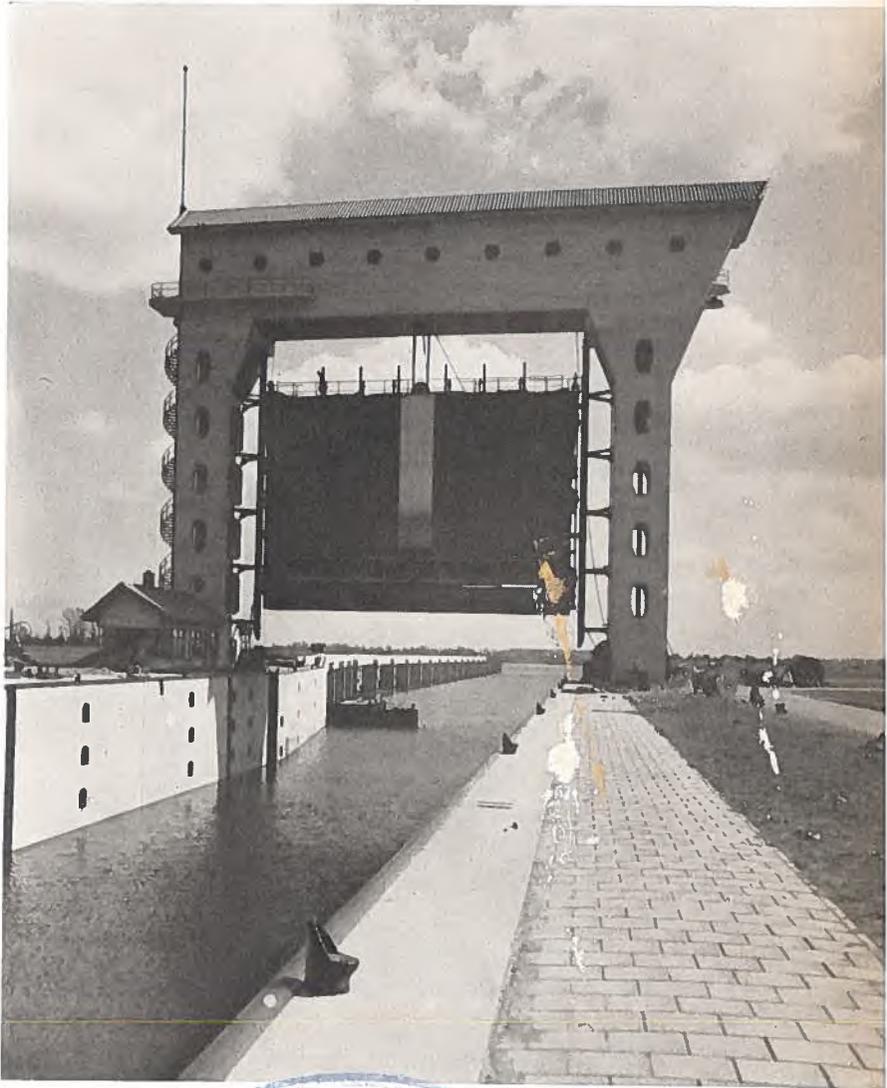


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JULY 26, 1952

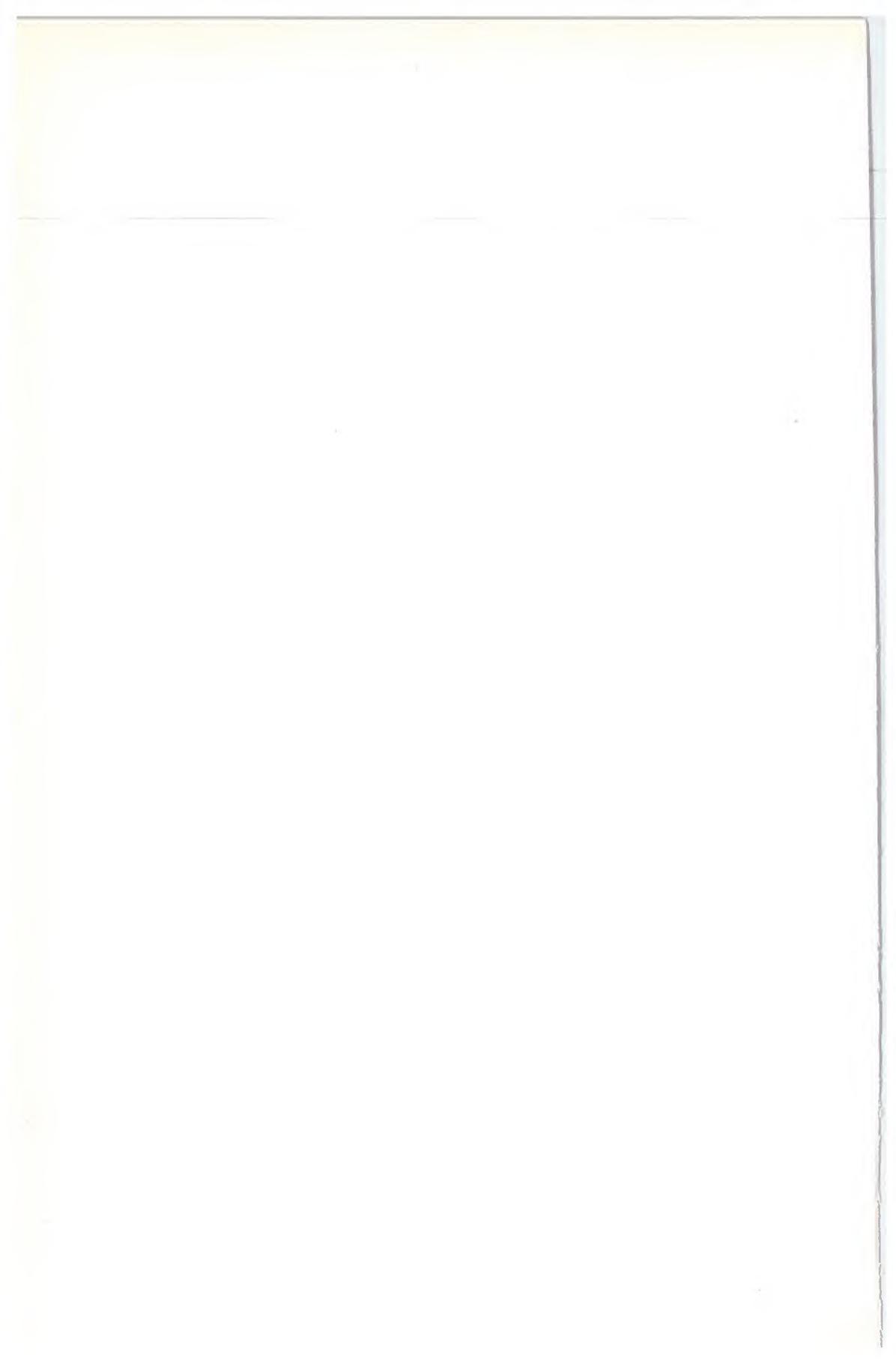


OTTAWA
CANADA



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foreign trade

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COVER . . . One of the locks on the new Amsterdam-Rhine Canal, which is enhancing Amsterdam's importance as a world port. Ships of up to 4,000 tons can now sail through the canal, enter the Rhine at Tiel, and continue on to Basel, Switzerland. For a report on the canal and other developments in the Netherlands, turn to page 2.

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Netherlands' Outlook Brightens

Improved terms of trade and government action against inflation helped Holland to improve its economic position in 1951.

by Willard G. Pybus
Assistant Commercial Secretary for Canada

THE HAGUE—The Netherlands achieved a remarkable improvement in its external and internal monetary position during the latter half of 1951 and the early months of 1952. Growing pessimism gave way to guarded optimism over Holland's immediate economic future. The Government's deflationary policy, some improvement in the terms of trade, and seasonal trade factors were chiefly responsible for the brighter outlook.

The Netherlands' dollar problem, which continues to limit Canadian exports to this country, remains a serious threat. Economic equilibrium is also menaced by the import restrictions imposed by the sterling area and France, and, in the long term, by revived German and Japanese competition. And in interpreting the country's financial position one must remember that defence expenditures, the bulk of which are made abroad, have lagged behind the rate at which funds have been collected to cover them. When defence outlay catches up with the planned amounts, Holland's present surplus position may come more into balance.

Production figures show an increase of 3½ per cent for 1951, even though average monthly output decreased in the last half of the year. In spite of the Government's 25 per cent reduction, private investments remained at about the same level as for 1950. Growing unemployment in the last six months of 1951 was not considered sufficient to require national measures, though the Government and industry may co-operate in assisting hard-hit areas.

Monetary Improvement

Events in Korea upset the equilibrium of Holland's payments balance which had recovered during the course of 1949. During 1950 the country faced a serious balance of payments deficit, which continued through the first six months of 1951. By July of last year the deficit on Holland's foreign exchange balance for that month reached the alarming figure of 283 million guilders.*

Total gold and foreign exchange reserves at the end of July 1951 fell to a low of 894 million guilders. Since reserves of at least 2,500 million guilders are considered necessary to maintain stability, it was obvious that a danger point had been reached.

Beginning in August, however, the position showed monthly improvement. By year's end a surplus of 463 million guilders for December was shown and the total of gold and foreign exchange held by the Netherlands Bank had risen to 1.7 billion guilders. During the first months of 1952 the improvement continued. In April gold and foreign exchange reserves stood at a record high of 2.3 billion guilders.

* One guilder=approx. 25 cents Canadian.

Directly related to the Netherlands improved balance of payments position is her standing in the European Payments Union. Since August 1951 Holland has shown monthly surpluses in EPU which by the end of January 1952 changed the country's debtor position to that of a creditor, and increased its gold and foreign exchange reserves.

External Trade

Netherlands imports for the year totalled 9,673 million guilders, and exports 7,431 million guilders. The resulting trade deficit for 1951 of 2,242 million guilders was 222 million less than in 1950.

Imports, which increased steadily throughout 1950 and reached a peak of 950 million guilders in June 1951, fell rapidly from July on, mainly as a result of government measures.

The average coverage of imports by exports for the year was 77 per cent. In November, however, Holland exported nine per cent more by value than it imported. The November coverage figure of 109 per cent was important as the first occasion in published Netherlands trade statistics when Holland exported more goods than she imported. (Trade statistics were first officially published in 1917.)

Government Action

One of the main causes of the Netherlands' improved financial position during the last half of 1951 was the Government's deflationary policy. The first decision was to reduce net consumption by five per cent, thereby reducing imports. The second step was to lower private and public investment by 25 per cent.

To cut down consumption, the sales tax was increased an average of 15 per cent, mainly on luxury goods. Higher taxes on automobiles and increases in personal and company taxes completed the tax changes. The estimated annual increased tax yield totalled 245 million guilders. Food subsidies, which had been running at about 450 million guilders a year, were reduced by 275 million. This caused immediate price increases up to 20 per cent.

Investment in the private building program was reduced by 310 million guilders. The subsequent improvement in Holland's position, combined with strong public pressure and a new housing loan, led to a resumption of the original building rate in April 1952. Public investments involving projects costing more than 100 thousand guilders were made subject to the approval of a "Central Investment Committee".

Bank credits to individuals were further restricted by increasing the rate of interest to four per cent for bills of exchange and $4\frac{1}{2}$ per cent for promissory notes. These rates were lowered to $3\frac{1}{2}$ per cent when the situation improved.

An improvement in Holland's terms of trade also contributed to the better financial position of the country. The ratio at which Netherlands exports are exchanged for imports of foreign origin worked to Holland's disadvantage throughout the commodity boom which followed the Korean war. The index figure for import prices (base 1948=100) rose from 108 in July 1950 to 139 in August of 1951. Over the same period, the export index figure rose from 91 to 116. By the end of the year, although prices continued to fluctuate at relatively high levels, import costs became less in comparison to export earnings, thus working to Holland's advantage.

External factors also influenced Holland's financial position in the latter half of 1952. From time to time, trade circles talked of the possibility of a devaluation of the British pound and French franc. British and French traders therefore promptly paid outstanding debts in Holland and transferred as much of their currency as possible to this country. The influence of this is extremely difficult to determine, but all serious commentaries on Holland's financial position for 1951 have taken it into account.

The improvement of Western Germany's economic position throughout 1951 assisted Holland because Germany is one of the best Dutch markets, particularly for agricultural products.

Dollar Problem Remains

In spite of the Netherlands' outstanding financial recovery, her dollar position remains unfavourable and dollar shortages continue to hamper Canadian-Netherlands trade. Otherwise, this market could become of great importance to Canada. But at present, if the Netherlands is to increase her imports from Canada she must continue to earn dollars to cover her dollar purchases. A government note on export policy submitted to Parliament in April 1952 outlines in detail new measures to be taken to stimulate dollar sales.*

The average production index figure for 1951 of 145 exceeded that for 1950 by five points. In the branches of production which profited by the gradual increase of defence orders, high production was maintained. Building materials, rubber products, hardware and paper all showed increases over 1950. In some other branches, sales were more difficult. It is hoped that accelerated arms production and normal replacement demand may help the depressed sectors, especially textiles, clothing, leather goods, shoes and cigars.

The Amsterdam-Rhine Canal

The year 1951 saw the final phases of the construction work on the important Amsterdam-Rhine Canal, which was opened on May 21, 1952. The 73-kilometre canal links Amsterdam, Utrecht, the industrial districts of Arnhem, Nijmegen, Bois-le-Duc and South Limburg with the Belgian Meuse and the River Rhine. Most important, it reduces the shipping time from Amsterdam to the frontier town of Lobith by 20 hours, and makes possible night navigation along the canal's entire length.

The new waterway is designed for 4,000 ton vessels but will also be able to handle the few 4,300 ton Rhine barges which are still in service. Navigation on the Rhine River system is done mainly by barges from the Netherlands, Germany, Belgium, France and Switzerland which convey an average of 56 million tons of goods a year. Fifty per cent of the craft sail under the Netherlands' flag.

The Netherlands merchant fleet continued to grow throughout 1951. At the end of the year it consisted of 1,239 vessels totalling 3,145,885 gross registered tons, as compared with 1,153 vessels and 2,896,813 g.r.t. in 1940. The number of steamships has been gradually declining in favour of motor vessels, which at the end of 1951 numbered 1,192 vessels totalling 3,122,737 g.r.t.

* See *Foreign Trade* of June 7, 1952, for details of this new export policy.

Mauritius Lives on Sugar

by Kenneth F. Noble
Canadian Government Trade Commissioner

CAPE TOWN—The economy of Mauritius is dominated by the sugar industry, which supplies more than 96 per cent of the Colony's exports. It thus has a direct and immediate influence on government revenue and expenditure, as well as on private business, wholesale and retail turnover, wages and employment, banking—in fact, on all aspects of life on the island.

The 1950-51 sugar crop was a record one, with a production of 483 thousand metric tons and an export surplus of 463 thousand tons. The prospects for the 1951-52 harvest, which begins early in July, are even more favourable and a production of over 500 thousand metric tons is forecast.

Industry Modernized

The sugar industry has passed through a period of modernization made possible by postwar profits and in the past 18 months has completely rebuilt the processing facilities of the 27 sugar centrals. With installation of new equipment, a higher percentage of recovery is expected for the coming harvest, combined with lower working costs. Moreover, experimental shipments of sugar in bulk during the past year have established that savings of as much as Rs.20 per metric ton are possible.

Most important industry next to sugar is the growing of aloe fibre and its processing into cloth in some 35 factories. The island also has 22 sawmills, 12 wineries, five tea factories, and several oil and soap, cigarette, and match factories.

Trade Balance

The record sugar export in 1950-51, coupled with a more selective control of imports, produced a favourable trade balance of Rs.34.6 million* on a total trade of Rs.440 million, made up of exports of Rs.237.6 million and imports at Rs.203 million. In 1949-50 the *deficit* trade balance was Rs.23 million on a total trade of Rs.327.7 million.

The ten-year plan for improving social and economic life in Mauritius, as proposed in 1949, is being implemented. Projects in hand, to an overall cost of Rs.107.3 million, include the following:

Irrigation and water supply	Rs.35.8 million
Public buildings	10.2 "
Loans to secondary industries	8.2 "
Health	6.0 "
Aid to sugar industry	5.7 "
Agriculture	4.6 "
Research	4.1 "

* One rupee=approx. 20 cents Canadian.

In recent years revenues of the Colony have consistently exceeded expenditure but both have increased rapidly, as the table shows:

	Revenue (millions of rupees)	Expenditure (millions of rupees)
1931-32	17·8	24
1949-50	46	44
1950-51	55·1	50·2
1951-52 (est.)	60	56

The tariff assesses *ad valorem* or specific duties against 19 main groups of imports. Tariff item 44 gives exemption to a wide range of specified products, but all other imports are subject to a general *ad valorem* duty of 10 per cent. A number of items receive preferential tariff treatment if they originate within the Empire. The Colony of Mauritius is part of the sterling area and emphasizes sterling sources of supply when licensing imports. The Colony depends on the Empire for most of its needs.

Rice imports in 1950 amounted to 45,169 tons, compared with 32,604 tons in 1949. Flour imports declined during the same period from 37,451 tons to 14,085 tons. Flour and frozen meats are imported from Australia, live beef from Madagascar, and canned foods from the United Kingdom and South Africa. The United Kingdom is the principal source of supply for all manufactured goods, including textiles, motor car materials, hardware and electrical supplies. Large quantities of low-priced cotton goods are drawn from India, and fertilizers from the United Kingdom, Chile, Belgium and France.



—U.K. Information Office.

Producing aloe fibre is the second most important industry of Mauritius. Here the fibre is being dipped in retting vats, then will be dried.

India's Industrial Progress

Good production records in the coal, cement, steel and cloth industries highlighted India's industrial history in 1951.

by Richard Grew
Commercial Counsellor for Canada

NEW DELHI—The most encouraging feature of India's economic history in 1951 was the welcome improvement in industrial production. Despite numerous difficulties—such as the scarcity and high prices of raw materials, labour's "go slow" attitude, and the hampering control regulations—the principal industries for which statistics are available recorded a gain in their index of production. At the end of December 1952 the average general index stood at 123·5 (1946=100), compared with 113·2 in December 1950. For the year as a whole, the figure was 116·6, compared with 105·2 for 1950.

Principal reasons for this spurt in production seemed to be:

- An improvement in the labour situation, with fewer strikes.
- Better supply of raw materials, especially jute and cotton.
- Better transport service, especially on the railroads.
- Improved method of fixing prices.

Some of the important industries showed an improvement greater than that in the general index—as, for example, coal. Its index of production for 1951 was 118·7, compared with 110·8 for 1950. The index for cement production advanced to 207·2 from 169·4 in the previous year. Although the production of cloth reached an index of only 104·4, this was a distinct gain over the previous year—93·8. The low 1950 figure resulted largely from a prolonged labour dispute. The year 1951, however, brought the industry new problems because of an electric power shortage in the principal textile centre, Bombay. The index of paper and paperboard production was well above the general index at 123·7, a considerable improvement over the 102·7 of 1950.

Jute Production Off

Probably the most disappointing record was that for jute goods, the index standing at 80·3. This was a slight improvement over the previous year (76·8). The industry was beset by many difficulties, chief among them a shortage of raw jute. The last two months of the year, however, saw some improvement and the index of production was above 91. In December the working week was extended from 42 to 48 hours and unless unforeseen and unfortunate developments occur in the months ahead, 1952 is expected to witness a considerable rise. The raw jute crop in both

India and Pakistan has been good, and shortage of raw material should not present any problem during 1952, particularly if the existing Indo-Pakistan trade agreement is extended.

Production of jute goods during 1951 amounted to 874 thousand tons, as compared with 836 thousand tons during the previous year. Stocks of jute goods, which stood at 92,346 tons in January 1951 as against 55,410 tons in the same month of the previous year, reached 82 thousand tons at the end of December 1951, compared with 79 thousand the year before.

Coal Output

The rise in coal production was particularly heartening. Total exports of coal and coke amounted to 1,161,834 tons and 16,538 tons as against 568,936 tons and 7,419 tons respectively in the corresponding period of 1950. The following table shows the approximate quantity and value of coal exported to the principal markets:

Country	January to August		January to August	
	1951	1950	1951	1950
	(quantity in tons)		(value in rupees)	
Ceylon	217,260	311,232	6,524,672	9,228,446
Burma	98,661	104,184	2,612,315	5,004,328
Singapore	75,884	15,517	2,263,691	610,833
Hong Kong	107,723	71,092	3,322,398	2,590,923
Japan	260,142	26,429	7,561,161	1,523,637
Australia	74,148	91,451	2,238,717	2,858,351

Exports would have been much higher if deliveries to Pakistan under the trade agreement could have been maintained. When the trade agreement was signed in February last, India agreed to supply Pakistan with 600 thousand tons of coal before the end of June 1951, and another 1.5 million tons between July 1951 and June 1952. However, because of shipping difficulties, only about 800 thousand tons had been despatched by the end of the year.

Under the trade agreement, India had agreed to accept the rupee ratio of 100 Pakistan rupees to 144 Indian rupees and to offset this adverse exchange rate India imposed an export surcharge of Rs.11 per ton on all coal for foreign destinations. This proved a serious handicap in sales to other export markets, and subsequently the Government withdrew the surcharge on existing business with Burma, Malaya, Hong Kong and Ceylon. This measure stimulated the demand from foreign buyers and coincided with an acute seasonal demand for coal for Europe. Shipments have already been made to Denmark, Finland, Norway, Sweden and several Mediterranean ports, and towards the end of the year arrangements were concluded for the sale of 120 thousand tons of best Indian gas coal to the British Coal Board.

In India itself, consumers have been handicapped by the shortage of coastal steamers and the inability of railways to cope with the situation. Industries in Bengal and Bihar have had ready supplies. In Bombay and the south generally plants have had to curtail production because of lack of coal, while supplies have been accumulating at the collieries. The railways have done their utmost to deal with the problem and have succeeded in loading more cars during 1951 than at any time during the past six years.

The Planning Commission, in its draft Five-Year Plan, submitted a comprehensive blueprint for the coal industry. It involves preventing the use of coking coal for purposes other than the production of iron and steel and coking, and replacing this quantity (about eight million tons annually) by coal of other qualities. Other measures were also suggested.

Steel Production

Steel production during 1951 amounted to 1,052,000 tons, as against 953 thousand tons in 1950 and 930 thousand in 1949. This increase helped to minimize the effects of the decrease in imports of steel from 284 thousand tons in 1950 to 150 thousand tons in 1951. The annual demand for steel in India is estimated at 2.5 million tons; production is about one million tons. The Government has been assisting the main producers to expand their production and following through on a project of state-owned steel plants to produce another one million tons a year. Financial stringency, however, has shelved this plan temporarily.

One of the projects recommended by the Planning Commission is the extension of the Mysore Iron and Steel Works at Bhadravati, Mysore. This would harness the large volume of electric power from the Mahatma Gandhi hydro-electric works at Jog Falls to step up production of pig iron from its present level of 25 thousand tons a year to nearly 125 thousand tons and convert it into finished steel.

Cotton Textiles

In 1951, the cotton textile industry produced a little over 4,100 million yards as against 3,714 million yards in 1950. Production of yarn reached 1,300 million lbs., compared with 1,174 million lbs. in 1950.

Main factors in this achievement seemed to be:

- An improvement in the supply of cotton, thanks to substantial imports from the United States and the effective enforcement of cotton control which enabled the mills to get home-grown cotton at the ceiling prices;
- Better control prices on cloth for internal consumption and higher prices realized for exports;
- Spinning of a larger quantity of fine and superfine cotton, which gives more yardage than coarse and medium counts;
- Absence of labour trouble in the textile-producing centres.

In 1950, India attained the distinction of being the largest exporter of cotton textiles in the world, exporting 1,102.3 million yards valued at Rs.942 million. This record, however, could not be maintained, as at the beginning of the year the stocks of cloth in the country were dangerously low. The Government therefore not only restricted exports but even banned considerable business that had already been booked. This action placed the mills and exporters in a difficult position and adversely affected India's position as a major supplier of cloth. The imposition of an export duty of 10 per cent ad valorem at the beginning of the financial year was considered reasonable by exporters, but with effect from June 7, when the bulk of exports intended for the year had been completed, the Government raised this duty to 25 per cent. For the first eight months of the year, which are the latest figures available, exports of cotton cloth totalled

653·4 million yards, which, on the basis of the monthly average, would work out to 968·4 million yards, for the entire year, a reduction of 133·9 million yards as compared with 1950.

Government Factories

Not much progress was made during 1951 on the industrial projects being developed and managed by the Government of India. Main reasons were lack of capital and difficulty in obtaining the necessary equipment from abroad. One major exception to this is the Sindri Fertilizer Project, which went into initial production on October 31. (See *Foreign Trade* of June 28, 1952.) Other undertakings which made some progress were the government machine tool factory near Bangalore; the penicillin factory being established with the help of UNICEF and WHO near Poona; the locomotive manufacturing workshop in West Bengal, now almost completed, and several other plants.

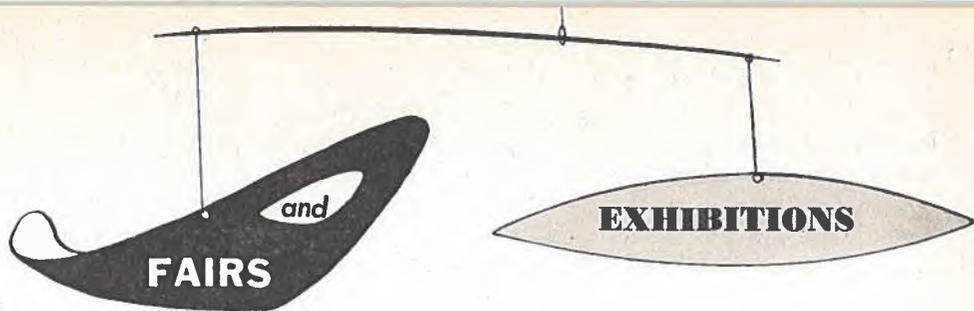
Hindustan Aircraft Ltd., situated at Bangalore, has made creditable progress in the design of the HT-2 Trainer, an elementary training type of aircraft intended to meet the needs of the Air Force and civil aviation. Considerable work has also been done on the assembly and production of the Percival Prentice Trainer for the Indian Air Force, under an arrangement with the Percival Aircraft Company of England. The factory has also been carrying out repairs and overhaul work for the civil air transport companies and has undertaken a contract from the Ministry of Railways to manufacture third-class passenger coaches. The company is under the administrative control of the Ministry of Defence.

Foreign Investment

The only venture in which foreign capital participated to any extent during the year was the setting-up of modern oil refineries in Bombay by the Standard Vacuum Oil Company and Burmah-Shell. The terms of the contract with the United States firm, which was signed in November, provide that the refinery shall be owned and operated by an Indian rupee company with an authorized capital of \$35 million, one-fourth of which will be available to Indian nationals. The subscribed capital will be \$10 million. The refinery, which will have a capacity of 1·5 million tons and is expected to be completed in about three years, will be on the most modern lines. The company has agreed to train Indian technical personnel and also employ qualified Indians as and when available. It will be responsible for housing of labour and has set aside Rs.2·5 million for this purpose. It has also undertaken to assist Indian industrialists to develop such industries as are dependent on the by-products of the refinery.

The Government of India has given a guarantee to the firm not to acquire the refinery for a period of 25 years. It will also enjoy protection for ten years from commencement of operations.

The contract with Burmah-Shell, signed in December, follows broadly the same principles. At the end of the year government officials were conferring with Caltex, the third large oil company, which is considering the establishment of a refinery at a suitable port on the east coast.



U.S. Appointment Made

A new appointment announced recently by the U.S. Office of International Trade points towards increasing United States interest in trade fairs abroad. Alfred Bliss, of New York, has joined the Office as consultant on international affairs. Mr. Bliss's special function will be to co-ordinate and help to carry out a new government-industry program for U.S. participation in the major international trade fairs.

The State Department, the Department of Commerce and the Mutual Security Agency are co-operating in this venture with the National Association of Manufacturers, prominent export advertisers, and other interested businessmen. Industrial companies will supply the greater part of the display material. Mr. Bliss himself has had 25 years' experience in designing and making exhibits for leading firms in the United States, Brazil and Cuba. His first assignment is the co-ordination of U.S. exhibits for the International Fair opening on August 20 at Izmir, Turkey.

Paper in Paris

The third International Show of Paper-Manufacturing and Graphic Techniques will be held in Paris October 23-31. It is designed to attract those interested in many phases of the graphic arts—manufacturers of paper and cardboard, printers, book-binders, photo-engravers, etc. The exhibits, coming from many countries, will feature machines, accessories and supplies for the production, processing and printing of paper and cardboard; the binding of books; and the photo-engraving process. The place: Parc des Expositions of the Porte de Versailles, Paris.

What's New in Radio?

The latest developments in British radio and television will be highlighted on August 26, when the British National Radio Show opens at Earls Court, London.

The exhibit will have both eye and "ear" appeal. Over 150 British manufacturers of radio, radar and electronic equipment will display their products; thirty makers of TV equipment will put on a continuous demonstration of their newest-type receivers. And, to go a step farther, the BBC will set up a television studio and both rehearse and produce "live" TV

shows featuring British stars. The armed services will exhibit the radio and radar equipment which they are using—and the nautical-minded may watch miniature ships being controlled by radio.

Overseas visitors will be welcomed at the Overseas Reception Bureau, which will provide guides and a general information service. Trade buyers from abroad may enjoy the facilities of the Overseas Trade Buyers Club. The show will run from August 26-September 6.

Fairs in Canada

The following are a few of the fairs and merchandise shows scheduled in Canada in the next four months:

Pacific National Exhibition, Vancouver, Aug. 20-Sept. 1.

Canadian National Exhibition, Toronto, Aug. 22-Sept. 6.

Canada Housewares and Home Appliances Show, Palais du Commerce, Montreal, Sept. 16-20.

Business Show, National Office Management Association, Windsor Hotel, Montreal, October 14-16.

National Canadian Shoe and Leather Fair, Automotive Bldg., CNE, Toronto, October 14-18.

Royal Agricultural World Fair, Coliseum, CNE, Toronto, November 14-21.



One section of the display of Canadian woods and wood products featured in the Canadian Showroom, Rockefeller Center, during July and August. The exhibit is drawing hundreds of interested New York visitors.

United Kingdom Weathers Exchange Crisis

In the second quarter of 1952, the sterling area made progress towards its objective of living within its means.

by R. Campbell Smith
Commercial Secretary for Canada

LONDON—The United Kingdom reserves of gold and dollars fell by only \$15 million in the quarter just ended, as compared with the disastrous drop of \$935 million which greeted the incoming Government in the last quarter of 1951. Losses in the first quarter of this year reached \$635 million. Reserves now stand at \$1,685 million—or \$260 million above the record low of \$1,425 million in September 1949.

Dollar Aid

The major factor in this latest improvement in the balance of payments was United States defence aid of \$202 million. Aid in the previous three quarters totalled: third quarter, 1951, \$46 million; fourth quarter, 1951, \$6 million; first quarter, 1952, \$1 million. It is worth noting that ECA extended aid during the critical year 1949 on a much larger scale, an average of \$340 million each quarter.

Exclusive of U.S. defence aid, the sterling area as a whole has reduced its deficit with the dollar area from \$425 million in the first quarter of 1952 to nearly \$70 million in the second.

In announcing these figures in the House of Commons, the Chancellor of the Exchequer, Mr. R. A. Butler, said that seasonal factors in external trade had been working in favour of the United Kingdom simultaneously with the effect of cuts in dollar imports by the United Kingdom and other Commonwealth Governments.

The EPU picture brightened in the last quarter. Total gold payments to EPU came to \$143 million as compared with \$290 million in the previous quarter. This is a decided improvement, but it was hoped that EPU deficits would be much lower.

An agreement was recently made in Paris to transfer \$50 million of the Belgian credit into bilateral credits to the United Kingdom and France, to be repaid by deliveries of armaments over two years. Last month, the United Kingdom received for arms deliveries an advance payment of \$33 million out of the \$50 million.

Essentially the task of the United Kingdom is developing a favourable trade balance with the rest of the sterling area (the deficit in the second half of 1951 was £150 million) and eliminating its deficit with non-sterling countries (£600 million in the second half of 1951) without U.S. aid. The United Kingdom has, therefore, to the extent of \$202 million in dollar aid, been unable to achieve its minimum objective this last quarter by \$15 million.

The spectacular gains of the last three months means that the sterling area has gone a long way toward achieving its first objective of living within its means. During the coming quarter, however, these gains will be more difficult to maintain on three counts:

- Certain principal sterling area exports, such as wool and cocoa, will be at their lowest ebb.
- Import expenditures on such staples as wheat and tobacco will begin to rise.
- There is no assurance that U.S. defence aid earnings will be maintained at the rate realized last quarter. (Of the Mutual Defence Act and the Mutual Security Act appropriations totalling \$422 million for expenditure in the United Kingdom, \$221 million is still to come.)

On the other hand, the counterbalancing impact of Commonwealth import cuts should be felt in this period and the terms of trade continue to be favourable. The ratio of import prices to export prices remains steady at 95 to 100 (1951 prices=100).

While the out-turn for the current quarter is problematical, the final quarter, with its relatively heavy dollar earnings, should be normally reckoned as this year's bumper period. However, seasonal expenditures on wheat and tobacco and the year-end payments on the U.S. and Canadian loans also fall within this period.

Exports Lag

Exports during April and May of this year dropped to an average of £221.6 million from £239.5 million for the first quarter—that is, by almost £18 million. The drop of over £19 million in exports to Australia largely accounts for this. The general decline in textile exports cannot, however, be attributed to Australian import cuts alone. The diversion of exports from Australia to other markets was successful, on the whole, in other categories such as engineering products, machinery and automobiles. (Sales of the latter rose by \$10 million in Canada and the United States in April and May.) This is evidence that the necessary switch in the direction of overseas trade is beginning to take place.

Coal exports rose from an average of £3.6 million in the first quarter to £5.4 million in the second. They have contributed £15.6 million so far this year toward closing the trade gap, exceeding exports for the first half of 1951 by £10.5 million. The release of still greater tonnages for export this year has recently been announced.

Total imports of raw materials were lower in May because of the reduced take in raw cotton but manufactures of iron and steel were imported at twice the rate of the first quarter.

In the aggregate, exports failed to expand last quarter though the diversions to the dollar area were encouraging. The emergency measures to restrict imports are taking effect but until exports can be maintained at a high level the United Kingdom will not solve its balance of payments difficulties. Exports averaged about £228 million a month during the first half of 1952 (£223 million during the second half of 1951). If reserves are to reach the point where dollar and non-dollar imports may be raised again, it calls for further effort to balance accounts with EPU countries and increase dollar earnings.

The Chancellor has warned that it may be necessary to apply additional import restrictions, which may be directed mainly against imports from Europe.

A continued inflow of capital seems to be of prime importance to the finances of the sterling area. This must be achieved by strengthening sterling. In April and May there was a considerable outflow of capital with a weakening of the exchange rate, but this movement may now be reversing itself.

Henceforth figures for gold and dollar reserves will be released by the Government every month instead of once a quarter. EPU figures are issued monthly.

Agriculture in the Congo

LEOPOLDVILLE—The improvement of farming methods has been one of the principal objectives of Belgian economic planners in the Congo—but they have found it difficult to make headway. The native farmers like to stick to primitive tools and it is hard to convince them of the value of new techniques. Progress too depends on a fundamental change from the collective system to one in which individual farmers can gain economic freedom.

Two well-known organizations in the Congo are working unceasingly to improve and conserve the soil. They are INEAC (Institut National pour l'Etude Agronomique au Congo) and IRSAC (Institut de Recherches Scientifiques en Afrique Centrale). Their experts have for some time been studying native farming methods in the general framework of tropical land conditions. Naturally, the problem is not simple and is complicated by the enormous size of the Congo and the changes in altitude.

Under these varied conditions native farmers are not progressing rapidly. The area of land under cultivation is being steadily enlarged but, on the other hand, industry, commerce and transport are making growing demands on a limited labour force. This situation calls first of all for more machines in agriculture, but experience has shown that mechanization cannot bring about solutions overnight.

The primary plan is to stabilize the settlement of groups of farmers on suitable land and then create a purchasing and marketing co-operative. Such steps, it is believed, would bring about joint purchase and joint use of agricultural machinery. For this purpose the Cotton Fund, as an example, put a sum of ten million francs (about \$400,000) at the disposal of the Agricultural Service. This money will be used to buy tractors, bulldozers, mechanical saws, ploughs, rice and manioc mills, etc. This equipment will then be moved from village to village, starting in the Gandajika region in the north of the Sankuru (Kasai). Agricultural experts will follow the experiments closely because they may well pave the way to the future development of the Congo's agriculture.

—L. A. CAMPEAU

Acting Canadian Government Trade Commissioner.

Commodity Notes

CHILE

Rice—The Agricultural Board estimates the rice crop this year at 80,000 tons, almost twice last year's. The area planted, 24,950 hectares, is only 550 hectares more than last year—Santiago, June 16.

Wheat—To maintain sufficient stocks of wheat to fill requirements until the next harvest, the Institute of Agricultural Economy has been requested to study conditions for the import of at least another 100 thousand metric tons. The total amount to be imported to cover the production deficit will be approximately 200 thousand metric tons—Santiago, June 5.

ISRAEL

Tires—The Alliance Tire and Rubber Company's pilot plant was opened at Hadera in April. The main plant, to be completed within three or four months, is initially scheduled to produce up to 100 thousand tires a year, mainly for heavy trucks. The factory, a joint U.S.-Israel enterprise, has been designed with expansion in mind, and the latest type of heavy machinery being installed can cope with double the scheduled output. At present some \$8 million is spent every year to import tires. The output of the new plant is expected to save half this amount immediately. Eventually, foreign currency earnings from exports will probably cover the purchase of raw materials without the need of special allocations by the Treasury—Athens, June 15.

Copper—A preliminary agreement for the exploitation of copper deposits in the Negev area was recently signed between the government-sponsored Mining Industries Limited and the Societe Belgo-Continentale des Mines et Metaux. Actual production is scheduled to begin early in 1954. The Belgian company is to provide technical advice, experts, blueprints, its patents, and overall planning. The equipment and exploitation is to remain in the hands of the Israeli company. The Belgian company is to receive payment after exploitation begins—Athens, June 20.

JAPAN

Rice—The Government Food Board which handles rice imports has announced plans to bring in 1,010,000 tons of foreign rice during the present year. Imports will come from 11 countries: Thailand, Burma, Italy, the United States, Formosa, Egypt, Brazil, Mexico, Spain, Ecuador and Uruguay. Spain, Ecuador and Uruguay appear on the list of suppliers for the first time—Tokyo, June 25.

Motor Cars—The Ministry of Transportation estimates that Japan will import 33 thousand passenger cars during the next five years. This is slightly more than half of the quantity which will be required, according to the production and import plan drafted by the Ministry. It is anti-

pated that Japanese manufacturers will be able to supply 30 thousand cars in the period and the remainder will probably be bought from Europe to utilize accumulated sterling holdings—Tokyo, June 25.

SCOTLAND

Coal—There is considerable disappointment over the comparative failure of Scottish coal production to expand since nationalization. In 1938 and earlier years, the production figure was above the British average, but this year the output per man-shift is lower than in 1947. The Scottish Division Coal Board says the reasons lie largely in the position of the Scottish mining industry in prewar days and the wartime lag in new development. They hope, however, that the substantial increase in output per man-shift contemplated in their "Plan for Coal" will be achieved within the prescribed period—that is, by 1961-65—London, June 13.

SOUTH AFRICA

Textiles—The biggest contracts ever awarded by the Union Government to South African textile manufacturers, totalling £1,006,007, have been announced by the Union Tender and Supplies Board. The orders are for clothing and tentage required by the Union Defence Force in the Government's stockpiling program, and are regarded as the start of big-scale government buying from the South African textile industry. Already further tenders are being called for clothing items which will be required throughout the year—Johannesburg, June 18.

SWEDEN

Nylon Stockings—Swedish manufacturers of nylon stockings are finding the sale of their products on the domestic market increasingly difficult, mainly because of larger imports from the United Kingdom. So far, two large factories have been forced to close down. Most of the imported nylon and rayon stockings are from the United Kingdom—some 12 tons in 1949. In 1950 Swedish imports from England of nylon stockings amounted to 136 tons and in 1951 to 157 tons.

The Swedish annual production of stockings is about 500 tons. Of this amount, about 140 tons (eight to nine million pairs) are nylon. The Swedish stocking industry is entirely dependent upon imported yarn for the manufacture of nylons and during recent years has had difficulty in covering requirements—Stockholm, June 6.

VENEZUELA

Lubricating Oil—A \$23 million refinery for the production of lubricating oils of all types has been opened at Punta Cardon, Falcon State. This refinery is the largest in Latin America and will produce 100 thousand tons of lubricating oils a year. Venezuela's annual consumption of 12 thousand tons was formerly imported. This new refinery converts Venezuela from an importer to a net exporter of lubricating oils—Caracas, June 18.

Colombo Becomes a World Port

by T. M. Burns
Assistant Canadian Government Trade Commissioner

COLOMBO—Colombo's strategic position on trade routes connecting Europe, Africa and North America with South and Southeast Asia, the Far East and Australia makes it a most important transit port for world shipping. Some 35 commercial shipping lines use it regularly. During 1951, 2,780 ocean-going vessels of a registered tonnage of 11·8 million tons called there. These figures include 717 vessels which came only for bunkering but exclude the relatively large numbers of warships, transports, hospital ships and similar vessels of the British, French, Dutch, United States and other navies which visit Colombo more or less frequently. The following table compares the volume of traffic in the port of Colombo with four representative Canadian ports:

Ports	No. of Ships in Foreign Service Entering	Tonnage
Colombo, 1951	2,780	11,839,000
Halifax, 1950	1,014	3,204,000
Saint John, 1950	495	1,451,000
Montreal, 1950	1,784	4,788,000
Vancouver, 1950	2,437	5,260,500

Colombo's importance is enhanced because it is the only port of significance in Ceylon's foreign trade. In 1951, 1·7 million tons of goods were imported and 732 thousand tons exported through Colombo, comprising more than 95 per cent of the country's total foreign trade. These figures show an increase of 11 per cent over 1950.

Importance Recognized

Colombo's importance is a fairly recent development. The coast of Ceylon has only two natural harbours of any size—Galle and Trincomalee. Galle, at the southwest tip of the island, was known and used by the Greeks and Romans and a valuable entrepôt trade between the Mediterranean and China was built up through this port. During the Portuguese and Dutch occupations of Ceylon, Galle became an important fortified outpost and it continued to be a normal port of call for shipping in this area. However, its harbour, which is shallow and has a somewhat difficult entrance, was not suitable for larger steam vessels. It soon lost most of its trade to Colombo which was developed as a modern harbour in the late 19th century.

Trincomalee, on the northeastern coast, is one of the largest and best-protected natural harbours in the world. It has been a British naval station for many years yet it has never achieved real importance as a city or as a commercial centre. Its distance from the main ocean trade routes and from inland business areas explains the fact.

Although European ships had called at Colombo since the 12th century, it was not until 1875 that it began to attain its present rank among world ports. In that year the foundations of its mile-square artificial harbour

were laid with the commencement of a 4,000-foot breakwater, completed ten years later, which protected shipping from the effects of the southwest monsoon. Once this was built, Colombo quickly supplanted Galle as the commercial and transit port of Ceylon and its volume of traffic rapidly increased. From a total of 170 thousand tons of shipping calling at the port in 1871, traffic rose to 11·8 million tons in 1951.

Since the beginning, the port of Colombo has operated almost entirely on a lighterage basis. This system worked reasonably well in earlier years but it was apparent after the last war that the rapidly increasing number of ships calling at the port would strain the facilities seriously. Accordingly, plans to modernize the port were approved by the Colombo Port Commission in 1946. These plans visualized the construction of five alongside quays which will provide berths for 14 to 16 ocean-going vessels, permitting them to load and discharge cargo directly at the quays. Five of these berths will have special facilities for passenger ships and two will be adapted for bunkering. The contract for the construction of these works was given to a French firm in 1950 and it is expected that the scheme will be completed by 1955.

Development Proceeding

When all the berths are completed, they should be able to handle about two-thirds of the traffic entering the harbour. However, lighters will still have to be used, particularly for the import of some foodstuffs and for export cargoes. That this development was urgently required is evidenced by the fact that steamship lines using the port found it necessary from May 1, 1951 on to impose a 25 per cent surcharge on all general cargoes consigned to Colombo. The congestion in the port and the inadequate storage space, which seriously delayed the turn-round of ships in Colombo and which made this surcharge necessary, have not yet been remedied and it is unlikely that these increased rates will be removed for some time.

The Port Development Scheme is expected to benefit substantially Colombo and Ceylon's trade generally. The facilities for the direct discharge and loading of cargoes will reduce the handling costs of Ceylon's imports and exports. This is important for a country which depends almost entirely on its exports of tea, rubber and coconuts to pay for its imports of food and industrial products. The authorities also see possibilities for the establishment of a valuable transshipment trade and increased use of the port as a transit centre on world trade routes.

TAXATION STUDY

The Canadian taxpayer who wishes to know how much he pays in taxes to the three governing authorities—municipal, provincial and federal—can now find an answer to that question. It is contained in the recent Report of the Senate's Standing Committee on Finance, which examined expenditures proposed in the estimates laid before Parliament for the fiscal year ending March 31, 1953. In its investigations, the committee went on to study taxation in other fields and the pressure of government spending under present conditions. Copies of the Report are available from the Queen's Printer.

General Notes

ARGENTINA

Grain Prospects Good—Heavy rains the first week of June and again about the middle of the month over the entire grain zone have greatly improved the crop prospects for wheat and grain. In the western fringe of the Pampa, up to four inches of rain fell in districts that had been suffering from drought for the past three years and moisture conditions are considered the best possible for this time of the year. The yields of wheat, rye and barley from this area largely determine whether Argentina has a big crop or not. Since grain growers in this region have had little or no crop for three years, it is expected that the acreage seeded will be substantially increased. Seeding continues under excellent conditions, but much depends on the weather before harvest in late November. With some rain in the coming months and no early frosts, prospects are that Argentina may harvest at least six million tons of wheat. This would be slightly higher than the 1950-51 harvest and would provide an export surplus of more than 2½ million tons, a sharp contrast to the 2.3 million tons harvested in 1951-52, which was less than home requirements—Buenos Aires, June 24.

ISRAEL

Currency Reform and Compulsory Loan—The Finance Minister of Israel has announced the following regulations, with immediate effect:

- Existing banknotes have ceased to be legal tender and are to be exchanged by June 6, 1952, against the new notes issued by the Bank Leumi (existing notes, ordered under the Mandate, had been issued in the name of the Anglo-Palestine Bank). Coins continue to be legal tender.
- Banknotes in denominations of I£ 5 and over are to be exchanged with deduction of 10 per cent, to be applied to a four per cent compulsory loan repayable after 15 years.
- Ten per cent of all banking accounts of I£ 50 and over, as on the evening of June 8, 1952, will be deducted on account of the compulsory loan—Athens, June 21.

JAMAICA

Airport for Grand Cayman—Grand Cayman, the island dependency of Jamaica some 200 miles to the west, is to have an airport with a 5,000 foot runway. The cost is estimated at £ 90 thousand and Jamaica has agreed to an advance of £ 25 thousand, free of interest, to begin construction, pending final arrangements for financing—Kingston, June 25.

PHILIPPINES

Plans to Use Electric Trains—Under plans for a five-year rehabilitation and extension program for the Manila Railroad Company, the management intends to go ahead with electrification of the railroad. The railroad's

change-over to electric trains would be co-ordinated with operations of the National Shipyards and Steel Corporation, who would be given the work of manufacturing electrically driven locomotives—Manila, June 12.

Forest Products Laboratory Projected—The Mutual Security Agency in Manila has announced an allocation of \$217 thousand to establish a modern forest products laboratory, patterned after the one at Madison, Wisconsin. The project calls for the construction of a laboratory building at the University of the Philippines' College of Agriculture and Experimental Station at Los Banos. It is to be equipped with modern instruments and wood-processing machinery—Manila, June 16.

SCOTLAND

Revive Stone Industry—Determined efforts are being made to revive the Scottish stone industry. Since October 1951, the Ministry of Works has approved major construction valued at about £9·5 million in which stone will be used to some extent. The North of Scotland Hydro-Electric Board and the Department of Health for Scotland are, each in its own sphere, promoting the use of local stone in the building of generating stations, sub-stations and staff houses, housing developments, government buildings and school and hospital extensions—London, June 3.

SWEDEN

Coastal Shipping—Difficulties in the wood products market are beginning to affect Swedish shipping, it is reported, particularly in the northern Swedish harbours, where vessels have had to leave in ballast. Even shipping companies in Malmo (Southern Sweden) are beginning to feel the crisis and several vessels have been laid up. If this development continues it is expected to affect more ships. Competition from Dutch and German shipping companies is becoming increasingly severe—Stockholm, June 20.

SOUTH AFRICA

Air Service to Australia—The growing importance of trade between South Africa and Australia is highlighted by the recent announcement that the Quantas Empire Airways will begin a direct service between the two countries in September. Economic advantages from this service will be considerable, it is expected, as one of the difficulties in the way of trade expansion in the past has been the round about ten-day air mail service via Cairo, Karachi, Singapore and Perth.

In 1948 Australia sold £2·8 million worth of goods to and imported £3 million worth from the Union and its neighbouring territories. In 1949 the figures were £5 million and £2·7 million. The impressive increase in South Africa's purchases from Australia has been influenced, of course, by currency restrictions. South African businessmen are turning more and more for their requirements to soft currency sources—Johannesburg, June 18.

Italy's Foreign Trade in 1951

by A. A. Caron,
Assistant Commercial Secretary for Canada

ROME—Italy was Canada's second largest market in continental Europe last year, taking \$48·8 million worth of Canadian products as compared with \$15·5 million in 1950. Wheat was the largest purchase—\$23·7 million compared with \$4·7 million in 1950—and represented 50 per cent of total Canadian sales to Italy.

Wheat flour purchases also increased, from \$210·5 thousand to \$8·5 million. Other major items imported from Canada were: codfish, \$2·9 million; drugs and chemicals, \$2·7 million; copper ingots, bars and billets, \$1·9 million.

Canadian imports from Italy in 1951 were up too—\$14·2 million as compared with \$9·4 million in 1950. The biggest item by far was worsteds and serges valued at \$2·6 million, against \$775·4 thousand in the previous year. Canada also bought more of the following Italian commodities:

	1950	1951
Jute fabrics	\$ 44,203	\$2,599,341
Synthetic fibres and fabrics	230,524	355,604
Woollen yarns	137,403	767,829
Tinned tomatoes	85,098	683,343
Wines, non-sparkling	152,937	179,311

Record Foreign Trade

Italy's foreign trade in 1951 set a record but the trade deficit was larger, reversing the 1950 trend toward a better balance. The deficit in the first ten months of last year was \$417 million, compared with \$225 million in the same period of 1950.

This excess of imports over exports applied not only to the dollar area but to almost all other currency groupings. The only exception was the EPU. However, Italy's strong creditor position with EPU must be considered in relation to its need to switch to dollar areas for some essential commodities. For example, Italy had to import substantial quantities of coal and wheat from the dollar areas because of shortages in Western Europe. Obviously this increased the dollar deficit and strengthened its position with EPU.

Both volume and value of Italy's imports last year increased. The figures for the first ten months of 1951 were 23 million tons valued at \$1,753 million, compared with 18 million tons valued at \$1,185 million in 1950. The record volume indicates Italy's need to build up stocks and its heavy reliance on imports to carry out industrial expansion plans.

Exports too rose in both value and volume. The value in the first ten months of 1951 was \$1,337 million against \$960 million in 1950. The volume increase was the result of greater demand in other countries which Italy was able to supply through fuller use of its capital and labour resources. However, import restrictions adopted by France and the United Kingdom early this year against EPU countries will probably lower Italian exports of less essential products.

Trade and Tariff Regulations

Bermuda Issues Import Control Notices

The Bermuda Supplies Commission advised, on June 25, that imports of sherbet mix, frozen pudding mix and avoset whipping cream from Canada and the United States will be permitted on and after June 30, 1952.

The same notice advises that imports of electric dehumidifiers will not be allowed from dollar sources.

Bermuda Permits Imports of Fresh Meats

The Bermuda Supplies Commission, in a notice of June 25, advised that import permits would be granted for fresh meats from all the provinces of Canada, for arrival in Bermuda on and after July 14.

Haitian Regulations on Flour Shipments

The Minister of Commerce of Haiti has requested that Canadian flour mills indicate on all commercial bills the Haitian import licence number on shipments of I.W.A. flour to that country.

New Mexican Requirements for Powdered Milk Imports

Mexico City, July 9—FTS—The Mexican Government has announced that import permits for powdered milk from Canada will now be granted by the Ministry of Economia, provided its pasteurization requirements are met satisfactorily. Each shipment will require an individual import permit from the Ministry of Economia. The Canadian shipper must also provide an appropriate pasteurization document, certified by the Mexican Consul. The Canadian Department of Agriculture will supply the required certificate stating that the milk has been pasteurized at 150 degrees Fahrenheit in its liquid form for not less than 20 minutes prior to the drying process.

New Zealand Prohibits Imports of Animal Sausage Casings

A cablegram of July 17 from the Canadian Commercial Counsellor at Wellington advises that the import of animal sausage casings from Canada is prohibited, effective July 16, 1952.

Philippines Prohibits Import of Kraft Paper

Manila, June 19—FTS—The Philippine Import Control Commission has announced that, in following the policy of promoting local industries, it has disapproved and will henceforth disapprove all applications for the importation of kraft paper used to wrap groceries and other commodities.

Foreign Trade Service Aboard

† Indicates a change since previous publication.

Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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Argentina Paraguay, Uruguay	C. S. Bissett, Commercial Counsellor W. B. McCullough, Agricultural Secretary	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237 <i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies Australasia (Victoria, South Australia, Western Australia, Tasmania) Australia	C. M. Croft, Commercial Counsellor for Canada R. W. Blake, Acting Commercial Secretary for Canada R. W. Blake, Agricultural Secretary for Canada	City Mutual Life Building, 60 Hunter Street, SYDNEY 83 William Street, MELBOURNE 83 William Street, MELBOURNE	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Tel.:</i> BW 9351 <i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716 <i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
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Belgium Luxembourg	Acting Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 11-33-88
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Brazil	C. J. Van Tighem, Consul of Canada and Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-6301
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Japan Korea	J. C. Britton, Commercial Secretary	Canadian Embassy, TOKYO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
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Norway Denmark, Greenland	J. L. Mutter, Commercial Secretary	Canadian Legation, Fridtjof Nansens Plass 5, OSLO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
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Peru Bolivia	Acting Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 39150

TERRITORY	OFFICER	CITY ADDRESS	MAIL AND CABLES OFFICE TELEPHONE
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Puerto Rico	E. Templeman, Canadian Trade Commissioner (Fisheries)	23 Clinica Miramar Apt., 604 Olimpo Avenue, Santurce, SAN JUAN	<i>Mail:</i> P.O. Box 3981 <i>Cable:</i> CANADIAN <i>Tel.:</i> Santurce 2-5626
Singapore Brunei, Federation of Malaya, Indonesia, North Borneo, Sarawak, Thailand	D. S. Armstrong, Canadian Government Trade Commissioner	Room D-5, Union Building, SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 7739
South Africa (Natal, Transvaal) Southern Rhodesia, Northern Rhodesia, Nyasaland, Portuguese East Africa, Kenya, Tanganyika, Uganda, Zanzibar	C. B. Birkett, Canadian Government Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 33-2628
South Africa (Cape Province, Orange Free State), Southwest Africa, Mauritius, Madagascar	K. F. Noble, Canadian Government Trade Commissioner	Grand Parade Centre Bldg., Adderley Street, CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 2-5134/5
Spain Balearic Islands, Canary Islands, Gibraltar, Rio de Oro, Spanish Morocco, Tangiers	E. H. Maguire, Canadian Government Trade Commissioner	70 Avenida Jose Antonio, MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Tel.:</i> 21-41-13
Sweden Finland	Acting Commercial Secretary	Canadian Legation, Strandvagen, 7-C, STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Tel.:</i> 67-92-15
Switzerland Austria, Czechoslovakia, Hungary	Yves Lamontagne, Commercial Counsellor	Canadian Legation, Thunstrasse 95, BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 4-59-17
Trinidad Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, French West Indies	T. G. Major, Canadian Government Trade Commissioner	†Colonial Building, 72 South Quay, PORT-OF-SPAIN	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Tel.:</i> 4787
Turkey	G. F. G. Hughes, Commercial Secretary for Canada	Istiklal Caddesi, Lion Magazasi Yaninda, Kismet Han 3/4, Beyoglu, ISTANBUL	<i>Mail:</i> P.O. Box 2220, Beyoglu, Istanbul <i>Cable:</i> CANADIAN <i>Tel.:</i> 43670
United Kingdom (South of England, East Anglia, Scotland), Iceland, British West Africa (Gambia, GoldCoast, Nigeria, Sierra Leone) United Kingdom	R. P. Bower, Commercial Counsellor R. Campbell Smith, Commercial Secretary D. A. B. Marshall, Commercial Secretary (Agricultural)	Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1 Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701 <i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701

TERRITORY	OFFICER	CITY ADDRESS	MAIL AND CABLES OFFICE TELEPHONE
United Kingdom	R. D. Roe, Commercial Secretary (Timber)	Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> TIMCOM <i>Tel.:</i> Whitehall 8701
United Kingdom (Midlands, North England, Wales)	M. J. Vechslor, Canadian Government Trade Commissioner	Martins Bank Building, Water Street, LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Central 0625
United Kingdom (Northern Ireland)	H. L. E. Priestman, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
United States Delaware, Maryland, Virginia, West Virginia	J. H. English, Commercial Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W., WASHINGTON, 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEatur 1011
United States	Dr. W. C. Hopper, Agricultural Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W., WASHINGTON, 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEatur 1011
United States (Connecticut, New Jersey, Pennsylvania, eastern New York State), Bermuda	A. E. Bryan, Deputy Consul General of Canada and Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
United States	M. B. Bursey, Consul of Canada and Trade Commissioner (Fisheries)	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	J. A. Strong, Consul General of Canada	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> HANcock, 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	D. S. Cole, Consul General of Canada	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> STATE 2-7312
United States (Michigan, Ohio, western New York State)	B. C. Butler, Consul of Canada and Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT, 26	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> WOODward 5-2811
United States (City of Los Angeles, Southern California, Arizona)	V. E. Duclos, Canadian Government Trade Commissioner	510 West Sixth Street, LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> VANDike 7114
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	G. A. Newman, Consul of Canada and Trade Commissioner	Canadian Consulate, 201 International Trade Mart, NEW ORLEANS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RAYmond 2136
United States (Northern California, Montana, Oregon, Idaho, Washington, Wyoming, Nevada, Utah, Colorado, New Mexico), Hawaii	Acting Consul General of Canada	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> SUTter 1-3039
Venezuela Netherlands Antilles	J. A. Stiles, Consul of Canada and Trade Commissioner	Canadian Consulate General, Edificio Pan American, Puente Urapal, CARACAS	<i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel.:</i> 55818
Venezuela Colombia	Vice-Consul of Canada and Acting Agricultural Trade Commissioner	Canadian Consulate General, Edificio Pan American, Puente Urapal, CARACAS	<i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel.:</i> 55818

Nominal Foreign Exchange Quotations

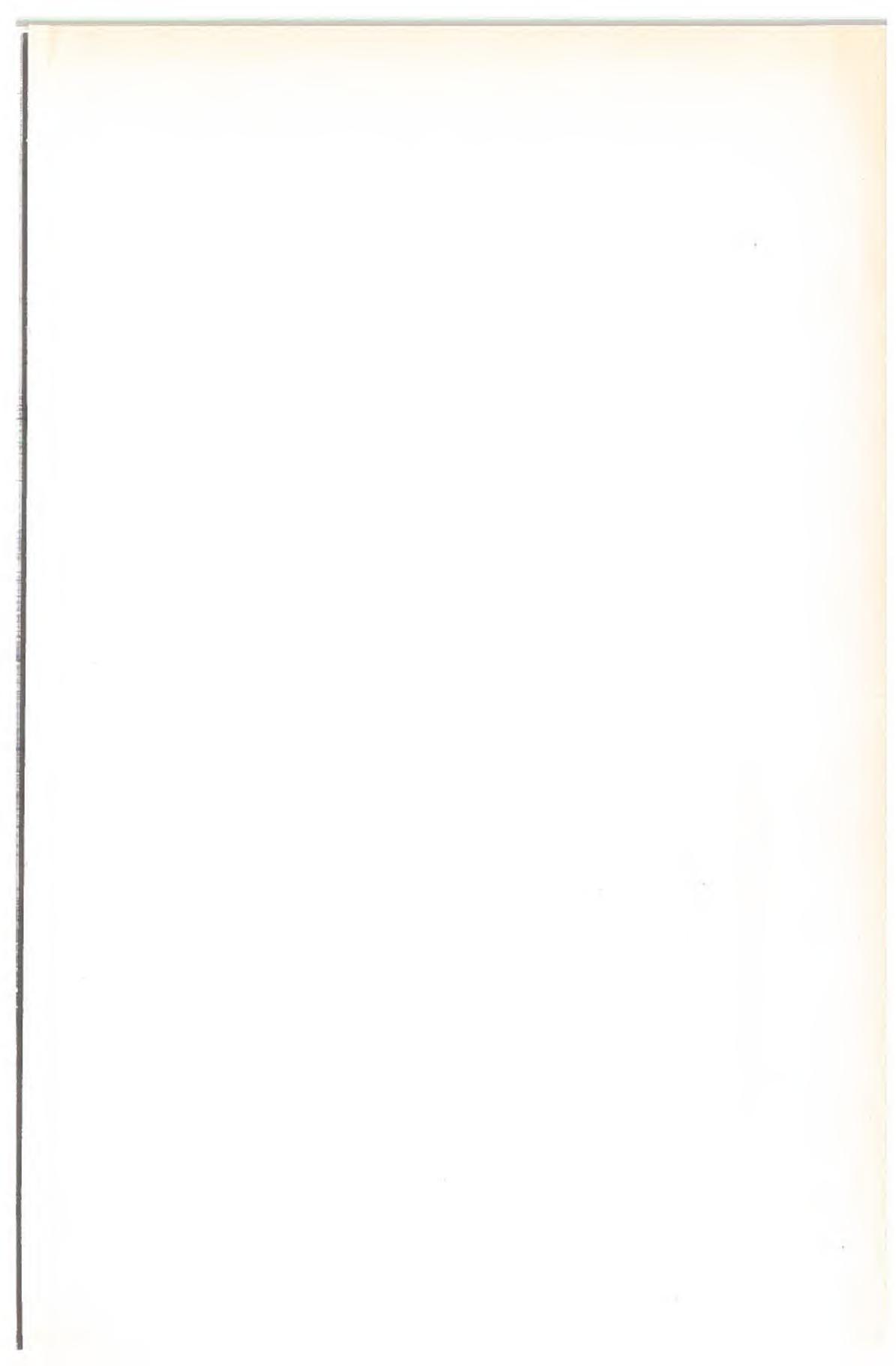
The following nominal quotations may prove useful in checking prices or considering statistics.

Importers and exporters are, however, urged to check with their banks before making any financial arrangements for the purchase and sale of commodities.

Country	Monetary Unit	—	Nominal Quotations Sept. 17*	Nominal Quotations July 11	Nominal Quotations July 21
Argentina.....	Peso.....	Basic Ex.	-2977	-1954	-1942
		Free	-2085	-0703	-0699
Austria.....	Schilling.....	Export	.....	-0457	-0454
Australia.....	Pound.....	.....	3-2240	2-1765	2-1660
Belgium and Belgian Congo.....	Franc.....	.....	-0228	-0194	-0192
Bolivia.....	Boliviano.....	.....	-0238	-0162	-0162
British West Indies (except Jamaica).....	Dollar.....	.....	-8396	-5668	-5641
Brazil.....	Cruzeiro.....	.....	-0544	-0528	-0525
Burma.....	Rupee.....	.....	-3022	.....	.....
Ceylon.....	Rupee.....	.....	-3022	-2051	-2039
Chile.....	Peso.....	.....	-0233	-0078	-0078
Colombia.....	Peso.....	.....	-5128	-3907	-3884
Costa Rica.....	Colon.....	.....	-1800	-1744	-1733
Cuba.....	Peso.....	.....	1-0000	-9769	-9709
Czechoslovakia.....	Koruna.....	.....	0-2000	-0195	-0104
Denmark.....	Krone.....	.....	-2084	-1414	-1406
Dominican Republic.....	Peso.....	.....	1-0000	-9769	-9709
Ecuador.....	Sucre.....	.....	-0740	Off. -0651	-0647
				Free -0564	-0561
Egypt.....	Pound.....	.....	4-1330	2-8052	2-7881
El Salvador.....	Colon.....	.....	-4000	-3907	-3884
Fiji.....	Pound.....	.....	3-6306	2-4510	2-4392
Finland.....	Markka.....	.....	-0062	-0042	-0042
France, Monaco and French North Africa.....	Franc.....	.....	-0037	-0028	-0027
French Empire—African.....	Franc.....	.....	-0073	-0056	-0055
French Pacific Possessions.....	Franc.....	.....	-0201	-0154	-0153
Germany.....	Deutsche Mark	.....	-3000	-2326	-2312
Guatemala.....	Quetzal.....	.....	1-0000	-9769	-9709
Haiti.....	Gourde.....	.....	-2000	-1954	-1942
Honduras.....	Lempira.....	.....	-5000	-4884	-4855
Hong Kong.....	Dollar.....	.....	-2519	-1700	-1692
Iceland.....	Krona.....	.....	-1541	-0599	-0596
India.....	Rupee.....	.....	-3022	-2051	-2039
Iran.....	Rial.....	.....	-0212	.....	.....
Iraq.....	Dinar.....	.....	4-0300	2-7206	2-7075
Ireland.....	Pound.....	.....	4-0300	2-7206	2-7075
Israel.....	Pound.....	.....	3-0000	2-7206	2-7075
Italy.....	Lira.....	.....	-0017	-0015	-0015
Jamaica.....	Pound.....	.....	4-0300	2-7206	2-7075
Japan.....	Yen.....	.....	-0028	-0027	-0027
Lebanon.....	Piastre.....	.....	-4561	.....	.....
Mexico.....	Peso.....	.....	-1157	-1129	-1122
Netherlands.....	Florin.....	.....	-3769	-2571	-2555
Netherlands Antilles.....	Florin.....	.....	-5308	-5180	-5148
New Zealand.....	Pound.....	.....	4-0150	2-7206	2-7075
Nicaragua.....	Cordoba.....	.....	-2000	-1954	-1942
Norway.....	Krone.....	.....	-2015	-1368	-1359
Pakistan.....	Rupee.....	.....	-3022	-2953	-2935
Panama.....	Balboa.....	.....	1-000	-9769	-9709
Paraguay.....	Guarani.....	.....	-3200	.....	.....
Peru.....	Sol.....	.....	-1538	-0623	-0621
Philippines.....	Peso.....	.....	-4975	-4884	-4855
Portugal and Colonies.....	Escudo.....	.....	-0400	-0340	-0337
Singapore.....	Straits Dollar.....	.....	-4702	-3174	-3159
Spain and Colonies.....	Peseta.....	Off. Free	-0916	-0252	-0252
		Mkt. Ex.	.....	.....	.....
Sweden.....	Krona.....	.....	-2783	-1888	-1877
Switzerland.....	Franc.....	.....	-2336	-2269	-2258
Thailand.....	Baht.....	.....	-1000	.....	.....
Turkey.....	Lira.....	.....	-3571	-3489	-3468
Union of South Africa.....	Pound.....	.....	4-0300	2-7206	2-7075
United Kingdom.....	Pound.....	.....	4-0300	2-7206	2-7075
United States.....	Dollar.....	.....	1-0000	-9768	-9709
Uruguay.....	Peso.....	.....	-6583	-6431	-6392
Venezuela.....	Bolivar.....	-2985	-2916	-2898
Yugoslavia.....	Dinar.....	-0200	-0032	-0032

* September 17, 1949.

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