

Canada's Foreign Trade in 1962 (page 3)

Orbiting the Trade World -- April 16 to May 3



FOREIGN TRADE

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Canada's Foreign Trade in 1962 3

Larger exports and imports to and from the United States highlighted a record trading year. Using text, tables and a chart, a statistician analyses the pattern of our 1962 trade, points out where we made our bigger gains and losses.

Foreign Market Conditions 7

The economist directs his attention to trends abroad and their implications for exporters. His findings: slackening in world demand, rise in productive capacity, certain strengths in Canada's position that favour further export gains.

The Access to Markets in . . .

Our International Trade Relations Branch reviews briefly the practical problems of gaining entry to desired markets—import or foreign exchange controls, quotas, tariffs and other competitive factors—and the continuing trend to liberalization.

Western Europe	11	United States	13
Latin America	11	Middle East	14
Commonwealth	12	Far East	15

Selling through Manufacturers' Representatives 17

Six of the Trade Commissioner Service offices in the United States brief the exporter on one widely used and successful method of reaching customers there.

New York Area	20	Midwest States	22
Pennsylvania	20	Southern California, Southwest	22
Michigan and Ohio	21	Southern States	23

How to Sell to U.S. Volume Retailers 16

Canada's Trade Fair Program 1963 24

How Air Freight Aids Exports 26

Canada in Foreign Markets	10	Foreign Trade Service Abroad	34
Commodity Notes	27	Head Office Directory	29
Foreign Exchange Rates	27	Markets in Brief	44
Foreign Tariffs and Trade Regulations	28		

COMING—ITALY, AN EXPANDING MARKET, APRIL 20 ISSUE



THIS special issue of "Foreign Trade" has been designed particularly for the exporter or potential exporter who has booked appointments at the Second Export Trade Promotion Conference here in Ottawa. I am sure other readers will also find it useful. It takes a look at the encouraging rise in our trade last year, discusses conditions in our main markets and our access to them, and outlines one method of selling in the largest of them, the United States. I commend it to you.

The conference that opens on April 16 marks another stage in the wide-ranging export promotion program that the Department of Trade and Commerce embarked upon in the autumn of 1960. Since the first conference took place, the work of encouraging Canadian producers to take greater interest in exporting has gone steadily forward. Provincial trade promotion conferences, the regional Samples Shows and the National Show held this week, the visit of 178 machinery and equipment buyers from five continents to our machinery plants at the end of March—all of these have been part of a many-sided campaign to sell Canada's products abroad. Statistics confirm the resulting surge forward in our export trade.

Some of the Canadian businessmen who have sought interviews with our Trade Commissioners from April 16 to May 3 will be attending an export conference for the second time. Many of them came to the first one without export experience. Since then, they have made headway in foreign markets through their own enterprise and the timely help of the Department. They return better prepared, conscious of their precise problems, and ready to benefit from the expert counsel of the Trade Commissioners.

Others are coming to this conference for the first time to discover whether they really can sell in overseas markets. I am confident that the information they acquire and the encouragement they receive will stimulate them to follow their colleagues into the export field.

To all of you who are coming to this conference, I extend a welcome on behalf of the Department of Trade and Commerce. I hope that your discussions will be fruitful and the results rewarding.

*M. Wallace McCutcheon,
Minister of Trade and Commerce.*

Canada's Foreign Trade in 1962

- Total trade rose to over \$12.6 billion, a new record.
- Exports went up 7.7 per cent to some \$6.34 billion.
- Sales to the U.S. increased 16.5 per cent to \$3.7 billion.
- Newsprint continued to be leading export; wheat was second.
- Shipments of petroleum, iron ore made spectacular gains.

WILLIAM G. STARK,

External Trade Division, Dominion Bureau of Statistics.

THE year 1962 was one of exceptional success in Canadian trade and the unique opportunities offered to Canadian producers have had widespread effects. For the first time in our history, the value of our foreign trade exceeded \$12 billion. Total trade, exports and imports all attained new records and, for the second year in succession in the last decade, exports exceeded imports. The accompanying chart (page four) illustrates these movements in Canadian trade statistics during the last ten years.

Canada's total trade in 1962 with all countries was valued at \$12,616 million, the highest figure ever recorded, and a gain of more than 8 per cent over the previous peak of \$11,666 million in 1961. Both exports and imports reached new highs during the year: total exports rose 7.7 per cent to almost \$6,348 million from \$5,895 million in 1961, and imports advanced 8.6 per cent to \$6,268 million from \$5,771 million. There was thus an estimated export trade surplus in 1962 of nearly \$80 million compared with \$124 million in the preceding year, the second surplus since 1952.

During 1962 there was an upward trend in exports; although actual values oscillated from month to month, the total for each month, with only two exceptions, was above that of the corresponding month in the preceding year. Imports rose quite sharply on this comparative

basis during the first seven months of 1962, the rate of increase slowed in the next three months, and in the last two, imports were less than in the corresponding months of 1961. Part of the increase in the value of exports and imports was due to the difference in the exchange value of the Canadian dollar but the physical volume of trade during the year recently ended also made a significant gain. Table I gives summary statistics of exports, imports and trade totals over the past five years, including percentage changes during the last two years, all of which reveal gains (see page five).

Direction of Trade

The most notable change in both export and import trade in 1962 was the greater activity with the United States, Canada's principal trading partner. Total exports to the U.S. in 1962 were valued at nearly \$3,745 million and imports at \$4,310 million, both peak figures in our trade with that country and representing increases of 16.5 and 11.5 per cent respectively over totals in the preceding year. The growth in exports to the United States was noticeable throughout the year, although the rate of increase was sharper in the first six months. Imports, which rose considerably during the first two quarters, gained more slowly in the third quarter and by the fourth quarter showed some decline. Altogether, imports from

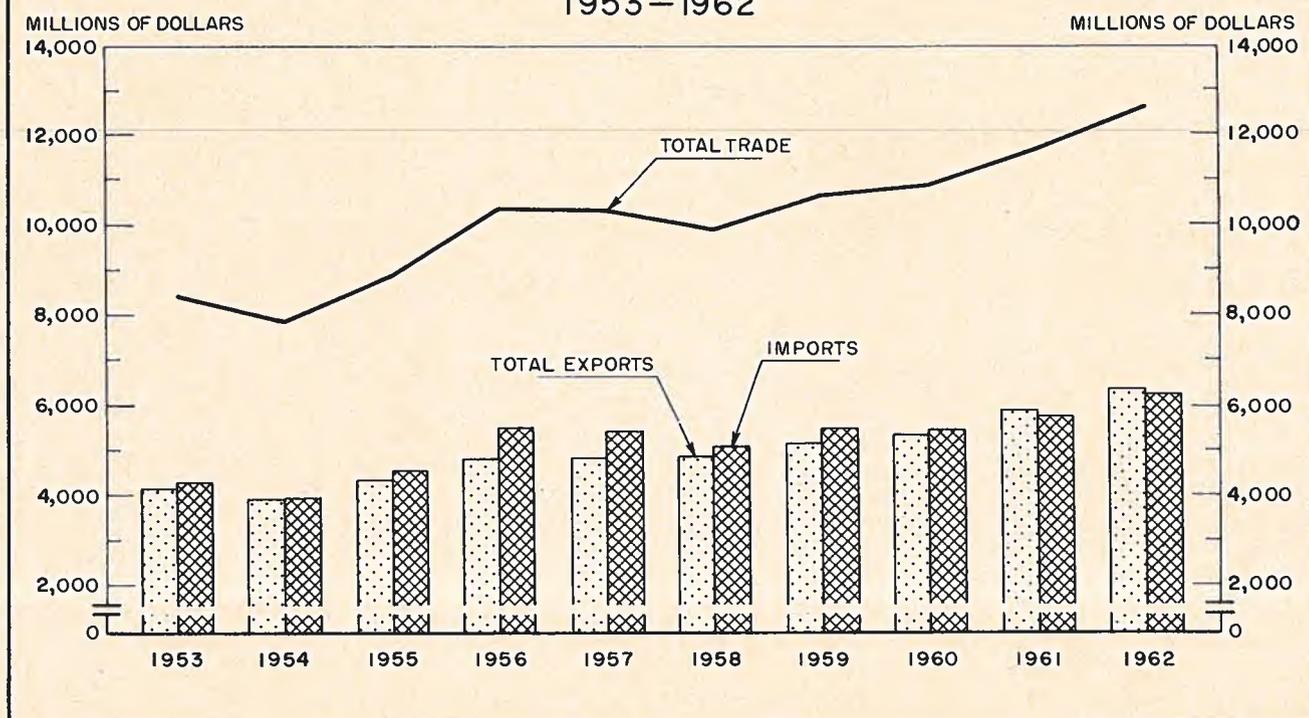
the United States exceeded exports by \$565 million; this was somewhat less than the 1961 import balance of \$650 million.

Total exports to Britain in 1962 showed only a fractional decline but imports were 9.2 per cent less than in 1961. Exports were valued at \$920 million in 1962 compared with \$921 million in 1961; the decline in the first quarter was almost counterbalanced by the gain in the second and then levelled out over the last half of the year. Imports dropped to \$561 million from the 1961 figure of \$618 million, with a slight fall in the first quarter, a considerable one in the second, little change in the third, but a decrease of nearly one-fifth in the last quarter. There was an export surplus of \$359 million in our 1962 trade with Britain compared with a surplus of \$303 million in the preceding year.

Exports to the rest of the Commonwealth and preferential rate countries showed a fractional gain and imports from them a 10.4 per cent advance. Exports declined in the first quarter but gained throughout the remainder of the year, particularly in the fourth quarter, to reach nearly \$336 million compared with \$334 million in 1961. Imports rose steadily during 1962 and were estimated at \$325 million as against \$295 million in the preceding year, with gains from Australia, India, Hong Kong, Jamaica and South Africa contributing considerably. The export balance was reduced to \$10 million for 1962 compared with \$39 million for the previous year.

Business with the countries of the European Economic Community, or Common Market, declined somewhat in 1962; final totals are not yet available but exports to the EEC, valued at approximately \$462 million, decreased by \$10 million or 2.1 per cent. There appeared to be

EXPORTS, IMPORTS AND TOTAL TRADE OF CANADA, 1953-1962



a slackening in the demand for industrial materials and better local harvests reduced the need for wheat imports. Exports to other European countries also declined, particularly shipments of wheat and nickel to Eastern Europe. Eighty-eight per cent of our trade with the countries of the European Free Trade Association (EFTA) is concentrated in Britain; the rest of the members together account for approximately 2.5 per cent of our exports and 1.3 per cent of imports.

Latin America was the destination of a considerable volume of Canadian exports in 1962 although the value, at \$226 million, was \$8 million below the 1961 total. Sales to Cuba declined over \$20 million and to Argentina by more than \$8 million; these decreases more than offset gains in shipments to Venezuela, Chile, the Dominican Republic and Mexico. Exports to the remaining group of "other countries", valued at \$449 million, bolstered by \$134 million of wheat

shipments and by \$13 million of barley sales to Communist China, showed a slight advance. Import figures for all of 1962 are not yet obtainable for the groups of other countries but preliminary data indicate sizable increases in arrivals from European Common Market countries, Venezuela, Mexico and Japan. Table II shows the total exports and imports from the main trading areas during the past five years and the changes in the last two years measured in percentages.

Leading Markets

The shares of total exports taken by the leading groups of purchasers in 1962, with the comparative percentage for the preceding year in parentheses, were as follows: United States 59.0 per cent (54.5), Britain 14.5 (15.6), other Commonwealth and preferential countries 5.3 (5.7), EEC countries 7.3 (8.0), other Europe 3.3 (4.7), Latin America 3.5 (4.0), and the remaining countries 7.1 (7.5). Imports from our

main suppliers were divided as follows: United States 68.7 (67.0), Britain 9.0 (10.7), other Commonwealth and preferential countries 5.2 (5.1), and other countries 17.1 (17.2), the principal proportions of the last group coming from Western Europe and South America.

Domestic Exports

Domestic export figures showed an advance of 7.4 per cent in 1962 to a total of \$6,179 million over the 1961 value of \$5,755 million. Domestic exports to the United States increased 16.1 per cent; those to Britain were fractionally less. Exports to the rest of the Commonwealth made a slight gain, mainly because of large shipments to Australia, which offset declines in exports to India, Pakistan, Hong Kong and New Zealand; those to other countries decreased 5.6 per cent. The latter included a sharp drop in exports to Eastern Europe and losses in shipments to Central America and Western Europe. In

particular, there were decreases in sales to Czechoslovakia, the U.S.S.R., Japan, West Germany, France, Belgium and Luxemburg, Cuba and Argentina. Exports to Communist China, the Netherlands, Italy and Venezuela made noticeable gains. Table III shows the principal countries of destination of Canadian exports during the past four years and the percentage changes in the trade with each in the last two years (see page six).

Leading Commodities

Among commodities, newsprint remained the principal export, although 1962 shipments, at \$753 million, were slightly below the 1961 figure, mainly because of declines in various overseas markets. Wheat sales dropped in the second half of the year and at \$602 million were 9.3 per cent less than in 1961 but still at a high level. Lumber and timber, at nearly \$400 million, and wood pulp, at \$370 million, gained 11.8 per cent and 6.7 per cent respectively over 1961 exports; there were increased lumber sales to the United States, Italy and Australia and more wood pulp was sold to the United States, Japan and Italy. Nickel exports to most overseas markets declined, except to Norway and Japan but including Britain and, although shipments to the U.S. increased by 11 per cent, they were down 6.7 per cent in 1962 at a total of \$317 million. Aluminum shipments rose nearly 17 per cent to \$293 million, with larger sales to the United States and Britain the main factors but also assisted by improving demand in Western Europe, Mexico and Australia.

The chief advances in 1962 exports were those made by crude petroleum, which rose by more than one-half above the previous year to reach \$232 million, and by iron ore, which increased over 62 per cent to nearly \$221 million. Petroleum went entirely to the United States, as did the main proportion of iron ore; in addition, there were sizable shipments of iron ore to Britain and Japan. Copper exports showed a 4.5

Table I
Summary Statistics of Canadian Trade

Value of trade	Calendar year					Change from	
	1958	1959	1960	1961	1962	1960 to 1961	1961 to 1962
	(millions of dollars)					(per cent)	
Total exports	4,894.3	5,140.3	5,386.8	5,895.2	6,347.8	+ 9.4	+ 7.7
Domestic exports	4,791.4	5,021.7	5,255.6	5,755.0	6,178.6	+ 9.5	+ 7.4
Re-exports	102.9	118.6	131.2	140.2	169.2	.....	.....
Imports	5,050.5	5,508.9	5,482.7	5,771.1	6,268.3*	+ 5.3	+ 8.6
Total trade	9,944.8	10,649.2	10,869.5	11,666.3	12,616.2*	+ 7.3	+ 8.1
Trade balance	-156.1	-368.6	-95.9	+124.1	+79.5*	.....	.....

*Estimated.

Table II
Direction of Canadian Trade

	Calendar year					Change from	
	1958	1959	1960	1961	1962	1960 to 1961	1961 to 1962
	(millions of dollars)					(per cent)	
Total Exports:							
United States	2,895.8	3,181.9	3,036.4	3,214.5	3,744.7	+ 5.9	+16.5
Britain	776.7	794.3	924.9	921.2	919.9	- 0.4	- 0.1
Other Commonwealth and Preferential	292.8	283.9	338.3	333.8	335.6	- 1.3	+ 0.5
EEC countries ¹	422.3	317.1	442.6	471.9	461.9	+ 6.6	- 2.1
Other Europe	148.6	173.0	186.6	276.6	210.9	+48.2	-23.8
Latin America	181.2	175.2	187.8	233.6	225.6	+24.4	- 3.4
Other Countries	176.9	214.9	270.2	443.6	449.2	+64.2	+ 1.3
Imports:							
United States	3,460.1	3,709.1	3,686.6	3,864.0	4,310.0*	+ 4.8	+11.5
Britain	518.5	588.6	588.9	618.2	561.0*	+ 5.0	- 9.2
Other Commonwealth and Preferential	210.0	241.2	281.2	294.5	325.2*	+ 4.7	+10.4
Others	861.9	970.0	926.0	994.4	1,072.1*	+ 7.4	+ 7.8
Of which:							
EEC countries	237.5	292.4	292.8	318.2	n.a.	+ 8.7	n.a.
Other Europe	76.3	83.7	91.2	111.2	n.a.	+21.9	n.a.
Latin America	349.7	338.7	302.3	326.1	n.a.	+ 7.9	n.a.
Other countries	198.4	255.2	239.7	238.9	n.a.	- 0.3	n.a.

¹European Economic Community—Belgium and Luxemburg, France, Italy, the Netherlands and West Germany.

*Estimated.

per cent increase at \$211 million, because sales to the United States and Japan rose more than enough to offset the drop in purchases by Britain.

Reflecting the stretch-outs negotiated in contracts with the chief purchasers, the United States and Britain, exports of uranium ores and concentrates continued to decline, being valued at \$166 million or nearly 14 per cent less than in 1961. Fish and fisheries products advanced

by 9.4 per cent to \$154 million, chiefly because of larger exports to the United States, our principal market, and to Britain, Jamaica and the Dominican Republic. Asbestos and products rose by 3.4 per cent to nearly \$137 million and were destined mainly for the United States, where sales increased considerably, with lesser amounts to Britain, EEC countries, Japan and Australia. There were significant gains in our exports of machinery, which

Table III
Leading Markets for Canada's Domestic Exports

Country	Calendar year				Change from	
	1959	1960	1961	1962	1960 to 1961	1961 to 1962
	(thousands of dollars)				(per cent)	
United States	3,083,151	2,932,171	3,107,176	3,608,438	+ 6.0	+ 16.1
Britain	785,802	915,290	909,344	909,041	- 0.6	- 1
Japan	139,724	178,859	231,574	214,573	+ 29.5	- 7.3
Germany, Fed. Republic	129,345	165,397	188,694	177,700	+ 14.1	- 5.8
China, Communist	1,720	8,737	125,448	147,438	+ ^a	+ 17.5
Australia	53,929	98,862	78,628	104,965	- 20.5	+ 33.5
Netherlands	53,849	62,554	61,297	76,940	- 2.0	+ 25.5
Italy	31,717	68,393	67,688	74,521	- 1.0	+ 10.1
Norway	62,308	61,595	69,744	69,054	+ 13.2	- 1.0
Belgium and Luxemburg	56,127	69,131	76,055	68,169	+ 10.0	- 10.4
France	43,157	72,907	71,923	57,561	- 1.3	- 20.0
Venezuela	45,833	35,345	34,978	42,328	- 1.0	+ 21.0
Mexico	27,633	38,023	38,529	41,267	+ 1.3	+ 7.1
Republic of South Africa	51,243	52,655	37,819	37,525	- 28.2	- 0.8
Poland	15,631	16,665	36,819	37,449	+120.9	+ 1.7
India	53,654	37,199	43,330	29,633	+ 16.5	- 31.6
Brazil	14,148	19,755	30,076	28,481	+ 52.2	- 5.3
New Zealand	13,306	23,858	31,125	26,784	+ 30.5	- 13.9
Switzerland	25,728	26,404	22,422	23,891	- 15.1	+ 6.6
Argentina	7,002	19,364	30,893	22,546	+ 59.5	- 27.0

¹Less than 0.1 per cent.

²Over 1,000 per cent.

Table IV
Canada's Principal Domestic Exports

Commodity	Calendar year				Change from	
	1959	1960	1961	1962	1960 to 1961	1961 to 1962
	(thousands of dollars)				(per cent)	
Newsprint paper	722,271	757,930	761,313	753,060	+ 0.4	- 1.1
Wheat	441,830	410,453	663,191	601,576	+ 61.6	- 9.3
Lumber and timber	323,717	346,300	354,866	396,747	+ 2.5	+ 11.8
Wood pulp	311,253	325,122	346,661	369,902	+ 6.6	+ 6.7
Nickel	226,857	251,248	338,457	317,352	+ 34.7	- 6.2
Aluminum and products	232,426	269,420	250,727	293,007	- 6.9	+ 16.9
Petroleum, crude	74,541	94,450	152,334	232,497	+ 61.3	+ 52.6
Iron ore	157,814	155,472	135,835	220,522	- 12.6	+ 62.3
Copper and products	166,067	222,521	201,803	210,951	- 9.3	+ 4.5
Uranium ores and concentrates	311,904	263,541	192,722	166,009	- 26.9	- 13.9
Fish and fishery products	144,215	134,634	141,071	154,345	+ 4.8	+ 9.4
Asbestos and products	111,141	121,112	132,321	136,808	+ 9.3	+ 3.4
Machinery (non-farm) and parts	48,403	67,074	96,694	122,528	+ 44.2	+ 26.7
Aircraft and parts	24,960	20,745	80,127	111,420	+286.2	+ 39.1
Alcoholic beverages	82,678	83,732	84,804	89,134	+ 1.3	+ 5.1
Farm implements and machinery	114,695	85,426	79,817	85,323	- 6.6	+ 6.9
Synthetic rubber, plastics materials, unshaped	¹	104,004	103,832	84,571	- 0.2	- 18.6
Seeds	69,324	76,351	76,785	82,467	+ 0.6	+ 7.4
Gas exported by pipeline	16,953	18,051	41,689	72,423	+131.0	+ 73.7
Rolling mill products (iron and steel)	53,509	73,940	55,765	70,431	- 24.6	+ 26.3

¹Not comparable with data for 1960 to 1962.

doubled between 1959 and 1961 and rose another 26 per cent in 1962 to reach a value of approximately \$123 million. The largest shipments were to the United States, up by \$12 million or nearly 30 per cent; those to Britain, Australia and Japan also increased and to West Germany were steady. Aircraft exports have increased fivefold in the past three years and at \$111 million for 1962 were nearly 40 per cent above the figure for the preceding year. Again the United States was the principal market, with sales both to private airlines and to United States authorities, mainly of transport types.

Exports of each of the foregoing products have exceeded \$100 million in 1962; the individual value of the following products varies between this and \$70 million. Alcoholic beverages, mainly to the United States, rose by 5 per cent to \$89 million. Farm machinery recovered the ground lost in 1961 but at \$85 million was considerably below previous years. The demand for synthetic rubber and plastic materials declined in 1962 and exports fell nearly one-fifth to approximately \$85 million. Shipments of seeds rose by 7 per cent to \$82 million and were destined mainly for Britain, Japan, the United States and Italy. There was a sharp increase in natural gas exported by pipeline to the United States, the value of which has quadrupled in the past three years and in 1962 advanced by nearly 74 per cent to over \$72 million. Canadian steel mills were active in 1962 and exports of rolling mill products advanced 26 per cent to \$70 million; shipments went chiefly to the United States, followed by Mexico, Australia, Britain and Italy. There were general gains in a wide variety of manufactured goods, particularly for European and the United States markets, not all of which are yet apparent in the relevant statistics. Table IV lists, in descending order of value, the main commodities which together form the bulk of Canada's export trade.

Canadian exports in 1962 achieved a record high and shipments of fabricated materials and finished products chalked up large increases. Business is already pitched to a high level of exports and indications for the early months of 1963

show no interruption in this trend. Most forecasts of economic activity in our main markets for this year are reasonably favourable, the lower exchange value of the Canadian dollar helps materially, and there continue to be prospects for some

decreases in international tariff rates. Canadian exporters have already shown their ability to compete with the traders of other industrialized nations and should be able in 1963 to take advantage of opportunities open to them in world markets. ●

Foreign Market Conditions

An economist takes a look at developments in our major markets—the U.S., Britain, Western Europe, Japan—last year and the implications for Canadian exporters; forecasts larger export sales for the enterprising, despite intense competition, with help of lower-value dollar and smaller rise in production costs.

ECONOMICS BRANCH

TRENDS in world trade are determined in large part by conditions in the major industrial countries. These countries are one another's best customers; they provide the principal market for the food and raw material exporting nations and constitute the main source of capital funds for less developed areas.

During the past two years the world market environment has been conditioned mainly by cyclical expansion in North America, a continuing though moderating rate of growth in Western Europe, and a slowing down in the rapid pace of expansion in Japan.

Between 1961 and 1962 national output in real terms rose by more than 5 per cent in the United States, by 4 to 5 per cent in continental Western Europe, and by scarcely 1 per cent in Britain. In the same period the dollar value of world trade appears to have increased by 5 per cent. This advance was paced by a 12 per cent rise in purchases by the United States and an 11 per

cent increase in imports into the Common Market countries. Intra-European trade continued to expand, though a little less rapidly than in the immediately preceding years.

Expansion Slows Up

This upward movement in world production and trade appears to have moderated toward the end of 1962, with a loss of momentum in the United States upswing, hesitation in Britain, and a further slowing in the pace of advance in some European economies. This general hesitancy has been reinforced by the disruption of development plans which conceivably would have been put in motion had Britain's bid to join the European Economic Community been successful. In addition, the unusually severe European winter has caused at least temporary dislocation in that area, although markets for some agricultural commodities will be strengthened as a result of damage to this year's crops.

In early 1963, world production and trade seem to be still moving upward, but at a somewhat slower pace.

United States Market

In the United States economy, total output has continued to move up moderately but industrial production has shown virtually no increase since August 1962. At the same time, there are important elements of strength in the market situation in the U.S. There are indications that the decline in inventory accumulation, under way since early 1962, may now be near an end. The latest information on investment plans points to a moderate rise in business outlays for plant and equipment this year. The United States Department of Commerce has estimated that total construction outlays will increase by 3 per cent this year compared with last. New orders for manufactured goods have been firm and steel production has been strengthening. Meanwhile, the Administration is placing heavy reliance upon the proposed program of tax reductions, accompanied by a temporary increase in the federal deficit, to sustain upward momentum in the economy.

Canada's merchandise exports to the United States rose by 16 per cent between 1961 and 1962. Prospects of continued growth in the United States economy, though of modest

proportions, gives ample opportunity for the Canadian exporter to maintain and extend the gains made last year. About 80 per cent of Canada's shipments to the United States consists of industrial materials. The market for newsprint, Canada's largest single export, is currently

European Common Market negotiations have undoubtedly contributed to the decline in private investment and to inventory weakness and these are important elements in the current business hesitancy. On the other hand, consumer spending, supported by rising incomes, has

are today the main forces contributing to expansion. Plant capacity now appears fairly adequate and business investment outlays have, in general, levelled off. Export demand also has lost much of its earlier buoyancy. In 1962 imports into Europe rose more than exports to outside areas. Despite the easing in over-all demand pressures in European economies, wages and prices have been rising quite sharply.

In the European area at large, continuing economic expansion and indications of relatively low inventories of industrial materials will help to sustain Canada's traditional exports to this market. Although Europe has never been a large market for Canadian manufactured products, the improvement in the competitive position of the Canadian manufacturer because of the lower value of the Canadian dollar and the recent up-thrust in cost levels in Europe has opened up new opportunities in this field.

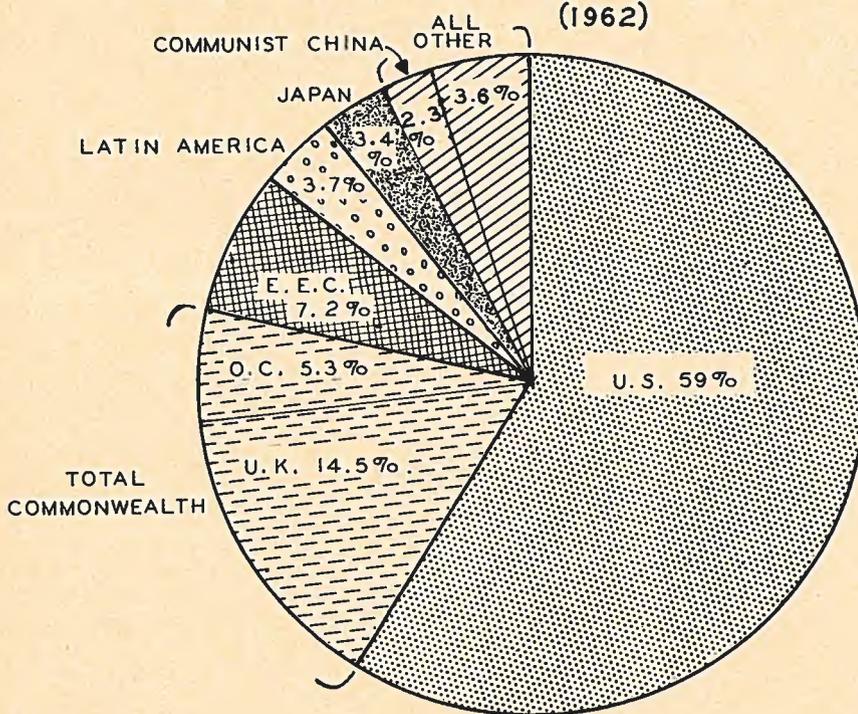
Japanese Market

Severe financial and balance-of-payments strains emerged in Japan in 1961 and early 1962, following several years of phenomenal industrial growth. Corrective measures were implemented and with a much reduced pressure from internal demands in 1962, the balance-of-payments position has improved noticeably. Japan's purchases from abroad were down moderately in 1962 and imports from Canada declined slightly. With the prospect of the renewal of a stronger pace of expansion, however, Japan should again provide a growing market for the types of products that Canada is able to supply.

Other Markets

In the food and raw material exporting countries of the world, conditions are highly uneven. In Australia and New Zealand, firm markets for their staple exports (particularly wool and wheat) have contributed to general prosperity and market prospects in these areas are favourable. In contrast, eco-

CANADIAN EXPORTS BY DESTINATION (1962)



adversely affected by strikes. On the other hand, the present strength in construction and steel-consuming industries in the United States should support other major industrial material exports, and rising personal incomes will reinforce the growth in sales of Canadian consumer products in the U.S. market.

British Market

Economic activity in Britain moved upward for most of 1962 but flattened out late in the year. Unemployment is now at its highest since 1947. Uncertainties arising from the

continued to expand. Fiscal measures were taken in the latter part of 1962 to stimulate home demand. Exports rose slightly more than imports last year but foreign exchange reserves declined.

Western European Market

The economies of Continental Western Europe continued to expand in 1962, though at a somewhat reduced pace. The rise in industrial production achieved in 1962 appears to be continuing this year. Strong consumer demand and large public investment programs

economic development in other countries of the Commonwealth and in other less industrialized areas of the world has been handicapped by shortages of foreign exchange, accentuated in a number of instances by weakness in international commodity markets. Canada's exports to most of these countries have been declining. However, aid programs and facilities for long-term financing of capital goods exports now provide an important support to trade with the "exchange-short" areas of the world.

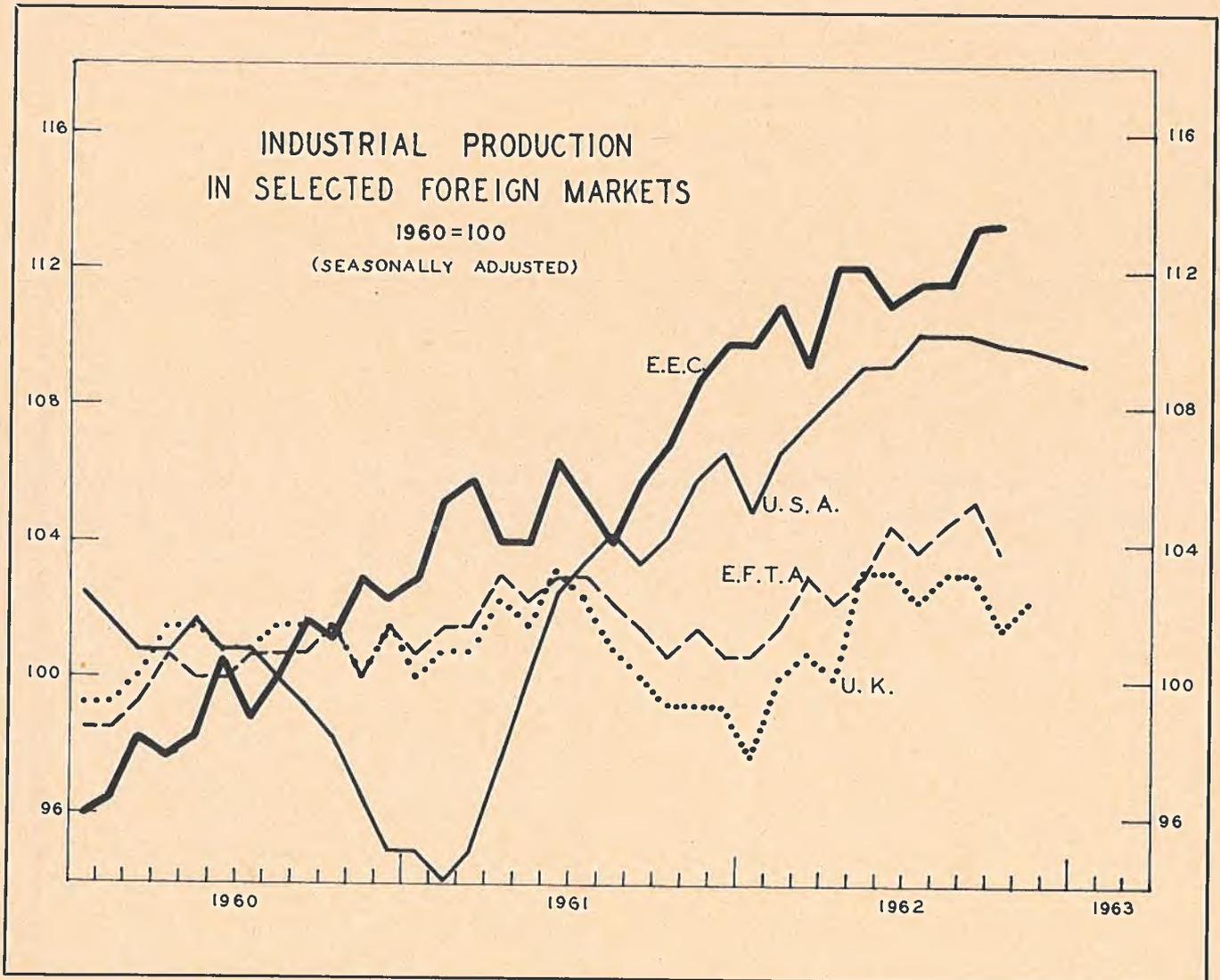
International Liquidity

Apart from the chronic shortage of exchange in underdeveloped

countries, the state of international liquidity poses no immediate obstacle to the further growth of world production and trade. New financing arrangements have facilitated the balancing of accounts among the major trading nations. The adverse external deficit of the United States has been held to moderate dimensions. The smaller surpluses now being realized in European countries have reduced the drain of funds to this area. Japan has successfully surmounted recent exchange difficulties. The British position has improved somewhat during the past year. However, the persisting vulnerability in the external financial positions of both

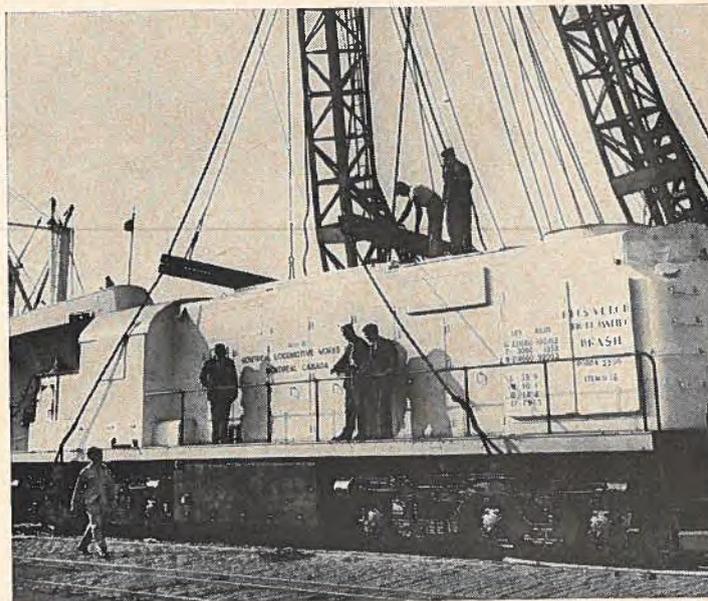
the United States and Britain continues to be an underlying deterrent to strong economic expansion in these countries—and together they make up nearly three-quarters of Canada's total export market.

From this review of external conditions, it is evident that the growth of world demand has slackened and productive capacity is greater than ever. However, in facing this situation the Canadian producer has the advantage of a lower Canadian dollar and less upward pressure on costs than in many other parts of the world. Despite the intense competition, for the enterprising businessman the way is open for further major gains in the export field. ●

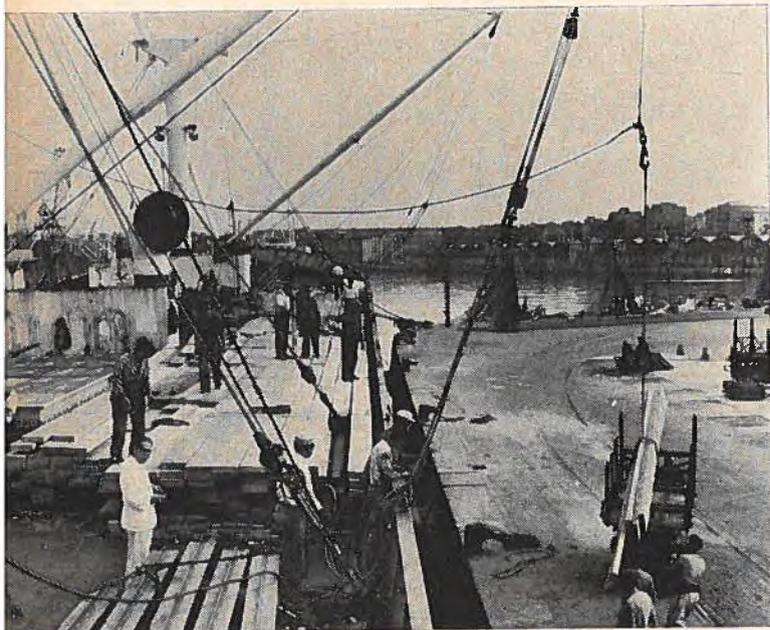


Canada in Foreign Markets

Canadian exporters are invited to contribute to this series photographs of their products in use or on sale in foreign markets. Photographs should be adequately captioned, protected for mailing, and addressed to: The Editor, "Foreign Trade".



In Brazil—The first Canadian locomotive to arrive in Brazil during the past three years was unloaded in Rio de Janeiro harbour last November; it is one of an order for ten financed by the Export Credits Insurance Corporation. The photograph shows the Canadian Ambassador and his Commercial Counsellor and Assistant Commercial Secretary inspecting the locomotive which will be used to haul iron ore.



In Spain—The scene is the port of Barcelona on the Mediterranean Sea where Spanish dock workers are unloading the first shipment of Canadian lumber to Spain from the S/S Syra.



In Hong Kong—This rich-looking stole was fashioned in Hong Kong from Canadian mink pelts. Admiring it are (right) the Assistant Canadian Trade Commissioner in Hong Kong and the proprietor of the store, a leading Hong Kong furrier, who uses a large percentage of Canadian furs.

The Access to Markets in ...

Western Europe

MARKETS for Canadian products in Western European countries, which for so many of the postwar years were closed through various restrictions, are now more open than at any time since 1945. In the past four years, large-scale dismantling of restrictions on industrial products has taken place in every Western European country, and those countries which still apply quantitative restrictions are continuing to increase import quotas. Foreign exchange is freely available in all areas on free-listed goods. In some countries—for example, Austria and Italy—tariffs on industrial goods have been reduced temporarily to stem inflationary pressures on prices.

In the countries of the European Economic Community no significant further liberalization took place last year. Most of the goods still subject to control are in the agricultural sector and since August 1, 1962, many of these are subject to the Common Agricultural Policy of the Community.

Among the member countries of the European Free Trade Association (with the exception of Britain), Norway made considerable strides towards liberalization of industrial imports. Sweden and Switzerland lead the Continental EFTA group in removal of restrictions on industrial goods. In Switzerland, complete liberalization of imports of raw materials has been achieved and liberalization of manufactured goods has reached 92 per cent. Austria, Denmark, Finland and Portugal are implementing progressively programs for the removal of restrictions and at the same time are increasing quotas for goods under import control.

Spain has continued its liberalization measures and improving access

to this market is evidenced by the increase in Canadian exports, which rose from \$10.8 million in 1961 to \$15.4 million in 1962. Although all imports into Greece are still subject to licensing, import permits are granted liberally and carry with them the allocation of the necessary foreign exchange.

In addition to the removal of import restrictions, the movement towards freer trade in Western Europe was facilitated in part by negotiations under the GATT at the 1960/61 Tariff Conference. As a result of these negotiations, Canada obtained assurances on its right of access to the EEC covering \$250 million of its trade.

With improved access resulting from liberalization measures in Western European countries, Canadian exporters are presented with new market opportunities. Provided their products are competitive in price, quality, service and delivery, there is no reason why they should not move to Europe in larger volume.

—*European Division,
International Trade Relations
Branch.*

Latin America

DURING 1962, Canadian exporters sold to Latin America goods to the value of \$220 million and sales generally rose throughout the year, with the notable exception of Cuba, where the value of our exports dropped from \$31.1 million in 1961 to \$10.9 million in 1962. Canadian exporters slightly increased their share of the Latin American import market which tended to contract during 1962, following decreases in foreign exchange earnings of many of the

primary export commodities from this area.

Imports by all 20 Latin American countries are estimated at about \$8 billion a year, with four of them—Argentina, Brazil, Mexico, and Venezuela—in the class of billion-dollar importers. Canada's share of the market in 1961 and 1962 was 3 per cent compared with 2 per cent in earlier years. In contrast, the United States' share has dropped in recent years to approximately 45 per cent from over 60 per cent in 1956. Germany has held its place as the second largest exporter to the area with sales of \$760 million in 1960, some 10 per cent of the market. In 1960 also Britain retained third position with exports of \$480 million, or 6 per cent of the market.

For Canada, the principal markets are as follows:

To	Canadian Exports	
	1961	1962
Venezuela	35.0	42.3
Mexico	38.5	41.3
Brazil	30.1	28.5
Argentina	30.8	22.5
Colombia	19.5	19.9

Trade with Latin America has assumed increasing importance in recent years and these countries should continue to provide valuable markets for Canadian raw materials and foodstuffs as well as highly manufactured products. Most Latin American countries are vigorously implementing industrial development programs, thus creating a big demand for capital equipment. These programs are receiving increasing financial aid from the United States Government (under the *Alliance for Progress*) and from international banking organizations. A number of sales to Latin America by Canadian exporters of capital goods are being assisted by the long-

The Access to Markets in . . .

term financing facilities recently established here.

Terms of Entry

The accessibility of Latin American markets to Canadian goods varies widely from country to country and from product to product. Canadian trade with all of these countries is based on most-favoured-nation treatment, so that Canadian goods enjoy the same terms of entry as those granted to goods from other major trading countries, such as the United States, Britain, the EEC countries, or Japan. This excludes the preferential treatment granted by the members of the Latin American Free Trade Association to each other's products (LAFTA members are Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru and Uruguay), and also the special treatment granted by the Central American countries to each other's products.

The LAFTA preferential arrangements could affect certain Canadian products adversely, as competitive production within the area is developed. The countries in this region encourage the import of capital goods and materials for industrial use and usually do not impose import or exchange controls on essentials. The problem of maintaining a satisfactory balance of payments leads a number of countries, however, to impose direct controls or heavy charges on imports of less essential products.

Specific Markets

It is noteworthy that *Peru*, whose imports reached a record figure of over \$500 million in 1962, does not maintain any import licensing or exchange permit controls and exchange is freely available.

Venezuela, with imports of over a billion dollars a year, also offers a free exchange market. Although it imposes import licensing restrictions on a selected list of articles, there is no control over a great variety of products that find customers there.

Argentina does not impose direct licensing controls on imports but maintains heavy import levies on broad categories of goods over and above ordinary customs duties.

Brazil requires import licences only for less essential types of products, but maintains a system of prior deposits to be made by the importer for up to five months.

Mexico requires import licences for a wide range of products. Exchange is freely available.

Colombia imposes import licensing control on all goods.

The *Dominican Republic*, which practically doubled its purchases from Canada in 1962 over the previous year, has been requiring importers to submit import intentions for approval before ordering abroad.

The five countries of *Central America*, and *Panama*, though they offer relatively small markets in-

dividually, do not impose severe licensing controls or exchange restrictions on imports. These countries are of particular interest as purchasers of foodstuffs, consumer manufactured products, and a relatively wide range of goods. Total imports into the six countries average about \$600 million a year with Canada supplying \$18 million.

The terms of access to these Latin American markets are subject to fairly quick change; a market that is difficult at one time could become a satisfactory outlet for Canadian goods later on. The Canadian exporter would be well advised, therefore, to maintain agencies and contacts throughout the area and keep on the alert for opportunities to expand trading.

—Latin American Division,
International Trade Relations
Branch.

Commonwealth

THE COMMONWEALTH embraces a diverse group of countries, ranging from the tropical to the temperate zones and from developing to highly industrialized nations. It has one unique feature for the Canadian exporter, however, not found in any other part of the world: the preferential tariff system. The Republics of Ireland and South Africa, which are not members of the Commonwealth, are included in this article because they participate in this system.

Most Commonwealth countries, plus Ireland and South Africa, grant preferential tariff treatment to a varying proportion of Canadian exports. Canada does not receive any preference in India, Pakistan, Nigeria, Ghana, Tanganyika, Uganda or Kenya. In the majority of countries which grant preferential tariff rates, these rates apply to most or all Canadian goods.

All Canadian products going into Britain, the West Indies, the Republic of Ireland and many British dependencies receive the preference if a preferential rate exists. In Australia, New Zealand and the Federation of Rhodesia and Nyasaland, preferential treatment is accorded to most imports from Canada. On some items in the tariffs of Australia, New Zealand and the Federation of Rhodesia and Nyasaland, Canada receives a rate higher than the preferential rate but lower than the rate applicable to non-Commonwealth countries.

In the Republic of South Africa Canada is given preferential treatment on only a limited number of tariff items. Few tariff preferences are granted to Canada in Aden, Singapore, or Hong Kong because these areas are virtually free ports and few products pay any duty. A wide range of products enter the

The Access to Markets in . . .

Federation of Malaya from all sources free of duty.

On items with preferential duties, Canadian and other Commonwealth products pay lower rates than those applicable to non-Commonwealth countries. The exporter should remember that to qualify for these lower rates, goods must have a required minimum Canadian or Commonwealth content and must fulfil any other requirements of the importing country designed to ensure that either the essential or final process of manufacture was performed in Canada and that, when the goods left Canada, their intended destination was the country concerned.

Trade Agreements

Canada has bilateral trade agreements regulating preferential trading arrangements with six countries: Britain, Australia, New Zealand, the Federation of Rhodesia and Nyasaland, and the Republics of Ireland and South Africa. In addition, trade relations between Canada and the various West Indian territories are regulated by one bilateral trade agreement. These agreements outline the extent of the preferences accorded to Canada and also in certain instances bind rates of duty or margins of preference which shall be maintained between the rates applicable to Canada and those applicable to non-Commonwealth suppliers. In addition, Canada's trade agreements with Australia and New Zealand provide that Canadian goods shall be exempt from the imposition of anti-dumping duties until consultations have been held between the Canadian Government and the government of the country concerned.

In most areas of the Commonwealth, the majority of Canadian goods may be freely imported without a specific import licence or exchange permit. However import licensing is in effect on most goods in New Zealand, India, Pakistan, Ceylon, South Africa and Ghana, and the exporter should ensure that his customer has a licence before

shipping. Permission to transfer foreign exchange is granted with the import licence. In these areas licences are granted most freely to goods necessary for domestic industry or which the country does not itself produce. Applications for licences for consumer goods or for goods that are produced in the country are strictly supervised.

— *Commonwealth Division,
International Trade Relations
Branch.*

United States

HOW accessible is the United States market to Canadian exports? The fact that thousands of Canadian producers are now shipping to the U.S. suggests that for a broad range of products this market is not only accessible but remunerative.

The United States, like most other Western countries, has marking and food and drug regulations. It also controls the import of certain goods; the principal ones in which Canadians are interested are lead and zinc, wheat and wheat flour, and certain dairy products, including cheddar cheese. For the great bulk of goods produced in Canada, however, it is the U.S. tariff that determines whether or not a particular Canadian product, assuming a commercial demand for it, can be successfully sold in the U.S.

It follows that Canadian exporters looking to the U.S. market should first of all determine what tariff treatment their goods will receive, particularly because most U.S. importers want laid-down duty-paid quotations. Canadian exporters should, however, when quoting to a U.S. account, always give an alternative price f.o.b. plant in Canada. This is important in order to ensure that duty is not levied on the cost of moving the goods from the plant to the importer.

Because many U.S. tariffs are stated as a percentage of the value of the goods, there are two elements in determining what the duty impact will be in most instances. The first of these is arriving at classification in the U.S. tariff (and thus the applicable duty rate), and the second is determining the value to which the rate will be applied.

Tariff Classification

The U.S. Bureau of Customs is prepared to issue binding rulings on tariff classification; these rulings are then forwarded to all U.S. customs ports of entry to enable uniform treatment from point to point. A binding ruling cannot be changed by administrative action unless adequate notice is given in advance. The U.S. Division, International Trade Relations Branch of the Department of Trade and Commerce, is in a position to provide opinions on tariff classification and can assist in obtaining binding rulings from the U.S. authorities.

Valuation

Under current U.S. customs law, most Canadian shipments are valued on a basis known as "export value". Basically, this is the price at which the exporter freely offers his goods for export to the U.S. A "final list" of relatively few goods is still subject to the old value law and these items are dutiable on the basis of either "export value" or "foreign value", whichever is the higher. Foreign value is that value at which the merchandise is freely offered for sale for home consumption in the ordinary course of trade.

Anti-Dumping Duty

Many Canadian exporters, when we describe to them the U.S. "export value" concept of valuation, raise the question of anti-dumping duties. The U.S. does, of course, have an anti-dumping law but in recent years no Canadian exporters have run afoul of it. Before anti-dumping duties can be assessed, the Treasury Department must first of all establish that significant sales

The Access to Markets in . . .

are taking place in the U.S. at less than fair value. A sale at less than fair value is normally considered to be one that offers a lower net return f.o.b. factory than do sales to Canadian buyers f.o.b. factory. If sales at less than fair value are found, the U.S. Tariff Commission must then determine whether these sales are causing or threatening injury to a U.S. producer. If this determination is negative, there is no dumping penalty. Although dumping complaints and investigations are quite frequent, actual findings of dumping are not made very often.

Canadian Query Program

The U.S. Customs began in 1956 an advisory service to the Canadian exporter that many Canadians have used and found valuable. Its purpose is to provide Canadian shippers or prospective shippers with guidance on the proper procedures and requirements for entering goods into the U.S. under U.S. customs law.

The Canadian Query (or CQ) Program began with the nomination of the Appraiser of Customs at Buffalo, New York, to perform these functions. In 1961 the program was expanded and now includes the U.S. appraisers at Boston, Buffalo, Detroit, Minneapolis and Seattle. These officials are authorized to perform their advisory functions in their own offices, in the offices of Canadian exporters, in the offices of trade associations, and at U.S. consular offices. Any Canadian exporter seeking advice on U.S. tariff matters can request an interview by correspondence with the appraiser responsible for his area. The appraisers active under the program and the territories in Canada in which they operate are as follows:

Portion of Province of Ontario between 81° and 88° longitude; i.e. Western Ontario, including London, and Northern Ontario as far west as, but not including, the Lakehead.

Joseph Grubach,
Customs Appraiser,
100 West Larned Street,
Detroit 26, Michigan.
Phone Woodward 1-8670, Ext. 21.

Province of Ontario west of 88° longitude, including Port Arthur and Fort William. Provinces of Manitoba and Saskatchewan.

Francis L. Fox,
Customs Appraiser,
115 U.S. Court House,
Minneapolis, Minnesota.
Phone FE 2-3211, Ext. 321.

Province of Quebec, south of St. Lawrence River; the Atlantic Provinces.

John J. Garvin,
Customs Appraiser,
408 Atlantic Avenue,
Boston 10, Massachusetts.
Phone Capitol 3-7705.

Province of Quebec, north of St. Lawrence River. Portion of Ontario, east of 81° longitude (i.e., Ontario east of London).

John F. Chilton,
Customs Appraiser,
243 Washington Street,
Buffalo 3, New York.
Phone TL 3-0379.

Provinces of Alberta and British Columbia.

James D. MacFarlane,
Customs Appraiser,
Federal Office building,
Seattle 4, Washington.
Phone Mutual 2-3300, Ext. 252.

These appraisers are in a position to provide Canadian exporters with advisory opinions on questions of classification and valuation. The Bureau of Customs in Washington subsequently reviews these opinions and, if they are confirmed, refers them to all appropriate U.S. ports of entry. Canadian exporters are urged to take advantage of the services that these U.S. officials are able to give. Indications coming to the Department are that the CQ appraisers are increasingly active and becoming better known to the Canadian exporting community. For example, they provided advisory services at the four regional Samples Shows which took place in 1962 in Toronto, Montreal, Winnipeg and Vancouver. Five U.S. Customs officials were present to provide these services again at the National Canadian Samples Show held April 2-4, 1963, in Toronto.

—United States Division,
International Trade Relations
Branch.

Middle East

TODAY the commercial policies of most countries in the Middle East are cut from a liberal pattern. In many, the import and exchange control systems have become considerably less rigid and complex over the past decade. Transportation and communication facilities have also improved considerably.

Import Controls

At present, only four out of fourteen countries in the area maintain rather rigid import and exchange controls. These are the United Arab Republic (Egypt), Iraq, Jordan and Syria. (The new regime in Iraq has given some indication that all imports may be liberalized.) In spite of this, traders of many other nations are able to sell their products in substantial quantities to these four. The other countries in the Middle East, by and large, follow liberal import and exchange policies. Most Canadian exports either enter freely or require licences which are readily granted and carry with them the right to foreign exchange necessary for payment. Yet Canadians sell relatively little to the Middle East.

Exchange Reserves

The foreign exchange reserves of most countries in the area fluctuate considerably; this is particularly true of Iran, Iraq and Turkey. At present the foreign exchange holdings of Ethiopia, Israel, Lebanon, Saudi Arabia and the Sudan appear to be rather large. On the other hand, the United Arab Republic, Jordan and Syria are experiencing balance-of-payments difficulties and are curbing expenditures on imports to conserve foreign exchange.

Tariff Treatment

Canada exchanges most-favoured-nation tariff treatment with many countries in the Middle East, either under the General Agreement on Tariffs and Trade (Israel and

The Access to Markets in . . .

Turkey) or through bilateral arrangements (Ethiopia, Iran, Iraq, Lebanon, Syria and the United Arab Republic; the latter has provisionally acceded to the GATT). The schedules provide equal treatment of imports from all sources, although in some instances preferential arrangements with neighbouring Arab states are in force.

Competition and Opportunities

Canada's main competition in the Middle Eastern markets comes from the United States, Britain, West Germany, France and Italy; more recently Japan has been increasing its sales there. The three European countries are traditional suppliers to the area. The United States, West Germany and various Eastern European countries have been gaining an increasing share of the market by financing imports under long-term arrangements. Businessmen from all the countries that carry on a large export trade with the Middle East are conducting intensive sales campaigns in the area, including frequent visits.

With the rising standard of living and extensive development plans under way in the Middle East, import requirements are expanding and there are opportunities for competitive Canadian suppliers of various commodities. These include wheat flour, seeds, breakfast cereals, prepared foodstuffs, base metals, iron and steel mill products, pulp and paper products, lumber and wood, chemical fertilizers, synthetic yarns and textiles, used clothing, pharmaceuticals, cosmetics, tires and tubes, construction machinery and equipment, agricultural implements and machinery, office and household appliances and equipment, vehicles and transport equipment, automotive and agricultural spare parts and accessories, building materials and hardware, air-conditioning equipment, and electrical generating and transmission equipment.

The Sudan is a good example of a market in the area which, although

not large, is expanding and mainly unrestricted. Yet Canadian businessmen have been paying little attention to it. Other Middle Eastern countries which appear to offer particularly good sales opportunities are Saudi Arabia, Kuwait, and possibly Qatar. In 1961 Canadian imports from these countries reached \$70 million but exports to these open, unrestricted markets totalled only \$3.5 million. This points up the scope for increasing sales to these and other Middle East markets.

—*Asia and Middle East Division,
International Trade Relations
Branch.*

Far East

THE markets of the Far East are generally becoming more attractive to Western suppliers. The trend towards trade liberalization in Japan and the Philippines, the demands generated by developments in Korea and Indonesia, and the greater political stability in the area as a whole all point to increasing opportunities for Canadian exporters.

Import Controls

Although all the countries in this region employ some mode of import control, they are potential markets for many Canadian goods. Thailand, for example, restricts imports of some 70 items only, chiefly of a cottage-industry type. Japan has been making progress in import liberalization and is preparing to free from restrictions many additional imports. Early in 1962 the Republic of the Philippines dismantled the complex import licensing system and there is no longer any import control as such. Foreign exchange allocations in that country, however, are designed to encourage imports of essential rather than luxury-type goods. South Korea controls imports largely by means of exchange allocations and confines them to registered im-

porters whose allocations are based on their individual level of exports. Burma and Communist China have no private importers and all import trade is in the hands of government agencies. Indonesia controls imports rather strictly, but goods vital to the economy and to the Eight Year Plan are readily admitted.

Foreign Exchange, Tariffs

The foreign exchange position of the major countries of the Far East is generally good. Foreign exchange reserves in Japan, the Philippines and Thailand have remained fairly steady at rather high levels. Other countries in the area have experienced or are experiencing balance-of-payments difficulties, causing a drain on reserves. This is particularly true of Indonesia. With generally expanding economies and large amounts of international aid, however, these countries are gradually moving ahead.

Canada exchanges most-favoured-nation treatment with Burma, Indonesia and Japan through mutual membership in the GATT. In addition, Canada extends most-favoured-nation tariff treatment on a bilateral basis to the Republic of China (Taiwan), Communist China, Cambodia, Laos, Vietnam and the Philippines. With the exception of the Philippines, the Far Eastern nations maintain single-column tariffs and grant no tariff preferences. In the Philippines, products of the United States receive a 25 per cent preference, but under the terms of the commercial agreement between the two countries, this preference is to be reduced to 10 per cent on January 1, 1965, and is due to expire in 1974.

Competition

The major suppliers to the Far East are the United States, Japan and Western Europe. Japan is the leading supplier of light industrial products, partly because of its proximity to this market. But these countries offer increasing opportunities for Canadian exporters of

certain manufactured products, as well as for the traditional exports of wheat and flour, primary materials and semi-manufactures. This is especially true of Japan, our third largest market, and to a lesser ex-

tent, of Thailand and the Philippines. Total imports into the countries of the Far East stand at over \$14 billion, of which Canada supplies approximately 3 per cent. Obviously, there is scope for Cana-

dian producers to increase their share of this important market.

—*Asia and Middle East Division,
International Trade Relations
Branch.*

How to Sell to U.S. Volume Retailers

Here is a market worth cracking—a chance to chalk up volume sales by making just a few contacts. But a well-planned approach is vital, and this article explains the technique.

D. L. RUSSELL, *Commercial Officer, New York.*

MANY United States retail operations are so large that they provide the Canadian manufacturer with a concentrated big-volume market. But if he wants these big retailers to take on his product, the Canadian must "sell" them in the right way.

First, determine what price terms, styles and features the market demands. This does not mean that you should offer carbon copies of United States merchandise. It does mean preserving the most desirable Canadian features of your product and adapting them to U.S. tastes. A few visits to retail stores or trade shows in the U.S. will give you a picture of current trends. So will the numerous U.S. trade publications—and it's an easy way of keeping informed about developments.

Second, once you are satisfied that your product is right for the U.S. market, plan a tour of the territory in which you want to sell. The Canadian Trade Commissioner in that area will tell you the best time to come and the right people to see. Many organizations have formal buying periods during which salesmen may call on the buyers unannounced. However, these sessions are frequently too hectic for an effective presentation of a product and the buyer considers only the products that a salesman carries with him. And these buying sessions may be cancelled suddenly and at

best will lead only to token trial orders.

The better plan is to stay at least five days in a centrally-located hotel. Here you will have room to display your full line, invite the buyers to see it, and secure their undivided attention in a relaxed atmosphere. It is important to inform potential customers of the time and place of your showing well in advance and to follow up with a reminder sent the week before your arrival. Do not address your letters to anonymous people such as the buyer or purchasing agent. Write directly to the individual you wish to see and enclose printed sales material that will arouse his interest. Try to avoid references to price until you present your merchandise or until you can discuss it face to face. Begin setting up your appointments as soon as you arrive. Do not rely on messages left with the office staff but keep on calling until you reach the right man.

The breadth of the market that the large retail organizations cover, with its variety of climates, economies and cultures, plus the enormous financial outlay which these retailers must make, place a heavy responsibility on the buyers. Frequently, they share the responsibility for new lines and selling programs with committees headed by merchandising executives and often volume orders result from committee

decisions. Don't limit your objective to a trial order and hope for the best. Plan a continuing sales campaign that will make you an important factor in the retailer's merchandising program.

Be prepared to quote delivered duty-paid prices for the particular area in which you want to sell and to explain how you calculated these prices. Sometimes the customer prefers to use his own import facilities if he thinks it is cheaper. Be sure to offer better prices for large quantities whenever you can. These retail organizations can absorb quantities without difficulty if the product is good value.

Do not hesitate to discuss your business and its facilities. Many of the businessmen you meet want to be sure you are reliable before they commit themselves. If your production capacity is limited, be careful not to make promises that you may not be able to keep. Always treat requests for samples with particular attention; they are frequently intended for committee meetings and if you are slow in sending them you can set back your chances of doing business by several months.

Always visit buyers fully prepared with information about your product and its potential in this market. Don't try to use your customer contacts for market research; buyers will quickly lose interest if you seem uncertain and your proposals indefinite. Remember that the idea of buying Canadian consumer goods is totally new to many U.S. firms. They expect you, the Canadian supplier, to point out the advantages. ●

Selling through Manufacturers' Representatives

One Approach to the U.S. Market

Many Canadian firms do their initial selling in the U.S. through an experienced manufacturers' representative. What are the pro's and con's of using these representatives? How do they operate? Does the need for them vary with distance from the market and with the product sold?

BLAIR BIRKETT, *Consul and Trade Commissioner, Detroit.*

THOMAS M. FELGEN, *Commercial Officer, Chicago.*

MANUFACTURERS' REPRESENTATIVES in the United States operate in much the same way whether they are based in California, Chicago, New York, or Florida. In the main, they sell on commission for two or more manufacturers of related but non-competitive lines. They work in a set territory on the basis of an agreement with the manufacturer. They exercise little direct control over prices or terms, and they do not take title to the products that they sell; the manufacturer usually ships directly to the customer. As a rule, they do not undertake promotion work and they shy away from service calls.

Among manufacturers generally in the United States, one in four now uses independent sales representatives and the proportion is increasing, particularly in such industries as electrical apparatus, electronic equipment, hardware, non-ferrous metals, clothing, sporting goods, jewellery and confectionery. In other industries, such as chemicals, ferrous metals and electrical appliances, the manufacturers' representative is losing ground.

Where and under what circumstances should a Canadian company consider using a manufacturers'

representative? The answer depends partly upon the product it is offering and partly on the U.S. market area in which it is interested and how far it is from home base. In areas fairly near the border, a company can assign responsibility for sales to its Canadian sales staff. Some, in fact, send their sales managers to major centres in the East regularly to contact larger accounts. In effect, these firms incorporate certain U.S. markets into their domestic sales programs.

If a firm wants to try selling in less accessible parts of the U.S., other questions arise. Can it afford to set up its own sales office there, especially when it does not know what the sales potential will be? Is it feasible to make sales trips once a month or more often? In the interval, can the exporter keep in touch with customers or potential customers by correspondence?

What Are the Advantages?

If these solutions are not practical, what method of selling should be used? Should sales be handled by a broker, distributor-jobber, or manufacturers' representative? We believe that for many products the best answer is manufacturers' representatives. They usually offer more

intensive coverage of an area because they handle multiple lines, making it worthwhile for them to call on all types of customers, large and small, in a given area. Moreover, these men are skilled professional salesmen. They normally have an intimate knowledge of local market conditions and this gives them the necessary edge over competition. For the average firm, employing a salesman with this grasp of the market full time would be too expensive. A manufacturers' representative will sell for a company efficiently and for a fraction of the cost, and this may fit in admirably with the sales program and company budget. The representative already has many contacts that a newcomer would spend time and money to develop.

Another argument in favour of using a manufacturers' representative is flexibility. He can sell to many different types of outlets, as the manufacturer chooses—the wholesaler-distributor, the retailer, a government agency, or to other manufacturers who wish to fill gaps in their own lines.

Manufacturers' representatives may prove especially useful to the exporter who wants to market in the United States a single product or a narrow line of products. The sales volume in these instances may not be great enough to warrant a permanent sales force. This applies not only to small companies but also to specialized operations or divisions of larger ones.

What Are the Disadvantages?

Naturally, there are some disadvantages to using manufacturers' representatives and only the exporter himself can decide whether they outweigh the advantages. One is that buyers often prefer to deal

Drawing Up the Contract

Most contracts between manufacturers' agents and their principals cover the following points:

Line of Products—Products that the representative will sell are listed, because the manufacturer does not always offer his complete line. The representative usually agrees not to sell any other company's product if his principal considers it competitive.

Territory—The territory to be covered is carefully defined in terms of geographical limits, and possibly types of customers or markets.

Duration of Contract—Most cover one year and are renewed automatically. Either party may terminate the contract by giving notice in writing 30 to 90 days before it expires. Some companies reserve the right to terminate it without notice if the representative does not use his best efforts or does not meet agreement quotas.

Commissions—Rate of commission will be decided upon by both parties and written into the contract. These rates vary, but fields of common interest usually call for a "standard" percentage; for example, machinery agents receive an average of 10 to 15 per cent of sales, depending on the product, and electrical goods agents 5 to 10 per cent. The basis of the commission should be defined, (invoice value of the shipment, f.o.b. plant value, etc.).

Other Monetary Arrangements—Method of handling split commissions, chargebacks (losses charged directly to the representative), reimbursements for special expenses (such as dealer training, equipment, services, etc.) should be included.

Credit and Collection Assistance—If the principal wants the representative to get bank and credit references on new customers and to keep him informed about changes in their credit standing, this should be written in. It should be made clear whether the representative is to collect past due accounts.

Consignment Stocks—Policy on payment, shipment, returns, etc., of consignment stocks should be laid down.

Assignment of Contract—It should be made clear whether or not this is permitted. If it is, the manufacturer's interests should be protected.

Arbitration—An arbitration clause is sometimes included because it saves time, money, etc., if a dispute arises.

directly with a company's own salesman, because they feel the salesman usually provides a closer link be-

tween manufacturer and customer. From the manufacturer's point of view, he is subject to closer control.

Often the exporter is doubtful whether a manufacturer's representative will devote enough time to his product. If a firm of this type has five accounts, theoretically it can spend only 20 per cent of its time selling any one product. It does, however, put this time to good use and covers the best prospects for your product in its territory.

Manufacturers' representatives have other limitations. Most of them do not carry stocks and their services are limited when a product requires local servicing and immediate delivery of material. Some exporters solve this problem by making use of local warehouses or shipping by air in urgent cases. The representatives also dislike "missionary" work and service calls. These activities contribute substantially to the total sales picture but they are not always reflected in sales volume immediately; this gives the representative less incentive to spend time on them. Or he may feel that he can make more money by pushing another line.

In dealing with representatives, the law of diminishing returns seems to operate. Because they charge no fixed expenses and are paid strictly on commission, initial selling costs are lower. But as volume increases and the products become established on the market, sales costs begin to rise out of proportion. It is then that a firm must decide whether a full-time salesman working in that area will bring higher returns on the sales dollar.

Selecting a Representative

If you decide to use a manufacturer's representative, you should select him with just as much care as you do your own salesmen. The Trade Commissioners in the various areas can give you lists of firms from which to choose. In making this choice, these points are important:

1. Compatible Lines and Levels—Your product should be related to, but not competitive with, other lines that the representative handles.

Ideally, it should also be reasonably compatible in price range and quality. Different prices and quality means that different customers have to be cultivated and different selling skills employed. It should be possible to sell it on the level of the manufacturer-user ladder on which the representative usually operates.

2. Compatible Territories—A representative wants to handle all his lines within a relatively similar territorial pattern. This is becoming more difficult for him to arrange, but it gives him more time to spend in selling your product.

3. Size and Age—The manufacturer must decide whether he wants to deal with fewer and larger firms or representatives who offer broader coverage and possibly more immediate access to the market, or with younger representatives who are

hungrier for business, more likely to adopt the recommended sales approach, more co-operative, and more willing to give to a promotion campaign the attention that it needs.

4. Special Services—If such services as the training of dealers and jobbers, market analysis, stock-handling or warehousing (depending on the needs of the individual firm) are required, these should be the subject of special negotiations. Normally they are not part of the agent's functions.

5. Standing and Reputation—Naturally, the business reputation of the representative you choose and his general financial standing should be good.

He Chooses You

The choosing of a representative is a two-sided affair. Many of the

better firms have a wide choice of accounts and they, in effect, also have to choose you. In making up his mind, the representative usually considers the following things:

1. Your reputation and financial standing.

2. Whether your product fits in with those he already handles.

3. The technical merits of the product.

4. What the opportunities are for making a profit out of selling it.

5. Whether or not it can be sold by using his present contacts.

Coming to Agreement

Once you have a manufacturers' representative and he has agreed to take on the product, you should consider drawing up a contract. Four out of five U.S. companies using this method of selling operate with a written contract. Some of the points that could or should be covered in this contract are listed in the accompanying box feature. The advantage of a contract is that it provides in advance an automatic and complete review of working arrangements. It should make clear that the representative is an independent businessman and not a company employee. (This means he cannot be assessed for unemployment insurance contributions by certain state departments.) His authority is strictly limited outside the soliciting of orders. The manufacturer must approve orders and the extending of credit to customers and must authorize returns, spending on advertising, and shipping allowances. He alone gives customer quotations and he holds the representative strictly to published price lists.

A Working Partnership

At no time can an exporter sit back and relinquish the sales responsibility. No matter how well chosen, the manufacturers' representative is not the whole answer



The two Assistant Trade Commissioners in our Chicago office examine samples of and discuss sales prospects for footwear lines produced by two Canadian companies with the manufacturers' agent (centre) who represents them in this territory.

Selling through Manufacturers' Representatives

to the marketing problem in the United States. He expects his principal to provide a product that is priced realistically, lives up to a uniform standard of quality, is well packaged, and is delivered strictly on schedule. He wants his letters answered fast, and his orders and inquiries looked after as quickly as possible. Only with the full co-operation of the exporter can he do a proper job.

The Canadian Trade Commissioners stationed in the United States will be glad to help Canadian firms determine whether a manufacturers' representative is the answer to their selling problems and to recommend suitable firms. The following reports from several of our U.S. offices comment on the use of representatives in their territories and give other useful information. ●

New York Area

IN the New York area, we have found that the use of manufacturers' agents is, under certain circumstances, an effective way to enter this market. Not every product, however, lends itself to the services of a representative and therefore we do not always advise this approach. This is particularly true when the merchandise is of such a nature that much discretionary authority on questions of price and style must rest in the hands of the seller in his relation to the buyer. The fashion industries are an example; there the trend seems to be in favour of the Canadian manufacturer working directly with the various outlets through his own personnel.

In other instances, agents may not be in a position to achieve the objectives of the Canadian manufacturer or fill the needs of the U.S. buyer, particularly where effective distribution necessitates immediate delivery and public warehousing is not feasible, or when the product

itself requires extensive availability of service and parts.

For many staple items needing broad and varied types of outlets, a manufacturers' agent can be a useful means of cultivating and servicing the market, both practically and economically. The agent not only has knowledge built up over many years that he can impart to the manufacturer and contacts that he can use to advantage, but he also is paid only for actual sales. This makes him a valuable asset, often far less costly to the Canadian exporter than his own salaried sales staff is in Canada. Because the agent may handle several lines, he can provide the accounts he represents with services that individually none of them could afford.

We in New York do not maintain a formal list of agents in our territory, but rather seek out individuals on the strength of recommendations provided through personal contact with the trade.

Once interest in the product has been ascertained, we generally advise the manufacturer to visit the agents here personally and discuss with them the product potential and terms. To avoid later misunderstanding, these talks should give special emphasis to the rate of commission, the types of outlets to be covered, and the exact territory involved. Just as the manufacturer will evaluate the prospective agent in terms of his ability to represent the product in question, there is a responsibility on the part of the manufacturer to inform the agent about deliveries. It serves no useful purpose to make unrealistic promises nor to take on agents in several territories without any prospect of being able to meet their individual commitments.

Once the agency is established, the manufacturer should keep the agent informed of all changes in product, price and conditions within the plant that affect the agent's ability to function in the best interests of his principal.

Commissions should be paid promptly and in full, and care taken

to define the basis of commission, especially whether or not it is to be paid on the invoice value of the shipment or, if the invoice includes freight and duty, on the f.o.b. plant value.

Where Canadian manufacturers have taken their local agents into their confidence and built up a close working relationship, founded upon mutual respect and understanding of each other's problems and needs, the results have been satisfying for both parties.

—B. I. RANKIN,
*Deputy Consul General
(Commercial), New York.*

Pennsylvania

PENNSYLVANIA boasts over 500 firms doing business full time as manufacturers' representatives. They vary in size from those with several dozen salesmen to the sole agent using his house as his office and business headquarters. They sell all manner of products and both consumer and capital goods. Their commission rates vary from high to low, depending on the volume and value of the merchandise. From Monday until Friday most of them are on the road visiting customers not only in Pennsylvania, but in southern New Jersey, Delaware and Maryland as well. During weekends, they return home to answer their correspondence and to get organized for the coming week.

For most Canadian manufacturers, the smaller agencies, still relatively young and looking for new lines, are the best bet. As a rule, the older and larger ones represent manufacturers of established brands with a good deal of almost automatic repeat business. The chances are that if they take on an unknown Canadian line, they will not push it to the same extent as a smaller operator whose income will be boosted if he succeeds with it.

Many agency firms have filled in questionnaires for us indicating that they would be interested in Canadian products complementary to the lines they already hold, provided that the laid-down prices are competitive. What they need initially is a good supply of catalogues, samples if possible, and prices in U.S. funds, c.i.f. Philadelphia. Quotations in Canadian dollars f.o.b. factory are next to useless because they have little practical meaning to an agent in Philadelphia. If the product is at all technical, it is almost essential that a Canadian exporter come in person, interview potential agents, explain the intricacies of his product, and make an on-the-spot agency connection. In this situation, it is well nigh impossible to make satisfactory arrangements by correspondence.

Many Canadian firms seem to be under the impression that all they have to do is to send price lists and catalogues to the Trade Commissioner and he will proceed to "sell" their products. This is a total misconception of the rôle of the Trade Commissioner. Certainly in Philadelphia, our function is to act as intermediaries. We can introduce the local agents to the Canadian exporter; we can pass over price lists and catalogues; we can, on the basis of reliable information, recommend a Canadian firm and its products. We cannot go out and sell the products because we are not versed in the technicalities or jargon of the trade. Only the Canadian manufacturer can actually convince an agent of the worth and sales potential of his product.

One of the commonest errors that Canadian exporters make is assuming that by appointing an agent in New York, the Pennsylvania market will be well covered. As a rule, this is a fallacy, for very few New York agents, if they are doing a good job in their own area, have the staff to service the Pennsylvania market properly. With few exceptions, Canadian products will be sold in greater volume in this territory if they are in the hands of local agents.

In the past two years this office has helped over two dozen Canadian manufacturers to make arrangements with agents in our territory for representation and the results so far have been encouraging. We have many more good agents still open to Canadian lines.

—W. J. MILLYARD,
*Consul and Trade Commissioner,
Philadelphia.*

Michigan and Ohio

DETROIT is an excellent and convenient testing ground for Canadian manufacturers interested in the U.S. market and whose executives or sales staff wish to contact buyers for information on the competitive situation in the U.S. Here they can obtain at first hand buyers' reactions, comments and suggestions. Once it is established that they can compete successfully, Canadian manufacturers who have the facilities and plant capacity often entrench themselves in this area and gradually branch out to the next closest major market—possibly Cleveland, Chicago or Cincinnati.

Generally the Detroit market is not unlike other U.S. markets. It is, however, particularly attractive to Canadian manufacturers within a reasonable distance, and especially to firms engaged in the metalworking and automotive fields, which call for a high degree of engineering ability and close liaison between customer and supplier.

Beyond Detroit, there are only a few nearby Canadian firms which find it practical to solicit business through their own sales personnel or company officers. Windsor firms sell some forgings and castings in Ohio and Indiana and a few equipment manufacturers frequently solicit orders direct from U.S. parent companies of Canadian subsidiaries with whom they do business.

The majority of Canadian manufacturers, particularly of consumer goods, need U.S.-based sales per-

sonnel or manufacturers' agents to develop and maintain accounts in Detroit, Cleveland, Cincinnati and elsewhere in this area.

The automotive industry dominates in Detroit; in Cleveland it is steel and in Cincinnati machinery. Canadian manufacturers serving these industries will find that in each of these cities, which are centres of distribution, there are many manufacturers' agents who specialize in and cover a particular industry.

Other Canadian manufacturers will find that there are a number of manufacturers' agents that specialize in their fields. In sporting goods, agents cover several states, with Detroit as their base of operations. Some manufacturers' representatives cover as many as 17 or 18 states with lines of scientific apparatus.

Food manufacturers in Canada generally use food brokers to represent their interests in the U.S. Food brokers are akin to manufacturers' agents in function and also work on commission. There is a heavy concentration of food brokers in Detroit, Cincinnati and Cleveland, and the territory that each firm covers is usually extensive, ranging from one-half to one or more states.

Manufacturers' agencies in Detroit, as in other U.S. centres, range from a one or two-man operation to a 50-man company. The territory which they work depends upon the product and the concentration of prospective buyers. Some agents or agencies have working arrangements with agents in other areas, making it possible to provide country-wide coverage.

Any Canadian manufacturer who is interested in the market possibilities in Michigan and Ohio and the quality, style, price and delivery of whose products suggest good export prospects will not have any difficulty in interesting a manufacturer's agent. The Consul and Trade Commissioner in Detroit will be pleased to discuss your marketing program and to offer suggestions.

—R. T. MERCER,
Commercial Assistant, Detroit.

Midwest States

CHICAGO is one of the world's largest trading and manufacturing centres. Because of the tremendous diversity of goods needed and consumed in this area, there are a great number of manufacturers' representatives handling an extremely wide range of products. Very few of them can offer national sales coverage. For the most part they cover the Midwest, although some concentrate solely on the Chicago-land area as this represents about 60 per cent of the Midwest market.

In addition, Chicago is the mail order catalogue centre of the world. Many of the large catalogue houses wish to deal directly with the manufacturer if they possibly can. This is not too great a problem, however, because the potential of such accounts is usually large enough to warrant a direct approach by the manufacturer. The method of handling these "house accounts" is usually plainly stated in any agreement made with the representative covering this area.

The Chicago office has detailed information on hundreds of manufacturers' representatives interested in Canadian products. They are most anxious to handle:

- Animal, vegetable and fish products
- Chemicals, medicinal and pharmaceutical products
- Cosmetics, toiletry and sundry products
- Electrical apparatus, appliances and electronic components
- Hardware items, paints and plastics
- Housewares, household and business sundries
- Lumber and lumber products, including furniture
- Marine and railroad supplies
- Metal products, including machine tools and machinery of all types
- Mineral products
- Scientific and technical equipment
- Sporting goods and camping equipment
- Textile products

There are still hundreds of representatives who have not been contacted or have not shown a particularly active interest in Canadian goods who are excellent potential salesmen for almost every

conceivable line. From past experience in this office in dealing through manufacturers' representatives, we can recommend their use. In fact, we feel that they are often

essential to success in selling Canadian products in the Midwest.

THOMAS M. FELGEN,
Commercial Officer, Chicago.

Southern California, Southwest

THERE are a number of reasons why Eastern Canadian companies do not sell in California—but a leading one is their inability to establish continuing sales contact with California outlets. California is a long way, in money and time, from Eastern Canada. Many firms feel that they cannot afford the money needed to establish themselves in California because they may not be able to give the personal attention necessary to maintain the accounts they develop.

The answer to this problem is the manufacturers' representative. He can develop the accounts, arrange local warehousing, pass on credit information, maintain personal contact, and in effect be your salesman.

The typical manufacturers' representative that our office deals with owns his company. Usually he operates alone or has a staff of two or three salesmen. He specializes in a particular area—such as toys, gift-wear, sporting goods, industrial supplies, machinery, office equipment, military electronics, etc. Those with whom we work have usually handled the products in their field for 15 to 30 years and on the average make over \$12,000 a year in commissions. Most of them handle fewer than a dozen lines. Frequently, they only handle three or four major lines and perhaps a few fill-in lines of small volume.

During the past few years our office has assisted dozens of Canadian companies to secure local representation. The usual method is for the Canadian company to advise us some weeks in advance of a trip to California by a senior official with the authority to appoint an agent. It also sends us six catalogues and price lists, giving costs in U.S. funds

duty-paid and delivered to Los Angeles.

We then turn to the register of manufacturers' representatives developed by this office; it contains information on nearly a thousand manufacturers' representatives in Los Angeles, San Francisco, Denver, Phoenix, and Albuquerque. The information in this register is cross-indexed by company name and product handled. In addition, information is available on the territory they cover, whether they issue a catalogue, the products they handle, and the Canadian lines in which they have expressed interest. Many of these representatives are known to our staff personally. It is usually not difficult for us to set up appointments with four or five manufacturers' representatives interested in discussing the marketing of a product in California. If a representative is particularly keen on a line, he will also arrange appointments with some of his customers so that the Canadian manufacturer can get a first-hand impression of the local markets. He can then come down to Los Angeles, interview the representatives (and possible customers) and make his choice.

The appointment of a manufacturers' representative can be made through correspondence. As a matter of fact, most appointments made with the co-operation of our office are done in this way. All we require are six product brochures, a price based on the costs of your product delivered to Los Angeles, duty-paid, in U.S. funds. We also like to have background information on the method of distribution you have found most satisfactory, the type of outlets to which you sell, and any other details which will help us to

make the most effective presentation of your product. Remember that in this instance we are acting as your representative and the more information you provide, the better the job we do.

The manufacturers' representative is frequently the key to establishing a product in California. He can become a star salesman for you. Ordinarily you do not pay him a nickel unless he produces sales. He seldom insists on a formal contract. Usually, he will accept a letter outlining your terms of appointment and is quite content with a thirty-day or ninety-day cancellation clause.

The manufacturers' representative is the lowest cost and best informed salesman you can have in California. Why not try to establish contact with one?

—G. F. OSBALDESTON,
*Consul and Trade Commissioner,
Los Angeles.*

Southern States

THE New Orleans office covers eleven southern states—a large, thinly populated area with a number of market centres, such as Houston, Dallas, New Orleans, Memphis, Atlanta and Miami. For this reason and because the South is not heavily industrialized, the development of trade connections with Canada lags behind that in other parts of the United States. This enhances the value of the services of a manufacturers' representative but at the same time makes suitable agents interested in Canadian accounts somewhat harder to find. Generally speaking, the effort is worthwhile for the many Canadian exporters who, for one reason or another, are not interested in direct selling or who fear their ignorance of this regional market is a major barrier.

In New Orleans we maintain a register of manufacturers' agents which we have compiled from a listing of almost 2,500 located in 60

business centres throughout our territory. Of these, 269 already have, or are interested in securing, Canadian accounts. We have had personal contact with most of them and have gathered information on the history of the company, credit standing, commodities handled, territory covered, new lines in which they are especially interested, plus a statement from each describing in detail his business and how it is conducted, what types of accounts he has and how he services them, and something about his other principals. This information is cross-indexed by products handled under 8 categories and 43 sub-categories.

Food Brokers

One specialized type of manufacturers' representative in which we have taken special interest is the food broker. We have made a number of successful or promising connections with these brokers for Canadian firms and we have contact with nearly 200 in 22 cities in our territory. Almost all of them would be interested in representing a Canadian principal and for many, the chances of making a profitable connection with a Canadian firm seem to be good. Canadian firms in this field might try this approach to the Southern market.

Specialized Equipment

Another type of representative worth special mention is the firm of highly trained professional men (usually engineers or scientists) selling complex and sophisticated electronic equipment, particularly to government, military and aerospace agencies, and their prime and subcontractors. These firms are in an excellent position to open up and maintain for their principals sales to these highly competitive markets. Houston, Fort Worth, San Antonio, Dallas, New Orleans, Huntsville, Cape Canaveral, and other places in our territory are important centres of research, development, and manufacturing for both the U.S. Defense Department and the National Aeronautics and Space Ad-

ministration, and the importance of the South in these fields will probably increase. An agent of this type must have specialized knowledge, be thoroughly familiar with the product he is selling, know something of the projects in which it might be used, be able to deal with the scientists and technical staff on these projects, and understand the intricacies of doing business with these complex organizations.

This kind of representative expects a substantial return for his efforts and he looks potential principals and their products over very carefully. The Canadian principal must be prepared to devote a similar amount of time and effort to making sure that he gets the right agent and to persuading that agent to handle the product. The sales staff of the Canadian firm may have to go into the territory first to make some contacts and sales, possibly with the help of a potential agent.

The New Orleans office subscribes to the national monthly magazine for manufacturers' representatives, *The Agent and Representative*, which carries many articles and features useful in expanding our knowledge of the field. It also has a sizable classified section devoted to accounts wanted, agents wanted, and a business and professional directory.

As in other areas, it is important that the Canadian company dispatch a senior official to interview prospective representatives. If the selection has to be made by mail (and this can often be done satisfactorily) the firm should send someone down to answer questions, show or demonstrate the product, and call on a few of the new agent's accounts as soon as possible after the appointment has been made. It is also vital that prices be quoted in U.S. funds, duty-paid and delivered to the customer. U.S. buyers simply do not want to work with firms that will not supply these prices.

—G. E. BLACKSTOCK,
*Consul and Assistant Trade
Commissioner, New Orleans.*

Canada's 1963 Trade Fair Program

THIS YEAR Canada is participating in 33 trade fairs abroad. In 26 of these, the Department of Trade and Commerce is sponsoring commodity exhibits and in the remaining seven is setting up information booths. The biggest event in the trade fair program will be the first Canadian Solo Fair to be held in Philadelphia in November 1963. At the time of this fair, the Department will arrange for both trade promotion and publicity in the Philadelphia area, including a declaration of "Canada Week" by municipal authorities, window displays in leading department stores, film showings, and an exhibition of Canadian art. The Department will also take part in the Texas State Fair in Dallas in October, again for the first time.

Most of these fairs cover market areas much larger than the country in which they are held—a point worth noting. For instance, the European Fur Fair in Frankfurt draws together important buyers from most Western European countries.

Following fairs have already taken place

INTERNATIONAL BOAT SHOW

London, England
January 2-12
For the general public, this fair covers a fairly broad range of aquatic equipment as well as pleasure boats of all kinds. It was visited by 275,000 people from Britain and other countries in 1963.

LUMBERMAN'S ASSOCIATION REGIONAL SHOWS

Minneapolis, Minnesota
January 8-9
These annual events provide Canadian exporters with a direct approach to lumber dealers in these large markets. Business attendance at each show totalled about 4,000, except in Minneapolis, where it was slightly lower.

Kansas City, Missouri
January 18-20

Chicago, Illinois
February 12-14

Milwaukee, Wisconsin
February 19-21

NATIONAL SPORTING GOODS ASSOCIATION CONVENTION

Chicago, Illinois
January 20-24
This important exhibition of sports equipment of all kinds attracts over 14,500 people from all parts of the United States. This market is a particularly good one for winter sports goods and high-styled sports clothing. Exhibitors must be members of NSGA (membership fee \$50.00) in order to participate.

WORLD CHEESE SHOW

Tokyo, Japan
January 29
This is a series of displays held in large department stores in five major Japanese cities. About 750,000 persons saw the Canadian exhibit in 1962. Sales possibilities for cheddar, both for blending in domestic varieties and for tourist establishments, are good.

Many of these fairs are vertical ones: that is, they are limited to one product (such as cheese) or one group of products (such as sporting goods). Others, such as Philadelphia, Dallas and Sydney, Australia, are horizontal fairs and include exhibits of all kinds. Canadian products to be shown at all these fairs, horizontal and vertical, will cover a wide range—from timber to aircraft and components and from furs to electronic equipment and specialty foods.

For Information

Exporters who would like further information on any of the fairs described in the following pages should write to:

Trade Fairs Abroad Division,
Trade Fairs and Missions Branch,
Department of Trade and Commerce,
Ottawa 4, Ontario.

INTERNATIONAL HOUSEHOLD GOODS AND HARDWARE FAIR

Cologne, Germany
February 15-18
This is an annual vertical show covering a broad range of household goods and hardware. The attendance in 1963 was over 55,000. An improving standard of living in Germany means a larger market for Canadian better quality and luxury products. Exhibitors from Canada were highly successful this year with products that were competitive in this market.

FOURTH DELICATESSEN EXHIBITION

London, England
February 25-March 1
Held annually, this show is directed to the trade: for instance, in 1962 out of 20,000 visitors, 16,000 were drawn from the trade. Canada participated for the first time in 1963. This fair provides a direct approach to the trade for promoting better distribution and introducing new lines.

These fairs are still to come.

EUROPEAN FUR FAIR

Frankfurt, Germany
April 24-28
The most important fur fair in Europe, it takes place in the Frankfurt International Fair grounds. In 1962 the attendance was 15,000 with 235 exhibitors, and more than half of the inquiries were from countries other than West Germany. The steady increase in fur sales to Germany shows the promotion value of the Canadian exhibit.

INTERNATIONAL ENGINEERING EXHIBITION

London, England
April 25-May 2
A biennial event, this vertical exhibition attracted about 536 exhibitors and 90,000 visitors in 1961. Canadian products with the best sales prospects are machine tools, peaceful atomic equipment, specialized metals, and electrical and electronic equipment.

INTERNATIONAL LEATHER FAIR

London, England
May 20-25 A small vertical show with 24 exhibitors, it had 900 trade visitors in 1962. This fair provides an opportunity for British agents of Canadian firms to make contacts with trade buyers at a relatively low cost.

DESIGN ENGINEERING SHOW

New York, N.Y.
May 20-23 In 1962, over 19,000 businessmen visited this specialized fair, intended to show products of new or unique design. Many of the exhibiting companies say that contacts made at this show have played an important part in increasing their export business in the United States.

SALON INTERNATIONAL DE L'AERONAUTIQUE

Paris, France
June 6-16 This is the largest annual air show on the Continent, showing aircraft, aircraft parts, controls, instruments and other items directly related to the aeronautical industry. The Canadian industry is participating with the Department for the first time in 1963.

SYDNEY TRADE FAIR

Sydney, Australia
July 26-August 10 This international trade fair was held once before, in 1961, and attracted 700,000 visitors, including buyers from 40 foreign countries, principally in Asia and Europe and from New Zealand. The major Canadian exports to Australia are raw materials, semi-finished products, and to a lesser extent, machinery and equipment. Sixty-two Canadian manufacturers will display their products in Canada's 1963 exhibit.

INTERNATIONAL PACKAGING EXHIBITION

London, England
September 4-12 This biennial show in 1961 had 31 exhibitors in the Canadian section, displaying paper, paperboards, plastics, plywoods, and machinery used for both industrial and consumer packaging. It is considered an ideal medium for promotion of Canada as a source of packaging material and equipment in 1963. Thirteen Canadian firms will participate.

I.S.A. INSTRUMENT-AUTOMATION CONFERENCE AND EXHIBIT

Chicago, Illinois
September 9-12 This is the largest annual specialized show in the United States devoted to instrumentation equipment and controls of all kinds. In 1962, when it was held in New York, it attracted 23,000 business visitors. New or better designs and competitive prices are paramount in creating interest among system-makers in purchasing Canadian components. Companies displaying their products in the Canadian exhibit in 1962 obtained excellent business.

PROVISIONS AND FINE FOODS EXHIBITION (ANUGA)

Cologne, Germany
September 21-29 This biennial specialized fair covers all aspects of the food industry: processing, packaging, merchandising, etc. Of the 255,000 people who visited this important European Food Fair in 1961, 42 per cent were from industry. It is an excellent medium for making contacts with the German food trade and for promoting sales outside Germany.

MODERN HOMES EXHIBITION

Glasgow, Scotland
October 2-19 This annual fair displays a wide range of building products and supplies, electrical appliances, furniture and furnishings. In 1962, 325,000 people saw the 140 exhibits. It is second in size to the Ideal Home Exhibition in the consumer goods field.

TEXAS INTERNATIONAL TRADE FAIR

Dallas, Texas
October 5-20 In 1961, 900,000 visitors attended this horizontal fair which is a part of the annual State Fair of Texas. This will mark Canada's first participation in this important trade fair. Prospects for promoting trade in the Dallas-Fort Worth area through the medium of the Dallas exhibition are excellent.

NATIONAL METALS CONGRESS AND EXHIBITION

Cleveland, Ohio
October 21-25 All types of metals and equipment used in the metals industry are displayed in this show, which attracted 21,680 registered visitors in 1962. Canadian exhibitors in the past have been enthusiastic over continued participation as a means to expanding what is now a substantial volume of U.S. business enjoyed by a number of Canadian firms.

NATIONAL RETAIL LUMBER DEALERS EXPOSITION

Chicago, Illinois
November 2-5 This annual event admits business visitors only and it is well advertised among approximately 28,000 retail dealers throughout the United States. In 1962 the show attracted approximately 9,900 visitors and offered an opportunity for reaching in one place a large number of wholesale and retail lumber dealers in our No. 1 export market.

NATIONAL HOTEL EXHIBITION

New York, N.Y.
November 11-15 Buyers from all parts of the U.S., Canada and the West Indies attend this annual vertical show, considered the most important in its field in the United States. In 1963, it is expected to attract 58,000 selected visitors. The market potential is enormous since the fair embraces all products used by the hotel and institutional industry. Twenty-four companies took part in Canada's first exhibit in 1962.

CANADIAN TRADE FAIR (SOLO)

Philadelphia, Pennsylvania
November 11-16 This exhibition will be one of the largest single promotions ever organized by the Department and will display primarily consumer goods. Philadelphia, as the fourth largest city in the United States, offers one of the most lucrative markets in the country and imports annually a total of more than \$1.5 billion. This all-Canadian show, which will take place in the Sheraton Hotel, will occupy over 30,000 square feet of space and will be devoted to exhibits of more than 100 Canadian firms. A comprehensive publicity and advertising campaign will be carried out and there will be many supporting activities, such as skating displays, a visit by the Royal Canadian Navy, and the presentation of a 60-foot Christmas tree to the City of Philadelphia.

BUILDING TRADES EXHIBITION

London, England
November 13-17 Covering all aspects of the building industry, this annual fair is directed to architects, contractors and municipal engineers. It drew an attendance of about 150,000 in 1962. With the progressive increase in spending power of British consumers, the building of private dwellings is expected to continue at a fast rate, generating a demand for building products of all types.

NATIONAL ASSOCIATION OF HOME BUILDERS CONVENTION

Chicago, Illinois
December 11-15 This show is not open to the general public, but attracts more than 25,000 registered visitors. Through the medium of the NAHB Show, the Trade and Commerce representatives and Canadian lumber association personnel have been able to contact all important segments of the construction industry who influence sales of our wood products.

How Air Freight Aids Exports

Have you considered shipping abroad by air freight? It may be the solution to your distribution problems: can cut the costs involved in exporting, reduces risk of damage and, of course, it's fast.

HUGH JOHNSTON, *Director of Cargo Sales, Trans-Canada Air Lines, and*
D. J. HUDSON, *Director of Sales Development, Canadian Pacific Air Lines.*
as told to the Transportation Division.

THE vital rôle of exports in Canada's economy and of distribution in export trade make it important for exporters and potential exporters to be fully aware of all the tools available to help them move their products abroad. It is only by knowing these tools and how to use them that they can hope to compete successfully in today's highly competitive world markets. Air freight is one such tool, and if thoughtfully employed can assist many exporters to solve their distribution problems. With domestic and overseas services and those provided by connecting carriers it is now possible to ship by air freight to practically any city in the world.

Through the co-operation of world airlines, an international air-freight shipment can move speedily on a single through airwaybill. Thus shipment may be made from an inland city in Canada to an inland city abroad in a simpler manner than is possible with other transportation methods. Freight tariffs, too, have been kept reasonably simple with through rates to most cities throughout the world; c.o.d. service to most countries is available at reasonable rates.

The first jet aircraft with full freighter capability has just been introduced on a Canada/Britain service. Its cargo door is larger than a standard railway boxcar door and permits it to carry pieces of virtually any size. Its capacity can be expanded as demand increases, or in anticipation of demand. This service constitutes in effect a "pipeline

of the air", crossing the Atlantic to reach all the major cities in Europe as a result of inter-line arrangements.

Considered in the context of overseas transportation history, air freight is young. Until fairly recently, exporters have thought exclusively of sea transportation for the movement of their goods to foreign markets. But today air freight is fast establishing itself, partly because businessmen have begun to examine its potentialities in relation to total physical distribution.

Speed Can Cut Costs

Physical distribution, as the term is used here, includes not just transportation but inventory, warehousing, packing, insurance—in fact any element involved in getting a product to overseas markets. If the effect of fast transportation on these other components is studied, it may be possible to devise a better distribution system using air freight or a combination of air freight and surface freight.

When an exporter is developing a new market it is important that he be able to adjust to increasing demand. He can do this by establishing an overseas inventory but the related costs, including capital, obsolescence, insurance and warehousing, may come as high as 20 to 25 per cent of the value of the goods. Also, depending on the predictability of demand, the exporter may find that the inventory held is too high or too low, resulting on one

hand in excessive costs and on the other in dissatisfied customers and eventually loss of sales. Even though the exporter persuades the buyer to place larger orders and carry the necessary inventory he risks losing sales, particularly if the demand for his product is sporadic or unpredictable. Air freight makes it possible to keep up with demand as it develops: with it the most distant market is only two days away.

There are many variations of this situation, some of which involve the use of air freight exclusively and some a combination of air freight and ocean freight. The important thing is to give full consideration to the effect that fast transportation can have on inventory and warehousing costs—as more and more companies in the machinery, textiles, clothing, auto parts, agricultural machinery parts, electronic equipment and other industries are doing.

A good example of the value of high-speed air freight in exporting is the recent massive polio immunization program undertaken by the Japanese Government for which millions of units of Salk vaccine were needed. The Japanese authorities found it more satisfactory to order partial shipments from the Canadian supplier than to call forward the entire quantity at once. Twenty-four-hour delivery of fresh vaccine (perishability is another distribution problem) was guaranteed through the use of jet air freight from Montreal via Vancouver to Tokyo.

Risk of Damage Reduced

In addition to, and to some extent because of, its speed, air freight offers another important advantage that tends to offset its higher costs—greater protection against external damage and pilferage. The risk of damage and pilferage has a fairly direct relationship to the frequency

of exposure and the amount of handling on the ground. Experience has shown that with air freight the possibilities of such damage and loss are small. Coupled with speed, the reduction of risks results in substantially lower insurance charges, which are based on loss experience and time in transit.

Moreover, the greater security makes it possible in many cases to use smaller quantities of packing and less expensive material. Some shipments that require heavy packing for sea transport may be shipped

by air in domestic-type cartons. Lighter packing reduces the freight bill and the labour costs of packaging. Manufacturers of delicate machinery, instruments, and many other commodities are achieving savings in this way.

In the case of some perishable foodstuffs, markets simply cannot be developed without the speed of air transportation. Thousands of pounds of Atlantic lobsters and fresh B.C. salmon have been air freighted to Europe in recent months.

The airlines are ready and able to provide fast air-freight service to assist in developing Canada's world markets. Exporters of the products of Canada's secondary industries will find many opportunities to use air freight profitably if they examine its speed and costs in relation to other costs of distribution and as factors in making overseas sales. There is an encouraging trend in this direction which should result in a substantial growth in air freight and a significant expansion of our trade opportunities. ●

COMMODITY NOTES

Diamonds

SOUTH AFRICA—The Government has decided to reopen a large diamond mine, closed since 1927, in Namaqualand, Cape Province. One of the reasons for the reopening is given as the present shortage of large diamonds. The reason for the existence of large stones in this area is said to be that the Orange River in earlier times entered the sea at a point south of its present mouth, passing through a lagoon enroute. During this process the heavier stones fell to the bottom as the water slowed down—Cape Town.

Electrical Materials

GERMANY—The members of the German Federal Association of Electrical Wholesalers, accounting for about 80 per cent of all German sales in this branch, have increased their over-all turnover by 85 per cent since 1955 and attained a sales volume of \$1 billion in 1961. The association membership rose from 709 firms in 1955 to 750 last year. These results represent an increase in average turnover per firm from \$750,000 in 1955 to \$1.38 million in 1961.

The electrical insulation material business holds a key position in the wholesale trade in electrical goods. For instance, in 1961 the Association members each bought an average of \$86,000 worth of insulated wire and \$27,000 worth of cable from the manufacturers—Hamburg.

Karakul Pelts

SOUTHWEST AFRICA—Revenue derived from South West Africa's karakul pelt industry amounted to approximately 12 million rands during 1962. The karakul farmers exported an estimated 2.2 million pelts for

overseas auctions at an average price of R5.00 per pelt, against 2.02 million pelts at an average price of R4.64 during 1961. Total sales of pelts for South and South West Africa combined reached 3,249,170 in 1962 against 2,824,160 in 1961.

Prospects for 1963 are regarded as promising as the market is stable and increases in production and price are expected—Cape Town.

Newsprint

ITALY—The building of a newsprint mill by the Societa' Cartiere di Arbatax has begun at Arbatax in Sardinia and operations should start at the end of 1963. The building of the factory will require an outlay of 27 billion lire, to which approximately 5 billion will have to be added for the necessary service facilities.

At the end of 1963 the initial plant will have a production capacity of 90,000 tons and subsequently a second plant for the production of 60,000 tons will be added, making a total potential output of 150,000 tons of newsprint a year. Total Italian newsprint production in 1961 was 294,211 tons and according to Italian trade statistics, only about 36,000 tons of newsprint were imported that year.

Another firm, the Societa' per la Produzione di Pastadi Legno, Abete o Pioppo, producing mechanical wood pulp from imported pulpwood, has been in operation at Arbatex for the past four years—Rome.

Peat Moss

UNITED STATES—Sales prospects in the United States for Canadian peat moss appear promising this year, according to a recent study made by the Trade

Commissioner in Detroit. Unfavourable weather last year reduced Canadian and European peat moss production, with a resulting decline in exports.

"The demand exceeded the supply in 1962," stated one major U.S. distributor, "and we are interested in hearing from Canadian suppliers of dry peat moss to meet our needs."—Detroit.

Prefabricated Houses

UNITED STATES—A recent survey indicated that 17 per cent of all new single-family, private, non-farm houses built today in the United States are prefabricated. It is estimated that as many as 500 firms are manufacturing houses and yet fewer than 25 per cent operate at a profit. This year's production of prefabricated houses will total about 160,000 units—Chicago.

Pulp

NEW ZEALAND—N.Z. Forest Products Ltd. and Australian Manufacturers Ltd. are to join in the manu-

facture of soft moulded pulp products in New Zealand. The joint company, with a nominal capital of \$250,000, equally subscribed by both parties, will be named Fibre Products New Zealand Ltd.

It is proposed initially to manufacture apple trays for packaging of apples for export. This system of packaging, developed in the U.S., has rapidly gained ground in Australia. Trials over the last two seasons in New Zealand have indicated that these trays substantially reduce bruising of the fruit during transit—Wellington.

X-Ray Substitute

AUSTRALIA—The Commonwealth Acoustics Laboratory, in conjunction with an obstetrician and gynaecologist, has designed an instrument which can take a picture of an unborn child by converting inaudible sound waves into electrical impulses.

The instrument has been described as one of Australia's greatest advances in medical science as it eliminates the radiation danger to the unborn child usually associated with X-rays—Sydney.

FOREIGN TARIFFS

AND TRADE REGULATIONS

India

TARIFF CHANGES—The recent Indian budget provided for a new general surcharge of 10 per cent on all import duties, i.e. 10 per cent of the existing rate of duty. In addition, rates on some individual items were also raised. Those of interest to Canadian suppliers are shown below with former rates of duty in brackets:

Machinery	—General Rate 20% (15%) Concessional Rate 15% (10%)
Rubber	—20% (10%)
Hardware	—100% (75%)
Motor vehicle parts	—50% (25%)
Electrical and other instruments	—Standard Rate 60% (50%) Preferential Rate (Britain and Colonies) 50% (40%)

Details are available from Commonwealth Division, International Trade Relations Branch, Department of Trade and Commerce, or the Canadian Government Trade Commissioners at New Delhi or Bombay, India.

Lebanon

CONTROLS RELAXED ON MILK POWDER FOR CHOCOLATE AND BISCUIT INDUSTRIES AND ON WOODEN FURNITURE—Effective January 22, 1963, the Lebanese Ministry of National Economy

decreed that imports of milk powder for the chocolate and biscuit industries are free from restrictions provided that an equal quantity of coconut butter is imported first.

Decision of the Ministry of National Economy of March 7, 1963, provides that wooden furniture falling under tariff items 94.01-B and 94.03-B of the Lebanese Customs tariff would no longer be subject to prior licence, effective immediately.

Syria

AMENDMENTS TO THE CUSTOMS TARIFF—The Syrian Bureau of Documentation recently published details of three decrees affecting the Syrian Customs tariff. By these decrees the duty on short cultural films is reduced from 7,500 piastres per kilo net to 500 piastres, subject to conditions laid down by the Syrian Customs administration. The duty on copper bracelets for wrist watches has been increased from 15 to 25 per cent ad valorem. A supplementary duty has been established for certain types of automobiles.

Details regarding the status of Syrian duties on specified products may be obtained upon request from the Asia and Middle East Division of the International Trade Relations Branch.

Department of Trade and Commerce

Head Office Trade and Commerce Bldg.,* Wellington and Lyon Sts., Ottawa. (Telex: 013424)

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

	Gov. Local
Minister: The Honourable M. Wallace McCutcheon.....	2-0336, 2-0337
Executive Assistant: M. R. Jack	2-7052
Private Secretary: Mrs. Reta Taylor	2-0337
Deputy Minister: James A. Roberts	2-2888, 2-5838
Executive Assistants: D. H. Cheney, C. T. Charland	2-2380, 2-0819
Administrative Services: Comptroller-Secretary, L. J. Rodger	2-7411, 2-2262
Personnel Branch: Director, P. M. Legris	2-5430
Economics Branch: Director, V. J. Macklin	2-5658
Assistant Deputy Minister (External Trade Promotion): H. Leslie Brown	2-2530, 2-0798
Assistant Deputy Minister (Trade Policy): J. H. Warren	2-4042, 2-2649
Assistant Deputy Minister (Commodities and Industries): Denis Harvey	2-5417, 2-7056
Assistant Deputy Minister (Domestic Commerce): B. G. Barrow	2-8431, 2-8502

External Trade Services

H. Leslie Brown, Assistant Deputy Minister

2-2530, 2-0798

Canadian Government Exhibition Commission 2489 Kaladar Ave.

Director: Glen Bannerman	2-7412, 2-3558
Assistant Director: Patrick Reid	2-7747
Administrative Officer: A. D. Simmons	2-6795
Chief, Design Section: T. C. Wood	2-3671
Chief, Production: J. Rachlis	2-3524
Information: Miss M. E. Larwill	2-3524, 2-6351

Canadian Government Travel Bureau 150 Kent St. (Telex: 013474)

Director: Alan Field	2-3166
Assistant Director: Dan Wallace	2-5256

Trade Commissioner Service

Director: T. R. G. Fletcher	2-8286
Executive Director: H. M. Maddick	2-6835
Assistant Director (Personnel): A. B. Brodie	2-6800
Assistant Director (Administration): M. B. Blackwood	2-5669

Trade Fairs and Missions Branch

Director: D. G. W. Douglas	2-8269
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Trade Fairs Abroad Division

Acting Chief: F. J. Bradley	2-8855
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Trade Missions Division

Chief: G. A. Cooper	2-8069
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Trade Publicity Branch

Director: Royd E. Beamish	2-2479, 2-6394
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"Foreign Trade" and "Commerce extérieur"

Editor: Miss O. Mary Hill	2-6588
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Editorial and Art Services Division

Chief: F. R. Hamilton	2-6435
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Media Relations Division

Chief: Kenn A. Prittie	2-2186
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This directory is intended as a useful reference for the businessman who wishes to consult Head Office personnel on particular problems. Correspondence should be addressed to branch directors. Local government telephone numbers follow each name: in Ottawa dial 9 (after May 5, 1963, dial 99) followed by the local; if you are telephoning from out of town through the long distance operator, call the government switchboard, CEntRAL 2-8211, and ask for the local only; if you are using direct distance dialing (after May 5, 1963) first dial the access code, then the Ottawa area code 613, the numbers 99, and the local.

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

Trade Policy Services

Gov. Local

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

International Trade Relations Branch

Director: R. E. Latimer 2-2250

Assistant Director: V. L. Chapin 2-2981

General Relations Division

T. M. Burns 2-4963

G. W. Green 2-2144

W. Lavoie 2-0982

A. R. A. Gherson 2-4100

Asia and Middle East Division

Chief: F. P. Weiser 2-5642

Commonwealth Division

Acting Chief: A. W. Evans 2-2421

European Division

Chief: W. G. Pybus 2-8727

Latin American Division

Chief: B. S. Shapiro 2-7641

United States Division

Chief: J. R. Downs 2-5176

Domestic Commerce Services

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

Special Adviser: T. E. Bocking 2-7886, 2-6968

Industrial Promotion Branch

Director: G. F. G. Hughes 2-4143

Depreciation Certification Division

S. B. Kayes 2-3111

Industrial Services Division

Chief: G. P. Bourne 2-5909

Regulations and Publications Division

Chief: J. H. O'Connell 2-3713

Special Studies Division

Chief: W. J. H. Purcell 2-5672

Chemical Industries Division

J. M. Belanger 2-6685

Electrical Industries Division

Food Industries Division

E. T. Banting 2-4181

Forest Industries Division

Chief: H. C. Jellicoe 2-8082

Metal Industries Division

Chief: B. F. Armishaw 2-6904

Textile Industries Division

Chief: P. L. Boisclair 2-2771

National Design Branch

Director: Carl J. Lochnan 2-0342

Assistant Director: E. P. Weiss 2-0341

Design Information Division

Mrs. M. Platek 2-8971

Domestic Commerce Services

	Gov. Local
Small Business Branch	
Director: J. J. McKennirey	2-4737
Assistant Director: R. J. Chartrand	2-0517
Management Training Division	
Chief: D. S. Conger	2-8802
Areas Division	
Chief: F. L. Quartermaine	2-5207
Information Division	
Chief: R. C. Fraser	2-7573
Operations Division	
Chief: G. R. MacGougan	2-7774
 Standards Branch Standards Bldg., Holland Ave., Tunney's Pasture	
Director: R. W. MacLean	2-2132
Electricity and Gas Division	
Chief: E. F. Power	2-2956
Weights and Measures Division	
Chief: C. S. Phillips	2-2000
Laboratory Division	
Chief: W. J. S. Fraser	2-2575
Commodities and Precious Metals Marking	
G. R. Lewis	2-7075

Commodities and Industries Services

Denis Harvey, Assistant Deputy Minister	2-5417, 2-7056
Agriculture and Fisheries Branch	
Director: Dr. S. C. Hudson	2-4301
Assistant Director: G. E. Woollam	2-7634
Fisheries Division	
Chief: T. R. Kinsella	2-7385
Assistant Chief: D. J. Packman (Atlantic Fisheries)	2-7744
Pacific Fisheries: B. Choquette	2-6621
Inland Fisheries:	2-7385
Grain Division, Room 467, Confederation Bldg.	
Chief: R. M. Esdale	2-5830, 2-5648
Assistant Chief: W. R. Hickman (Export)	2-7036, 2-5830
Assistant Chief: J. W. Channon (Domestic)	2-5648, 2-7036
W. J. O'Connor	2-5830, 2-5648
Livestock and Animal Products Division	
Chief: K. L. Melvin	2-3172
Assistant Chief: D. H. Burns (furs, sugar, beverages)	2-4161
Livestock, meats and meat products: J. Kaffezakis	2-5347
Dairy and poultry products: John A. McKelvie	2-8039
Special Projects: R. M. McKay	2-7749
Plant Products Division	
Chief: A. J. Stanton	2-7523
Fruits, vegetables and products: J. B. Mountain	2-0914
Special crops, feeds, seeds: F. Beaudette	2-6350
Grocery and confectionery products: W. J. Curran	2-6350
Oils, fats and oilseeds: H. E. Ryan	2-5481
Commodities Branch	
Director: A. M. Tedford	2-6905
Assistant to Director: A. M. Mackenzie	2-0241
(cont'd.)	

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 (absent) R. L. Richardson Acting 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 <i>Telex:</i> SYD 600 (CANADIAN SYD)
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 <i>Telex:</i> MLB 501 (CANADIAN MLB)
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 W. J. Collett Assistant Commercial Secretary P. A. Freyseng Assistant Commercial Secretary	Opernringhof Opernring 1 VIENNA 1	<i>Mail:</i> P.O. Box 106, Vienna I/15 <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 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)	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	<p>D. B. Laughton Commercial Counsellor</p> <p>W. M. Miner Commercial Secretary (Agriculture) (absent)</p> <p>E. J. Ward Commercial Secretary (Timber)</p> <p>L. D. Burke Commercial Secretary</p> <p>O. Hickie Assistant Commercial Secretary (Timber)</p> <p>G. W. Rooney Assistant Commercial Secretary (Industrial Development)</p> <p>E. L. Bobinski Assistant Commercial Secretary</p> <p>Miss M. A. Armstrong Attaché (Exhibitions)</p> <p>H. G. Garland Attaché (Fisheries)</p>		<p><i>Cable:</i> TIMCOM, LONDON, W.1</p>
Britain (Midlands, North England)	<p>W. R. Van Canadian Government Trade Commissioner</p> <p>C. M. Kerr Assistant Trade Commissioner</p>	<p>Martins Bank Building Water St. LIVERPOOL</p>	<p><i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Phone:</i> MARitime 2177</p>
Britain (Scotland)	<p>Finlay Sim Canadian Government Trade Commissioner</p> <p>N. L. Williams Assistant Trade Commissioner</p>	<p>Cornhill House 144 West George St. GLASGOW C.2</p>	<p><i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Phone:</i> DOUglas 6751</p>
Britain (Northern Ireland)	<p>Finlay Sim Canadian Government Trade Commissioner</p> <p>N. L. Williams Assistant Trade Commissioner</p>	<p>15-17 Chichester St. BELFAST 1</p>	<p><i>Mail:</i> (City Address) <i>Phone:</i> 21867</p>
Ceylon	<p>Commercial Secretary (absent)</p>	<p>Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO</p>	<p><i>Mail:</i> P.O. Box 1006 <i>Cable:</i> CANADIAN <i>Phone:</i> 91341</p>
Chile	<p>J. R. Midwinter Commercial Secretary</p> <p>G. L. Gagne Assistant Commercial Secretary</p>	<p>Canadian Embassy 5th Floor Agustinas 1225 SANTIAGO</p>	<p><i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Phone:</i> 64189</p>
Colombia Ecuador	<p>J. H. Bailey Commercial Secretary and Consul</p> <p>R. A. Bull Assistant Commercial Secretary</p>	<p>Canadian Embassy Edificio Banco de Los Andes Carrera 10, No. 16-92 BOGOTA</p>	<p><i>Airmail:</i> Apartado Aereo 8582 <i>Surface Mail:</i> Apartado 1618 <i>Cable:</i> CANADIAN <i>Phone:</i> 43-00-65</p>

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
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)
Cuba	Commercial Division	Canadian Embassy Calle 30 No. 518 esquina 7ª 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)
Gabon Cameroun, Central African Republic, Chad, Congo (Brazzaville)		Canadian Embassy National Bank of Commerce and Industry Bldg. YAOUNDE	<i>Mail:</i> P.O. Box 572 <i>Phone:</i> 38-03
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> 76995 <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

Territory	Officer	City Address	Mail and Cables, Office Telephone & Telex
Ghana Guinea, Ivory Coast, Liberia, Mali, Maure- tania, 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
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 (absent) J. H. Suggitt Acting 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)	W. G. Brett 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
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	84 Hahashmonaim St. TEL AVIV	<i>Mail:</i> (P.O. Box 20140) <i>Cable:</i> CANADIAN <i>Phone:</i> 221203

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Japan Korea, Okinawa	A. P. Bissonnet Commercial Counsellor P. A. Savard 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)
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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. E. Montgomery Acting 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)
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Norway Iceland	M. R. Bell Acting 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

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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
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	J. M. Knowles Vice Consul and Assistant Trade Commissioner		
United States (Michigan, Ohio)	Blair Birkett Consul and Trade Commissioner	Canadian Consulate 1139 Penobscot Building DETROIT 26	<i>Mail:</i> (City Address) <i>Phone:</i> WOODward 5-2811 <i>Telex:</i> 0-023-445
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	J. B. McLaren Consul and Assistant Trade Commissioner		
United States California (except the ten southern counties), Wyoming, Nevada (ex- cept Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General 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 (absent)	Canadian Embassy Avenida La Estancia No. 10 Ciudad Comercial Tamanaco CARACAS	<i>Mail:</i> Apartado 11452-Este <i>Cable:</i> CANADIAN <i>Phone:</i> 32.40.41.44
	D. I. Campbell Acting Commercial Secretary		

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 .927805.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent March 25	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Free .....	.007980	125.63	
Australia	Pound .....	.....	2.4148	.4141	
Austria	Schilling .....	.....	.04173	23.96	
Bahamas	Pound .....	.....	3.0185	.3313	
Belgium and Luxembourg	Franc .....	.....	.02180	46.30	
Bermuda	Pound .....	.....	3.0185	.3313	
Bolivia	Peso Boliviano	Free .....	.09088	11.00	
Brazil	Cruzeiro	Official Free Special Category .....	.002305 †	433.84 †	
Britain	Pound .....	.....	3.0185	.3313	
British Guiana	Dollar .....	.....	.6289	1.59	
British Honduras	Dollar .....	.....	.7546	1.32	
Burma	Kyat .....	.....	.2263	4.42	
Ceylon	Rupee .....	.....	.2264	4.42	
Chile	Escudo	Free .....	.3405	2.94	
Colombia	Peso	Certificate .....	.1198	8.35	
Congo, Republic of	Franc .....	.....	.02160	48.30	
Costa Rica	Colon .....	.....	.1627	6.15	
Cuba	Peso .....	.....	†	†
Czechoslovakia	Koruna .....	.....	.1497	6.68	
Denmark	Krone .....	.....	.1562	6.40	
Dominican Republic	Peso .....	.....	1.07781	.9278	
Ecuador	Sucre	Official .....	.05988	16.70	
El Salvador	Colon	Free .....	.05012	19.95	
Fiji	Pound .....	.....	.4311	2.32	
Finland	Markka .....	.....	2.7194	.3677	
France, Monaco, etc.	Franc .....	.....	.3368	2.97	
Franco-African Republics, etc.	Franc .....	.....	.2200	4.54	(1)
French Pacific	Franc .....	.....	.004400	227.27	(2)
Germany	D Mark .....	.....	.01210	82.64	(3)
Ghana	Pound .....	.....	.2699	3.70	
Greece	Drachma .....	.....	3.0185	.3313	
Guatemala	Quetzal .....	.....	.03592	27.84	
Haiti	Gourde .....	.....	1.07781	.9278	
Honduras	Lempira .....	.....	.2156	4.64	
Hong Kong	Dollar	Free .....	.5389	1.85	
Iceland	Krona	Official .....	.1866	5.36	*March 8
India	Rupee	Official .....	.1887	5.30	
		.....	.02507	39.89	(4)
		.....	.2264	4.42	

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

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

*Latest available date.

Country	Unit	Type of Exchange	Can. dollar equivalent March 25	Units per Canadian dollar	Notes (See below)
Indonesia	Rupiah	Official .....	.02395	41.75	(4)
Iran	Rial .....	.....	.01423	70.28	
Iraq	Dinar .....	.....	3.0179	.3313	
Ireland	Pound .....	.....	3.0185	.3313	
Israel	Pound .....	.....	.3593	2.78	
Italy	Lira .....	.....	.001736	576.04	
Japan	Yen .....	.....	.002994	334.00	
Lebanon	Pound	Free .....	.3586	2.79	
Mexico	Peso .....	.....	.08623	11.60	
Morocco	Dirham .....	.....	.2156	4.64	
Netherlands	Florin .....	.....	.2998	3.33	
Netherlands Antilles	Florin .....	.....	.5715	1.75	
New Zealand	Pound .....	.....	2.9979	.3336	
Nicaragua	Cordoba .....	.....	.1540	6.49	
Nigeria	Pound .....	.....	3.0185	.3313	
Norway	Krone .....	.....	.1509	6.63	
Pakistan	Rupee .....	.....	.2264	4.42	
Panama	Balboa .....	.....	1.07781	.9278	
Paraguay	Guarani	Free .....	.008736	114.47	
Peru	Sol	Free .....	.04018	24.89	
Philippines	Peso	Free .....	.2762	3.62	
Portugal & Colonies Singapore and Malaya	Escudo .....	.....	.03749	26.67	(5)
South Africa	Straits dollar	.....	.3521	2.84	
Spain and Dependencies ...	Rand .....	.....	1.5093	.6625	
Sweden	Peseta .....	.....	.01796	55.68	
Switzerland	Krona .....	.....	.2075	4.82	
Syria	Franc .....	.....	.2490	4.02	
Thailand	Pound	Free .....	.3012	3.32	
Tunisia	Baht	Free .....	.05114	19.55	(4)
Turkey	Dinar .....	.....	2.5975	.3850	
United Arab Republic	Lira .....	.....	.1198	8.35	(4)
United States	Pound	Official	2.4790	.4034	
Uruguay	Dollar .....	.....	1.0778125	.927805	
Venezuela	Peso	Free .....	.09830	10.17	
West Indies	Bolivar	Controlled market rate ..	.3215	3.11	
Yugoslavia	Dollar	Official Free .....	.2374	4.21	
	Pound .....	.....	.6289	1.59	(6)
	Dinar .....	.....	3.0185	.3313	(7)
		.....	.001437	695.89	

Notes

1. Franc is also used in Algeria, French Guiana, Guadeloupe and Martinique.
2. Chad, Central African Republic, Congo, Dahomey, Gabon, Ivory Coast, Mali, Islamic Republic of Mauritania, Niger, Senegal, Upper Volta, Cameroons, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.
3. New Caledonia, New Hebrides, French Polynesia.
4. Additional rates are in effect.
5. Portugal: approximately same rate for Portuguese territories in Africa.
6. Barbados, Trinidad and Tobago, Leeward and Windward Islands.
7. Jamaica.



Markets in Brief: JAMAICA

Area: 4,411 square miles.

Population: 1.6 million.

Climate: sub-tropical, with temperatures ranging between 80 and 86 degrees and an average rainfall of 77 inches, ranging from 30 inches in the mid-south to over 100 inches in the northeast.

Language: English.

Currency: sterling; Jamaica £ pegged to English £ (Jam. £ equals Can.\$3.02).

Foreign exchange: Canadian and U.S. dollars are freely convertible for business transactions.

Weights and measures: imperial standard.

Capital: Kingston.

Chief port: Kingston (population) 425,000.

Marketing centres: Kingston, Mandeville, Montego Bay, Port Antonio, Ocho Rios.

Economy: mainly agricultural, with bauxite mining and tourism. Light secondary manufacturing is also gaining importance in the economy.

Total Jamaican imports: (Can.\$ million) 1961—228.4; 1960—234.8.

Chief imports: (Can.\$ million) 1961—manufactured goods 86.4, machinery and transport equipment 49.4, food 43.7, fuel 24.0, chemicals 18.8.

Chief suppliers: Britain, United States, Canada, Netherlands, West Germany.

Value of imports from Canada: (Can.\$) 1961—19,077,069; 1960—18,056,318.

Chief imports from Canada: (Can.\$) 1961—foodstuffs 9,833,593 (including fish products 4,494,563); flour 2,782,483; transportation equipment and parts 1,435,638 (including automobiles 995,845); textiles, yarns and wearing apparel 1,195,636; newsprint and paper 1,081,869; industrial equipment 756,231.

Total Jamaican exports: (Can.\$ million) 1961—186.5; 1960—171.7.

Chief exports: (Can.\$ million) 1961—bauxite and alumina 90.7, sugar 43.1, bananas 14.8.

Chief markets: United States, Britain, Canada, Norway.

Value of Canadian purchases: (Can.\$) 1961—39,205,703; 1960—42,397,208.

Chief Canadian purchases: (Can.\$) 1961—alumina 27,560,734, sugar 9,559,311, rum 277,600.

Prices: quote in Canadian dollars, c.i.f. Kingston.

Usual terms of payment: usual terms of payment are sight draft against documents. However, terms from 30 to 90 days are sometimes given.

Samples: if of commercial value, subject to normal duty or deposit of bond, both of which are refundable.

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

Import controls, documentation, customs tariffs, marking and labelling: most goods are imported freely. However, the Government has established exceptions which it publishes from time to time. To import these commodities the local importer must obtain a licence from the Trade Board. Licences may or may not be freely given, depending upon whether the goods are manufactured locally of comparable quality and in sufficient supply for the market. For further details, consult the International Trade Relations Branch, Department of Trade and Commerce.

Correspondence: airmail only; ten cents per half ounce.

For detailed information on this market write to:

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

or

Commercial Counsellor
Office of the High Commissioner for Canada
P.O. Box 225
Kingston, Jamaica.

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the proof of the pudding . . .

*to the Canadian Trade Commissioner,
Paris, France.*

"I am writing you because of your interesting article in the December 16, 1961, FOREIGN TRADE issue. We are able to export a good line of canned fruits, vegetables, hams, poultry, jams, jellies, and some canned salmon. Would you be able to suggest an import agent who would be interested in importing some of these lines?"

*from a Canadian import/export manufacturers' agent**

*to the Executive Director,
Trade Commissioner Service,
Department of Trade and Commerce,
Ottawa.*

"We have for acknowledgement your letter of the 20th instant . . . We have been aware of the situation described for some time . . . we circularized all of our branches asking them to bring the matter to the attention of any of their customers who are exporters of merchandise of any kind. As a matter of fact it was the article in FOREIGN TRADE ("Check Credit Standings") that caused us to initiate investigation leading to the issuing of the circular . . ."

*from a Canadian bank in Toronto**

*to the Canadian Trade Commissioner,
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*from a Canadian Mining Consultants
company**

*to the Commercial Counsellor,
Canadian Embassy,
Lisbon, Portugal.*

". . . The information which you so kindly supplied . . . is now entered in the large world market survey which we have compiled to promote our machine . . . We find the magazine FOREIGN TRADE to be very useful in backing up the market information which we already possess . . ."

*from a Canadian manufacturer**

*to a Commodity Officer,
Consumer Goods Division,
Department of Trade and Commerce,
Ottawa.*

"Many thanks for the issue of FOREIGN TRADE containing an article on the Dutch plastics industry. I expect to bring this to the attention of a meeting of plastics men later this week . . . It seems quite remarkable that figures should be available as to installed equipment, employment and the like in the industry. . ."

*from the Executive Secretary of a Canadian Association**

to an Agent in Venezuela

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. . . is in the eating

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