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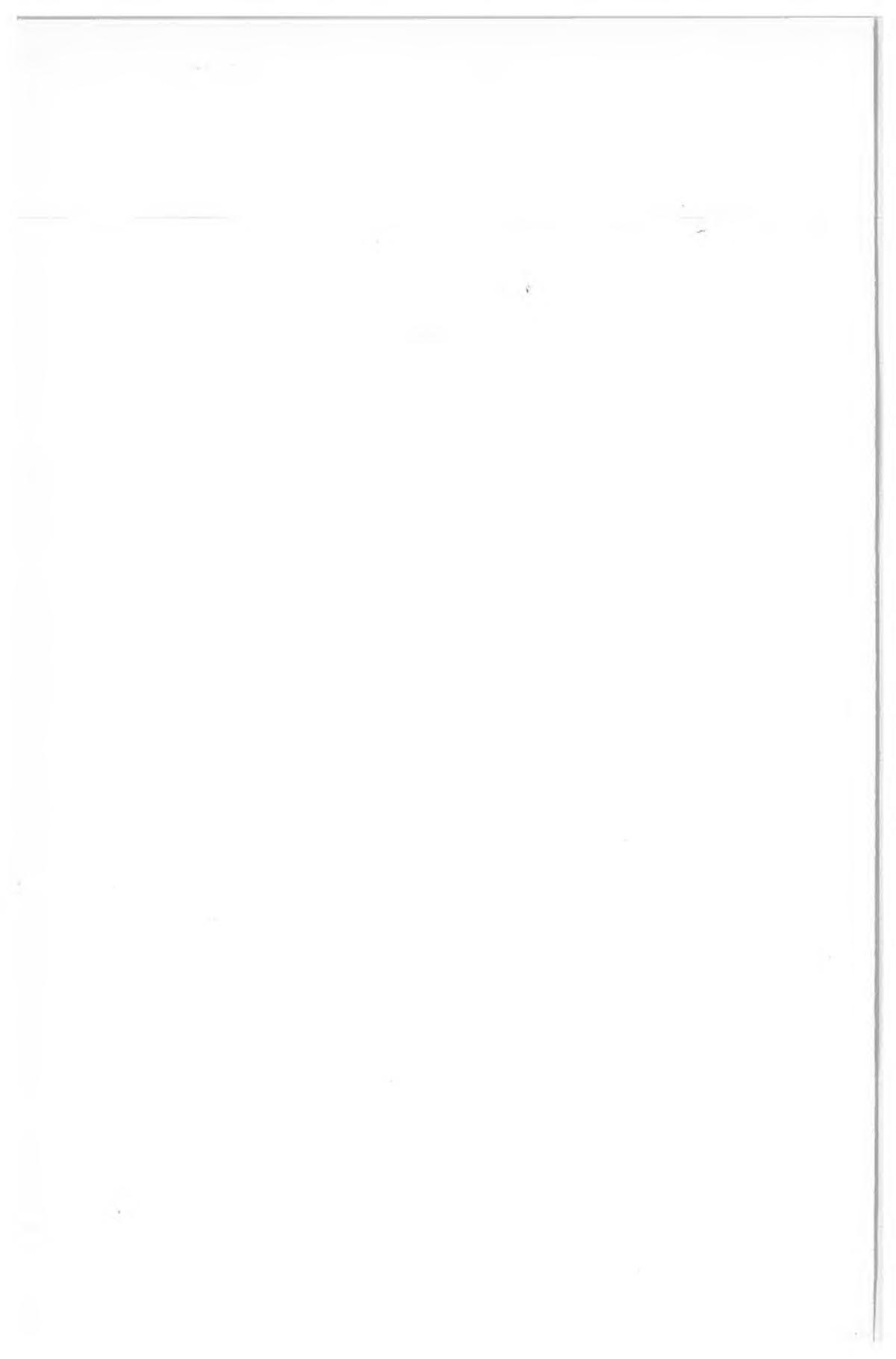


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Canada and the Paley Report (page 2)





# foreign trade

VOL. 12

OTTAWA, DECEMBER 6, 1952

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COVER . . . Workers at the Lac Tio, Quebec, ilmenite ore mines charging drill holes with explosives. Later the ore will go to a Sorel plant, for processing into titanium slag and metallic iron. North American supplies of titanium, one of the metals studied by the Paley Commission in the U.S., come largely from this eastern Quebec area.

—George Hunter Photo

Published weekly by the Foreign Trade Service,  
 Department of Trade and Commerce,  
 Under the authority of  
 The Right Hon. C. D. HOWE, Minister, and  
 WM. FREDERICK BULL, Deputy Minister.

Subscription: \$2.00 a year in Canada; \$3.50 abroad.

Single copies: 10 cents each.

Please forward all subscriptions and orders to:  
 The Queen's Printer, Government Printing Bureau, Ottawa.

Material appearing in this magazine may be freely  
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## Canada and the Paley Report

. . . an introduction to the report of the President's Materials Policy Commission and what it could mean for Canada.

WASHINGTON—Last year President Truman, concerned about the long-term supply of important raw materials, set up a Materials Policy Commission to study the problem. To head it, he chose William S. Paley, chairman of the board of the Columbia Broadcasting System. Several months ago, after exhaustive research into raw material supplies all over the world and careful consideration of the implications for the United States, the Paley Commission presented its report. Entitled *Resources for Freedom*,\* it runs to some 800 pages and has been published in five volumes.

The Paley Report should be of vital interest to Canadian producers and exporters of industrial raw materials, and to government departments and trade associations concerned about the development and use of Canada's resources. In fact, it merits the close attention of all whose economic and trade interests are, or will be, affected by foreign demand for our resources.

### Shortages Will Increase

The Report begins by making an important point. "The United States has crossed the great industrial divide and from being a nation with a surplus of raw materials has become a deficit nation". In these words, it stresses the United States' increasing dependence on foreign sources of the raw materials which it needs to sustain the natural growth of its industry "at the lowest cost consistent with national security and with the welfare of friendly nations".

The report, Canadians should note, cites the recent development of import trade in iron ore—"once the symbol of material self-sufficiency of the United States"—to illustrate the trend since the 1940's. It was then that the United States first became a net importer of copper, lead, zinc, timber and petroleum, which were formerly exported in larger volume. War accelerated the diminution of domestic natural resources, through greater use and increased population. *Fortune* magazine, in discussing

\* Order from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

Vol. I "Foundations for Growth and Security" .....	\$1.25
Vol. II "The Outlook for Key Commodities" .....	1.50
Vol. III "The Outlook for Energy Sources" .....	.50
Vol. IV "The Promise of Technology" .....	1.75
Vol. V "Selected Reports to the Commission" .....	1.25

the report, put the matter neatly: "The materials problem can perhaps be successfully over-simplified by saying that consumption of almost all materials is expanding at compound rates and is pressing harder and harder against resources which, whatever they are doing, are not similarly expanding".

### Assumptions Made

In reaching the conclusion that the United States will be faced with increasing shortages of raw materials over the next 25 years, the Commission assumed an average annual compound rate of growth of three per cent in the country's economy. This was the rate of growth over the past century. Such an increase would, by 1975, double the total output of goods and services. Other assumptions for 1975 include: population of the U.S., 193 million, (1950=151 million); working force, 82 million (1950=62 million); gross national product, \$566 billion (1950=\$284.2 billion). The work week will be 15 per cent shorter than in 1950, and the annual increase in "production per man" 2.5 per cent, as compared with a past rate of 2.1 per cent.

To double output over the next 25 years, however, an increase of between 50 and 60 per cent in the total supply of raw materials is assumed to be necessary. After allowance for variations in use, substitution of materials and other factors, the Commission projected the increase in U.S. demand as follows:

	90 per cent above 1950		
Minerals as a whole .....			
Iron, copper, lead and zinc .....	40-50	"	"
Fluorspar .....	300	"	"
Bauxite .....	400	"	"
Magnesium .....	1,800-2,000	"	"
Timber products as a whole .....	10	"	"
Saw logs .....	10	"	"
Pulpwood .....	50	"	"
Agricultural products as a whole .....	40	"	"
Industrial water .....	170	"	"
Total energy demands .....	100	"	"
Electricity .....	260	"	"
Liquid fuels .....	100	"	"
Natural gas .....	200	"	"
Coal .....	60	"	"

The report goes on to deal more specifically with the position of individual commodities which comprise the broad groups mentioned above. In spite of the uncertainties of such projections, the Commission stresses that inevitable economic growth entails a substantial increased demand for all commodities, and that for other countries the corresponding increases may be even greater.

### Solving the Problem

The Commission suggested the following solutions to the problem of increasing the supply of raw materials:

- Increasing domestic supply by technological improvements, exploitation of new domestic sources, and solving of economic and production problems.

- Altering the pattern of materials use, perhaps by substituting domestic materials for imported ones in certain cases.
- Importing more raw materials, in accordance with the principle of "buying at the least cost possible for equivalent values", giving due weight to national security.

In making this third suggestion, the Commission boldly endorsed a non-protectionist view of world trade, on the ground that cheaper imports are needed to maintain and promote high standards of living in this country. At the same time it opposed "Buy American" legislation as a "relic of depression psychology" and criticized self-sufficiency as indefensible. The need for collaboration with other countries was emphasized because ". . . the United States is outgrowing its present usable domestic resources base". The Commission concluded that no U.S. domestic policy by itself would solve the enduring problem of meeting U.S. needs at prices necessary to sustain the growth of the economy.

#### **Co-operation Recommended**

Throughout, the report stressed the Commission's belief in the operation of private enterprise and the profit motive, with a minimum of governmental action, and continuous industrial growth to achieve "the greatest security at the lowest cost". These are concepts which will find ready acceptance in principle but they are tempered by the conclusion that "the co-existence of great public and private strength . . . is essential," involving possible governmental "helps or restraints or counterpoises to keep the system working at its best".

Conclusions on certain other specific problems may not prove acceptable to the U.S. interests concerned. In fact, considerable debate has taken place already on the bases for some of the conclusions.

The National Security Resources Board, which has been at work analyzing the report, will be submitting its findings and recommendations for legislation to the White House within the next few weeks. It remains to be seen how far the Paley Report will be used to blueprint an American raw materials policy for the future, but it may influence official thinking for years to come.

—S. V. ALLEN

*Commercial Secretary for Canada*

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#### **MAGNESIUM NOTE**

Canada's defence program is increasing the demand for magnesium ingot, to be used in fabricating light alloy shapes, castings and forgings. Two Canadian plants are today producing magnesium in this form, and each is expanding its capacity. By the spring of 1953, they expect to reach full production. Much of the output will go to the United Kingdom aircraft industry for light alloy components of jets engines and aircraft frames. Several Canadian foundries are turning out magnesium castings.

## United Kingdom

### The Outlook for Canadian Apples

*When the dollar shortage eases, Canadian apple-growers will still face problems in their traditional U.K. market—including stiff domestic, European and U.S. competition.*

LONDON—The United Kingdom has long been the major export market for Canadian apples. Before 1939, total imports ranged from 12.4 to 19.3 million bushels a year; Canada supplied an average of 38 per cent. From 1941 to 1944 Canada was virtually the only overseas supplier and provided 69 per cent of the imports which, however, amounted to barely 3.5 million bushels a year. Since 1945, the United Kingdom, anxious to re-establish trade, has permitted imports despite the scarcity of dollars. However, except for 1946, quantities have steadily decreased because of smaller dollar allocations and, to some extent, fluctuations in the Canadian crop. Total imports ranged from 4.7 to 10.3 million bushels between 1946 and 1951, with the Canadian share averaging only 36 per cent.

For the time being, apple imports from North America have ceased. Undoubtedly, Britain will be buying again when she has the dollars. There is, however, some question about the extent to which Canada can recapture her prewar position. This will depend mainly on three factors: the further development of the United Kingdom dessert apple industry; the competition from European countries which are relative newcomers to the British trade, and the competition from the United States. Domestic production of dessert apples during 1951 was about 10.5 million bushels and imports, about 8.3 million bushels.

#### Buying from Europe

These 1951 imports were the highest in the postwar years. In addition to the traditional Commonwealth suppliers, many European countries appeared in the field—most of them for the first time since 1939—under a system of Open General Licence. Italy, in the market since 1948, shipped a record 2.3 million bushels, 22 per cent of the total imports of 10,360,000 bushels. The Netherlands shipped 934 thousand bushels or 9 per cent, Denmark 386 thousand or 3.7 per cent. Czechoslovakia for the first time sent 29 thousand bushels and Switzerland shipped a record 165 thousand bushels. The Argentine participated for the first time since 1939, sending 912 thousand bushels.

Taking the 1951-52 season for Europe and North America as a whole, import statistics indicate that Italy was the largest shipper with 1,451.4

thousand bushels; the United States second, with 1,234·7 thousand bushels for the season, and Canada third, with 1,011·8 thousand bushels. Assuming that these Italian apples were all dessert varieties, the figures illustrate Italy's effort to secure a lasting foothold in the U.K. market. At the time of the first cut in imports to £ 1 million for the period January-June, 1952, the Italians were left with stocks on their hands. Subsequently they were able to secure an additional quota of £ 250 thousand. The Netherlands sent 475·2 thousand bushels during the season, almost half the amount shipped by Canada.

#### U.K. Imports from Selected Countries

(in thousand bushels)

	Jan.-June	1951 July-Dec.	1952 Jan.-June	July 1951 to June 1952	Per Cent
U.S.A.....	394·1	328·3	906·4	1,234·7	29·3
Canada .....	1,074·1	217·9	793·9	1,011·8	24·1
Italy .....	1,914·4	473·3	978·1	1,451·4	34·5
Netherlands .....	636·8	297·3	177·9	475·2	11·3
Denmark .....	361·6	25·1	4·5	29·6	·8
Switzerland .....	164·8	.....	.....	.....	.....
Czechoslovakia ..	29·0	.....	.....	.....	.....
	<u>4,754·8</u>	<u>1,341·9</u>	<u>2,860·8</u>	<u>4,202·7</u>	<u>100</u>

#### Restriction of Imports?

The high level of imports in 1951 gave rise to criticism from the United Kingdom growers; importers and distributors, on the other hand, were pleased. It was alleged that apples from Canada and the United States prevented the British grower from disposing of all his crop. With good packing and grading of only a very small percentage of the home



—U.K. Information Office.

*These English girls are grading apples at the Horticultural College at Swanley in Kent. The U.K. apple growers are making great efforts to develop good dessert varieties, but success will cut Canadian imports.*

crop, the allegations had little truth in them. The matter was discussed several times in the House of Commons. Leading figures in agricultural circles championed in the press the cause of the fruit grower at home. His position, it was claimed, was jeopardized by imports of "subsidized apples" at a time when he should be making a reasonable profit from high-grade stored apples for the Christmas trade.

However, as the season progressed the fallacy of these claims was evident and the public was provided with alternative varieties, from 2d. to 6d. per lb. cheaper than the domestic Cox's Orange. These filled a real need on the United Kingdom market. There was no first-class British pack left unsold but the imports did preclude the sale of some low-grade apples which consumers would have bought only on a scarcity market.

It was announced by the previous Government, by whom the negotiations were concluded, that the object in permitting limited imports from dollar sources was "in pursuance of a general policy of enabling traditional suppliers to this country to maintain at least a limited trade". At the same time it provided alternative varieties at Christmas within the reach of all pockets.

In 1951 the import trade from North America was returned to private firms, who were invited to apply for individual licences.

The dollars allocated (Canadian and U.S., separately and non-transferable) were divided among importers on the following basis:

- One-half allotted to firms in proportion to their prewar first-hand sales.
- One-half divided among firms in proportion to their imports of apples from all sources between January 1-July 21, 1951.

#### **Prospects for 1952**

The Ministry of Agriculture forecasts only a "moderate" crop for 1952. Since November 1951, when the present Government took office, imports have been progressively reduced as part of the policy to "set the house in order". From November 8, 1951, to June 30, 1952, the import quota from Continental Europe was reduced to a value of £1 million. On the grounds of extreme hardship a further £250 thousand was allocated to Italy. Compared with £4.08 million in the first half of last year, this was a reduction of 70 per cent. Imports from Italy fell by almost 50 per cent compared with 1951, those from Holland by 72 per cent.

After the disappearance of Australian and New Zealand supplies during the summer, shortages appeared; with imports from Europe severely curtailed in the autumn, the onus was on the home grower. A trade journal remarks, "It remains only to pray that the home producer will improve on his poor performance of last season and not attempt to take advantage of the situation by consigning rubbish to market. If he does, he forfeits his claim to protection from imports; the two things must go hand in hand".

#### **Outlook for Canadian Apples**

The outlook for Canadian apples in the United Kingdom hinges upon a combination of uncertain factors. First, imports will be governed by the dollar problem, the basis of the country's economic straits today. Whatever the crop position at home may be, dollar import quotas will depend upon the financial climate. Second, and complementary to this,

is the attitude of any future Government to imports from North America. At the present time, the admitting of Canadian apples during the Christmas period is highly desirable to offset what might otherwise be a period of shortage and high prices. It does not follow that this position will obtain within the next twelve years, when greatly increased dessert acreages at home will be bearing and larger storage capacity will create a longer season. The United Kingdom apple growers may be integrated under an Apple and Pear Marketing Board into a better organized community with powerful negotiating machinery. It will then be consulted about imports.

Third, the United Kingdom growers, beginning this year, will take maximum advantage of the dollar shortage to secure a greater share of the market. Statistics show that 42.2 million bushels of dessert apples were marketed last year; one half of this quantity was imported. This indicates that consumption is not declining, but Canada only secured approximately 3 per cent of the market, the lowest since the end of the war. This was because of greater imports from Europe, coupled with increased home production. However, it should be noted that, because certain United Kingdom importers and Canadian exporters failed to reach agreement, a small amount of the Canadian dollar allocation was not utilized. Theoretically, the United Kingdom may be self-sufficient in dessert apples by 1965. To compete then, Canadian exporters must have an established reputation for a top-grade product on which the importer can rely implicitly.

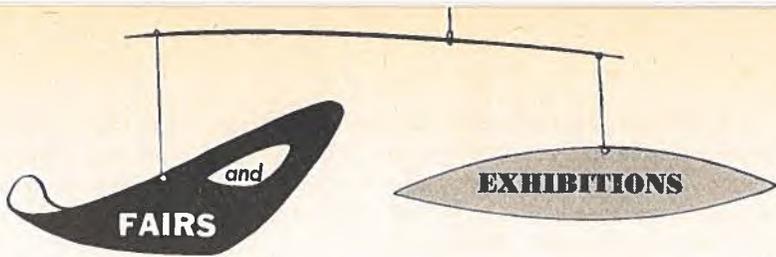
#### **The Future**

Increasing competition from U.S. apples may be expected in the future. Under GATT the preference accorded to Commonwealth apples was abolished during the period August 16th to April 15th when entry is free. This, with an export subsidy, enabled the United States to capture the second largest share of the market in 1952. The comparative prices realized indicate that the U.S. apples will offer the Canadian grower his most serious competition. For comparable grades, United States apples in some instances realized slightly more per box than similar Canadian varieties.

The future of Canadian apples on the British market, when free access to it again becomes possible, will depend (apart from U.S. competition) on the ability of the Canadian industry to compete with both English apple-growers and Continental European producers. Both the latter are aware of their present opportunity to obtain a permanently larger share of the U.K. market. Both are improving grading and packaging. There is much goodwill in the trade towards the Canadian industry but the Canadian exporters must work to maintain and increase this goodwill through the standard of their product. There is no place in the British market for Canadian C grade or inferior varieties and packs and when competition becomes more free, this will be even more true. The market will become increasingly selective, and only the top-grade Canadian product will be favourably received.

—D. A. BRUCE MARSHALL

*Commercial Secretary for Canada  
(Agricultural)*



### **For Automotive Men**

Canadian automotive distributors and representatives may wish to visit the Automotive Service Industries Show at Atlantic City, N.Y., December 10-13. Restricted to products made by American companies, the show will feature the latest developments in the automotive maintenance industry. Export managers from the various firms will be on hand for those who wish to consult them.

The show is sponsored by the National Standard Parts Association, the Motor and Equipment Mfrs. Association and the Motor and Equipment Wholesalers Association. For further information, write J. B. Welie, Overseas Automotive Club, Inc., 330 West 42nd Street, New York.

### **Plastics to the Fore**

Among the many events scheduled for Coronation Week in London, England, is the Second British Plastics Exhibition and Convention. It will open in the National Hall, Olympia, on June 3 and will close on June 13.

Some 28 suppliers of raw materials for the plastics industry, 24 fabricators and moulders, and 19 plant manufacturers have already applied for stands. In fact, 82 per cent of the space is taken. The magazine *British Plastics*, Associated Iliffe Press, Dorset House, Stamford Street, London, S.E.1, is organizing the exhibition, with the co-operation of the British Plastics Federation.

The convention, to be held at the same time, will feature papers on new developments and new materials in the industry. Authorities will discuss the growing importance of unplasticized PVC, glass-reinforced plastics, etc.

### **Sweden Goes International**

Next year, the 35-year-old Swedish Industries Fair of Gothenburg will change character. Formerly limited to Swedish exhibitors only, it will become an international affair, in recognition of the increasing part fairs are playing in world trade.

Gothenburg, the city in which the fair will be held from September 12-20, 1953, is Sweden's largest port and the commercial centre of Western Sweden. The buildings cover an area of about 30 thousand square metres; in 1951, there were 800 exhibitors and about 160 thousand people visited the Fair.

The 1953 Fair will include all types of products and will feature an exhibition of homes and buildings. The dates were chosen to follow the St. Erik's Fair in Stockholm, so that firms might transfer their displays, if they wished, from one to the other.

The director advises intending exhibitors to reserve early, because space is limited. Canadians who are interested should write to the Attaché, Royal Legation of Sweden, 720 Manor Road, Rockcliffe Park, Ottawa.

### **Flora 1953**

This spring, The Netherlands famous international flower show returns to Groenendaal Woods, Heemstede, near Haarlem. Traditionally, this show is held every ten years but this marks its first postwar appearance. The dates are March 14 to May 14, and the locale, a 17th century estate of 60 acres.

Flora 1953 will be devoted to every phase of ornamental shrub and flower production. Each week will have its own special attraction, beginning with bulbs in bloom, March 14-20, and ending with summer flowers, May 6-14. These indoor exhibits will be housed in a specially built Floral Palace. An international panel of experts will judge both the indoor and outdoor exhibits, and great value is placed on their decisions because of Holland's important export trade in nursery products.

More than 600 thousand persons visited the last show in 1935, over 200 thousand of them coming from abroad. Haarlem is in the centre of the bulb-growing and nursery glasshouse district and has much to attract visitors in addition to the flower display.

### **Coming in Canada . . .**

Eastern Canada Hardware Show, January 19-22, 1953.

Show-Mart Building, Montreal. For information, write, J. E. St. Pierre, 423 Ontario Street East, Montreal.

National Motor Show, February 14-21, 1953.

Automotive Building, CNE, Toronto.

13th Annual Canadian Toy Fair, March 2-6, 1953.

Mount Royal Hotel, Montreal. For information, write Canadian Playthings Mfrs. Assoc., Inc., 217 Bay Street, Toronto 1.

Automotive Service Show, March 11-14, 1953.

Automotive Building, CNE, Toronto.

Canadian National Sportsmen's Show, March 13-21, 1953.

The Coliseum, CNE, Toronto.

## United Kingdom

### Manufacturing for Sterling Markets

*Is it possible for Canadian enterprises to set up branch plants in the U.K. to turn out products for the sterling area? Here are some of the obstacles that must first be overcome.*

**L**ONDON—Import restrictions in the non-dollar countries, and particularly in the sterling area, have led certain Canadian manufacturers to examine the merits of setting up manufacturing arrangements in a soft currency country, to supply customers who might otherwise have to buy elsewhere. A factory in the sterling area, they reason, would be able to sell its output anywhere in the world for sterling. It would thus have a certain trading advantage in any country where sterling payments are easier than dollar payments.

#### U.K. as a Locale

The United Kingdom frequently suggests itself as a suitable location for Canadian enterprise of this type, because of its geographical situation, its position as the centre of a considerable trading area, its reserves of skilled labour, and its favourable commercial facilities.

Such projects fall into two broad categories:

1. A branch factory to manufacture the product in the United Kingdom, involving the direct investment of Canadian capital and the provision of Canadian technical production knowledge.

2. The licensing of a United Kingdom manufacturer to produce an article in return for some form of compensation, usually a royalty payment. The licensee is sometimes entrusted with distribution but sometimes a branch company is formed to superintend manufacturing and financing and to look after sales.

Canadian manufacturers are sometimes surprised to find that there are obstacles to the carrying out of such arrangements, in spite of the additional trade and employment which normally follow. The trouble arises from the U.K. balance of payments position which is still difficult. Canadian investment or licensing arrangements entail the probable remission of either profits or royalties in dollars. It is an offence under the United Kingdom Foreign Exchange Control Regulations to make payment into a Canadian non-resident account without the consent of the Bank of England. It is at this point that control over branch manufacturing developments is exercised.

Permission to remit profits or royalties to Canada is automatic, once a project is approved. An offer to retain such funds in the United King-

dom—either for local investment or for later repatriation to Canada—will not induce the authorities to approve proposals they would otherwise reject.

The United Kingdom Government has set up machinery to determine where the balance of advantage lies in branch industry or licensing projects. The co-ordinating department is the Board of Trade, which confers with the supply departments concerned, the Treasury and the Bank of England, who are jointly responsible for decisions. The authorities require evidence that the dollar income produced by the project will exceed the dollar outlay. Unless this condition is met, there is little likelihood of arrangements being approved.

To stand a chance of success, therefore, the proposals should show:

1. They are capable of earning desirable new foreign exchange as the result of exports from the United Kingdom.

2. They save dollars by eliminating or reducing essential imports from hard currency countries or that they improve the U.K.'s technical knowledge and efficiency and consequent ability to compete in the world's markets.

There is little or no interest in projects which are mainly designed to supply and service the United Kingdom and/or sterling area or soft currency countries. The applicants are required to estimate what they are likely to earn in desirable hard currencies. They must show that this amount is greater than the probable dollar profits or royalties that will have to be remitted.

#### **Treatment of New Overseas Enterprises**

When overseas projects are approved, the sponsors are given every facility. They are treated on an equal footing with purely local organizations in the allocation of scarce materials, building permits and similar requirements.

For subsidiary companies, there are no restrictions on the nationality of shareholders or directors in order to keep control within the country. The rates of taxation on profits are just the same as on local businesses.

The United Kingdom authorities have no power to direct new industries into particular areas. Nevertheless, their policy at the present time is to disperse manufacturing activities and, wherever possible, to attract new industries to the so-called "development" (previously "distressed") areas. Government-sponsored trading estate companies were established in the development areas for this purpose. Each estate company has a number of industrial estates composed of modern and well-appointed factories. These factories are preferably let to firms engaged on work of high national importance with the aim of increasing production and export trade by making use of the resources of the development areas. Special facilities and advantages are offered in certain cases. Many overseas industrial enterprises (including Canadian) which have set up branch factories in the U.K. since the war have gone into the development areas.

Canadian firms interested in establishing branches in the United Kingdom are invited to consult the Foreign Trade Service of the Canadian Government in London.

—R. P. BOWER

*Commercial Counsellor for Canada*

## Spain: Notes on the Harvest

**M**ADRID—End-of-the-harvest announcements indicate that Spain's agricultural production has improved considerably during the past two years. This improvement is the result of larger supplies of fertilizers, the wider use of machines on farms and, above all, favourable weather conditions.

The Statistics Service of the Ministry of Agriculture has just published the following official figures for the 1950 and 1951 principal grain crops, and estimates for 1952.

	1950	1951 (metric tons)	1952 (est.)
Wheat .....	3,373,500	4,285,600	4,084,800
Barley .....	1,491,400	2,143,100	2,228,200
Rye .....	467,100	509,600	493,000
Oats .....	506,900	539,700	546,700
Maize .....	536,200	585,100	634,700
Rice .....	301,700	285,300	325,000

The wheat crop this year was expected to surpass 1951, but intense heat over wide areas during the late growing period damaged the kernels. The carryover from the 1951 crop is estimated at 700 thousand tons. Spanish officials are confident that this year's crop, with the carryover and the International Wheat Agreement import quota of 119 thousand tons, will ensure adequate supplies of wheat until the 1953 harvest. Bread came off the rationing list last spring.

### Crops Generally Good

The supply of coarse grains, with the exception of maize, is considered sufficient to last until next year's harvest. By introducing hybrid seed, the Ministry of Agriculture hopes to make the country self-sufficient in maize within five years. Rye is in surplus and 30 thousand tons were slated for export to Italy. Rice is earning dollars for Spain—about 55 thousand tons were shipped to Japan out of last year's crop and at least an equal amount will be available for export from this year's crop, the largest in Spain's history.

The bumper harvest of sugar beets being gathered will make sugar imports unnecessary. An interesting development is the export of surplus sugar beets in pulp form for cattle feed. Early this year a cargo of pulp was shipped to the United States and contracts for the shipment of several more cargoes are reported.

Favourable conditions have permitted the accumulation of adequate reserves of chick peas, beans, lentils and other items so important to the Spanish diet. The large quantities of olive oil and eating olives left over from last year's bumper crop will go a long way to offset the expected deficiency in this year's harvest, which is just getting under way.

With co-operation from the weather, it looks as if Spanish agriculture will continue to experience better times. The Ministry of Agriculture is developing its various schemes for increasing production, including encouragement of farm mechanization, control of plant diseases and insect pests, improvement of pastures, scientific research for improvement of livestock, irrigation, distribution of better seeds. The Ministry is even trying artificial rainmaking.

—E. H. MAGUIRE

*Canadian Government Trade Commissioner*

## Malaya

### The Pineapple Industry Recovers

*Wiped out during the Japanese occupation, the pineapple canning industry has been rebuilt and production has almost reached prewar high.*

**S**INGAPORE—The Malayan pineapple industry began as a one-man show in the closing years of the nineteenth century. The pioneer canner was a retired French seaman named Bernado who settled in Singapore. He carried on business in a dilapidated shop in part of his house, where he made his own cans, cut and cooked the fruit, and sold the product to visiting ships. From this small beginning the industry grew until, in 1939, 17 canneries were operating, over 60 thousand acres were under pineapple cultivation, and production had reached over 100 million cans a year with an export value of over M\$10 million. Malaya supplied 80 per cent of the world's export trade in canned pineapple (the bulk of the Hawaiian trade is not technically export trade).

During the Japanese occupation of Malaya (February 1942-August 1945) the forty-year-old industry, then considered one of the largest single fruit canning industries in the world, was almost wiped out. Some of the canneries were destroyed, others were dismantled or stripped of their plant and machinery. Cultivation ceased and the planted areas were left to revert to jungle. When the occupation ended, only three to five thousand of the 60 thousand planted acres were still bearing fruit.

#### Rehabilitation Begun

The virtual extinction of this thriving industry was a calamity for Malaya, but it provided an opportunity too. In building the industry up again, out-of-date, haphazard methods could be replaced with the latest processes and machinery.

The Government gave high priority to the rehabilitation of the pineapple industry once the war was over. A thorough survey of its position and the prospects was undertaken in 1947 by a committee consisting of representatives of government and industry and a detailed and carefully-graded plan was worked out. This called for a new planting program to be carried out largely by cannery owners on a permanent plantation basis in a specially selected area. This, it was hoped, would provide the requisite increase in fruit supply in the shortest possible time. Simultaneously, a program to mechanize canneries and modernize processing methods got under way.



—U.K. Information Office.

*This young member of a Chinese working family is helping to gather in Malaya's pineapple harvest. Virtually extinguished during the war, pineapple growing and canning are again becoming important.*

By the end of the first quarter of 1951, rehabilitation was complete. Some 22 thousand acres had been planted with pineapples and about 19 thousand acres were actually bearing. It is expected all 22 thousand acres will be in bearing by the middle of 1953.

Year	Production in standard cases	Exports	Export value
1946	40,000	1,100	M\$ 12,000
1947	106,000	108,000	2,430,000
1948	142,000	164,000	3,650,000
1949	340,000	350,000	6,300,000
1950	701,000	685,000	12,200,000
1951	780,000	800,000	17,000,000

The estimated production for 1952 is about 900 thousand cases. The Malayan standard pack is 48 cans of either 16 oz. or 20 oz. to a case. The maximum prewar production was over 2½ million cases and the industry expects output to reach this figure again in 1954-1955. Steps have been taken to clear and cultivate an additional 12 to 15 thousand acres. New cultivation has been concentrated largely in the district of Pontian in Southwest Johore. Six canneries are now in operation, three in Singapore, two in Johore and one in Selangor, all operated under the direction of the Central Board of Pineapple Packers in Malaya, which was first organized in 1938.

Modernization of the canneries is now almost complete. Machine-made cans of world standard sizes, supplied by the Metal Box Company of Malaya, have replaced the prewar hand-made cans, and packing is done by fully automatic machinery—automatic syruperes, exhausters,

double seamers, and rotary cookers and coolers. Experiments are being made with fully automatic and semi-automatic fruit-cutting machinery and skin eradicators. When installed they will complete the mechanization and will make possible the economic production of by-products such as juice, crush and bran. In producing the standard pack of slices and cubes, only 20 to 25 per cent of the fruit weight goes into the can. Success in turning out by-products means the minimum of waste and, in consequence, lower-cost production and larger output.

#### **Levy on Exports**

The rehabilitation program emphasizes also the following points:

- Better quality through grading and standardization,
- Agronomic research to improve quality and yield of the fruit,
- Financial and organizational assistance to small growers so that they can benefit from modern scientific methods of cultivation and harvesting and grading of fruit.
- Organization of co-operative sales and delivery direct to canneries to permit small growers to receive full value for their fruit.

To carry out these measures, the canners have agreed to a levy on exports exclusively for financing agronomic and canning research, small growers' assistance schemes, and an inspection system to promote greater efficiency and check grades and qualities of pack.

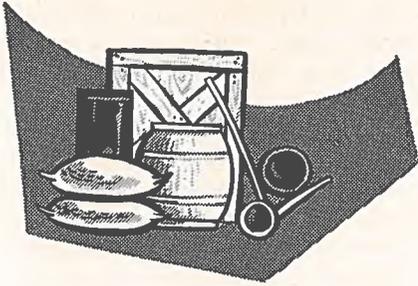
#### **U.K. Leading Buyer**

All these plans have been successful principally because the United Kingdom Ministry of Food, through its annual purchases of the Malayan pack at prices fixed from time to time on a production-cost plus basis, has guaranteed a return to the canners and a market for their products. If the United Kingdom stopped its bulk purchases, Malaya would have to compete commercially with other producers.

Prewar, Malaya exported about 75 to 80 per cent of her output to the United Kingdom. Malayan canned pineapple led the United Kingdom's imports of canned fruits and accounted for 90 per cent of its total imports of canned pineapples. The next most important prewar market was Canada, which took over 10 per cent of the Malayan pack (60 per cent of Canada's total canned fruit imports). The remainder of the prewar Malayan pack was widely distributed among New Zealand, the United States, Europe, India and the Middle East. Since the war, the United Kingdom has taken 55.3 per cent of Malaya's exports. Exports to Canada have dropped to 3.1 per cent.

The canners are confident that, with the development and modernization program, Malayan pineapple will continue to find a ready market. They intend to concentrate on the Canadian market in an endeavour to regain their prewar position, now that they have sufficient stocks of choice and fancy qualities.

—D. S. ARMSTRONG  
*Canadian Government Trade Commissioner*



## COMMODITY NOTES

### BRAZIL

**Agave and Sisal**—The President of the Republic recently signed a decree fixing minimum prices for agave and sisal fibres. The basic price will be Ch\$6.00 per kilo for type three—Rio de Janeiro, November 15.

### CHILE

**Seed Potatoes**—An experimental import of seed potatoes from Scotland is being made in an effort to solve the potato shortage arising from the "tizon" pest. The variety being imported is "Pentland Ace"—Santiago, November 15.

### DENMARK

**Biscuits**—Denmark's biscuit, wafer and crispbread manufacturing industry has expanded rapidly since the war. The output of biscuits in 1948 reached 7,700 tons, of which 850 tons were exported. In 1950 production and exports rose to 9,700 and 3,700 tons respectively, and in 1951 this export figure was doubled. No fewer than thirty countries have imported Danish biscuits and wafers in recent years, including most countries in Europe and a large number overseas, such as Canada and the United States—Oslo, November 18.

### NORTHERN IRELAND

**Furnishing Fabrics**—A factory at Dromore, County Down, formerly used for linen weaving, has been taken over by a Yorkshire firm to produce furnishing fabrics. New machinery is being installed, and full production is anticipated by the end of this year—Belfast, November 12.

**Ships**—Harland and Wolff Limited, of Belfast, are to build another luxury liner for the Pacific Steam Navigation Company at Queen's Island. The new ship will be approximately 19,320 tons with accommodation for 787 passengers. Delivery is expected late in 1955 and the order should keep all trades in the yard busy for almost three years. The contract is one of the most important received by the Belfast yard in recent years, and one of the few for liners of large tonnage booked by British shipbuilders since the war.

The Pacific Steam Navigation Company trades to the West Indies and South America, and a number of its cargo and passenger vessels have already been built in Belfast—Belfast, November 12.

## PAKISTAN

**Railway Coaches**—The Pakistan Government has purchased 235 railway coaches from France and 45 from Japan. These will be fitted with the most modern conveniences and amenities. The North Western Railway in West Pakistan will receive 122 lightweight, all-steel broad-gauge passenger coaches, ten of which will be air-conditioned. The Eastern Bengal Railway in East Pakistan will receive 113 lightweight, all-steel metre-gauge passenger coaches. The first consignment is expected to arrive in Karachi, West Pakistan, and Chittagong, East Pakistan, in February 1953. The whole order will be completed by October 1953—Karachi, November 15.

## PHILIPPINES

**Drugs**—To forestall a shortage of essential drugs, including antibiotics, the Import Control Commission has announced that it is ready to allocate 30 per cent of the dollar exchange given to drug importers in 1951. The amount will be taken out of the \$6 million set aside by the import control office during the latter part of 1952 exclusively for this purpose. The \$6-million allocation is \$2 million short of the total sum which the Drug Association of the Philippines estimates as necessary to buy the country's requirements for the second half of this year—Manila, October 6.

## SWEDEN

**Plastic Board**—A 96-ton press, said to be the largest of its kind in Europe, has been installed at Skanska Attikafabriken, Perstorp, the leading Swedish plastic firm. The new press is to be used for the production of "Perstorp board" a fire, acid and alcohol-resistant material similar to that sold in Canada under the trade name, "Arborite". The capacity of the machine is 100 discs with a total area of 3,660 sq. ft.—Stockholm, October 26.

**Pitprops**—Sweden's exports of pitprops for 1952 will be much larger than in previous years. During the first six months they amounted to approximately 400 thousand cubic metres—compared with 110 thousand cubic metres during the first six months of 1951, 316,500 cubic metres for the whole of 1951, and 242 thousand for the whole of 1950. The value of pitprops exported during the period January-June 1952 was 48.7 million kronor, compared with 7.6 million kronor for the same period in 1951—Stockholm, October 26.

## UNITED STATES

**Shoes**—New England shoe factories turned out 115 million pairs of shoes in the first eight months of 1952, topping the output of all other manufacturing centres—Boston, November 15.

**Iron Pyrites**—Vast deposits of iron pyrites discovered in Maine are now being staked for exploitation by development companies. The ore will be used to produce sulphur—Boston, November 15.

## United States

### Opportunities for Canadian Charcoal

*Some of the central states offer a market for high-quality grades of charcoal, which crosses the border duty-free.*

**D**ETROIT—Shortage of suitable wood for making charcoal in some sections of the central United States has created opportunities for the sale of the Canadian product, a duty-free item under section 1802 of the United States Tariff.

Canadian exporters, however, face stiff competition from well-established local producers. During the first seven months of this year, United States production and shipments were:

	Production (tons)	Shipments (tons)
Lump .....	97,800	77,200
Briquets .....	34,900	34,900
Fines .....	15,100	5,200
	<hr/> 147,800	<hr/> 117,300

Of the total shipments during this period, only 15,500 tons were shipped already bagged by the manufacturers. The largest share of this bagged charcoal went to industrial companies, such as chemical and metal smelting plants, which require lumps and fines in certain definite sizes.

The remainder, more than 100 thousand tons, was shipped in bulk to larger charcoal distributors across the country who do their own bagging. An estimated 50 to 75 per cent of the charcoal handled in this way goes to the retail trade in standard six-pound paper bags. The conservative 50 per cent estimate for charcoal thus bagged represents a retail value of over \$8.3 million at the present retail price of about 50 cents for the standard six-pound bag.

#### Summer Sales Are Largest

Charcoal is a seasonal item, with the largest sales made during the summer months. One Detroit dealer with a medium-sized business sold 70 thousand bags during the 15-week summer period of 1952. The reason for this high retail volume is the American love for the great outdoors. Many homes, even those in densely populated residential sections, have their own garden barbecues. Apartment dwellers and others make great use of portable charcoal burners which are easily set up in small backyards or taken on family picnics. In many public parks the authorities, well aware of this yearning for meals cooked outdoors, have provided

barbecues for picnickers. It is not an uncommon sight to see families en route to public parks with a picnic basket in one hand and a bag of charcoal in the other.

**High Quality Essential**

Charcoal shipped to the United States must be of the highest quality if it is to compete with the domestic product. Almost all U.S. charcoal is produced by the retort method which, it is claimed, yields a better charcoal than the kiln method. For cooking in outdoor barbecues, the American consumer will buy only the better grades which will not smoke and which leave a minimum of ash. When shipped long distances, charcoal tends to pulverize and this is one of the objections buyers in this area have to the Canadian product. A good quality bag for non-bulk shipments will help to protect the charcoal. It should be noted that United States customs regulations call for the bag to be legibly marked "Made in Canada".

—J. H. BAILEY

*Vice-Consul of Canada and Assistant Trade Commissioner*

**CHILE**

**Producing Edible Oils**

**S**ANTIAGO—Chile's production of edible oils has shown steady improvement although considerable imports are still needed to satisfy local demand. Major production by far is from oil-producing seeds, but the amount of olive oil pressed has increased substantially.

The following table compares the quantities of oil prepared from olives with edible oils from seeds.

**Olive and Seed Oil Production**

Year	Tons of oil	
	Olive	Oleaginous
1941	5	14,154
1942	55	13,940
1943	85	13,339
1944	98	14,970
1945	145	22,324
1946	112	10,499
1947	164	17,788
1948	154	21,700
1949	274	22,860

Part of the raw material used in the preparation of oil is imported. In 1948 statistics show 59,106 tons of domestic oil-producing seeds were used and 10,343 tons of imported. The following table gives the imports of semi-elaborated oils:

### Semi-Elaborated Oil Imports

	Tons imported
1947 .....	6,805
1948 .....	8,500
1949 .....	13,545
1950 .....	679
1951 .....	4,280

The figures for 1949 and 1950 show a great disparity. Undoubtedly the amount imported in '49 formed the nucleus of raw material for 1950, when a very small quantity came in. In 1951, imports of edible oil from Argentina, prepared from sunflower seed, reached 3,600 tons. Previously, considerable shipments of sunflower seeds were brought in.

### Sunflower Seed Imports

Year	Tons	Year	Tons
1942 .....	30,294	1945 .....	31,880
1943 .....	14,763	1946 .....	22,623
1944 .....	23,911		

Increasing interest in producing seeds locally for use in the preparation of oil is demonstrated by the following table:

Year	Hectares planted	Tons of oil produced
1940 .....	3,405	3,885
1941 .....	7,111	7,406
1942 .....	9,914	12,860
1943 .....	13,708	18,087
1944 .....	20,731	28,050
1945 .....	12,218	16,692
1946 .....	22,323	29,185
1947 .....	25,852	32,184
1948 .....	42,461	50,338
1949 .....	49,759	69,361
1950 .....	54,354	68,105
1951 .....	44,861	64,886

In spite of this growth in production, supply is still a problem. Recently Chile concluded negotiations for the import of 7,000 tons of oil from Argentina in exchange for steel products, 5,000 tons of oil from Germany and 1,500 tons from Brazil, under commercial agreements.

—M. R. M. DALE  
Commercial Secretary for Canada

## TRANSPORTATION

The Transportation and Communications Division of the Department of Trade and Commerce will be glad to supply shippers and others interested with information on water, rail, air and road transport services to and from Canada.

The Division has compiled a list of the principal Canadian trade routes and of the steamship companies maintaining services on them. To obtain this list and any further help with international transportation problems, write to the Director, Transportation and Communications Division, Department of Trade and Commerce, Ottawa.

## Documentation for Latin America

THE following table lists the documents required for freight shipments to countries in Latin America and indicates briefly the main points to follow in preparing these documents. Further explanation is given in the notes following the table.

Abbreviations: C.I. = Consular Invoice; Com. I. = Commercial Invoice.  
C.O. = Certificate of Origin; B.L. = Bill of Lading.

Country	Documents required	No. of copies	Consular fees	Cost of forms (per set)	Notes (See below)
Argentina	Combined C.I. and C.O.	4	5.50 to 22 pesos (a)		1.4.7.10.11.
	Com.I.	3	gratis		1.8.11.
	B.L.	3	33 pesos (a)		1.12.
Bolivia	C.I.	6	6 per cent (b)	\$6.00	1.4.6.10.12.
	Com.I.	4	1 per cent of freight charges (a)		1.3.8.12
	B.L.	3	gratis		1.12.
Brazil	C.I.	5	\$8 up to \$1,000 \$2 for each \$500 excess (a)		1.7.10.13.
	Combined Com.I. and C.O.	5	\$4.00 (a)		1.3.8.13.
	B.L.	2	\$6.00 (a)		1.13.
Chile	Combined Com.I. and C.O.	5	1/2 per cent (a)		1.8.10.11.
	B.L.	2	\$4.40 (a)		1.12.
Colombia	C.I.	4	\$4.00 (a)	\$4.00	1.4.6.10.12.
	Com.I.	4	gratis		1.5.8.12.
	B.L.	3	\$2.50 (a)		1.12.
Costa Rica	Com.I.	5			2.4.8.
	B.L.	2			2.
Cuba	C.I.	6	2 per cent (a)	\$9.60	1.6.11.
	Com.I.	3			1.8.11.
	B.L.	4	\$1.00 (a)		1.12.
Dominican Republic	C.I.	6	3 per cent (b); \$1.25 (a)	\$1.50	1.4.6.13.
	Com.I.	3	gratis		1.8.13
	B.L.	5	\$2.00 (b)		1.13.
Ecuador	C.I.	7	7 per cent plus taxes (a)	\$1.10	1.4.6.10.12.
	Com.I.	5	gratis		1.8.12.
	B.L.	3	gratis		1.12.
	C.O. (for some goods)	5	\$1.00 to \$5.00 (a)	\$1.00	1.3.6.11.
Guatemala	C.O.	3	6 per cent with exceptions (b)	\$1.50	1.3.4.6.9.11.
	Com.I.	5			1.5.8.11.
	B.L.	5			1.5.11.
Haiti	C.I.	6	1 per cent plus \$1.00 (a)	\$0.15	1.6.12.
	Com.I.	6			1.8.12.
	B.L.	8			1.12.
Honduras	C.I.	5	8 per cent (a)	\$0.75	1.4.6.13.
	Com.I.	3	\$1.00 (a)		1.8.13.
		+ 6 extra			2.8.
	B.L.	3	\$2.00 (a)		1.13.

Country	Documents required	No. of copies	Consular fees	Cost of forms (per set)	Notes (See below)
Mexico	Com.I.	4	5 pesos (a)		1.8.9.11.
	B.L.				
Nicaragua	C.I.	8	5 per cent (a)	\$2.00	1.4.6.9.10.13.
	Com.I.	4	gratis		1.4.13.
	B.L.	4	gratis		1.5.13.
Panama	C.I.	5	5 per cent or 8 per cent (b)	\$1.00	1.4.6.11.
	Com.I.	4	gratis		1.5.8.11.
	B.L.	4	gratis		1.13.
Paraguay	C.I.	5	5 per cent (b) and \$6.60 (a)	\$1.25	1.4.6.9.10.12.
	Com.I.	2	gratis		1.5.8.12.
	B.L.	1			2.
Peru	C.I.	4	\$1.00 (a)	\$0.40	1.4.6.13.
	Com.I.	1			1.8.13.
	B.L.	5	\$1.00 up to 100 tons; \$2.00 over 100 tons (a)		1.13.
El Salvador	Com.I.	8	6 per cent (b)		1.8.11.
	B.L.	4	\$1.00 for each \$500 (b)		1.11.
	C.O. (for some goods)	3	gratis		1.3.4.7.11.
Uruguay	Combined C.I. and C.O.	4	\$10.50 (a)	\$0.20	1.4.6.12.
	Com.I.	3			1.3.8.12.
	B.L.	6	\$5.25 for each 15 lines		1.12.
Venezuela	C.I.	7	2 per cent to 3½ per cent (b)	\$1.00	1.4.6.12.
	Com.I.	3			2.8.
	B.L.	3	gratis		1.12.

NOTES:

- a. Fee collected from exporter by Consul.
- b. Fee payable by importer at port of entry.
1. Requires consular legalization or must be presented to Consul with other documents.
2. Does not require consular legalization or presentation to Consul.
3. Requires certification by Chamber of Commerce or similar organization.
4. Must be in Spanish (where language is not stated, English or French may be used).
5. Certain details must be in Spanish.
6. Forms obtained from Consul.
7. Forms obtained from commercial stationers.
8. Exporter's own form may be used, provided it contains all information required by the regulations.
9. The document specified is not required for freight shipments valued at less than the following amounts: Brazil, \$25; Dominican Republic, \$100; Guatemala, \$50 (but restricted goods and goods subject to duty reductions by treaty require C.O. regardless of value); Mexico, \$115; Nicaragua, \$50; Paraguay, \$60. For all other countries, consular documents are required for freight shipments regardless of value.
10. Consuls will not legalize documents unless a copy of the import permit, or analogous document, or evidence of its issuance to the importer, is produced. There are some exceptions to this rule; exporters should assure themselves that, if a permit is required, it has been obtained before shipping.
11. Documents must be legalized by Consul located in Canada.
12. Documents must be legalized by Consul at port of export (whether in Canada or the United States).
13. Documents may be legalized by either Consul in Canada or Consul at port of export. For Brazil, it is preferable to have the documents legalized in Canada.

General Observations

The need for care in the preparation of shipping documents, particularly when exporting to Latin America, cannot be too strongly emphasized. The foregoing table is intended merely as a guide to the kind and number

of documents required by each country and to indicate the basic regulations. Most of the countries in this area specify in detail the data that must be included in the shipping documents and deviation from the requirements results in fines for the importer. Even unintentional errors may cause trouble. Leaflets on Shipping Documents and Customs Regulations, giving full details of the requirements, have been compiled by the Foreign Tariffs Division for the following Latin American countries: Brazil, Chile, Colombia, Cuba, Dominican Republic, Guatemala, Haiti, Mexico, Panama, Peru and Venezuela. Information can also be furnished, on request, on any of the other countries.

Health and pure food regulations often call for documents which are not dealt with in the table. Many countries require sanitary or health certificates, issued by agricultural or health authorities in the country of origin, for animals, plants and their products and for processed foodstuffs. Details of these requirements are given in the leaflets referred to above or exporters may obtain them from the Foreign Tariffs Division.

The procedure for shipments by parcel post and by air cargo usually differs in some respects from that for freight shipments as outlined above. In most countries the requirements are not quite so exacting but must, nevertheless, be precisely followed to avoid difficulty. The separate leaflets on shipping documents deal in detail with these methods of shipping.

*(For list of Foreign Commercial Representatives in Canada see "Foreign Trade" of November 8.)*



## TRADE COMMISSIONERS ON TOUR

**T**O familiarize themselves with conditions in this country and the special requirements of businessmen, Canadian Trade Commissioners return to Canada periodically. Exporters and importers are invited to discuss with the Trade Commissioner the markets and sources of supply in his territory.

**C. S. Bissett**, Commercial Counsellor for Canada in Buenos Aires, began a tour of Canada in Vancouver on November 19 and will complete it in Ottawa, December 8-11.

Businessmen may get in touch with Mr. Bissett at the Department of Trade and Commerce in Ottawa (No. 1 Temporary Bldg.).



## GENERAL NOTES

### ISRAEL

**Service for Tourists**—The Israel National Tourist Centre has announced that tourists visiting Israel may now obtain Israel pounds at a rate of US\$1.00 to the pound. Previously the rate of US\$1.40 to the pound applied.

The Service for Tourists system, under which tourists receive discounts on purchases, is being continued. Tourists do not pay a luxury tax on purchased items, receive priority in securing hotel accommodation, and can purchase non-austerity meals as well as items currently on the ration—Athens, October 30.

### JAMAICA

**Income Tax**—The pay-as-you-earn system of income tax will become effective in Jamaica on January 1, 1953, according to present plans. Hitherto tax payable in 1952 has been on income earned in 1951. Only persons earning salaries or wages will benefit by PAYE. As in Canada, PAYE will not apply to professional persons, doctors, lawyers, etc. The new system is expected to increase collections substantially. A few months ago, the Jamaica Government, following a reciprocal arrangement with Canada, provided additional income tax relief for local residents who are shareholders in Canadian corporations—Kingston, October 31.

### SCOTLAND

**New Industry in Skye**—The expansion of the new diatomite industry, which started on a very small scale a few years ago on the island of Skye, is putting an end to the threat of depopulation of the island. Before the development of this industry, most of the diatomite used in the United Kingdom had to be imported from the United States. Now dollars are being saved—London, October 17.

### UNITED KINGDOM

**Gold, Dollar Reserves**—The gold and dollar reserves of the sterling area at the end of October were \$1,767 million, compared with \$1,685 million at the end of September. They have now reached the highest point since the end of 1951, when the figure was \$2,335 million. During the month, the sterling area earned a gold and dollar surplus of \$82 million, although \$35 million of this represented defence aid from the United States—London, November 5.

## TRADE AND TARIFF REGULATIONS

### GREECE

**Further Imports Subject to Contribution**—A Greek ministerial decision, effective October 31, 1952, provides for the levying of a contribution on a wide range of goods imported into Greece, and also for increasing the rate of contribution payable on some other commodities as a result of a similar measure which came into force on October 11. The contributions range from 25 to 150 per cent of the c.i.f. value of the goods.

On items of interest to Canada, the new contributions amount to 25 per cent on raw hides, planks and boards of coniferous wood, iron in bars or sheets, insulated copper wire, copper pipes and aluminum in sheets, and to 50 per cent on iron pipes and tubing and on drugs and pharmaceutical products. In addition, the rate applicable to tires, automobile parts and antibiotics was increased from 25 to 50 per cent.

The new contributions cover imports into Greece valued yearly at about \$28 million. With those which became effective earlier in October, and which accounted for imports worth \$30 million, they now apply to more than 23 per cent of that country's total imports—Athens, November 19.

(See *Foreign Trade* of November 8, 1952, for contributions which came into force on October 11. Exporters may obtain information on individual items affected by writing to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa).

### IRELAND

**Customs Duties Amended**—The Government of the Republic of Ireland has issued an order, effective from October 24, revising import duties on iron or steel wheelbarrows and hand-propelled carts, trucks or trollies and component parts (other than wheels), as shown at Tariff Ref. 129, to 25 per cent ad val. Commonwealth preferential rate and 37½ per cent ad val. full rate (preferential and full rate formerly 25 per cent). Lifting trucks or trollies, stacking trucks or trollies, articles designed for use on rail tracks, and all component parts thereof, are excluded from the provisions of this order.

Another order, effective November 10, extends the flat rate of 33½ per cent ad val., as shown at Tariff Ref. No. 127, to include iron and steel tanks, etc., of a capacity of from 3 to 12,000 gal. Previously, the capacity was from 3 to 50 gal. Accordingly, the duty of 15 per cent ad val., at sub-paragraph (b) of Tariff Ref. No. 127 is now confined to tanks, etc., of a capacity less than 3 gal. and to those of a capacity exceeding 12,000 gal.

An order has also been issued terminating, as from October 24, the suspension of duty on iron and steel fencing material and parts

as shown at Tariff Ref. No. 122. Such articles are again chargeable with duty of 33½ per cent ad val. Commonwealth preferential rate and 50 per cent ad val. full rate.

A duty-free licensing provision is attached to all of the above orders—Dublin, November 11.

## ISRAEL

**Currency Import Ban**—The Israel Ministry of Finance, by an order dated June 13, has prohibited the import into Israel of any amount of Israel currency. This prohibition is absolute; there are no exceptions whatsoever. Israel currency held by persons entering Israel will be confiscated at port of entry.

Before the recent currency conversion of June 9, persons entering Israel were allowed to bring into the country a maximum of I£25, the equivalent of US\$70 (US\$2.80 is equivalent to I£1). According to regulations covering the currency conversion, this permission remained in force until June 24—Athens, November 14.

## SOUTH AFRICA

**Conversion Rate for Hard Currency**—The Reserve Bank of the Union recently advised the various commercial banks that hard currency exchange (Canadian and United States dollars), provided against letters of authority or the exchange licences of general import permits, is to be converted at the sight selling rate on the day the exchange is made available, or the covering letter of credit is established.

Previously, the rate of exchange for Canadian dollars for import control purposes was that ruling at date of shipment (see May 24 issue of *Foreign Trade*, page 655)—Johannesburg, November 19.

**Labelling of Shipments**—The Secretary for Commerce and Industries of the Union of South Africa has advised that, while it is not obligatory, it would be of assistance to the Railways Administration if exporters would indicate the full name and address of consignee on goods shipped to that country. Goods bearing consignee's name and address in an abbreviated form may cause delay in the delivery of the goods at their final destination because the Railways Administration has to complete the name and address of consignee. It is stated that a fee may be imposed some time in the future for such services.

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## Data for Exporters

The International Trade Relations Branch of the Department of Trade and Commerce has prepared bulletins covering shipping documents and customs regulations of the following countries: Austria, Belgium, Belgian Congo, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, Egypt, Finland, France, Western Germany, Greece, Guatemala, Haiti, Iceland, Indonesia, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela.

If you wish copies, write to the Branch. Data on other countries will be compiled from time to time and will be added to this list.

## Foreign Exchange Rates

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

Conversions into Canadian dollars 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 equivalents multiply by 1.0256.

Country	Unit	Type of Exchange	Canadian dollar equiv. Nov. 27	Notes (See below)
Argentina .....	Peso .....	Preferential buying .....	.1300	
		Basic buying .....	.1950	(1)
		Preferential selling .....	.1950	
		Basic selling .....	.1300	
		Free .....	.0702	
Austria .....	Schilling .....	.....	.0456	
Australia .....	Pound .....	.....	2.1860	
Belgium-Luxembourg & Belgian Dependencies ...	Franc .....	.....	.0195	
		.....	.01625	tax 5% (1)
Bolivia .....	Boliviano .....	Official .....	.00970	tax 3% (2)
		Differential .....		
British West Indies (except Jamaica) .....	Dollar .....	.....	.5693	
		.....	.0527	tax 8% (2)
Brazil .....	Cruzeiro .....	.....	.2049	
Burma .....	Kyat .....	.....	.2049	
Ceylon .....	Rupee .....	.....	.03140	(1)
Chile .....	Peso .....	Official .....	.01624	
		Commercial .....	.00795	
		Free .....	.3900	tax 3% (2)
Colombia .....	Peso .....	Basic .....	.4282	
		Coffee Buying .....	.1740	(3)
		Official .....	.1443	*Sept. 30
Costa Rica .....	Colon .....	Free .....	.9750	tax 2%
		.....	.0195	
Cuba .....	Peso .....	.....	.1412	
Czechoslovakia ...	Koruna .....	.....	.9750	
Denmark .....	Krone .....	.....	.0650	(4)
Dominican Republic .....	Peso .....	.....	.0561	
		.....	2.7998	
Ecuador .....	Sucre .....	Official .....	2.4617	
Egypt .....	Pound .....	.....	.00424	
Fiji .....	Pound .....	.....	.00279	
Finland .....	Markka .....	.....	.00558	
France .....	Franc .....	.....	.01533	
French Africa .....	Franc .....	.....	.2321	
French Pacific .....	Franc .....	.....	.000065	
Germany .....	D Mark .....	.....	.9750	
Greece .....	Drachma .....	.....	.1950	
Guatemala .....	Quetzal .....	.....	.4875	
Haiti .....	Gourde .....	.....	.1515	*Sept. 29
Honduras .....	Lempira .....	.....	.05987	
Hong Kong .....	Dollar .....	Free .....	.04604	
		.....	.03741	
		.....	.2049	
Iceland .....	Krona .....	Official .....	.08553	
		Special buying .....	.04276	(5)
		Special selling .....	.02851	
		.....	.2049	
		.....	.00182	*Oct. 15
India .....	Rupee .....	.....		
Indonesia .....	Rupiah .....	Basic .....		
		With Surcharge I .....		
		With Surcharge II .....		
		Dollar certificate .....		

\* Latest available quotation date.

Country	Unit	Type of Exchange	Canadian dollar Equiv. Nov. 27	Notes (See below)
Iran	Rial	Certificate I	-01193	*Sept. 26
		Certificate II	-01186	*Sept. 26
Iraq	Dinar		2-7325	
Ireland	Pound		2-7325	
Israel	Pound	Basic	2-7300	
		Special	1-3650	
		Investment	-9750	
Italy	Lira		-00157	
Jamaica	Pound		2-7325	
Japan	Yen		-00271	
Lebanon	Pound	Free	-2739	*
Luxembourg (See Belgium)				
Mexico	Peso		-1127	
Netherlands	Guilder		-2566	
Netherlands Antilles	Guilder		-5170	
New Zealand	Pound		2-7325	
Nicaragua	Cordoba	Effective buying	-1477	(6)
		Official selling	-1383	
		With Surcharge I	-1211	
		With Surcharge II	-0970	
Norway	Krone		-1365	
Pakistan	Rupee		2947	
Panama	Balboa		-9750	
Paraguay	Guarani	Basic	-06499	(1)
		With Surcharge I	-04643	(7)
		With Surcharge II	-03250	
Peru	Sol		-06270	
Philippines	Peso		-4875	tax 17% (2)
Portugal	Escudo		-03393	
El Salvador	Colon		-3900	
Singapore & Malaya	Straits dollar		-3188	
South Africa (Union of)	Pound		2-7325	
Spain & Dependencies	Peseta	Basic buying	-04452	
		Basic selling	-08690	(1)
		† Basic commercial selling	-05936	
		Free	-02459	
Sweden	Krona		-1885	
Switzerland	Franc		-2276	
Syria	Pound		-2707	*Sept. 30
Thailand	Baht	Official	-0780	(1)
		Free	-0551	*Sept. 30
Turkey	Lira		-3482	
United Kingdom	Pound		2-7325	
United States	Dollar		-9750	
Uruguay	Peso	Official	-6419	
		Basic buying	-5473	
		Special buying	-4149	(1)
		Basic selling	-5132	
		Special selling	-3980	
Venezuela	Bolivar		-2910	(8)
Yugoslavia	Dinar		-00325	

\* Latest available quotation date.

† Since the "Basic selling" rate is for State purchases only, we are now also quoting the "Basic commercial selling" rate.

#### NOTES

1. Additional rates are in effect for specified goods.
2. Tax affects selling (import) rates only.
3. Costa Rica: Official rate applies to all Costa Rican exports.
4. Ecuador: Exchange surcharges of 33 per cent and 44 per cent apply to imports of less essential and luxury items respectively.
5. Indonesia: Effective rate for all Indonesian exports to dollar area is basic rate plus 70 per cent of dollar certificate rate. Cost of imports is increased by full amount of dollar certificate rate.
6. Nicaragua: Effective buying rate applies to all Nicaraguan exports.
7. Paraguay: Basic rate applies to all Paraguayan exports.
8. Venezuela: There are special rates for exports of petroleum, cocoa and coffee.

For additional explanatory note see *Foreign Trade* of October 11.

## The Phoenicians

would be  
fascinated by

THE LIBRARY,  
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OTTAWA, ONT.

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M.F.

... and Phoenicians wouldn't fascinate easily, because in their time they were a very sophisticated lot. Some 3,000 years ago, they were number one in the trading world. Their little country, now known as Lebanon, was the focal point of camel caravans bearing the riches of the East. From the ports of Berytus (Beirut), Tyre and Sidon, they traded with the countries of the Mediterranean, and ventured even as far as ancient Britain.

Today, Beirut is the commercial gateway to Lebanon, Syria and Iraq, but business is on a scale that would fascinate even the Phoenicians. Along the old camel caravan routes, a network of pipelines pumps oil from the east to the refineries of Lebanon. The man-powered trireme has given way to the airliner, tanker and freighter, trading with countries as far away as Canada, thousands of miles beyond the limits of the Phoenician world.

To expand today's 25 million dollars worth of business with Lebanon, Syria and Iraq, the Canadian Government Trade Commissioner Service has opened a new office at Beirut.