceland	M. B. Bursay Commercial Counsellor M. R. Bell Assistant Commercial Secretary	Canadian Embassy Fridtjof Nansens Plass 5 OSLO	<i>Mail:</i> P.O. Box 1379—Vika <i>Cable:</i> CANADIAN <i>Phone:</i> 33-30-80
Pakistan Afghanistan	J. E. P. Lancaster Commercial Secretary J. A. Elliott Assistant Commercial Secretary	Office of the High Commissioner for Canada Hotel Metropole, Victoria Road KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Phone:</i> 50322 <i>Telex:</i> KRC 10

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Peru Bolivia	K. G. Ramsay Commercial Secretary D. J. McEachran Assistant Commercial Secretary	Canadian Embassy Edificio Boza, Carabaya 831 Plaza San Martin LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Phone:</i> 72760
Philippines Republic of China (Taiwan)	J. L. Mutter Consul General and Trade Commissioner W. B. Walton Consul and Assistant Trade Commissioner	Canadian Consulate General L & S Building, 3rd Floor 1414 Dewey Boulevard MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Phone:</i> 5-85-97
Portugal Azores, Cape Verde Islands, Madeira, Portuguese Guinea	T. J. Monty Commercial Counsellor	Canadian Embassy Rua Marques de Fronteira No. 8—4° D° LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 53117
Rhodesia and Nyasaland Kenya, Seychelles Is., Uganda, Zanzibar	L. S. Glass Canadian Government Trade Commissioner	8th Floor Grindlays Bank Chambers Baker Ave. SALISBURY	<i>Mail:</i> P.O. Box 2133 <i>Cable:</i> CANTRACOM <i>Phone:</i> 26571
Singapore Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	E. H. Maguire Canadian Government Trade Commissioner Geo. Hazen Assistant Trade Commissioner D. S. McCracken Assistant Trade Commissioner	American International Building Robinson Road and Telegraph St. SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Phone:</i> 74260
South Africa (Natal, Orange Free State, Transvaal) Malagasy, Mauritius, Mozambique, Reunion	C. R. Gallow Canadian Government Trade Commissioner L. J. Taylor Assistant Trade Commissioner	Mobil House 17th Floor, Corner Rissik and De Villiers Sts. JOHANNESBURG	<i>Mail:</i> P. O. Box 715 <i>Cable:</i> CANADIAN <i>Phone:</i> 33-2628
South Africa (Cape Province), St. Helena, South West Africa	M. R. M. Dale Canadian Government Trade Commissioner R. G. Godson Assistant Trade Commissioner	13th Floor African Life Centre St. George's St., CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANADIAN <i>Phone:</i> 2-5134/5
Spain Balearic Islands, Canary Islands, Gibraltar, Rio Muni, Rio de Oro	M. T. Stewart Commercial Counsellor R. M. Dawson Assistant Commercial Secretary	Canadian Embassy Edificio Espana Avenida de Jose Antonio 88 MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Phone:</i> 47-54-00
Sweden Finland	G. A. Browne Commercial Counsellor	Canadian Embassy Strandvagen, 7-C STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Phone:</i> 67-92-15
Switzerland Tunisia	S. G. MacDonald Commercial Counsellor J. H. Nelson Assistant Commercial Secretary	Canadian Embassy Kirchenfeldstrasse 88 BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> 44-63-81 <i>Telex:</i> 2-2386 (DOMCAN GENEVE)

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Trinidad and Tobago Barbados, Windward and Leeward Islands, British Guiana, French Guiana, Surinam, Guadeloupe, Martinique	R. F. Renwick Commercial Counsellor	Office of the High Commissioner for Canada Colonial Building 72 South Quay PORT-OF-SPAIN	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Phone:</i> 34787
	C. J. St. Pierre Assistant Commercial Secretary		
Union of Soviet Socialist Republics	R. V. N. Gordon Commercial Counsellor	Canadian Embassy 23 Starokonyushenny Pereulok Moscow	<i>Mail:</i> (City Address) <i>Cable:</i> CANAD <i>Phone:</i> 415142
United Arab Republic Aden, Sudan, Ethiopia, Saudi Arabia, Yemen	W. Gibson-Smith Commercial Counsellor	Canadian Embassy 6 Sharia Rouston Pasha Garden City CAIRO	<i>Mail:</i> Kasr el Doubara Post Office <i>Cable:</i> CANADIAN <i>Phone:</i> 23110
United States	M. Schwarzmann Minister (Economic)	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> DEcatur 2-1011
	W. J. Van Vliet Commercial Counsellor (Agriculture)		
	R. R. Parlour Commercial Counsellor		
	N. W. Boyd Commercial Secretary		
	J. MacNaught Commercial Secretary (Agriculture)		
	S. G. Harris Assistant Commercial Secretary		
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	R. D. Sirrs Consul and Assistant Trade Commissioner		
	W. G. Huxtable Consul and Assistant Trade Commissioner		
United States (Maine, Massachusetts, New Hampshire, Rhode Island, Vermont)	J. C. Depocas Consul and Trade Commissioner	Canadian Consulate General 607 Boylston St. BOSTON 16	<i>Mail:</i> (City Address) <i>Phone:</i> COngress 2-1245 <i>Telex:</i> 0-094-567
	L. D. R. Dyke Consul and Assistant Trade Commissioner		

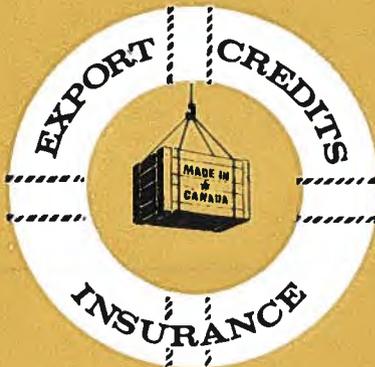
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United States California (the ten south- ern counties), Clark County in Nevada, Arizona, New Mexico	G. F. J. Osbaldeston Consul and Trade Commissioner R. C. Anderson Consul and Assistant Trade Commissioner	Canadian Consulate General 510 West Sixth St. LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Phone:</i> MADison 2-2233 <i>Telex:</i> 0-06-74119
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United States (Delaware, Maryland, the nine southern coun- ties of New Jersey, Pennsylvania, Virginia, West Virginia)	W. J. Millyard Consul and Trade Commissioner J. B. McLaren Consul and Assistant Trade Commissioner	Canadian Consulate 3 Penn Center Plaza PHILADELPHIA 2	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> LOcust 35838
United States California (except the ten southern counties), Wyoming, Nevada (ex- cept Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General 333 Montgomery St. SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Phone:</i> YUkon 1-2670 <i>Telex:</i> 0-03-431
United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General The Tower Building Seventh Avenue at Olive Way SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Phone:</i> MUtual 2-3515 <i>Telex:</i> 0-032-462
Uruguay Falkland Islands	Commercial Division	Canadian Embassy No. 1409 Avenida Agraciada Piso 7° MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Phone:</i> 96096
Venezuela Netherlands Antilles	W. D. Wallace Commercial Counsellor D. I. Campbell Assistant Commercial Secretary	Canadian Embassy Avenida La Estancia No. 10 Ciudad Comercial Tamanaco CARACAS	<i>Mail:</i> Apartado 11452-Este <i>Cable:</i> CANADIAN <i>Phone:</i> 32.40.41.44



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