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Canada and the West Indies

Development and Trade in the British Caribbean

The Exporter's Argentina

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Canada's Trade with the West Indies 2

This study of our relationships with the West Indies and of this \$63 million market for Canadian goods introduces our annual review of trade and industry in this area, contributed by the Trade Commissioners posted there.

From the Kingston Office 7-14

In Jamaica, the economy is moving forward again and the pattern of trade is changing; Canada could increase its sales by making greater efforts. In British Honduras, prospects are improving slowly; in the Bahamas, the tourist trade and the Freeport development provide the best trading opportunities.

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Trinidad and Tobago ranks as Canada's second largest West Indian market; Barbados and the smaller islands together buy \$12.1 million worth of Canadian products. Growth of supermarkets is affecting trading techniques.

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COMING—HOW CANADIAN STYLISTS INVADED PHILADELPHIA, JANUARY 9

Canada and



Workers in Kingston, Jamaica, load a truck with red cedar shingles from Canada.

A common language and institutions, a long-standing trade, proximity, the tourist traffic, and grant aid all contribute to the close ties between Canada and the Commonwealth Caribbean. As this area expands industrially and makes new political arrangements, Canadian business with and investment in it should increase.

M. VERONICA McCORMICK,
*Commonwealth Division,
Office of Trade Relations.*

THE Commonwealth islands and mainland territories in the Western Hemisphere—which extend more than 2,000 miles from the Bahamas, about fifty miles east of West Palm Beach, Florida, to British Guiana on the northeast coast of South America—have a total land area of approximately 104,000 square miles and a population of about four million. Most of the territories are still British Colonies, although Jamaica and Trinidad celebrated the second anniversary

of their independence as members of the Commonwealth in August 1964. These two countries attained nationhood following the dissolution in May 1962 of the West Indies Federation, formed in 1957.

Barbados and the Leeward and Windward Islands of Antigua, St. Kitts-Nevis, Montserrat, Dominica, St. Lucia, and St. Vincent (referred to as the "Little Seven") have held meetings recently to discuss the possibility of establishing a federation among themselves. In October last,

the West Indies

the Regional Council of Ministers of the Little Seven met in Barbados and reached preliminary agreement on the establishment of a union. According to reports, it was agreed that Barbados should be the site of the capital and that a customs union and free trade area would be established after the beginning of federation. Grenada has not participated in the discussions because it has indicated that it would consider associating itself in a union with Trinidad and Tobago.

Agriculture the Mainstay

A common feature of all the regions is that their economies are based predominantly on agriculture, mainly sugar and its byproducts, on which they depend for a large share of their income and as a major source of employment.

Although sugar remains of great importance, considerable agricultural diversification has taken place throughout the area. Sea Island cotton, nutmegs, mace, arrowroot, bananas and citrus fruit are being produced in some of the Windward and Leeward Islands, and the larger territories have developed secondary agricultural crops of economic significance, such as bananas in Jamaica, cocoa in Trinidad, citrus fruit in both these islands and in British Honduras, and rice in British Guiana.

Secondary Industries Expanding

In all the areas the establishment of secondary industry has accelerated and the tourist trade has expanded dramatically over the past few years. These developments have been fostered by legislation which grants special concessions to new industries, including tax holidays, special depreciation, and the duty-free import of machinery, raw materials, and other essentials. As part of this industrialization program, Trinidad is currently building a



—Bahamas News Bureau Photo.

A surrey (with fringe on top) provides visitors to Nassau with a comfortable, leisurely way to see the sights of the Bahamas capital. The tourist trade plays an important economic rôle in most of the Caribbean countries reviewed in this issue.

flour mill, and the Jamaican Government has been negotiating for the establishment of a mill to produce baking flour and feed.

Import Demand Increasing

Increased industrialization has affected the access of various Canadian products to the West Indian markets. However, employment opportunities and income have ex-

panded significantly and this has contributed to larger imports. As the attached statistics show, Canadian exports for 1963 were up 8 per cent over 1962. Those to Jamaica were up 35 per cent and to British Guiana 58 per cent in the first six months of 1964 over exports for the same period in 1963. Canadian sales to Barbados in 1963 were up 22 per cent over 1962,

those to the Leeward and Windward Islands 16.9 per cent, and to Trinidad and Tobago 9 per cent.

Bauxite and Oil Important

The bauxite industry, first developed in British Guiana in 1917 by Canadian capital, has expanded over the years and alumina is now being produced. Development of Jamaica's bauxite industry began only twelve years ago and here again Canadian interests have played a major rôle. Jamaica is now the world's largest producer of bauxite, and bauxite and alumina together account for nearly half the value of its exports.

Oil is of paramount importance to the prosperity of Trinidad, the second largest producer of crude oil in the Commonwealth. It provides over three-quarters of the country's total exports, more than one-third of its government revenue, and an average continuous employment for at least 18,000 persons who receive the highest wages in the island. Trinidad owes to oil a standard of living noticeably higher than that of any other territory in the region.

Jamaica and Trinidad have instituted Five Year Development Plans which outline the broad sectors to be developed and the specific projects to be undertaken. Among the projects that occupy important places in the Plans are the building of houses, schools, factories, roads and bridges, and dam and drainage projects.

Commercial Relations

Our long historical and commercial ties with the independent Commonwealth countries and colonies have led to a sustained and growing interest among Canadians in developments in the region. Upon attaining independence, both Jamaica and Trinidad exchanged High Commissioners with Canada, although Canada has had trade representatives in the region for almost sixty years. In fact, Canadian commercial agents in the West Indies were appointed as early as 1892.

To	1962	1963	1963	1964
	(6 months)			
(Can.\$'000)				
Bahamas	5,010	6,133	2,854	4,519
Barbados	4,481	5,469	2,742	3,288
British Guiana	5,102	5,061	2,214	3,506
British Honduras	835	698	343	445
Jamaica	21,891	22,271	10,628	14,395
Leeward and Windward Islands	5,642	6,596	3,341	3,762
Trinidad and Tobago	14,817	16,213	7,627	8,294
Total Exports	57,778	62,441	29,749	38,210

From	1962	1963	1963	1964
	(5 months)			
(Can.\$'000)				
Bahamas	217	425	244	242
Barbados	3,170	3,954	546	1,748
British Guiana	23,375	31,334	12,194	14,933
British Honduras	629	1,720	229	687
Jamaica	39,721	51,524	19,331	18,925
Leeward and Windward Islands	1,686	2,202	876	223
Trinidad and Tobago	14,100	15,871	5,000	7,269
Total Imports	82,898	107,030	38,420	44,027

Our commercial relations continue to be governed by the Canada-West Indies Trade Agreement of 1926—which has helped in expanding trade in both directions—as well as by the General Agreement on Tariffs and Trade. Under the terms of the Agreement the West Indian territories extend to Canada specified preferences on particular products and also provide that each of the territories shall accord preferences to Canadian goods for which provision is not made specifically. Canada reciprocates with tariff preferences on a wide list of products of particular importance to the territories, the most important of which is the substantial preferential margin on raw sugar.

Two-Way Trade Growing

These developments, in addition to cementing our mutual ties of

friendship, have stimulated trade and we now exchange close to \$170 million worth of goods annually. As shown in Tables I and II, Canadian exports to the West Indies were valued at \$57.8 million in 1962 and \$62.4 million in 1963, and imports from the West Indies for 1963 increased to \$107.0 million from \$82.9 million in 1962. Canadian sales in the first six months of 1964 reached \$38.2 million compared with \$29.7 million for the same period in 1963. Imports for five months of 1964 increased to \$44.0 million from \$38.4 million for the same period in 1963. The region now ranks as Canada's third most important Commonwealth market, and thirteenth among world markets.

The principal Canadian exports continue to be the traditional ones we have supplied for over two centuries—flour, salted and pickled fish, and meats. However, with ex-

pansion has come variation, and Canadian exports now include canned fish, milk and other agricultural products, and an extensive range of manufactured goods, including paper products, automobiles, tires and tubes, refined sugar, radios and TV's, furniture and footwear. (See Table III.) As an indication of the construction going on in the West Indies, Canada's exports of prefabricated buildings increased to \$339,000 in 1963 from \$75,000 in 1962 and exports for the first six months of 1964 reached a total of \$547,000. Many other items are included in the trade which, though individual sales are not large, add to the expansion of Canadian sales there. In fact, Canadian exports to this area consist of approximately 500 individual items.

Bauxite and alumina have replaced sugar as our principal import from the West Indies and crude petroleum has supplanted molasses and rum. Other agricultural products are being shipped to us in increasing amounts. Included are bananas and plantains, cocoa butter (which increased to \$488,344 in 1963 from \$151,938 in 1962) and fresh cucumbers (valued at \$185,453 in 1963 and at \$177,320 for the first five months of 1964). The value of West Indian manufactured goods now entering Canada is also increasing. For example, liqueurs increased from \$63,000 in 1962 to \$95,000 in 1963 and cotton shirts and underwear to \$57,000 in 1963 compared with \$19,000 in 1962.

Trade Fairs and Missions

Trade fairs and missions have stimulated interest on the part of West Indians in Canada and things Canadian. The National Canadian Samples Show and the Second Export Trade Promotion Conference in 1963 generated outstanding interest in Canadian goods. Recently, a Canadian Food Products Trade Mission visited the Bahamas, Barbados, Jamaica and Trinidad, as well as Bermuda, from October 17 to November 8, to arouse interest in Canadian food products which

TABLE III
WHAT CANADA SELLS TO THE WEST INDIES

	1962	1963	1963	1964
			(6 months)	
			(Can.\$'000)	
Flour	8,142	8,770	4,459	5,304
Fish, pickled, salted	6,707	7,329	3,600	3,791
Meats	3,532	3,601	1,776	1,750
Fabrics	2,383	2,665	1,315	1,305
Fish, canned	2,534	2,647	1,052	1,999
Motor vehicles and parts	3,233	2,140	1,166	2,415
Lumber	1,501	1,896	768	715
Newsprint	1,519	1,402	657	774
Milk powder, evaporated, condensed	1,262	1,379	513	658
Tires and tubes	663	1,217	531	806
Medicines, drugs	953	1,107	643	495
Potatoes	938	1,060	783	595
Sugar, refined	221	981	479	619
Footwear	946	922	363	302
Furniture and fixtures	833	907	368	488
Soups	619	622	333	446
Leather	375	582	252	345
Radios and TV's	211	562	150	179
Whisky	507	556	260	446
Refrigerators, freezers, and parts	321	499	147	400
Tobacco	1,369	457	310	236
Apples	316	436	150	109
Prefabricated buildings	75	339	128	547
Jewellery	249	232	101	187

TABLE IV
WHAT CANADA BUYS FROM THE WEST INDIES

	1962	1963	1963	1964
			(5 months)	
			(Can.\$'000)	
Bauxite and alumina	45,006	47,332	21,495	17,982
Sugar, raw	22,285	41,811	11,721	18,161
Crude petroleum	7,768	7,199	2,448	4,720
Molasses	2,333	4,844	849	738
Juices, fruit	97	1,239	350	813
Rum	1,065	1,024	329	171
Cocoa butter	152	488	137	36
Coffee	113	271	135	327
Nutmegs and mace	205	229	50	137
Cucumbers, fresh	110	185	183	177
Salt for fisheries	36	150	33	14
Mahogany	87	137	44	15
Grapefruit, oranges, mandarins	29	136	135	7
Bananas and plantains	18	106	4	40
Liqueurs	63	95	26	18
Pimento	.....	90	24	37
Cocoa beans	265	76	25	32
Farinaceous substances	.....	73	20	21
Ginger and spices	131	72	22	30
Cotton shirts and outerwear, not knitted	19	57	10	14
Lemon and essential oils	52	52	14	26
Jams, jellies, and marmalades	5	43	9	.....

could supplement those produced locally. Reports on the Mission are encouraging, both from the Canadian and West Indian points of

view. Canadian exporters have appointed agents in the various territories and importers have seen at first hand and placed orders for

Canadian food products that will complement sales of local items.

Elements in Common

In addition to the Trade Agreement, which has had an effect in developing trade both ways, and the importance attached to trade missions, other elements have fostered our relationship. The common use of British law, customs, and the English language, geographic proximity, and the increasing numbers of Canadians visiting the area and West Indian students coming to Canada to attend universities and technical schools have served to promote trade and goodwill between Canada and the region. Canada has other economic interests there which, like trade, have benefitted both partners. Canadian banks and insurance companies are well represented and Canadian investment has assisted in developing natural resources, new manufacturing ventures and such public utilities as the telephone service in Jamaica. There is also Canadian

investment in hotels and Air Canada maintains regular schedules to a number of the areas.

Canadian Aid

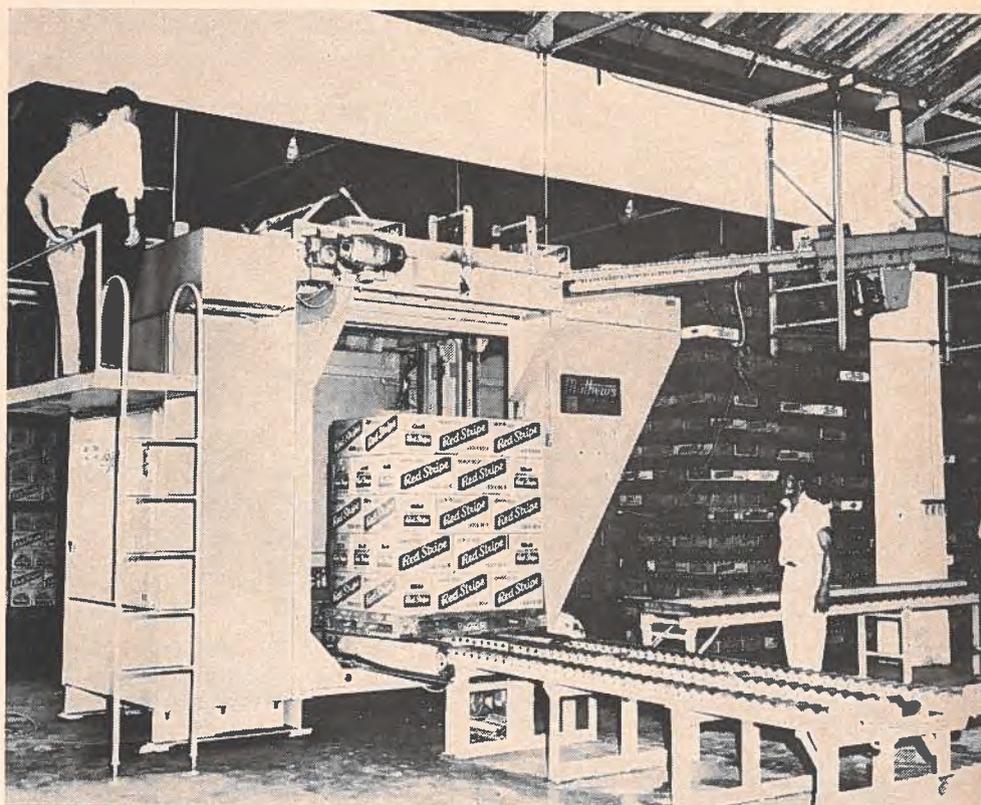
Canadian capital and technical aid programs have contributed to economic development in the West Indies. Because of Canada's interests in the Commonwealth territories there, this area became the first to receive Canadian grant aid other than that extended under the Colombo Plan. In 1958, when the West Indies Federation was formed, the Canadian Government announced that it wished to assist the Federation in its efforts towards economic development and accordingly granted a total of \$10 million over a five-year period starting in the fiscal year 1958-1959. This program expired on March 31, 1963, but the Canadian Government agreed that aid should continue into 1963-1964 and be maintained at the same average level as in preceding years. The Canadian Government recently announced its

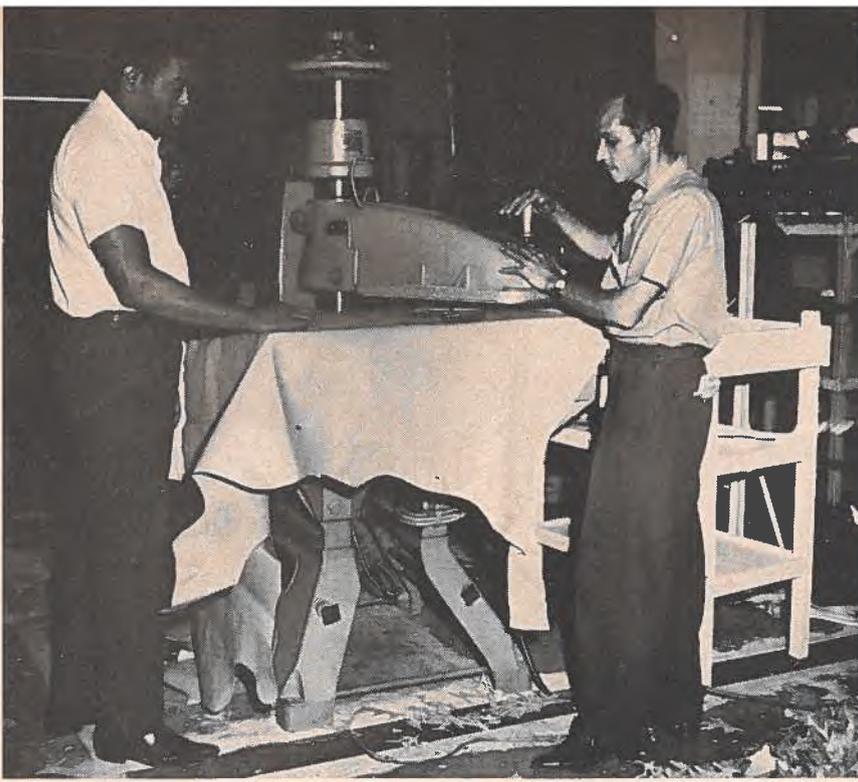
intention of instituting a more comprehensive and sizable program for the Commonwealth Caribbean. Detailed discussions are now taking place with the governments of these countries and a large number of additional projects are under study, particularly for independent Jamaica and Trinidad and Tobago.

Since the inception of the aid program in 1958, some of the projects for which Canadian capital assistance has been given include two ships for inter-island traffic, a deep-water wharf and warehouse for St. Vincent, a university residence in Trinidad, port-handling equipment, and primary schools.

The growth of the economies, including industrialization and tourism, and the expanded aid program will result in continuing and increasing opportunities for Canadian products. Canadian exporters are urged to take advantage of these opportunities and to pay careful attention to the requirements of these markets, including making personal visits. ●

Production in this Jamaican brewery is faster since a Canadian-made, high-speed automatic pallet loader and conveyor system was installed. Dick Cathcart, Assistant Trade Commissioner in Kingston, watches (from the platform at top left) as the palletized cases reach the end of the line. Just visible beside him is the technician sent down by the Canadian company to help install the equipment.





Canadian leather is tested on a die-cutting machine in a Kingston plant. Our sales of upper leather to Jamaica in the first six months of 1964 totalled Can.\$289,000.

Jamaica

- Recovery from mild recession of 1963 continues.
- Trend to supermarkets deserves careful study.
- Canadian sales will reach \$25 million this year.

L. D. BURKE, *Commercial Secretary, Kingston.*

PROSPECTS for the sale of Canadian goods in Jamaica are promising, but the expansion of our trade will require close and continued attention because the Jamaican market is changing continually. The gradual industrialization taking place here, the introduction of new methods of merchandising, and the continued rise in the standard of living have all had an important effect on the type and quantity of goods that the Jamaicans import.

Following a mild recession in the early part of last year, business began to pick up during the last quarter of 1963 and the recovery

has continued up to the present. Hurricanes in the latter part of 1963 caused considerable damage at a time when this country was completing its first full year as an independent nation. This setback was overcome, however, and business activity since then has shown a definite upswing. Most sectors of the economy have contributed to the recovery. The rise in construction, the increase in export earnings (principally from mining and agriculture), the increasing diversification of industry, and the recovery of the tourist trade have played important parts in it.

The construction industry has been a strong influence in the economic resurgence, particularly since the early months of this year. Production of cement, a good indication of activity in this field, increased by nearly 70 per cent between January and June compared with the similar period in 1963.

Industrial Output Rises

Jamaica continues to be the largest producer of bauxite and the largest exporter of alumina in the Western world. The industry this year has continued its investment in mining and processing equipment. One firm alone has expansion plans under way which will cost approximately \$30 million. Exports of alumina and bauxite, at 5.1 million tons for the first nine months of this year, were up over those in a similar period of 1963. Alcan, with two alumina plants, is the largest company in this field with a total investment in Jamaica of over \$135 million.

In addition to the industries already mentioned, Jamaica has textile mills and plants turning out furniture, pharmaceuticals, garments, porcelainware, shoes, paint, and processed foods. It also has a new oil refinery and breweries. Production in all of these industries rose substantially in the first six months of 1964 over the corresponding period of last year. Attracted by the political stability of the island and special incentive laws, new industries are being established here fairly regularly. This year, 18 new companies producing electrical switchgear, water meters, telephone equipment, barbed wire and refrigeration equipment have started up under Jamaica's incentive legislation. In a country of this size, the addition of even a limited number of new manufacturing ventures can change, and in fact is changing, the economic complex. Manufacturing has developed to the stage where it now contributes more to the gross national product than does agriculture, which has been the mainstay for many years.

Selling to the Jamaican Government

IN June 1963 the Jamaican Government established a Department of Supply under the Ministry of Finance which centralized for the first time all government purchases. This department is responsible for buying almost \$10 million worth of goods annually, ranging from office stationery to cast iron pipe. Of this, nearly \$7 million is purchased locally and consists of both domestically manufactured goods and imported products sold through local merchants. The remainder is spent on direct imports by the department and these purchases are naturally not subject to import duty. This includes items which the Government buys in sufficient quantities to make this method advantageous.

Previously, the Government made all its purchases through long-standing agreements with Crown Agents in London, New York and Montreal. The Crown Agents were informed of its requirements and then made the decisions about where to buy and at what price. Although these Crown Agents are still retained, the new department is doing more and more of its own selecting.

Although the department's organization has not been completed, the Chief Supply Officer currently directs five stores:

1. Central Store which supplies clothing, bed linen, institutional equipment and tinned foods for institutions and also maintains supplies for emergencies.

2. Cold Store which can keep up to 200 tons of meat for use in prisons, hospitals, and other government institutions.

3. Stationery Store which supplies all stationery requirements, including office machines, for government departments.

4. Public Works Department which stocks building and civil engineering supplies.

5. Island Medical Store which supplies drugs and medical appliances on a subsidized basis to all the government hospitals and clinics. This store is controlled by the Ministry of Health, but all buying is centralized in the Department of Supply.

The officers of this new department are very anxious to obtain product information and are particularly keen about dealing with Canada because of our long-standing trade relations with Jamaica, plus our proximity and frequent shipping service. Canada has traditionally supplied certain types of printing paper and particular types of drugs, but the department feels that the list could be expanded greatly if it received better information on Canadian products.

If you have been successful in selling in this market and feel that you have a product of possible interest to the Government, contact our office in Kingston so that we may make a preliminary investigation for you. It would also be wise to have one of your representatives call on the Department of Supply when he is making one of his visits to this country.

—R. H. M. CATHCART,
*Assistant Commercial Secretary,
Kingston.*

Export Crops Good

Jamaica's two main export crops are sugar and bananas. Both of these industries recovered rapidly from the effects of the hurricanes which passed close to the island in 1963. Production of sugar for the current crop year has been established at 474,000 tons, or approximately the same as for 1963, but receipts have been calculated at approximately \$72 million, or \$9 million lower than the record return

of 1963—the result of the decline in world sugar prices. Production of bananas for 1964 has already passed ten million stems and the final figure for the year should be close to 14 million (last year it was 12 million). Value of exports, at \$7.8 million up to June 1964, is \$1.8 million more than last year.

Tourist Trade Vital

Jamaica normally operates with an adverse balance of commodity trade and relies on certain invisible

receipts (the largest come from tourism) to redress the balance. Last year it earned \$40 million from its tourist trade, of which approximately 14 per cent was contributed by Canadians. The number of tourists visiting Jamaica has increased considerably during the first six months of this year and the industry is looking forward to the most prosperous winter season ever.

Problems Persist

Despite the successes of this year, the Jamaican economy has its problems. The most serious are the lack of adequate expansion in the agricultural sector, unemployment, and balance-of-payments difficulties. In the absence of full and economic use of land, agricultural production has not kept pace with the increase in population and the demand for foodstuffs. As a result, imports of foods have been climbing year by year and in 1964 may reach \$60 million. Out of a total labour force of some 600,000 about 100,000 could be classified at present as unemployed (including seasonally and casually unemployed persons). The problem does not end there, however, because the labour force is expanding each year by over 20,000. To find jobs for those out of work is a serious and pressing problem.

Trade Picture

Preliminary figures on Jamaica's visible trade balance for the first half of this year show that although domestic exports increased from \$117 million to \$129 million, imports rose from \$117 million to \$150 million. On the import side, the increase resulted principally from larger purchases of food, manufactured goods, machinery and transport equipment, and fuels. If the half-year trend continues, Jamaica may be faced with a sizable trade deficit even though investments, loans, returns from tourism and remittances from Jamaicans overseas will help the situation.

Last year Canadian exports to Jamaica were valued at \$22 million;

TABLE I
WHAT CANADA SELLS TO JAMAICA

	1962	1963	6 mos. 1963	6 mos. 1964
	(Can.\$'000)			
Cod, salted (various types)	3,425	3,761	1,859	1,824
Wheat flour, n.e.s.	2,832	2,681	1,299	2,000
Passenger autos and chassis	1,218	899	485	1,081
Sardines, canned	854	828	302	797
Broad woven fabrics (various types)	602	770	360	332
Newsprint paper	775	651	368	481
Tires, pneumatic (various types)	338	623	282	271
Upper leather, n.e.s.	315	478	206	289
Herring, canned, n.e.s.	474	481	113	196
Tobacco, bright virginia flue cured	487	307	248	477
Total, all exports	21,891	22,271	10,628	14,395

TABLE II
WHAT CANADA BUYS FROM
JAMAICA

	1962	1963	6 mos. 1964
	(Can.\$'000)		
Bauxite, alumina	29,813	33,431	15,456
Sugar, raw	8,383	15,876	8,963
Cocoa butter	111	433	27
Orange juice concentrates, not frozen	29	268	143
Rum	238	230	40
Total, all imports	39,721	51,524	25,437

this year we estimate that sales will reach \$25 million. Our main export to Jamaica is salt cod (\$3.8 million in 1963) followed by other food products such as flour, canned fish, meats, soups, malt and milk powder. Tobacco is one other agricultural item important in our trade. Durable consumer goods, automobiles, newsprint, cotton fabrics, tires and leather are the main manufactured goods we sell to Jamaica. The items above account for approximately 60 per cent of our total exports. The interesting point, however, is that the remainder of our trade is made up of nearly 500 different products.

Jamaica last year sold to Canada goods valued at \$51.5 million and had consequently a favourable balance of trade with us, as it has for a number of years. The main products in this trade are alumina and sugar.

Our sales to Jamaica have increased but much more could be done. We still hold only 9 per cent of the market, even though we enjoy a number of advantages here

including tariff preferences, a favourable exchange rate, and a willingness on the part of Jamaican firms to do more business with Canada.

Promising Opportunities

From our assessment of this market, we feel that prospects for Canadians are most encouraging in three fields:

● **Supply of raw materials, components and (where possible) know-how** to the new industries being established here. As these new industries are established, the policy of the Jamaican Government has been to limit, or in certain instances to shut out, imports (see separate article on import controls on page 10). This has resulted in losses to our trade which must be made up by exports of other items.

● **Foodstuffs.** The type of foodstuffs being sold in Jamaica has been changing in the last few years with the gradual rise in the standard of living and adoption of new methods of merchandising. In the last few years there has been a definite switch to supermarkets and the trend is increasing. Supermarkets were first established in Kingston, the capital, and there are now 24 operating here. Their influence is spreading throughout the island and adjacent towns have been forced to set up supermarkets to meet the competition. Certain goods such as biscuits, confectionery, prepackaged meats and fish, frozen vegetables,

and cheese have benefited from the arrival of the supermarkets. These stores are starting to carry items such as toys, mops, brooms and other housewares. There could be opportunities in all these lines for Canadian firms. Because of the growth of the supermarkets, packaging is becoming more important. Firms shipping or intending to ship foods to Jamaica should consider prepacking their goods to take advantage of the growing supermarket trade.

● Building materials and supplies.

We are already doing well in sales of cedar shingles, construction plywood, and some hardware items. In view of the wide range of building supplies available from Canada and the boom in the construction industry here (mainly in housing), there are undoubtedly greater opportunities in this field for Canadian firms.

In certain lines, export opportunities may be limited. (Exports of the majority of products that we sell here are valued at less than \$100,000 per year.) But no one should discount Jamaica as an outlet simply because of its size. In addition to the population of 1,775,000, over a quarter of a million tourists visit Jamaica each year and add considerably to its purchasing power. In addition, the island must import all of its requirements of certain products and will continue to do so until local manufacturing is built up.

Two things must be done if we are to retain, let alone expand, our sales to Jamaica in the face of the changes here. First exporters already selling here must work closely with their agents. This means regular visits to Jamaica and proper attention to correspondence. Second, we must in the coming year offer a continually widening range of new products to this country. If you have a line you would like to try out in the Jamaican market, we would like to hear from you. There are opportunities—all we need to do now is take the full advantage of them. ●

How Jamaica Controls Imports

Import licensing is applied for several reasons and in several ways. And even though an imported product is under licensing, it may still be possible to sell it in Jamaica. This article explains why.

P. HO FATT, *Commercial Assistant, Kingston.*

THE chief method by which Jamaica controls imports is by a system of specific licensing. There are now over eighty categories of merchandise which require licences and the licensing is applied in several ways:

1. Quotas are established and licences are issued for imports up to the limits of the quota. Examples of goods controlled in this way are cotton fabrics, footwear and pork products.
2. Imports are limited to certain types of goods, or certain price ranges, as in clothing, ceramic tableware and metal furniture.
3. Imports may be permitted only at certain times of year when it is felt that local supplies cannot adequately supply the demands of the domestic market. This applies particularly to agricultural produce such as potatoes.
4. A complete prohibition, for all practical purposes, of articles subject to licensing.

Reasons for Licensing

The main reason for placing products under licensing is to ensure that local manufacturers and sup-

pliers have priority for the sale of their goods in the relatively limited Jamaican market. The increasing number of manufactured goods subject to import control reflects to a large extent the diversification of the industrial sector here, especially during the last decade. Manufactured goods on specific licence which are being made locally include, among others, metal doors and windows, some items of metal furniture; steel buildings and steel fabricated structures; paints, enamels, varnishes, and an extensive list of medicinal and pharmaceutical products. Some durable goods have also been put under licence in the past in anticipation of the coming into production of a new domestic plant and in an effort to control stockpiling on the part of commercial interests.

There are other reasons for products being placed under licensing in addition to preserving the Jamaican market for local manufacturers and/or suppliers. Television sets and wheat flour, for example, are on specific licensing mainly to maintain technical and nutritional standards. New cars and trucks are on this list also and at present are allowed in quite freely, although the Government may wish to control

imports in the future if a balance-of-payments situation requires this course of action. Used vehicles are definitely not allowed in except on a non-commercial basis. Certain types of specialized machinery are also subject to control for various reasons, such as their labour-displacement content or because the establishment of another plant producing a certain line of goods already being made locally might not be considered economically feasible.

Although specific licensing is the chief mechanism of the Jamaican Government's import control, there are a few instances in which the licensing method is used in conjunction with tariff barriers, as in clothing and footwear or, alternatively, in which tariffs are made prohibitive (this applies to certain types of paper bags).

How Licensing Is Applied

The various controls that the Jamaicans have put into effect, especially through licensing, have in certain instances meant a loss of sales for Canada. The most important thing, however, for Canadian businessmen to remember about these controls is that even though an item may be subject to licensing, it may be possible to sell it here. A brief review of how licences are applied will substantiate this. It may be that the product is under licensing but that a quota has been established for it in which the Canadian firm can participate. The imported line may be selling at a price that is not affected by the regulations, or it may be (although only for a limited time) required because of a shortfall in domestic production. Finally, the imported article may not be considered directly competitive with locally made goods and may therefore be permitted entry.

Canadian companies, on learning that the products they manufacture are under licensing, should not be immediately discouraged but should check with both their agents and the Trade Commissioner to determine whether or not a continued trade will still be possible. ●



British Honduras' second largest industry (after sugar) is the growing of citrus fruit. The British Honduras Fruit Company, with more acreage planted, is said to be stepping up its production. Here we see a worker in this industry packing grapefruit.

British Honduras

- Long-range prospects for growth are good.
- Increased production of cash crops is planned.
- Canadian exporters could be more active in this market.

R. H. M. CATHCART, *Assistant Commercial Secretary, Kingston.*

ECONOMIC prospects for British Honduras look bright in view of the proposed major investments in agriculture by two of the world's largest firms dealing in tropical produce. In addition, there has been definite interest in expanding the production of beef cattle, dairy products, rice and other staples.

A British firm recently bought out the only sugar factory in the

country and will be investing \$23 million* in the sugar industry over the next ten years. Their plan is to increase sugar production to 70,000 tons by 1967 from the 33,591 tons produced during the 1964 crop year. By the end of 1974, production is expected to rise to 160,000 tons with the addition of an ultra-

*All dollar figures are Canadian dollars.

modern sugar factory in the northern part of the country.

A United States company recently re-entered the picture with plans to revive the banana industry which disappeared because of plant disease some years ago. It intends to start planting new disease-resistant varieties in February 1965 on a large scale in the hope of exporting in two or three years over four million stems.

Both of these developments will greatly expand exports, reduce significantly the chronic deficit on the balance of payments, and bring the country nearer to the day when it will be self-supporting.

There is little information on citrus production, (the second largest industry after sugar) but all reports indicate some progress through increased planting by the British Honduras Fruit Company, a subsidiary of a Canadian firm.

Of particular interest is the fact that by the end of 1965 it is expected that over half of the current requirements of rice, six million tons, will be grown locally. Local production of such staples as red kidney beans, corn and beef cattle will also have increased. The dairy industry should also receive an impetus from a Canadian-backed investment by the end of next year.

Aid Still Needed

Although long-range prospects seem excellent, there will probably be no immediate changes in the rather slow pace of economic development. The great potential of agriculture remains difficult to develop because of the poor roads, the need for clearing land, and the lack of a natural harbour.

The agricultural development mentioned is planned for a narrow range of products, mostly for export. All processed foods and manufactured goods, however, will continue to be imported. The small internal market and a lack of raw material mean that few manufacturers have been attracted to this country and all manufactured goods must be brought in.

The Government will have to rely on Britain to balance its budget and general grant-aid will be necessary for most capital investments—such as the construction of the new capital for which survey work is going forward at present. The grant-aid given the country by Britain is of course tied and Canadian firms would be unlikely to share in business under it.

British Honduras seems to be making good progress under the recently granted internal self-rule. The Government has indicated that when the country achieves independence, it would wish to remain a member of the Commonwealth.

External Trade Improves

British Honduras imports for 1963 amounted to \$15,848,628 and its exports to \$10,612,539, showing the smallest trade deficit (\$5,236,-

089) in the past five years. Canada's 1963 exports of \$697,634 for that year raised our share of total imports from a little over 3 per cent in 1962 to nearly 4 per cent. The United States still dominates the market with about 43 per cent of the trade; Britain follows with 26 per cent.

British Honduras has been somewhat neglected by Canadian exporters and on the rare occasion when a Canadian representative does visit it, he is usually favourably impressed by the welcome he gets and the ease which he is able to do business.

The United States is able to obtain the major share of the business in this market partly because of better shipping facilities and frequent air service from Miami. In addition, local businessmen find the service provided by Florida and

Gulf Coast jobbers quite adequate for many commodities. Canadian exporters should try to counter U.S. competition by paying more attention to this small market and visiting it on their West Indian tours.

If any firm is unable (because of the size of its operations) to visit the territory, this office would be pleased to act on its behalf during one of our regular visits there.

Canada meets a small part of need for foodstuffs and such things as cotton textiles, but there is much room for improvement in the field of inexpensive manufactured goods such as hardware, clothing and appliances. We are assisted by a direct shipping service from Canadian East Coast ports. We also have the advantage of an average 12.5 per cent preferential tariff rate and of a more favourable current rate of exchange for the Canadian dollar. ●

Bahamas

- Revenue from vital tourist trade increasing every year.
- Booming new Freeport area attracting industry and tourists.
- Supplies for tourist trade, equipment and fittings for hotels and homes offer best prospects.

L. D. BURKE, *Commercial Secretary, Kingston.*

THEY have a saying in Nassau that "when business conditions are good in North America, they are also good in the Bahamas". This is, of course, a reference to the dependence of the Bahamas on the tourist trade and the importance of United States and Canadian visitors to that trade. Using this as a criterion, conditions are very good indeed in the Islands today. In 1963, the Bahamas earned \$49 million from tourism and every year the revenue from this source goes up by about 20 per cent. Last year the area had 546,000 visitors, of which 82 per

cent came from the U.S. and 12 per cent from Canada. The goal is one million tourists in 1970.

Reflecting the strong consumer demand in the Islands, Canadian exports to the Bahamas reached a value of \$6 million* last year. The main items we sell are sugar, evaporated milk, flour, whisky, passenger automobiles and meats. Our 1964 sales should reach approximately \$7.5 million, an increase of 25 per cent over 1963.

There are two main difficulties in selling to the Bahamas:

*Canadian dollars.

1. Competition is keen—from the British because of their long-standing connections with the market and from United States exporters because of their proximity to the Islands. TV watchers in Nassau are able to pick up programs from several stations in the United States and consequently absorb considerable advertising of U.S. products. Moreover, the delivery service that U.S. exporters can provide out of the southern ports is excellent. For example, Nassau merchants can order perishable goods, (for which we have only very limited service from Canada), by telephone on a Monday and receive them by the end of the week.

2. Because the total population of the Bahamas (which is made up of 700 islands) is only 145,000, the commercial community is small and the number of firms in a position to



—Bahamas News Bureau Photo.

The Bahamas depend on the tourist trade and promotion campaigns have resulted in a steady increase in revenue—\$49 million in 1963. One of the attractions for visitors to Nassau is the straw market, where they can buy hats, baskets, belts and dolls.

act as representatives is limited. The better firms have a wide variety of agencies already and a new exporter coming into the market must be prepared to work with either a relatively small commission agent (who probably does not and cannot specialize to any extent) or to have his line included with the numerous other agencies being handled by the more substantial importers. Some overseas companies have solved this problem by selling directly to two or three accounts in Nassau. This is acceptable in certain lines because these accounts could easily represent the bulk of the business being done in those products.

Two Marketing Centres

There are really two separate marketing centres in the Bahamas—Nassau, the capital (which also services most of the Out Islands), and Freeport. Nassau has very little industry but it does buy large quantities of foodstuffs, articles for the tourist trade, and practically all that is required for the new hotels, apart-

ment blocks and houses being built there, including air-conditioning equipment, electrical systems, hardware, plumbing fittings, rugs, appliances, etc. These are the fields that offer the most encouraging prospects for Canadian exporters.

Freeport is a tax-free area on Grand Bahama Island, located just off the Florida coast. A group of businessmen has been given the right by the Bahamian Government to develop, under its own control, 200 square miles of land on Grand Bahama Island. In exchange, this group has undertaken the dredging and construction of a deep-water harbour, the building of roads and an airport, and the provision of medical services and other facilities in the area. Special tax incentives—no property, income, personal property or capital gains taxes are to be levied in Freeport until 1990—have already attracted a number of industries to the area. These include a \$50 million cement plant, bunkering facilities for ocean-going vessels, a dairy plant, a block-mak-

ing plant, two ready-mix concrete plants and a bakery. Others are still to come.

The main impetus for Freeport's growth, however, is expected to come from the tourist trade. Several luxury hotels are already operating in the area, including one with a European-style casino and croupiers recruited from around the world. This hotel is reputed to be the most expensive ever built in a British Colony, at an estimated cost of \$25,000 per room. It is our feeling that Freeport will come into its own during the next tourist season with the building of two new hotels that will double the available accommodation.

Hand in hand with the development of tourist accommodation has come a rapid increase in housing for permanent residents, homes and apartments for business people in the area, and housing for the increasing numbers of construction workers. The combination of gradual industrialization, the quickening pace of construction, and the developing tourist trade provides opportunities for firms prepared to establish themselves in Freeport now. It should be noted that Freeport is not a "free port" area in the strictest sense of the word. The materials and supplies required by firms operating as "licensees" in the area (of which there are now 295) may be brought in duty-free but goods imported for personal consumption are subject to duty. However, Canadians enjoy tariff preferences here, as they do throughout the Bahamas.

Canadian exporters should certainly regard the Bahamas as a market worth investigating. Of course the best way to do so is through a personal visit. If you can come, write to the Trade Commissioner office in Kingston first so that we may set up appointments and provide you with preliminary information. If you cannot come yourself, send us full information on your lines and we will make inquiries on your behalf in both Nassau and Freeport. ●

- Some economic problems now appearing.
- Canadian exports up, but our share of market static.
- Vigorous efforts needed to expand sales.

AS Trinidad and Tobago enters its third year of independence, its economy continues quite strong, although there are some clouds on the economic horizon. Unemployment is running at an estimated 15 per cent or more of the labour force, long-mooted developments in agriculture and fisheries are only slowly becoming a reality, and the oilfields are growing more de-

aid and the appearance of several unforeseen problems.

Canada's Share of Market

In the face of stiff international competition in all areas of traditional sales, Canada's 1963 exports to Trinidad and Tobago, at Can. \$16.2 million, were up 9 per cent over 1962. In the first eight months of 1964, they rose another 7 per cent. The increases were spread over a wide range of consumer goods, foodstuffs and raw materials, and shipments of flour, our most important export to the area, rose from under \$2.5 million to over \$3 million. However, tobacco sales fell from \$700,000 to \$25,596, and exports of passenger cars and chassis dropped sharply. Over-all, Canada's share of the country's imports fell slightly—to 4.78 per cent in 1963 and to 4.56 per cent in the first six months of 1964. When Trinidad and Tobago's imports of petroleum are not considered, Canada's share of its import trade looks a bit healthier (but far from exciting) at 9.02 per cent in 1963 and 9.45 per cent in the first six months of 1964. Other major suppliers and their share of the market were Britain 22.8 per cent, Venezuela 19 per

Trinidad and Tobago

LORNE D. R. DYKE, *Commercial Secretary, Port-of-Spain.*

pendent on secondary and tertiary recovery methods and on imported crude. None the less, Trinidad's imports rose 6 per cent to W.I. \$643.5 million in 1963 and exports increased to W.I.\$639.8 million, as against W.I.\$592.7 million in 1962. The Second Five Year Plan appears to be successfully launched, although there has been some shifting of priorities in the light of changes in the amount of overseas

TABLE I
WHAT CANADA SELLS TO TRINIDAD

	1962	1963	Jan.-Aug. 1964
Wheat flour	2,471,733	3,039,573	1,944,974
Cod, heavy salted	633,316	783,668	535,072
Lumber, western red cedar	292,017	536,087	176,471
Newsprint	365,170	470,736	235,414
Knitted fabrics	256,875	414,464	83,223
Potatoes	295,929	383,809	245,380
Broad woven cotton fabrics	407,706	357,214	232,535
Barytes	332,260	290,080	62,160
Household refrigerators and freezers	209,389	280,528	200,896
Milk, powdered skim	132,807	273,048	133,800



Part of the harbour at Pointe-à-Pierre, one of the busiest oil ports in the Caribbean. Trinidad's oilfields are becoming more dependent on secondary and tertiary recovery methods and on imported crude.

cent, Saudi Arabia 18.2 per cent, and the United States 15.7 per cent.

Canadian Sales Varied

A noteworthy feature of Canada's exports to Trinidad and Tobago (and the West Indies generally) is the great variety of products shipped. The list occupies 4½ pages of *DBS Exports by Country* and includes more than 500 classifications. Both the number and diversity of items listed constitute a vivid reminder of the extent to which Canadian firms are involved in this traditional trade. Table I lists Canada's ten leading exports to Trinidad and Tobago in 1962, 1963 and eight months of 1964.

Protectionism Is Growing

There has been a trend in Trinidad and Tobago toward restriction of imports of products now being made in the country, and the Industrial Development Corporation, a statutory government organization responsible for the promotion of industry, has considerable discretionary power as far as protection of new industry is concerned. Import restrictions, for example, have now been applied to some products

of interest to Canada, notably polyethylene bags, cardboard cartons, metal beds, paper bags and sacks, in order to protect locally made products.

More than any other single export, flour and its future in the Trinidad and Tobago market is of current concern as construction of the U.S.-controlled Trinidad flour mill gets under way. Although no protection has been guaranteed to this operation, it is widely hinted that assistance of one sort or another will have to be provided some time after production begins late in 1965. In the meantime, Canadian flour sales are flourishing as our millers move to consolidate the position of their many brands in this highly specialized and demanding market.

Vigorous Efforts Needed

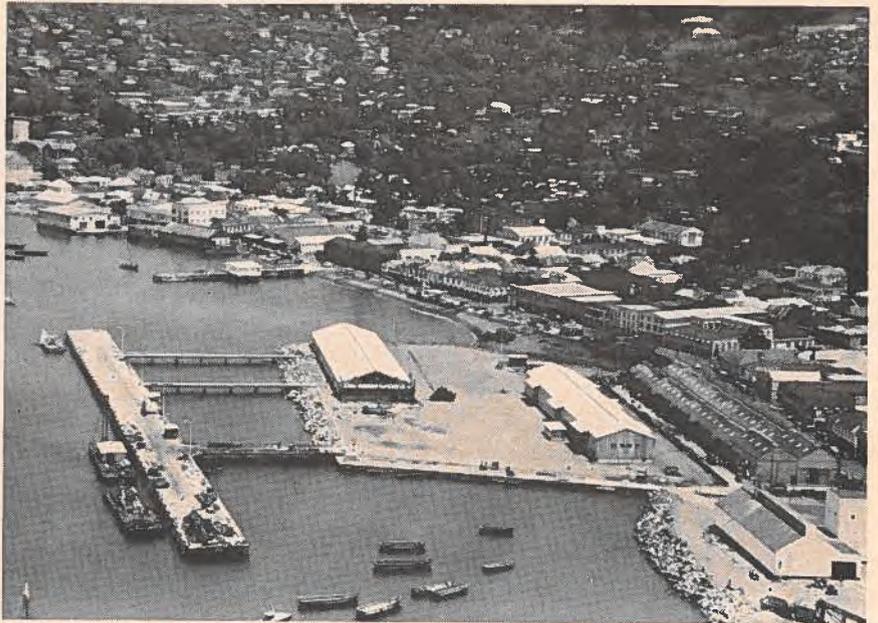
A vigorous sales effort is all-important in making headway in the Trinidad and Tobago market. Against the plus factors of traditional supplier, tariff preference, good shipping service and a dollar at a favourable rate of exchange, Canadian exporters face loss of tariff advantage on goods imported

for the establishment of industry, improving shipping from European, U.S. and Oceania ports, and increasingly aggressive merchandising by competitive suppliers in all fields. Existing agency connections will have to have more support and potential agents/importers will have to be more vigorously pursued. With few exceptions, greater efforts must be made to project the image of Canada and promote Canadian firms as the best source of supply. Our share of the small (850,000) Trinidad and Tobago market is less than our share of the Barbados market—and we shall have to work even harder to hold and expand it.

Selling Techniques Changing

As small markets go, Trinidad and Tobago is both complex and dynamic. Department store and supermarket merchandising is well-established and North American in orientation. The introduction of branded prepackaged items is making progress. Distribution needs have changed and so have methods of operation. Almost every trader wears at least two of the three hats of commission agent, importer or distributor. Although many of the old-line traders are standing pat with agencies in hand, there are many first class, young and hungry firms looking for good lines to promote and build. Bearing in mind the saying, "Nothing ventured, nothing gained," Canadian firms are urged to write to the Trinidad Office, P.O. Box 125, Port-of-Spain, enclosing descriptive literature and c.i.f. Port-of-Spain prices so that we may investigate sales possibilities. Bear in mind the pleasure and practicality of combining a business visit with a mid-winter holiday trip to the sunny Caribbean. Let us hear from you. ●

Leeward and Windward Islands



This is the St. Vincent deep water harbour, financed by Canada, designed by Canadian engineers, and built by a Canadian contractor. It was completed last summer.

- Federation with Barbados coming closer.
- Agricultural production, the economic mainstay, continues good.
- Canadians should pursue promising sales opportunities.

JOHN A. AHOW,
Commercial Officer, Port-of-Spain.

THE establishment of a federation of Barbados, and the Leeward and Windward Islands, excluding Grenada, appears to be closer to fruition than it was a year ago. Much progress has been made. Barbados has been proposed as the capital, and a committee is being set up under the chairmanship of Dr. Carleen O'Loughlin, head of the Institute of Social and Economic Research in Barbados, to study a customs union. Grenada does not propose to join the "Little Seven" federation, but is considering a unitary statehood with Trinidad and Tobago. A joint inter-island development plan prepared by Trinidad and Tobago, calling for the expenditure of W.I.\$33.6 million* over the next five years, is now being considered by the Grenada Government.

*W.I.\$1.00=Can.\$0.63.

The total population of the islands of the proposed federation (including 246,000 in Barbados) is estimated at 625,000, and in 1963 they provided a market for imported goods from all sources to a value of about Can.\$60 million. The Leeward and Windward Islands, with the exception of Antigua, still require grants-in-aid to balance their budgets. Nearly 20 per cent of the total of about W.I.\$50 million needed is provided by the British Treasury and the Colonial Development and Welfare Fund.

Agriculture Is Basic

The economies of the Leeward and Windward Islands are based on agriculture. Bananas, arrowroot, sugar, cotton, cocoa and nutmeg are the chief crops. The closing late in 1963 of a Canadian-owned tomato paste plant and tomato-growing

operation in Montserrat resulted in a loss of nearly W.I.\$100,000 in exports, which is about 15 per cent of that Island's total export trade.

● **Bananas**—The banana industry of the Windward Islands suffered a setback in 1963 because of hurricanes and high winds. Exports from the four islands of Dominica, Grenada, St. Lucia and St. Vincent reached only 10,189,496 stems, nearly two million stems short of the crop estimate. Fortunately, recovery from wind damage is relatively fast and total exports are expected to exceed 11 million stems this year and over 12 million next year.

● **Arrowroot**—The world's largest producer of arrowroot starch is the island of St. Vincent. The bumper 1963/64 crop totalled a record 59,590 barrels of 200 pounds each, an increase of 9,409 barrels over the previous crop. The larger production is the result of new acreage, formerly used for sugar cane. Up to two years ago, arrowroot starch was in short world supply, but with two consecutive large crops there is now an over-supply. At the end of July this year, stocks on hand totalled 53,592 barrels, of which 50,582 barrels are under contract for delivery over the next two years. Because of this, production for next year will be curtailed to under 40,000 barrels and the extra acreage diverted to growing bananas and cotton.

● **Sugar**—With the closing of the sugar factory in St. Vincent two years ago and the St. Lucia factory last year, Antigua, St. Kitts and Grenada are the only islands producing sugar. In 1963/64 their output totalled 73,209 tons—Antigua 21,074 tons (26,269 tons in 1962/63) and St. Kitts 43,135 tons (an increase of 3,569 tons over 1962/63). Grenada, which in past years produced over 20,000 tons a year, now turns out a little over 9,000 tons.

● **Cotton**—The Sea Island cotton crops in Antigua, St. Kitts and

TABLE I
WHAT WE SELL TO THE LEEWARD AND WINDWARD ISLANDS

	1961	1962	1963
	(Can.\$'000)		
Total exports	4,828	5,642	6,596
Of which:			
Wheat flour, n.e.s.	1,739	1,824	1,993
Salted fish	767	954	1,130
Lumber	433	450	447
Sugar, n.e.s.	.....	77	292
Poultry and animal feeds, complete	102	144	190
Canned sardines	164	138	124
Powdered milk, whole and skim	43	56	107
Footwear	41	70	104
Fancy meats, cured	*	54	83
Cotton fabrics	113	130	82
Passenger cars	47	46	78
Car, truck and bus tires	16	14	51

Source: DBS.

*Not available.

Montserrat were smaller this year, mainly because of reduced acreage. However, St. Vincent increased its acreage and more than doubled output compared with last year. This year's crop yielded 254,859 pounds of clean lint compared with 101,200 pounds last year. Production next year is expected to double again. Recently the West Indies Sea Island Cotton Association expressed concern over decreasing output. British spinners, the only buyers of Sea Island cotton, have pointed out to the Association that they can use up to two million pounds a year. Apparently it is uneconomical for them to handle relatively small crops; their minimum is about 600,000 pounds. In recent years, the West Indies has been exporting an average maximum of 2,000 bales, or 400,000 pounds of clean lint a year. In spite of the price paid by British spinners of W.I.\$1.51 per pound, which is considered reasonably good, and a 25 per cent increase in price from 20 to 25 cents per pound for seed cotton, next year's crop (except in St. Vincent) is not expected to increase.

Other significant crops are cocoa and nutmeg, produced by Grenada.

● **Cocoa**—In 1963, production of cocoa increased appreciably and exports rose to 53,903 cwt. valued

at W.I.\$3,365,000, compared with 42,692 cwt. valued at W.I.\$2,689,000 for the previous year. This year's production is good.

● **Nutmeg**—13,744 cwt. of nutmeg valued at W.I.\$1,587,000 were exported in 1963, compared with 1962 figures of 10,835 cwt. valued at W.I.\$1,446,000. The nutmeg crop is expected to be smaller this year because of unfavourable weather.

Tourist Industry Doing Well

The number of North American visitors to the islands is increasing each year. Of the seven islands in this group, Antigua is the best developed and enjoyed a good 1963/64 tourist season; the number of visitors during the calendar year 1963 totalled 43,272, an increase of more than 8,000 over 1962. There are three hotels under construction in Antigua, two in Grenada and two in Dominica, all of which are expected to be completed for the coming season. Three land development projects are under way in Montserrat, aimed at attracting retired North Americans to the island.

Development Projects

The most significant capital project completed in the area in 1964 was the St. Vincent deep water harbour. This undertaking, financed by Canada, designed by Canadian consulting engineers, and built by a Canadian contractor, was officially handed over on July 11. The only other major project is in Antigua, where construction of the W.I.\$27 million West Indian Oil Company's refinery was recently begun, with completion expected in mid-1966. This refinery will produce gasoline and byproducts. In St. Kitts, a new 170-bed hospital is nearing completion. Of importance to St. Vincent planters is the Esso bulk fertilizer storage tank opened on July 17.

A survey for a deep water harbour in St. Kitts was recently completed by a British firm of engineers and a small pier was recently com-

pleted in Nevis by the Canadian contractors for the St. Vincent deep water harbour.

Grenada airport is being extended to 5,200 feet to accommodate the British West Indian Airways Boeing 727 jet aircraft that will be in operation early next year. This W.I.\$280,000 project, financed by the Colonial Development and Welfare Fund, is in the hands of a Barbados contractor.

Trade with Canada

Canada's exports to the Leeward and Windward Islands jumped from Can.\$4.8 million in 1961 to Can.\$6.6 million in 1963, and are likely to reach Can.\$7.7 million this year. This represents a steady yearly increase of 16.9 per cent. The lower value of the Canadian dollar and the National Canadian Samples Show held in Toronto in April 1963 were factors in these increases. Also important in projecting the Canadian supplier's image are government-sponsored trade missions to the West Indies. Although these islands have yet to be visited by a mission, requests from a few of the islands during the visit of the Canadian Food Products Trade Mission to the Caribbean in October/November of this year indicate an awareness of Canadian products and of their sales possibilities.

Flour is Canada's largest single export to these islands, followed by salted fish and lumber. The closing down of the sugar factories in St. Vincent and St. Lucia in 1962 and 1963 helped sugar, which we had not sold here in any significant quantities until 1962, to jump to fourth place in importance last year. It is likely to displace lumber in third place this year. Table I shows the twelve most important Canadian exports to the Leeward and Windward Islands for the years 1961, 1962 and 1963.

How to Sell

In the Leeward and Windward Islands, selling is handled in much the same way as in any other market—that is, either directly to mer-

chants or distributors or indirectly through commission agents, depending on the product. In this market, however, price is extremely important. Quotations should be c.i.f. port of entry. If the range of goods is too varied to quote complete c.i.f. prices, then f.o.b. prices can be given but the weight and/or measurement of the goods packed for export should be indicated and also the applicable ocean or air freight rate.

Correct documentation is essential. You cannot take too much care in preparing them because an incorrect invoice or certificate of origin can result in delay in the clearing of goods, costly warehouse rent, and heavy fines by the customs authorities, all charged to the Canadian shipper's account. Also important is prompt handling of correspondence. Letters and shipping documents should be sent by airmail; surface mail can take from four to nine weeks.

Visits by the Canadian exporter are helpful and usually result in larger orders because buyers like to know the people with whom they are doing business.

How We Can Help

Generally speaking, anything that can be sold in the nearby larger markets of Trinidad and Barbados can be sold in the islands. As an example, a Canadian manufacturer of razors and blades who was already exporting to Trinidad recently requested assistance in marketing his line in the Leeward and Windward Islands. Shortly after, an officer at this post toured the islands and found agents in each for the Canadian firm. Today their razors and blades can be purchased throughout the area.

Another example is a Canadian-made refrigerator which was enjoying excellent sales in Trinidad and Barbados. During the same tour, the officer was successful in arousing local interest in these refrigerators in each of the islands and a few orders were placed immediately direct with the Canadian supplier.

In this case assistance had not been requested, but the Port-of-Spain office undertook sales promotion.

If you are not already exporting to the West Indies, why not investigate sales prospects for your goods in the growing and interesting market of the Leeward and Windward Islands, whose imports now total over W.I.\$90 million a year. Send us c.i.f. prices, descriptive literature, and samples if possible, and indicate the agent's commission. We welcome the opportunity to serve you. Why not write today to the Commercial Secretary, Office of the High Commissioner for Canada, P.O. Box 125, Port-of-Spain, Trinidad, W.I.

Information for Exporters

The Office of Trade Relations of the Department of Trade and Commerce publishes bulletins covering shipping documents and customs regulations for some 83 countries. In addition, this information is summarized by area for the Far East, the Middle East, Latin America, Europe and the Commonwealth. A pamphlet entitled *Customs Information for Canadian Exporters to the United States* is also available.

Another publication—*Markets for Canadian Exporters*—gives the businessman basic information for each country on its trade, the economy and other practical details relating to business and selling in that market.

Also available are bulletins on:

Tariff Arrangements in Force between Canada and other Countries

Where to Obtain Foreign Customs Documents in Canada

Canadian Export Permit Regulations

Tariff Preference for Canadian Goods Abroad

Export Assistance from Canadian Trade Commissioners.

In addition, the Office attends to general inquiries from exporters about foreign import duties and trade regulations for particular products, and other related aspects affecting Canadian exports.

For copies of any of the documents described, readers should get in touch with the Office of Trade Relations directly.

TWO and a half years after the dissolution of the West Indies Federation, the Governments of Barbados and the Leeward and Windward Islands are optimistically discussing a "Little Seven" federation. This association has been the subject of speculation since the beginning of 1962, following the break-up of the original West Indies Federation over Jamaica's decision to be independent and the subsequent withdrawal of Trinidad and Tobago.

As the largest island of the proposed federation with the Leewards and Windwards, Barbados is slated

for progress in trade and economic development. With more than a third of the area's population, a well-developed infrastructure, and a good standard of general education, the island should attract increased attention from potential traders and investors.

Trade and the Economy

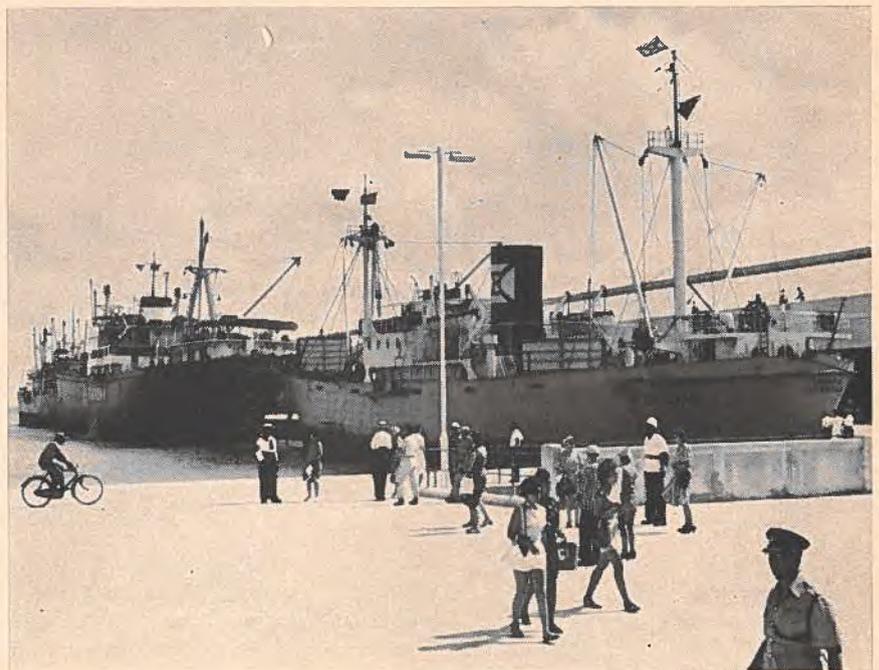
A good sugar crop and high world prices helped Barbados' exports to rise from W.I.\$37 million in 1962 to \$53.7 million in 1963. The value of re-exports rose from W.I.\$13.2 million to \$16.3 million. Since the opening of the new deep-water harbour at Bridgetown in 1961, re-export trade has increased by 163 per cent. Sugar, rum and molasses accounted for over 92 per cent of domestic exports.

The higher value of exports in 1963 was reflected in the value and volume of last year's imports, which amounted to W.I.\$98.9 million (W.I.\$89.3 million in 1962). Britain continued to be the island's best customer and most important supplier, taking 49.5 per cent of ex-

Barbados

- Standard of living and education climbing.
- Imports from Canada rising—by 22 per cent in 1963.
- Advertising becoming important as competition increases.

C. J. ST. PIERRE, *Assistant Trade Commissioner, Port-of-Spain.*



—Barbados Development Board Photo.

A group of tourists head for the Customs shed at the deep water harbour at Bridgetown. In the background you can see a visitor talking to one of the harbour policemen whose uniform is the same as those worn by sailors in Lord Nelson's day.

ports and supplying 30.4 per cent of imports. Although Britain's exports to Barbados have remained fairly constant over the past four years at about W.I.\$30 million, its share of the market has fallen from about 40 per cent in 1959 to 30.4 per cent in 1963. Other suppliers were the United States (13.2 per cent), islands of the former West Indies Federation (10 per cent), and EEC countries (9.6 per cent).

Canada's 1963 exports to Barbados, at Can.\$5,468,648, were up 22 per cent over 1962 and we secured 11.2 per cent of the island's import trade. Many factors were responsible for this increase: among them were the two-year-old devaluation of the Canadian dollar, high prices for sugar, and a good tourist season. In addition, the National Canadian Samples Show in Toronto and the Second Export Trade Promotion Conference in April 1963 in Ottawa have generated greater interest in Canadian goods and more Canadian interest in the Barbados market.

Barbados' visible trade balance in 1963 showed a deficit of W.I.\$28.9 million compared with an average deficit of W.I.\$39.5 million for the previous three years. The over-all balance-of-payments position (including imports and exports, tourist income, etc.) was favourable by W.I.\$9.3 million—below the 1962 figure but better than in previous years. Estimated gross domestic

product for 1963 was W.I.\$149.2 million, giving a per capita figure of W.I.\$620.40. This is higher than in any of the Leeward or Windward Islands but still much lower than in Trinidad or Jamaica. Nevertheless, there is growing evidence of a rising standard of living and increased purchasing power.

Tourist Trade Important

Approximately 20 per cent of Barbados' gross national product comes from the tourist trade. During 1963, there were 50,597 visitors to the island compared with 44,258 in 1962. Indicative of an important change in the vacation habits of Americans and Canadians is the reported increase in off-season visitors. The Barbados Government realizes the importance of the tourist industry and is investing heavily in travel promotion and in hotel facilities. Among examples are the biggest-ever tourist promotion drive by a Caribbean island last spring in Canada and the investment in a Hilton hotel which is now being built.

Sales Efforts Needed

Although protectionist sentiment is more in evidence as the Government promotes industrialization, Barbados is still relatively free from import restrictions. Most Canadian exports to the area enjoy a margin of tariff preference but this is a tenuous advantage in such a highly competitive market. Good shipping service from Canada continues to be important in our ability to compete in this small market but stronger efforts must be made if we are to hold our share of the island's import trade.

Retail advertising is taking on new importance and the growth of supermarkets and of advertising media have combined to focus attention on the old adage "it pays to advertise". (There are now two daily newspapers, two radio stations and a TV station on the island.) Canadian exporters are urged to investigate advertising in co-operation with their agents and to discuss how to

project the image of their firm as the best and most interested supplier. More trips to the market as part of regular coverage of the Commonwealth Caribbean are also recommended. Barbados is only about six hours away from Toronto and Montreal by Air Canada's all-jet flights.

To give better service to existing and potential Canadian exporters to Barbados, officers from Port-of-Spain will be making four one-week visits to Barbados in 1965. (Next visit: January 11 to 16). Firms wishing to investigate sales possibilities for their products in this attractive market should write, enclosing descriptive literature and c.i.f. Bridgetown prices, to our Port-of-Spain office.

Business Directory of Jamaica

THE Canadian businessman will find *Jamaica: Industrial & Commercial Directory* a comprehensive review of industrial, commercial, trade and service organizations and a handy reference in doing business with the island.

The directory is divided into three parts: an alphabetical listing of industrial, commercial and service organizations, with addresses of affiliates and industry numbers based on the Standard Industrial Classification of the United States; industrial, commercial and service organizations, classified by industry groups and sub-classified by the nature of the operations, and an alphabetical list of foreign affiliates.

There is also a complete listing of diplomatic and consular missions in Jamaica and of the non-profit development organizations.

To complement all this, the book contains good cross-references: an index of non-manufacturing industries and their products and one of the manufacturing industries and products.

The large number of advertisements are of interest as well, because many companies use them to provide further information, such as descriptions of products and of services.

Published by the Jamaica Industrial Development Corporation, this 140-page directory is free. It should be ordered from the Corporation, P.O. Box 505, Kingston 10, Jamaica, W.I.

TABLE I

TEN PRINCIPAL EXPORTS FROM CANADA TO BARBADOS

Commodity	1962	1963
	(Can.\$)	
Fancy meats, cured	393,273	498,672
Cod, salted	353,121	339,227
Wheat flour	276,737	317,822
Lumber, douglas fir	179,809	294,868
Lumber, white pine	.....	265,120
Potatoes	147,410	194,871
Sardines, canned	102,699	175,776
Corn meal and flour	118,498	167,254
Boots and shoes, men's and boys'	141,080	150,099
Broad woven fabrics cotton	182,828	145,991

Source: Dominion Bureau of Statistics, Ottawa.

British Guiana

- More foreign aid is speeding industrial development.
- Canadian sales up 58 per cent in first half of '64.
- Competition less severe in this market.

LORNE D. R. DYKE, *Commercial Secretary, Port-of-Spain.*

BRITISH GUIANA has this year been beset by a variety of ills resulting from political unrest and civil strife. Nevertheless, this thinly populated country continues potentially strong, with its mighty rivers, vast forests, rich mineral wealth, and excellent agricultural resources.

Canada is a traditional supplier to the British Guiana market and enjoys several built-in advantages. Our exporters face somewhat less competition there than elsewhere in the Caribbean because of better shipping service and a tariff preference.

Our Exports Increase

In the face of slackening demand because of unemployment and tighter credit because of high commercial risks, these advantages and other factors helped us improve our relative share of British Guiana's total import trade (nearly Can.\$90 million) last year, with sales at Can. \$5,061,014 (\$5,102,146 in 1962). In the first six months of 1964 exports to British Guiana from Canada at \$3,505,924, were up 58 per cent

WHAT WE SELL TO BRITISH GUIANA

	9 mos.		
	1962	1963	1964
	(Can.\$'000)		
Vegetables, fresh, dried and canned	493	613	446
Pollock, salted, boneless and dried	575	544	482
Fabrics, various types	240	237	209
Sardines, canned	156	212	172
Meat, cured, all types	203	186	123
Combine reaper-threshers	130	147	237
Newsprint paper	214	132	112
Mining, oil, gas industrial machinery and parts	113	101	7
Total, all exports	5,102	5,061	5,136

over the same period last year. A number of the items in which the greatest gains were concentrated may be non-recurring, but many are extensions of our traditional trade. Examples are cured and canned meats; salted and pickled fish, canned salmon and sardines; powdered skim milk; wheat flour; food preparations; tobacco; lumber and newsprint; mining machinery; harvester combines; household refrigerators and freezers; household furniture; medicinal and pharmaceutical products; stationery, and so on.

Future Sales Possibilities

With the forthcoming national election, using proportional representation, only a week away as this report is written, a "let's wait and see" attitude prevails in the business

community. Yet already several Georgetown trading firms have chalked up record sales for the year and for a handful of Canadian suppliers 1964 has been their best year yet in the British Guiana market. There is reason to be moderately optimistic about future sales possibilities for Canadian products. An increasing amount of foreign aid is being directed to British Guiana and the Government is making renewed efforts to improve the standard of living.

Industrial Development

An important part of these efforts is the activity of the Guyana Industrial Development Corporation. In addition to fostering the development of a Georgetown-based shrimp fishery (there are now some 90 shrimpers working out of two plants near Georgetown), the GIDC has provided incentives for new firms in the fields of textiles, canning, metal fabricating, and lumber manufacturing. Greater emphasis is sure to be placed on this activity by the newly elected Government in its efforts to improve employment and raise the standard of living. Of interest was the October announcement that British Guiana will soon be producing its own canned vegetables, fruits,



In Kwang Hing's supermarket, Georgetown, the manager, Mr. Sue Shue Lam, shows two of his customers the variety of Canadian canned foods that the store stocks.

fruit juices, soups and jams. (Last year Canada exported well over Can.\$100,000 worth of these products to British Guiana.)

Late January Tour Planned

With possibly a clearer political picture in 1965 and closer follow-up in the market by officers from the Port-of-Spain Office, it is hoped that Canadian exporters will be able to

raise their total share of British Guiana's import trade, which has been hovering at around 7 per cent in recent years. To this end, I shall be visiting Surinam and British Guiana from January 25 to February 5 to meet agents, importers and distributors, to learn of new sales possibilities, and to follow up on changed market conditions. Canadian exporters are urged to provide

the Port-of-Spain office with descriptive literature and c.i.f. Georgetown prices so that the trade may be approached on their behalf.

With the current high regard in which Canada and Canadians are held in British Guiana and the other advantages which we enjoy in the market, the time is ripe to extend your interests in this market, nearly two-thirds the size of Trinidad. ●

Shipping Services from Canada to the British Caribbean

TO:	From Pacific Coast	From Great Lakes	From St. Lawrence and Atlantic
BAHAMAS		Saguenay Shipping Ltd. (A. O. Minshall Co. Ltd., Hamilton, Toronto)	Saguenay Shipping Ltd. (Saguenay Shipping Ltd., Montreal, Halifax)
BARBADOS		Great Lakes Transcaribbean Line (Protos Shipping Ltd., Toronto) Saguenay Shipping Ltd.	Booth Line (March Shipping Agency Ltd., Montreal, Toronto, Hamilton) Great Lakes Transcaribbean Line (Transocean Shipping and Coal Co. Inc., Montreal) Royal Netherlands Steamship Com- pany (Montreal Shipping Co. Ltd., Mont- real, Toronto, Halifax) Saguenay Shipping Ltd.
BERMUDA	Royal Mail Lines Ltd. (Royal Mail Lines Ltd., Vancouver)		Royal Netherlands Steamship Com- pany Saguenay Shipping Ltd.
BRITISH GUIANA		Saguenay Shipping Ltd.	Booth Line Royal Netherlands Steamship Com- pany Saguenay Shipping Ltd.
JAMAICA	"K" Line (Johnson Walton Steamships Ltd., Vancouver)	Great Lakes Transcaribbean Line Saguenay Shipping Ltd.	Canada Jamaica Line (Kerr Steamships Limited, Montreal, Toronto) Great Lakes Transcaribbean Line Saguenay Shipping Ltd. Saguenay Shipping Ltd.
LEEWARD AND WINDWARD ISLANDS			Saguenay Shipping Ltd.
TRINIDAD	Moore-McCormack Lines (Moore-McCormack Lines, Vancouver)	Great Lakes Transcaribbean Line Saguenay Shipping Ltd.	Booth Line Great Lakes Transcaribbean Line Royal Netherlands Steamship Com- pany Saguenay Shipping Ltd.

Documentation for the Commonwealth

THE unique characteristic of Commonwealth documentation is the use of the certificate of origin as a claim to preference in countries that accord preferential tariff treatment to Canadian products. In some countries, such as Britain, a certificate of origin is required only for the purpose of claiming preference, but in Nigeria for example, a combined certificate of value and of origin is required even though that country does not grant preferences. Many countries require a prescribed form of the certificate of origin and in some both the form of the certificate and the requirements for preference vary, depending upon the product and the degree of processing it undergoes. For Britain, the manufacturer in signing the certificate of origin certifies that he is in a position to provide detailed proof of qualification for preference if H. M. Customs requires it.

A number of Commonwealth countries still maintain import controls. Before forwarding a shipment to these countries, the Canadian exporter would be well advised to ensure that his customer possesses a valid import licence.

The following table lists the documents required (other than plant, food, drug and other special certificates) for commercial shipments to Commonwealth countries. This table is intended merely as a summary of the type of documentation that each Commonwealth country demands. When preferential tariff treatment is accorded to Canadian products, the exporter should ensure that he understands fully what the preference regulations require. Full information on both the preference regulations and documentation may be obtained from the Commonwealth Division, Office of Trade Relations.

ABBREVIATIONS: Com. I.—Commercial Invoice; C.C.V. and O.—Combined Certificate of Value and of Origin; C. of O.—Certificate of Origin; C. of V.—Certificate of Value; B.L.—Bill of Lading.

Country	Documents Required	No. of Copies	Notes (see below)	Country	Documents Required	No. of Copies	Notes (see below)
Aden	Com. I.	3	1, 2, 4	Hong Kong	Com. I.	1	1, 2, 4, 5
	C.C.V. and O.	2			C.C.V. and O.	1	
	B.L.	1			B.L.	1	
Australia	Com. I.	1	1, 2, 4, 8	India	Com. I.	3	1, 2, 4, 6
	C.C.V. and O.	1			C.C.V. and O.	3	
	B.L.	1			B.L.	1	
Britain	Com. I.	2	1, 2, 4	Ireland, Republic of	Com. I.	2	1, 3, 4
	C. of O.	2			C. of O.	2	
	B.L.	1			B.L.	2	
British West Indies Including: Bahamas, Barbados, Bermuda, British Guiana, British Honduras, Jamaica, Leeward and Windward Islands, Trinidad	Com. I.	2	1, 2, 4	Kenya	Com. I.	3	4
	C.C.V. and O.	2			B.L.	1	
	B.L.	1			Malaysia Including: Malaya, Sabah, Sarawak, Singapore	Com. I.	1	1, 2, 4
			C.C.V. and O.	1			
			B.L.	1			
Brunei	Com. I.	3	1, 2, 4	Malawi (formerly Nyasaland)	Com. I.	4	1, 2, 4, 8, 10
	C.C.V. and O.	3			C.C.V. and O.	4	
	B.L.	1			B.L.	1	
Ceylon	Com. I.	2	1, 2, 4	Malta	Com. I.	3	1, 2, 4, 8
	C. of O.	1			C.C.V. and O.	3	
	B.L.	1			B.L.	1	
Cyprus	Com. I.	2	1, 2, 4, 8	Mauritius	Com. I.	2	1, 2, 4, 8
	C.C.V. and O.	2			C.C.V. and O.	2	
	B.L.	1			B.L.	1	
Fiji	Com. I.	1	1, 2, 4	New Zealand	Com. I.	1	1, 2, 4
	C.C.V. and O.	1			C.C.V. and O.	1	
	B.L.	1			B.L.	1	
Gambia	Com. I.	3	1, 2, 4, 8	Nigeria	Com. I.	2	1, 2, 4, 8
	C.C.V. and O.	3			C.C.V. and O.	2	
	B.L.	1			B.L.	1	
Ghana	Com. I.	3	1, 2, 4, 7, 8, 9	Pakistan	Com. I.	1	1, 2, 4
	C.C.V. and O.	3			C.C.V. and O.	3	
	B.L.	1			B.L.	1	

Country	Documents Required	No. of Copies	Notes (see below)	Country	Documents Required	No. of Copies	Notes (see below)
Rhodesia	Com. I.	4	1, 2, 4, 8, 10	Uganda	Com. I.	3	1, 2, 4, 7, 8
	C.C.V. and O.	4			C.C.V. and O.	3	
	B.L.	1			B.L.	1	
Sierra Leone	Com. I.	3	1, 2, 4, 8	Western Samoa	Com. I.	1	1, 2, 4
	C.C.V. and O.	3			C.C.V. and O.	1	
	B.L.	1			B.L.	1	
South Africa Including: Bechuana- land, Basutoland, Swazi- land, South West Africa	Com. I.	3	1, 2, 4, 8	Zambia (formerly Northern Rhodesia)	Com. I.	4	1, 2, 4, 8, 10
	C.C.V. and O.	3			C.C.V. and O.	4	
	B.L.	1			B.L.	1	
Tanganyika	Com. I.	3	4	Zanzibar	Com. I.	3	1, 2, 4, 8
	B.L.	1			C.V.	3	
					B.L.	1	

NOTES

1. Prescribed forms are required. Details are available from the Office of Trade Relations.
2. Forms may be obtained from commercial stationers (names are available from OTR).
3. Forms are available from collectors of Customs or Canadian commercial stationers.
4. Documents should be air mailed to consignee.
5. Certificate of origin is not normally required except for dutiable goods on which preferential rates are accorded, i.e. tobacco, liquor and motor cars. Importers may ask that a certificate of origin be provided if goods are to be re-exported after processing to countries where evidence of origin is required, for example, countries granting

preferential tariffs. The Imperial Economic Conference form of invoice and combined certificate of value and origin is recommended as covering all possible requirements.

6. Commercial invoice must mention number and date of import licence and date of purchase order.
7. The number of the import licence should be noted on the invoice.
8. The invoice form incorporates certificate of value and/or origin.
9. Imports must be supported by manufacturer's invoice as well as supplier's or exporter's invoice when the latter invoices are not also the manufacturer's.
10. Two copies of bill of lading required only for cargo shipped via Portuguese East African ports.

COMMODITY NOTES

Batteries

URUGUAY—A local electronic factory, American Products S.A., recently opened a section for manufacturing batteries with a capacity of 50,000 units daily. These batteries are designed for radios, flashlights, telephones and electronic equipment in general. Production is said to be sufficient to supply all the domestic requirements (calculated at about 6 million per year) with a surplus for export of approximately 50 per cent of output. The batteries are considerably cheaper than imported ones of similar types, and the manufacturers hope to make sales to LAFTA member countries—Montevideo.

Carbon Black

COLOMBIA—The Cabot Carbon Company has announced plans to form a subsidiary, Cabot Colombiana S.A., to produce carbon black. The investment will approximate U.S.\$4 million and the plant, with an annual production of 15 million pounds, will be located on the Caribbean near Cartagena. Expected to be in operation by June of 1965, it will use petroleum prod-

ucts from the International Petroleum Corporation refinery located nearby—Bogotá.

Copper

BRAZIL—A new \$9 million plant, partially controlled by Anaconda, will be built in Nova Iguacu near Rio de Janeiro with facilities for rolling, extrusion, and fabrication of rods and tubes of copper and its alloys. Several Canadian technical experts have been assisting in starting up the new plant, which should be in operation by the end of the year—Rio de Janeiro.

Fish

ITALY—At Nettuno, south of Rome, SACIMF (Stabilimenti Alimentari Conserve Ittiche e Magazzini Frigoriferi) is building a fish canning, processing and conserving plant on an area of more than seven acres with an investment of \$641,000. The plant will process fish in oil, can tunafish and sardines, and conserve (in large special freezers) tunafish to be processed and

fresh fish to be sold in Rome and other nearby markets. The production capacity of the plant will be 1,600 tons per year, and the plan is to export 40 per cent to other EEC countries—Rome.

Mineral Oil

WEST GERMANY—This country is the second largest consumer of mineral oil in Western Europe. After United States consumption (accounting for about 40 per cent of the world's supply) comes Western Europe, with 287 million tons or 22 per cent. Of this, West Germany, with a consumption of 59 million tons in 1963, is second only to Britain—Bad Godesberg.

Nylon Yarn

TURKEY—Turkey's first synthetic yarn plant (Sente-kik Iplik Fabrikalari A.S.) located at Bursa (130 miles south of Istanbul) has begun production of nylon yarns of 15, 20, 40 and 60 denier; yarn of 70 denier will be available later.

The largest shareholder in the new plant, built with West German assistance, is the Turkish Industrial Development Bank, which owns Can.\$360,000 of the Can.\$2.1 million equity—Athens.

Oil

ITALY—The British Petroleum Corporation has applied for authorization to build an oil refinery in northern Italy with a capacity of four million metric tons, to start operations in 1967. The estimated investment is 35 billion lire—Rome.

Orange Concentrate

URUGUAY—Embotelladora Orange Crush S.A., a company which makes regular shipments of orange juice concentrate to Canada, has now received an order for 100,000 gallons of concentrate. Part of this, it is understood, is destined for Florida to improve the flavour of the concentrate produced in that region. Oranges for the Uruguayan product are grown in the Province of Salto. In addition 6,000 boxes of oranges and 2,000 boxes of mandarines have been shipped to Europe for the first time from the Province of Paysandú. The export of citrus fruit and concentrate from Uruguay has increased considerably during the last few years and this industry now contributes usefully to foreign exchange earnings—Montevideo.

Shoes

SWITZERLAND—In 1963 the shoe manufacturing industry produced 15.5 million pairs of shoes of which 2.5 million were exported. During the same period 6.4 million pairs were imported. For the first time since the Second World War, the value of shoe imports was greater than that of exports. The Swiss shoe retail trade

received 19.4 million pairs as compared with 17.2 million in 1962. The average selling price per pair was Sw.Fr.39.58 (1962=Sw.Fr.36.81). Strong competition in this field has led to the liquidation of a number of smaller outlets. In future, only large enterprises and chain organizations will be able to maintain their position in the face of rising costs and rapid changes in styles and consumer tastes—Berne.

Steel

BRAZIL—During the first six months of 1964 Brazil's production of pig iron increased by 44.6 per cent to 509,000 tons from 352,000 for the same period in 1963. Production of steel ingots rose by 13 per cent—from 591,000 tons in the first six months of 1963 to 668,000 for the same period in 1964. Production of steel laminates on the other hand, fell 8.3 per cent—from 491,000 tons in the first half of 1963 to 450,000 for that period in 1964. This was reported to be a result of stockpiling by local industry in 1963 which has slowed down the present demand. The Brazilian Government is studying the possibility of exporting laminates to LAFTA countries to avoid a glut on the local market—Rio de Janeiro.

BRAZIL—A special fund from Japan equivalent to nearly \$14 million has been agreed upon to assist in the expansion and completion of the USIMINAS steel plant, a Japanese/Brazilian commercial enterprise in the State of Minas Gerais. The plant, which started limited production in 1962, is expected to produce 500,000 tons of steel per year and represents one of the largest investments Japan has ever made in a foreign country—Rio de Janeiro.

SWEDEN—Recent price cuts by Continental steel producers have resulted in similar reductions in Sweden. The new prices, which came into effect at the end of September, involve cuts of 94 cents per 100 kilos for medium and heavy sheet steel, 63 cents for bottom plate, and \$1.68 for hot-rolled thin sheet. Prices of medium sheet steel rose by 35 per cent during the first half of 1964, so the reduction now applied is equal to a 5 per cent price cut. The reduction for thin sheet steel is equivalent to a cut of 10 per cent. It is expected that the high level of steel production on the Continent will lead to further price cuts later in the year—Stockholm.

Synthetic Rubber

COLOMBIA—According to recent studies carried out in conjunction with Colombia's ten-year plan of economic development, it is expected that the domestic demand for rubber will reach 27,000 tons by 1970. Forty per cent will be made up of natural rubber and 60 per cent of synthetic. Colombia supports a small

natural-rubber industry but all the synthetic rubber needed must be imported—Bogotá.

Taconite

UNITED STATES—Four U.S. steel companies have announced plans to set up taconite plants in Minnesota. Three of them—Inland Steel, Wheeling Steel Corporation and Hanna Mining Company—will participate in a \$50 million joint venture to be located in Itasca County fifteen miles west of Hibbing. The development of the site and actual construction will probably start in the spring of 1965 and production is anticipated by the end of 1966. The plant complex will include primary crushing, concentrating and pelletizing sections, and auxiliary buildings for shop facilities, offices and warehousing.

The fourth company, United States Steel Corporation, has also announced plans for a taconite plant in Minnesota, with an annual capacity of 4.5 million tons.

Wood Products

NEW ZEALAND—The Director-General of Forests in his annual report to Parliament said that new developments will enable New Zealand to think in terms of mass production and export for forest products as it now does for wool, meat and dairy products.

The value of all exports of forest produce has risen from less than £1 million in 1953 to a record of almost £11 million in 1963, more than 40 per cent higher than in 1962. Although this is still only a small percentage of New Zealand's total exports, there is every prospect of the increase continuing.

New Zealand has one of the fastest growth rates in the world for introduced trees such as pine and Douglas fir (Oregon pine). Because there is plenty of land, particularly land of marginal value for agriculture, New Zealand has a unique advantage in developing its forests and forest industries. As a result of increased planting, it will not be long before resources are sufficient to meet the capacity of a mill capable of competing favourably in overseas markets. It should be possible to find new areas for extensive planting without encroaching on agricultural land, and large forest industries, based on ports and drawing raw material from the hinterland, are forecast—Wellington.

Wool

SCOTLAND—The first phase of the largest single expansion and modernization project undertaken in the Scottish wool textile industry was completed at the end of August. It involved an expenditure of \$1,350,000 in three towns: Kinross (Todd & Duncan Limited), Galashiels (Laidlaw & Fairgrieve Limited), and Selkirk (Brown, Allan & Co.)

At Kinross, a new £250,000 spinning plant adjoining the existing mill has been completed and new machinery to a value of £500,000 is being installed. To cope with the increased output, a £80,000 extension to the dyehouse has been built. Todd & Duncan will hire additional employees to staff the new plant. A second expansion phase is scheduled for completion by next February.

In Selkirk, £250,000 has been spent re-equipping Brown, Allan & Co. with advanced machinery, which will considerably increase the output of fine single yarns for the women's knitwear industry. A new £120,000 dyehouse and research laboratories have also been built.

Laidlaw & Fairgrieve Limited, Galashiels, have spent £150,000 to modernize machinery and improve quality control. This company specializes in the production of two-ply Shetland and fine lambswool yarns and also specialist weaving yarns—Glasgow.

Trade Commissioners on Tour

In Territory

Caribbean—L. D. R. Dyke, Commercial Secretary in Port-of-Spain, Trinidad, will visit Barbados and Grenada January 11-16, and Surinam and British Guiana January 25-February 5.

Costa Rica—H. E. Lemieux, Commercial Counsellor in Guatemala City, will visit San José January 13-15.

El Salvador—J. H. Nelson, Commercial Secretary in Guatemala City, will visit San Salvador February 1-5.

Ethiopia—W. Gibson-Smith, Commercial Counsellor in Cairo, United Arab Republic, will visit Ethiopia for about ten days beginning January 20.

Honduras—J. H. Nelson, Commercial Secretary in Guatemala City, will visit San Pedro Sula and Tegucigalpa January 25-29.

Nicaragua—H. E. Lemieux, Commercial Counsellor in Guatemala City, will visit Managua January 10-12.

Pakistan—R. D. P. Lee, Assistant Commercial Secretary in Karachi, will visit East Pakistan February 21-27.

Panama—H. E. Lemieux, Commercial Counsellor in Guatemala City, will visit Panama January 17-22.

United States—A. W. Evans, Consul and Senior Trade Commissioner in Cleveland, will visit the following cities in his territory: Cincinnati January 12-15, Middleton and Dayton January 19-21, Springfield and Columbus January 26-28, Toledo February 2-4, Canton and Akron February 9-11, Youngstown and Warren March 2-4, Mansfield and Marion March 9-11, Lima and Findley March 16-18.

Businessmen who would like these officers to undertake assignments for them should write to them at their posts as soon as possible.



Foreign businessmen usually find that a visit to Buenos Aires, the capital, is adequate to determine sales prospects and make contacts in Argentina. The photo shows a park in the city.

The Exporter's Argentina

Business conditions are improving, and this means a widening market for imports in certain fields. If you are selling raw materials, capital equipment or engineering services, you should include Argentina on your next South American itinerary.

M. B. BURSEY, *Commercial Counsellor, Buenos Aires.*

ARGENTINA is the world's eighth largest country and the second largest in South America. It covers an area of 1,078,278 square miles and has a population of about 22 million, with a predominant Spanish and Italian strain. The city of Buenos Aires, the federal capital, has a population of about three million and greater Buenos Aires, (including suburbs) about seven million. Although the cities of Rosario, Cordoba, Bahía Blanca, Santa Fé and Mendoza have large popula-

tions and are important business centres, a visit to Buenos Aires is generally considered adequate both to determine sales prospects and to make the necessary contacts in Argentina.

Argentina's Economy

The past few years have been a bleak period for Argentina. The country entered the 1960's with commercial and industrial activity at high levels, but since 1962 there has been economic and political

uncertainty, industrial stagnation, severe inflation and a shortage of working capital. Only this year has the country shown signs of recovery. Argentina now has a stable government and many programs for economic and industrial development are being planned.

A five-year development program has been announced by the Government to promote new industries and to enlarge some of the existing ones to bolster the economy. Another step has been the imposition of surcharges on certain imports to protect local industry and to improve the foreign exchange position.* These surcharges make it difficult to sell many consumer products. Imports are restricted to materials required for agricultural and indus-

*See "Argentina's Problems Lessen" and "Canada's Trade with Argentina," *Foreign Trade*, November 28, 1964.

trial processing, machinery and equipment, and other capital goods for private industries and state and provincial organizations. None the less, in view of the prospective increase in the rate of economic development, a visit to Buenos Aires could prove rewarding—if it is well planned.

Planning Your Trip

Before leaving Canada, you should write to the Commercial Counsellor, Canadian Embassy, Bartolomé Mitre 478, Buenos Aires, Argentina, giving details of your proposed visit. If this is your first approach to the market, write us by airmail well in advance of your proposed departure date, giving details of your product or products, including prices and illustrated literature, and forward samples (by airmail preferably) so that we may make a quick survey of the market and let you know the possibilities. Should the market look promising enough for you to decide to visit Argentina, we are prepared to make hotel reservations and to arrange appointments if you will inform us in advance of your date of arrival and the approximate length of your stay.

Travel Documents

A valid Canadian passport is required and a certificate of vaccination against smallpox. Casual Canadian visitors to Argentina do not require visas for a stay of up to three months. However, we are informed that Canadians coming to Argentina on business should apply for temporary visas, valid up to one year, to the Argentine Consulate General in Montreal. This visa is free of charge.

How to Get Here

Practically all principal airlines operating from Canada and the United States to South America have a service to Argentina or can arrange connecting flights to Buenos Aires. Canadian Pacific Airlines, for example, operates two flights weekly from Vancouver and Montreal to

Holidays in Argentina

January 1
January 6
Carnival (February or March)
Easter Week
May 1
May 25
June 20
July 9
August 15
August 17
October 12
November 1
December 8
December 25

Buenos Aires via Mexico City, Lima, and Santiago, Chile.

Timing Your Visit

The seasons in Argentina are the reverse of those in Canada. Winter starts in May and ends in September and sometimes the temperature drops to freezing, so you are advised to bring a light topcoat on visits during this season of the year. The hot summer season begins in December and lasts until March. During this period tropical clothing is recommended.

The best time of year to make a business trip to Argentina is from April to November. Business visits between December and March are not advisable because this is the holiday season and most business executives spend long vacations in the country or at the seaside summer resorts. Should the holiday season be the only time that you can include Argentina in your business trip to South America, then it is possible to make appropriate business appointments if you give us sufficient advance notice.

Business Hours, Appointments

The five-day week is generally observed by businesses in Buenos Aires, and you should not count on making business appointments on Saturdays.

Normal business hours are from 9 a.m. to 12.30 p.m. and from 2 p.m. to 6.30 p.m. Business executives, however, are not usually available for appointments before 10 a.m. and 3 p.m. Government office hours are from 12 noon to 7 p.m.

Most business offices are situated in the centre of the city within easy reach of the principal hotels and it is possible to cover five or six appointments adequately within a working day.

Spanish is spoken in Argentina, but many businessmen also have a knowledge of English or French. Should it be necessary to conduct your business discussions in Spanish, one of our officers or Commercial Assistants can accompany you as an interpreter.

For appointments with interested agents or sales outlets, you should have the following ready:

1. A sample of the product or products you wish to sell, if possible.
2. Prices in U.S. dollars, preferably c. and f. Buenos Aires.
3. The credit terms you are prepared to offer, because it is practically impossible to sell on letter of credit or sight draft terms to Argentina. Terms of up to 180 days are usually required on normal business transactions; on large sales of heavy equipment and capital goods, medium-term credits of up to five years may be necessary.
4. Samples of your products, if possible. If not, you should bring illustrated sales and technical literature.

What to Sell

Canada's exports to Argentina in 1963 reached an all-time record of Can.\$37 million; exports during the first half of 1964 were Can.\$2.2 million in excess of the same period of 1963.

Canada's principal export possibilities to Argentina include the following:

Seed potatoes and forage seeds

Basic chemicals for manufacture of pesticides, weed killers, etc.

Fertilizers

Chemicals in general—such as raw materials for pharmaceuticals, essential oils, aromatic chemicals, etc.

Pedigreed cattle, particularly Holstein Friesian

Poultry for breeding purposes

Wood pulp

Newsprint paper

Papermakers' felts

Sheet and strip steel, mainly tinplate and stainless steel

Steel pipes and tubes

Construction and maintenance machines and parts

Industrial and process machinery and parts

Rails and locomotives

Roadbuilding machinery

Industrial control equipment

Electronic equipment, such as telecommunications equipment and parts

There are also opportunities to sell engineering services covering such fields as mining, oil, hydroelectric, telecommunications, soil surveys, harbour and dredging, and pulp and paper. ●

What's current in commodities?

Foodstuffs

Norway—Opportunities for Canadian foodstuffs in this small, unsophisticated, and highly protected market are limited, although some are being sold. Prospects should improve because the Norwegian consumer is beginning to vary his diet and try new foods.

J. E. LANCASTER, *Commercial Secretary, Oslo.*

NORWAY cannot grow all the foods it needs because of the limited agricultural area and cool, damp, northern climate. To meet the demand created by a Western European standard of living and because of the increasing purchasing power of its 3.7 million people, Norway imports a large proportion of its requirements of edible grains, processed foods, and the kind of foodstuffs produced more economically in sunnier, warmer climates.

On the other hand, because of its northern location, Norway also has seasonal surpluses of some foodstuffs. To these two features—the physical limitation of agriculture and the seasonal fluctuations in production—must be added a third. This is the social legislation and government policy which seek to keep the living standards and the purchasing power of the agricultural community commensurate with those enjoyed by industrial workers

in the towns. These policies have resulted in an elaborate system of subsidies, price supports, export assistance and import controls. These measures, although they undoubtedly serve to elevate the economic status of the Norwegian farmer, also raise the prices of foodstuffs in Norway generally well above current world prices. This means that the Norwegian consumer rarely can buy the variety of foodstuffs available in Canada, and that the foreign exporter is forced to accept the position of marginal supplier.

Nevertheless, there are many types of foreign-grown and processed foodstuffs on the shelves of Norwegian grocery stores, particularly in the larger centres such as Oslo and Bergen. Canadian foodstuffs exporters have shared to some extent in this expanding market. Canadian grains, particularly wheat and rye, are known and valued here, and Canadian apples, particularly

certain varieties produced in British Columbia, are well known to the trade. Other Canadian foodstuffs are making their appearance—including dried peas, honey, cheese, and miscellaneous products such as condiments.

Import Policy

All Norwegian agricultural production is protected to some extent from the direct competition of imports. Official policy is to provide price supports and subsidies when required, and this in turn presupposes import restrictions. Internal prices for agricultural commodities and foodstuffs are fixed after negotiating between the Government and the agricultural associations. If internal prices go above the fixed or maximum price, quantitative restrictions are removed temporarily. Similarly, imports are permitted when there is a shortfall in domestic supply. The import of fruits and vegetables of the type produced in Norway is subject to limited periods when there is no domestic production and after domestic crops have been disposed of.

Norwegian import controls fit into two basic categories:

(a) Global quotas—imports are limited as to quantity but may be

imported from all countries as desired under import licence.

(b) Non-liberalized products—these include live animals, meat and meat products, dairy products, fresh potatoes and a wide range of vegetables, fruits and fruit preserves of the type produced in Norway.

Imported processed foods that tend to adversely affect the marketing of domestic produce are subjected to ad hoc study by the Ministry of Agriculture which decides whether they should be restricted. The Ministry consults with Norwegian producers' organizations about when import restrictions should be seasonally lifted, the basis being when the Norwegian produce has been disposed of completely.

Because Norway's booming economy and exports have to a great degree removed the threat of a balance-of-payments problem, the question has been raised whether under GATT regulations Norway's quantitative restrictions can be supported. Conscious of this criticism, Norwegian authorities are studying the possibility of scrapping quantitative restrictions in favour of some type of import levy system such as neighbouring Sweden uses.

Canadian Sales Prospects

In spite of the limited size of the Norwegian market, distribution difficulties because of the rugged terrain, and import controls, Canadian producers have managed to introduce into this market certain basic commodities and processed foodstuffs. It is possible that, with effort, sales of products already accepted here can be increased and new products in certain categories can be successfully promoted. Some of these general categories are listed below.

● **Grains**—Canada already enjoys a market for wheat and rye; sales depend on international prices. Oats and barley have limited prospects because of Norway's sizable domestic production. Canadian malting

barley has found little acceptance so far. All imports of grain have to be made through Statens Kornforretning (State Grain Monopoly).

● **Apples**—Canadian apples are becoming known in Norway, although probably more to the trade than to the buying public which often sees them labelled "American apples". Market prospects are limited by seasonal import prohibitions which vary in length from year to year, depending on the domestic crop. It appears that Norway's 1964 apple crop will be below normal and therefore prospects for Canadian sales are better. The trade hopes for an earlier lifting of import restrictions to permit entry of Canadian apples in January 1965 rather than in March as was the case this year.

● **Honey**—In the past, Norwegians have generally preferred the local dark blended honey. However, efforts to introduce the lighter Canadian variety have met with success and it is hoped that quantitative import restrictions will not unduly interfere with the building of a reasonable market for this Canadian product.

● **Dried Peas**—Canada is finding an expanding market for the extra large type of yellow dried peas which are not under import control. The Norwegian pea and bean crops are largely disposed of through supplying the domestic canning industry and prospects for the type of pea in market demand are good.

● **Cheese**—Before World War II, nominal quantities of Canadian cheese sold in the Norwegian market. Today, interest in our cheese is reviving and certain types might be marketed in nominal quantities, particularly for the luxury trade in the larger centres. Norway restricts cheese imports and allows them only at selected periods of the year. Only those firms that hold an import quota (based on their past import performance), may apply for an

import licence, which is granted only up to the limit of their quota. Because of these circumstances the market potential for Canadian cheese is small.

● **Frozen Foods**—Many Norwegian food stores feature refrigerated sections and shoppers are becoming accustomed to buying frozen foodstuffs. But the range offered is limited and mostly restricted to Norwegian produce or that obtained from other Scandinavian suppliers. There are only two frozen food firms in the country that have regional distribution systems. Norwegian wholesalers have not, so far, the facilities to compete in this field. It may be assumed, however, that the market will expand and provide better opportunities for Canadian suppliers.

● **Fish**—Although Norway is a large producer of fish and fish products and exports 80 per cent of its production, opportunities for Canadian products turn up from time to time. Requests have been received for Canadian canned crab and lobster; a small market has been opened up for frozen salmon and should continue. In 1963 there was a flurry of interest in wet salt cod for processing into klipfish as the result of a seasonal shortfall in Norway's cod fisheries.

More Variety Now

Norwegians eat simply on the whole and the menu in the average household is not as varied as in Canada. But living standards and consumer tastes show a steady trend towards the North American standard and it is reasonable to assume that there will be an increasing demand for a wider range of foodstuffs, particularly the ready-to-use varieties. There is a slow but rising demand for condiments to give relish to the daily diet. Therefore, although the Norwegian market will always be a modest one because of its size, it may become of greater importance to Canadian exporters of foodstuffs. ●

FOREIGN TARIFFS

AND TRADE REGULATIONS

Austria

LIBERALIZED COMMODITIES—The list of commodities import of which has been liberalized in relation to GATT countries from October 1, 1964, has been made available by the Austrian Government. It includes a large number of goods, in particular, certain foods; prepared vegetables; seeds; a number of chemicals; dyestuffs; wearing apparel; synthetic textile fibres and yarns, as well as fabrics; leather footwear; table and kitchen glassware; tools; padlocks and keys; heating apparatus; certain switches, fuses and plugs; wheeled tractors; baby carriages; brooms and brushes; buttons; studs; cufflinks; fountain pens, etc.

The complete list is available from the European Division, Office of Trade Relations.

Ceylon

GOVERNMENT TO TAKE OVER MORE FOOD IMPORTS—The Government of Ceylon has decided that the import of potatoes, onions and chillies should be undertaken mainly by the Co-operative Wholesale Establishment. The private trade will be permitted to import these commodities under special licence; at present it imports them under open general licence. This decision will be implemented only after the CWE has set up the machinery to handle the storage and distribution of potatoes, onions and chillies. The Government has taken this step because, under the present system, the private trade was in a position to create a glut or shortage in the market to its own advantage—Colombo.

Ireland

CUSTOMS FORMS—The Revenue Commissioners, Dublin Castle, Dublin 2, under Notice No. 990, advise that all customs forms will be supplied free of charge on and from January 1, 1965. Limited supplies of these forms will be obtainable on application to the Collector, Customs and Excise at the ports of Dublin, Cork, Galway, Limerick and Waterford as and from January 1, 1965. These forms cannot be purchased from Government Publications Sale Office or through booksellers.

Form 120A (Sale) is still in use for claiming preferential import duty on Canadian merchandise entering the Republic; prepare it in duplicate—Dublin.

Uruguay

IMPORT SURCHARGES INCREASED—Our office in Montevideo advised us that a decree issued on

November 24, 1964, increased the rate of import surcharges and prior deposits. At the same time, new rates of exchange were announced.

SURCHARGES		PRIOR DEPOSITS	
Previous Rate	New Rate	Previous Rate	New Rate
(per cent)		(per cent)	
20	30	nil	nil
60	90	nil	nil
100	150	nil	200
150	225	200	200
300	300	200	200

The official rate of exchange was fixed at 18.20 and 18.70 pesos to the U.S. dollar against the former rate of 16.20 and 16.40 pesos. The Banco de la Republica delivers dollars at the official rate only for imports of goods which do not pay surcharge or those included in the list of 30 per cent surcharge.



Members of an Indian trade mission to Canada, B. P. Patel, Chairman, State Trading Corporation of India, and Dr. G. P. Kane, Director General (Chemicals), Indian Ministry of Industry, (third and fourth from left), watch barking and sawing operations in the plywood division of MacMillan, Bloedel and Powell River, Vancouver. Looking on with them are Y. R. Dhwan, Trade Commissioner of India in Vancouver; R. E. Wilson, J. E. Young, R. W. Shaw, W. M. Marler and F. G. A. McCullough of the company, and H. C. Armstrong, Department of Trade and Commerce, secretary to the mission.

BUSINESSMAN'S BOOKSHELF

Mexico 1963

Banco Nacional de Comercio Exterior S.A. 354 pages. Free.

MEXICO 1963 aptly describes this detailed picture of modern Mexico. Not unlike our *Canada Handbook*, it is packed with statistical, economic, geographical, historical and social data on the country's progress.

Divided into four parts—background, the economy, foreign trade and balance of payments, and directories—the book is designed primarily to acquaint the reader with the many features of Mexican life.

The section dealing with natural resources and the economy has been well prepared. Although the latest statistics are only those for 1961, for purposes of projection these can be helpful when used in conjunction with the summaries of "Economic and Social Policy" and the "Economic Program of the Federal Government" (found in the first chapter on background) and with the third chapter dealing with foreign trade.

For the Canadian exporter and the importer of Mexican goods, the chapters on foreign trade and balance of payments gives useful information on Mexican-Canadian trade and on the possibilities of three-way trading with other countries.

The directories section is a useful index to government agencies and departments, banks, and journals, all of which are interested in foreign trade.

In addition to the many charts and tables, a large number of photographs in black and white and in colour are used throughout to give a good picture of Mexico today.

Order from: *Banco Nacional de Comercio Exterior, V. Carraga 35, Mexico D.F.*

Canadian Business Handbook

Newman & Newman. 592 pages. \$9.75.

THE first of its kind to be produced in Canada, this handbook is designed as a day-to-day reference work for general office use. It contains information on Canada's business standards, practices and methods. An index of over 2,000 entries is keyed to numbered paragraphs which deal with specific problems or facts.

Every section has been checked by experts to ensure accuracy. In fact, the trade section of the book was approved by G. A. Newman, Minister-Counsellor (Commercial) in New Delhi, a brother of the two authors.

Among the subjects covered are: stocks and bonds, financial statements, law, banking, insurance, taxation,

Canadian Government departments, sources of information, communications, meetings and minutes, reports, secretarial duties, filing systems, manuscripts, proof-reading and forms of address.

The handbook is illustrated with many examples of office situations and tables.

Order from: *McGraw-Hill Company of Canada Ltd., 253 Spadina Road, Toronto 4, Ontario.*

Bibliography: Cases and Other Materials for the Teaching of Multinational Business

Harvard Graduate School of Business Administration. 283 pages. Free.

MULTINATIONAL business is that phase of trade and commerce which deals with first, similar business entities and their problems in other countries; second, with the understanding and development of business relations in these countries, and third, with the formation of business policy. This necessarily involves a knowledge of the economy and the laws of a country but among the more subtle factors are differing customs or practices, distinctive and unfamiliar aspects of its culture and institutions, and finally, the effects on international business of changing world markets, the growth of world competition, international agencies and regulations.

This annotated bibliography contains an extremely wide selection of studies of cases and problems collected by the Harvard Business School on this topic, on the recommendation of schools of commerce and business throughout the world. In the bibliography, each case is presented as a brief abstract with course and subject applications; its setting (geographical, industrial, and chronological); the positions and level of management involved, and other information on identification, institution of origin, and so on. For example, case 5M9, the Cutler Cordage Co., is put this way: This case involves the forward buying of rope fibre, requiring price forecasting. The course is Industrial Procurement and the subject applications are foreign trade, market trends, material cost, price determination, statistical analysis, and supply and demand. This case, set in the United States and the Philippines, concerns the purchasing office of a textile mill in 1959 and the position involved is that of purchasing agent. Further identification is provided by the ICH (Intercollegiate Case Clearing House—from which all the cases may be obtained) Order No. 5H6; the source is "field" (or a real case) and it was compiled by Messrs. England and Swan of Harvard.

The second section of the book is a compilation of books and pamphlets of interest in this field, again with abstracts, location and subject, in addition to the usual data on author and publication. This is further complemented by a third section listing pertinent articles with the same background information as above.

Finally, there is a cross-reference index of authors, countries, topics, and cases. The cost of obtaining the cases is relatively low, varying from one and a half to three cents per page of text. All the cases are available from the Intercollegiate Case Clearing House in Boston. Complete information about obtaining the cases is available in the bibliography.

The bibliography is the first directed at the concept of multinational business. It will consequently be valuable to senior levels of administration for training and management studies, as well as the traditional institutional use. It was published under a grant made by the Ford Foundation.

Order from: Grace V. Lindfors, Editor, Bibliography, Multinational Business, Harvard University, Graduate School of Business Administration, Soldiers Field, Boston, Massachusetts, 02163, U.S.A.

Businessman's Guide to Australia

Australia and New Zealand Bank Limited. 45 pages. Free.

THIS is one of those miniature booklets that you can easily read in an hour and then carry around in your pocket as a quick reference to answer a multitude of questions. As the title implies, the information is of particular value to businessmen travelling in Australia. What are the customs regulations? What are the business holidays? When is the best time to go? How much do you tip? What are hotel rates? The answers to all these questions and many others you will find in this book, designed to keep you from being embarrassed, delayed, or overcharged when you are travelling "down under".

Order from: Australia and New Zealand Bank Ltd., 71 Cornhill, London, E.C.3, England.

Winning the Colombian Market

Business International. 40 pages. \$40.00.

THE introduction to this research report states that it ". . . will help every firm assess the strong and weak points of Colombia as a market and a site for investment. It covers all the basic factors that every corporate planner should know. It is interspersed with actual corporate examples and case studies illustrating the difficulties and successes that foreign firms operating in this market have encountered."

Undoubtedly, this publication justified the above quotation. It is packed with information about Colombia's market potential, development programs, the Government's role in the economy, the problems of importing goods under a system of import licensing controls and shortage of exchange, the freedom under which foreign firms may engage in business, the organization of marketing operations, corporate financial problems, availability of labour, wage costs and productivity, and finally, the tax load.

The report is very clear in its explanations and should be an invaluable guide to exporters to Colombia, as well as to firms contemplating licensing arrangements or establishing subsidiaries there.

Order from: Business International, 757 Third Avenue, New York, N.Y.

Trade Directory of the Republic of Ghana, 1963-64

Diplomatic Press and Publishing Co. 140 pages. £2 (post paid).

THE first section of this directory is made up of articles dealing with the following subjects: constitution and government, Ghana's draft Seven Year Development Plan, the Volta River project, agriculture and industries, foreign trade, finance and banking, transport and communications, tourism, and foreign relations.

Section II is an index listing all firms operating in Ghana classified under more than 100 commodity headings.

Order from: The Diplomatic Press and Publishing Co., 13 Cotswold Gardens, London, N.W. 2, England.

Trade Directory of the Federal Republic of Nigeria 1963-64

Diplomatic Press and Publishing Co. 185 pages. £2 (post paid).

THE first section of this directory is made up of some relatively short articles dealing with the following: constitution and government (federal and regional), the Nigeria Six Year Development Plan, Nigerian agriculture and industries, overseas trade, finance and banking, transport and communications, and foreign relations.

The second section is an index of firms classified by commodity. This list includes not only the names of Nigerian companies but also the names of the branches of all foreign-owned companies. Commodities are listed alphabetically and the index covers more than 125 products.

This directory also has a who's who in commerce and industry.

Order from: The Diplomatic Press and Publishing Co., 13 Cotswold Gardens, London, N.W. 2, England.

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

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

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

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

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

For conversion to United States dollar equivalent multiply by .9297.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 11	Units per Canadian dollar	Notes (see below)
Algeria	Dinar		.2195	4.56	
Argentina	Peso	Free	.007188	139.12	
Australia	Pound		2.4010	.4165	
Austria	Schilling		.04165	24.01	
Bahamas	Pound		3.0012	.3332	
Belgium and Luxemburg	Franc		.02167	46.15	
Bermuda	Pound		3.0012	.3332	
Bolivia	Peso		.09143	10.94	
Brazil	Cruzeiro	Official Free	.0006808	1,468.86	
Britain	Pound		3.0012	.3332	
British Guiana	Dollar		.6252	1.60	
British Honduras	Dollar		.7503	1.33	
Burma	Kyat		.2259	4.43	
Ceylon	Rupee		.2251	4.44	
Chile	Escudo	Bank rate	.4129	2.42	
		Free	.3335	3.00	
Colombia	Peso	Free	.08403	11.90	
		Certificate	.1195	8.37	
Congo, Republic of	Franc		.007171	139.45	(1)
Costa Rica	Colon		.1624	6.16	
Cuba	Peso		‡	‡	
Czechoslovakia	Koruna		.1494	6.69	
Denmark	Krone		.1556	6.43	
Dominican Republic	Peso		1.07563	.9297	
Ecuador	Sucre	Official	.05976	16.73	
		Free	.05808	17.22	
El Salvador	Colon		.4303	2.32	
Fiji	Pound		2.7038	.3698	
Finland	Markka		.3361	2.98	
France-Monaco, etc.	Franc		.2195	4.56	(2)
Franco-African Republics, etc.	Franc		.004390	227.79	(3)
French Pacific	Franc		.01207	82.85	(4)
Germany	D Mark		.2705	3.70	
Ghana	Pound		3.0012	.3332	
Greece	Drachma		.03585	27.89	
Guatemala	Quetzal		1.07563	.9297	
Haiti	Gourde		.2151	4.65	
Honduras	Lempira		.5378	1.86	
Hong Kong	Dollar	Free	.1869	5.35	
		Official	.1876	5.33	

*Latest available date.

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

*Dec. 4

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 11	Units per Canadian dollar	Notes (see below)
Iceland	Krona	Official	.02501	39.98	(1)
India	Rupee		.2251	4.44	
Indonesia	Rupiah		.004303	232.40	(1)
Iran	Rial		.01420	70.42	
Iraq	Dinar		3.0118	.3320	
Ireland	Pound		3.0012	.3332	
Israel	Pound		.3585	2.79	
Italy	Lira		.001722	580.72	
Japan	Yen		.002988	334.67	
Lebanon	Pound	Free	.3525	2.84	
Malaysia	Dollar		.3514	2.85	
Mexico	Peso		.08605	11.62	
Morocco	Dirham		.2151	4.65	
Netherlands	Florin		.2994	3.34	
Netherlands Antilles	Florin		.5704	1.75	
New Zealand	Pound		2.9807	.3355	
Nicaragua	Cordoba		.1537	6.51	
Nigeria	Pound		3.0012	.3332	
Norway	Krone		.1504	6.65	
Pakistan	Rupee		.2251	4.44	
Panama	Balboa		1.07563	.9297	
Paraguay	Guarani	Free	.008605	116.21	
Peru	Sol	Free	.04010	24.94	
Philippines	Peso	Free	.2761	3.62	
Portugal & Colonies	Escudo		.03741	26.73	(5)
Sierra Leone	Leones		1.5059	.6641	
South Africa	Rand		1.5006	.6664	
Spain and Dependencies	Peseta		.01797	55.65	
Sweden	Krona		.2090	4.78	
Switzerland	Franc		.2493	4.01	
Syria	Pound	Free	.2816	3.55	
Thailand	Baht	Free	.05103	19.60	(1)
Tunisia	Dinar		2.0652	.4842	
Turkey	Lira		.1195	8.37	(1)
United Arab Republic	Pound	Official	2.4739	.4042	
United States	Dollar		1.07563	.9297	
Uruguay	Peso	Free	.04539	22.03	
Venezuela	Bollivar	Official Free	.2393	4.18	
West Indies	Dollar		.6252	1.60	(6)
	Pound		3.0012	.3332	(7)
Yugoslavia	Dinar	Official	.001434	697.35	

Notes

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

Food Products Mission Visits the Caribbean

"TO seek new outlets in the market where Canadian products are already known," was one of the major objectives of the Canadian Food Products Trade Mission to the Caribbean which toured that area from October 17 to November 8, 1964. It took the members to Bermuda, and then to the Bahamas, Jamaica, Trinidad and Barbados.

The Mission was composed of ten leading executives from Canada's food industry whose firms process and package food products ranging from fresh, canned and frozen fruits and vegetables, through a variety of fresh and processed meats and dairy products to a wide selection of biscuits, confectionery and grocery products. The members met with agents, distributors and other marketing groups to discuss the wide variety of quality food products that Canada has for export. In addition, they examined the potential market for new Canadian products, particularly for foods not produced by local industry.

The itinerary of the Mission was carefully planned and left little room for a holiday in the sun—the more usual type of visit to these islands. Departing from Montreal on October 17, it visited Hamilton, Bermuda, for four days; Nassau, Bahamas, for four days; Kingston, Jamaica, for five days; Port-of-Spain, Trinidad, for seven days; and Bridgetown, Barbados, for four days.

John M. Hartwick, President of Quinte Milk Products Limited and immediate Past President of the National Dairy Council of Canada, was the leader of the Mission. Eight other members representative of the various food industry groupings made up the mission, plus one member from a trade association, and two representatives from the Department, one of them an authority on transportation.

Although the prospects for future development of markets for Canadian food products varied from area to area, Jamaica, Trinidad and Barbados appeared to offer the greatest opportunities for larger sales—not only because of the increase in population, but also because of the gradual improvement in their economies in general and the rise in living standards. Then too, the islands are giving greater emphasis to attracting tourists which is resulting in a growing demand for both higher quality and a greater variety of foods. In all the areas toured, the trend in food merchandising is toward supermarkets. It is these stores which will provide the broadest pattern of distribution.

Bermuda and the Bahamas are much smaller in size and population but they make up for this by devoting all their efforts to developing the tourist industry on which their economies are based. Because the influx of tourists is increasing every year, these islands are somewhat less price-conscious than either Jamaica or Trinidad. Greater emphasis is placed upon high quality food products and this is important in our promotion of the theme "Quality Foods from Canada". Competition is keen because food supplies come in from nearly all the major food-exporting countries.

Canada's strongest competitor is the United States but despite the proximity of these islands to the U.S. and the frequency of shipping services both from New York and Miami, the mission found a keen interest in and a willingness to buy Canadian foods. In these markets the preferential tariff and the lower value of the Canadian dollar vis-à-vis that of the U.S. dollar are assets which, the Mission found, would provide Canadians with the initial opportunity to compete.

The Caribbean islands are developing programs to extend their agricultural production, particularly in livestock and dairy products but also in fruit and vegetables. Ambitious programs are under way in Jamaica, Trinidad and Barbados. These may provide an opportunity for Canada to supply other goods—livestock, processing equipment, fertilizers, feedstuffs—and technical knowhow from the food industry.

Markets in Jamaica, Trinidad and Barbados offer good prospects for selling most food lines and in general the members found that what Canada had to offer was competitive in price and quality with imports from other countries. Exceptions were beef and lamb from New Zealand and Australia, and some dairy products, particularly butter and mild cheese. In branded lines of canned foods, such as fruit juices and some frozen foods, and standard lines of fresh produce such as potatoes, onions, carrots and apples, the Canadian products were selling well but given an extra push could sell in greater volume.

There are, however, problems facing Canadian exporters. Some of these they can do much to overcome: documentation, often delayed to the detriment of everyone because it holds up delivery, and reefer space—not always available in adequate capacity. Regular personal visits have great value because they acquaint the exporter with market conditions, competitive products and merchandising distribution patterns.

The Mission not only succeeded in bringing to the attention of the food importer/distributor and the institutional buyer that Canada is a supplier of a wide and rich variety of quality foods, but returned home with substantial inquiries, in addition to concluding some sales.

A more detailed report by the Mission will be published early in 1965. If you wish a copy, write to the Trade Missions Division.

—J. A. McKELVIE,
Agricultural and Fisheries Branch.

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