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FOREIGN TRADE

DEPARTMENT OF TRADE AND COMMERCE, OTTAWA



**Trade with the
Commonwealth
Caribbean**

FOREIGN TRADE

NOVEMBER 27, 1965

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COVER: A Canadian contractor (white hat) assists Jamaican workmen installing a column of precast concrete made by his firm. The columns are being used as the decorative and structural facing on the \$2.1 million British American Insurance Co. building in Kingston being erected by a Canadian/Jamaican consortium.

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The Changing West Indies

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This introduction to our annual review of trade and industry in the British Caribbean and the reports submitted by the Trade Commissioners posted there indicate that the pattern of trade is changing. Canadians now exporting to this area can take advantage of these changes but they must increase sales promotion.

From the Kingston Office

In Jamaica industrial expansion has increased imports. In Bahamas and Freeport the tourist trade and industry continue to provide good trading opportunities. In British Honduras economy improving. Cayman Islands warrant attention.

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From the Port-of-Spain Office

In Barbados economy is sound and some segments are expanding. In the Leeward and Windward Islands economic progress slow but Canadian exports up. In Trinidad and Tobago Canadian share of the market unchanged.

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COMING—OHIO SPENDS BILLIONS ON FOOD, DECEMBER 11 ISSUE

The Changing West Indies

The political and economic scene is changing in the West Indies as Commonwealth territories achieve independence and develop industry. Canada has been exporting to this area for 200 years and this is the time to take advantage of well-established links and build even closer and more extensive trade associations for the years to come.

DAVID J. McJANET,
Office of Trade Relations.

COMMERCIAL TIES have always been close between Canada and the Commonwealth islands and mainland territories in the Caribbean. The rapid political and economic developments of the region, however, present Canadians with new and valuable market opportunities and the challenge of defining new roles for themselves in trade with the West Indies.

When we speak of the West Indies, we must think in terms of a network of territories that stretches some 2,000 miles from the Bahamas in the latitude of Florida as far south as British Guiana, next-door neighbour to Brazil. This kaleidoscopic market, extending over 100,000 square miles, serves more than four million people.

Last August, both Jamaica and Trinidad and Tobago celebrated their third anniversary as independent members of the Commonwealth. Barbados and British Guiana are now actively following courses towards independence. Barbados and six of the Leeward and Windward islands (Antigua, St. Kitts-Nevis, Montserrat, Dominica, St. Lucia, and St. Vincent) have held discussions concerning a closer political association and a customs union among themselves. These talks, however, have been superseded by an agreement in principle among British Guiana, Antigua and Barbados that a free trade area among the three should be established, and January 1, 1966, has been set as a target date for the

first concrete steps towards such an association. Grenada did not participate in the talks of Barbados with the other Leeward and Windward Islands, but has been exploring the possibility of joining Trinidad and Tobago.

West Indian Economic Structure

A common feature of all the Commonwealth West Indian territories is that their economies are based predominantly on agriculture, mainly sugar and its by-products. The area has, however, long been a producer of other agricultural goods, and greater emphasis is being placed on the development of some of these commodities which include Sea Island cotton, nutmeg, mace, arrowroot, bananas and citrus fruit in the Leeward and Windward Islands, bananas in Jamaica, cocoa in Trinidad and Tobago, citrus fruit in both these countries and in British Honduras, and rice in British Guiana.

In some areas, certain non-agricultural industries are also of major economic importance. The bauxite industry, first developed in British Guiana by Canadian capital in 1917, has expanded over the years and is now producing alumina. Canadian interests have also been prominent in the development of Jamaica's bauxite industry and after only thirteen years, it has become the world's largest producer. Bauxite and alumina together account for 50 per cent of the value of Jamaica's exports.

Table I
Canadian Exports to the West Indies

	1963	1964	1964	1965
			(6 months)	
			(Can.\$'000)	
Bahamas	6,133	8,976	4,518	4,508
Barbados	5,469	6,922	3,288	3,145
British Guiana	5,061	7,115	3,505	3,418
British Honduras	698	972	445	515
Jamaica	22,271	28,942	14,395	14,653
Leeward and Windward Islands	6,596	7,986	3,762	3,898
Trinidad and Tobago	16,213	17,790	8,294	9,561
TOTAL EXPORTS	62,441	78,703	38,207	39,698

Table II
Canadian Imports from the West Indies

	1963	1964	1964	1965
			(5 months)	
			(Can.\$'000)	
Bahamas	425	411	242	292
Barbados	3,954	3,850	1,748	410
British Guiana	31,334	35,652	14,933	6,384
British Honduras	1,720	1,858	687	506
Jamaica	51,524	47,830	18,925	15,620
Leeward and Windward Islands	2,202	1,025	223	193
Trinidad and Tobago	15,871	20,738	7,269	6,060
TOTAL IMPORTS	107,030	111,364	44,027	29,465

The standard of living in Trinidad and Tobago largely reflects the prosperity derived from that country's oil industry which has the second highest level of production in the Commonwealth. Oil accounts for over 75 per cent of the country's total exports, more than one-third of the government revenue, and continuous employment for about 18,000 high-wage workers.

The West Indian economy derives much of its dynamism from

the increasing influx of visitors to the island and mainland territories.

Tourist Industry Important

The area as a whole completed its most successful year in 1964. For example the larger and better known island of Jamaica attracted a record 227,000 tourists in 1964. Nevertheless, through developments in accommodation and transportation facilities, the attractions of other parts of the Commonwealth Caribbean as resort areas are be-

coming more widely known. For example, close to 60 thousand tourists arrived in Barbados in 1964, contributing about \$24 million to the economy.

Development Plans Formulated

The Governments of newly independent Jamaica and Trinidad and Tobago have launched their countries into Five Year Development Plans which outline the broad sectors to be developed and the specific projects to be undertaken. These islands are making available resources and improving techniques not only to raise the productivity and standard of living of those already employed, but also especially to provide work for new arrivals in the labour force and for those whose economic position calls for a serious campaign of occupational rehabilitation. Among the projects that occupy important places in the Plans are the building of houses, schools, factories, roads and bridges, and dam and drainage systems.

All the territories are giving special encouragement to the founding of new secondary industries and to new agricultural ventures. As an impetus to this development, they are granting special concessions to new establishments in the form of tax holidays, special depreciation, allowances for research expenditures, and the duty-free import of certain machinery and raw materials. They afford infant industries protection through higher tariff and other import restrictions.

Plants are now producing goods in Trinidad and Jamaica which, until very recently, were being imported—aluminum ware, building materials, cement, paints, drugs, plastic products, prefabricated steel structures, shoes, clothing, cosmetics, gas ranges, wallboard, steel containers, telephone equipment and asbestos cement pipe. In fact, Jamaica and Trinidad have succeeded in penetrating other West Indian as well as world markets with several of these items.

Table III
What Canada Is Selling to the West Indies

	1963	1964	1964	1965
			(6 months)	
			(Can.\$'000)	
Flour	8,770	9,351	5,304	5,524
Fish, pickled, salted	7,329	7,728	3,791	4,207
Meats	3,601	4,130	1,750	2,355
Fabrics	2,665	3,071	1,305	1,426
Fish, canned	2,647	3,038	1,999	1,697
Motor vehicles and parts	2,140	4,506	2,415	3,299
Lumber	1,896	2,201	715	747
Newsprint	1,402	1,663	774	848
Milk powder, evaporated, condensed	1,379	1,441	658	704
Tires and tubes	1,217	1,382	806	853
Medicines, drugs	1,107	1,198	495	551
Potatoes	1,060	900	595	368
Sugar, refined	981	1,592	619	355
Footwear	922	1,025	302	348
Furniture and fixtures	907	1,918	488	735
Soups	622	1,046	446	369
Radios and TV's	562	714	179	170
Whisky	556	1,210	446	604
Refrigerators, freezers, and parts	499	1,210	400	511
Prefabricated buildings	339	798	547	9

Table IV
What Canada Is Buying from the West Indies

	1963	1964	1964	1965
			(5 months)	
			(Can.\$'000)	
Bauxite and alumina	47,332	47,007	17,982	18,168
Sugar, raw	41,811	43,494	18,161	4,207
Crude petroleum	7,199	9,582	4,720	3,208
Molasses	4,844	3,213	738	554
Juices, fruit	1,239	2,390	813	662
Rum	1,024	886	171	243
Coffee	271	478	327	69
Nutmegs and mace	229	264	137	133
Cucumbers, fresh	185	191	177	163
Cocoa beans	76	157	32	67
Liqueurs	95	150	18	25
Cocoa butter	488	131	36	27
Ginger and spices	72	113	30	36
Mabogany	137	97	15	22
Pimento	90	90	37	48
Bananas and plantains	106	68	40	36
Salt for fisheries	150	61	14	8
Farinaceous substances	73	59	21	38
Lemon and essential oils	52	52	26	22
Cotton shirts and outerwear, not knitted	57	33	14	31

Economic development means new opportunities for trade, and Canada and the West Indies are well situated to foster complementary trade interests. We now exchange about \$190 million worth of goods annually, as shown in Tables I to IV. Canadian exports to the West Indies were valued at \$62.4 million in 1963, and \$78.7 million in 1964. Imports from the West Indies in 1964 increased to \$111.4 million from \$107 million in 1963. This region ranks as Canada's third most important Commonwealth market, and eleventh among world markets.

Imports from Canada Varied

Canada's export trade with the West Indies still includes items that we have been supplying for more than two hundred years—flour, salted and pickled fish and meats. But Canadian exports to this area now number more than 500 separate items—some of these sales are very large, many are small. The fact that Canada does supply such a wide range of articles to the West Indian market is a sure demonstration of the area's broad requirements, and we thus have a definite indication of the variety of fields to which Canadian exporters can extend their promotion campaigns.

Table III gives a run-down of the value of Canada's principal exports to the West Indies in 1963, 1964, and part of 1965. The list includes canned fish, milk, refined sugar and other agricultural products, paper products, and a large assortment of fully manufactured goods, including automobile tires and tubes, radios and TV's, furniture and footwear.

With a continuation of West Indian economic development, market requirements for goods of increasing sophistication will proceed apace. The establishment of secondary industries in the area calls for imports of capital equipment and already there has been a noticeable increase in demand for imported components which are assembled into fully-manufactured

products in the West Indies. Bed springs, tubular metalwork, and table tops, for example, are being imported for the manufacture of household furniture and as a result West Indian production will displace a number of imported and fully-manufactured consumer items. Import restrictions will also have a moderating effect on sales to the area but economic growth and prosperity are creating attractive prospects for sales to the West Indies of consumer goods made in Canada which cannot be manufactured locally at competitive prices.

Canadian Sales Increasing

To illustrate the growth in sales of several selected items that are contributing to the West Indies' economic development, the value of Canadian exports of power boilers to Jamaica in 1964 reached \$90,000 compared with \$19,000 the previous year. An electrification project in Trinidad and Tobago called for turbine equipment from Canada worth \$18,000 and power boiler

equipment worth \$167,000. Exports to Jamaica of electrical switchgear were worth \$218,000 compared with \$96,000 in 1963. Excavating equipment worth \$114,000 was shipped to Jamaica, \$95,000 more than the year before. Canada exported industrial compressors and blowers worth \$74,000 to British Guiana compared with \$14,000 in 1963.

As the economies of the West Indian territories increase in complexity and the various sectors of each economy become more interdependent, there is a greater need for transportation and communications equipment. For example, Canadian exports of truck tires to Jamaica rose from \$187,000 in 1963, to \$274,000 in 1964. Radio and TV equipment to Barbados rose from \$12,000 to \$102,000 in the same period.

Improvements in the West Indian standard of living have created a demand for consumer goods. Canadian exports of refrigerators to Trinidad and Tobago in 1964 were val-

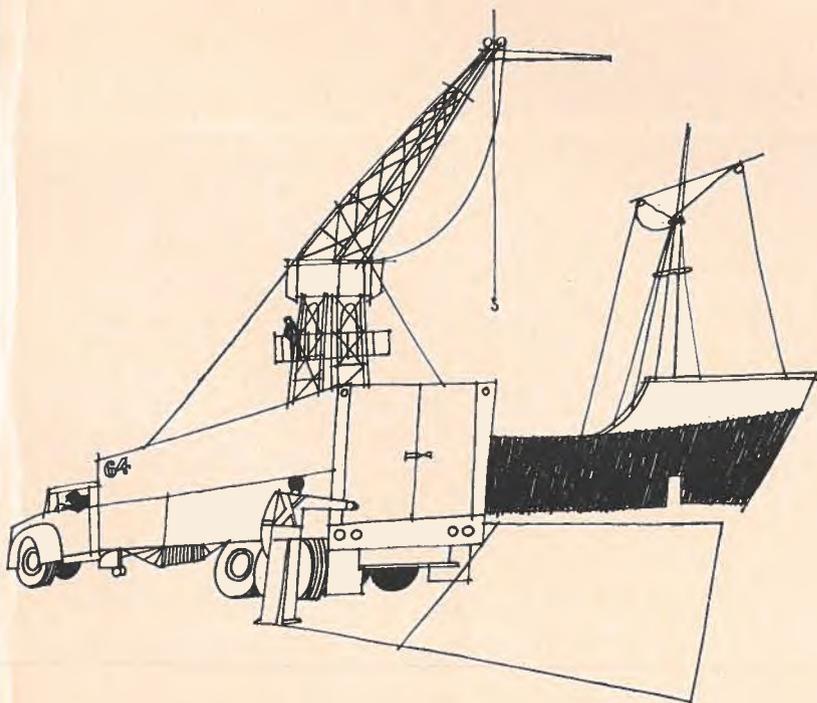
ued at \$439,000 compared with \$281,000 the previous year. Electric cooking appliances exported to Jamaica totalled \$27,000, up from \$17,000 in 1963. Imports by the Leeward and Windward islands of bed springs and mattresses from Canada reached \$52,000 compared with \$31,000. Last year the same group of islands imported \$149,000 worth of other household furniture from Canada, \$72,000 more than the previous year. In 1963, Bahaman imports of seamless hosiery from Canada reached about \$500; the following year \$14,000.

Canadian exports to Trinidad and Tobago of soaps, detergents, perfumes, and other cosmetics totalled \$64,000 in 1963, and \$125,000 in 1964. Jamaican imports of jewellery, silverware and goldware from Canada rose from \$80,000 to \$217,000 in the same period.

Trade Is Two-way

A similar story can be told about Canadian imports from the West Indies. As its economic character changes, the West Indies is able to supply a wider array of foodstuffs, industrial raw materials, and other articles to the Canadian market. Table IV shows that bauxite, alumina and crude petroleum have joined raw sugar and molasses as Canada's principal imports from the region.

Canada is buying a greater variety of agricultural products in increasing amounts. Frozen concentrated fruit juices from the West Indies were valued at \$1 million in 1964, compared with \$334,000 in 1963. Imports of liqueurs from Jamaica increased from \$95,000 in 1963, to \$150,000 the following year. In 1963, Jamaica exported to Canada \$7,000 worth of cigars; the following year exports reached \$13,000. Canadian imports of nutmeg and mace from the Leeward and Windward islands totalled \$183,000 in 1963 and \$220,000 in 1964. Imports of fresh cucumbers from the Bahamas in 1964 reached



\$191,000 compared with \$185,000 in 1963.

The growth in two-way trade between Canada and the West Indies reflects to a large extent the formal arrangements which exist between the two trading partners. Commercial relations are governed by the Canada-West Indies Trade Agreement of 1926, and by the General Agreement on Tariffs and Trade. Under the terms of the 1926 Agreement, the West Indies extends to Canada bound tariff preferences on Canadian products, and Canada reciprocates with bound tariff preferences on products from the West Indies, the most important of which is the preferential margin on raw sugar imported for refining.

Transportation No Problem

Eleven steamship companies, six of them sailing from eastern

Canadian ports, link North America with the Commonwealth territories in the West Indies. There are some forty vessels in the trade, and more than half of them have refrigerated facilities.

Air Canada operates flights from Toronto and Montreal to Antigua, Barbados, Trinidad and Tobago, the Bahamas, and Jamaica. Space is available on these flights for air freight.

Canada Invests—and Assists

The encouragement which is actively given to industrial growth by the governments of the West Indian territories offers attractive prospects to Canadian investors and exporters alike. Canadian investment in the West Indies is already of long standing and is broadly based; in the past, particular emphasis has been placed on banking, insurance, and the mineral extractive industry. Among the more recent Canadian ventures, those in the food processing and tourist resort industries are especially significant.

In Jamaica alone, there is a total Canadian investment of about \$150 million, concentrated in the bauxite and alumina industry and in banking and insurance operations. The major Canadian investment in the eastern Caribbean is in British Guiana, where interests of close to \$100 million are held in the bauxite and alumina industry alone.

Following Canada's announcement in November 1963, that it intended to increase substantially the level of assistance to the Commonwealth territories in the Caribbean, grants and special development loans totalling \$9 million were made available for 1964-65. About \$5.5 million of this consisted of funds under the new development loan program.

During 1964-65, almost 10 per cent of funds available to the Caribbean area was used for technical assistance; 58 teachers and technical advisers were provided and 189 students trained in Canada.

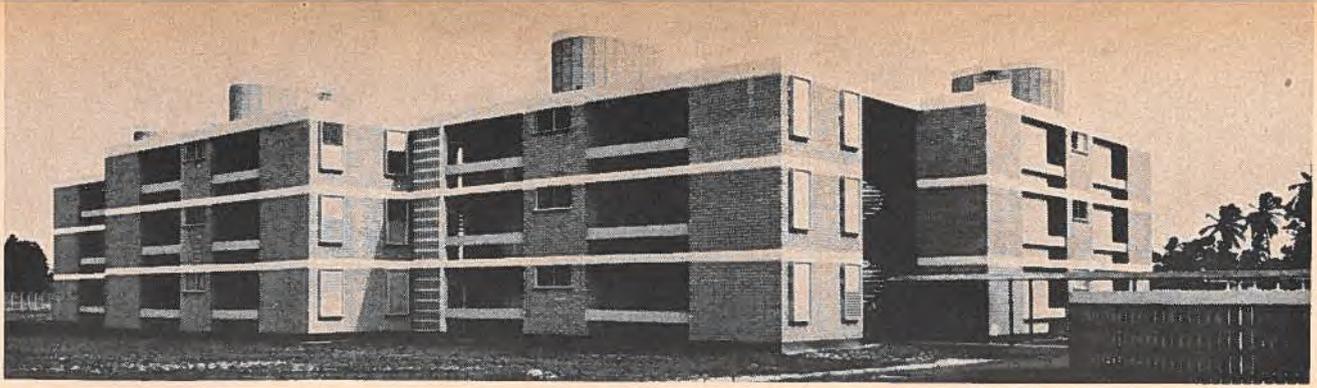
Other projects, already started, were also continued. These included port handling equipment in Barbados and the Leeward and Windward Islands, construction of water storage and distribution facilities in St. Kitts, installation of an airport guidance system in Trinidad, construction of schools and warehouses in the Leeward and Windward Islands, and a fishing vessel for Jamaica to assist in the development of that country's fishing industry.

Several new projects were undertaken in 1964-65. In British Guiana, well-drilling equipment, fire engines, diesel locomotives, highway maintenance equipment, university staff and technical assistance are being made available. We have agreed to provide grant aid to Trinidad and Tobago for lumber, port equipment, prefabricated factory shells, rural electrification equipment, fire fighting equipment, and development surveys for roads, water and harbours. Grant aid and development loans are being supplied to Jamaica for technical assistance, educational facilities, and material for sewerage and rural water distribution projects.

In January 1966, a survey team sponsored by Canada, Britain and the United States will begin an economic survey of Barbados and the Leeward and Windward Islands. The study is to determine requirements and suggest priorities in the economic development of the islands.

Proximity to markets, frequent transportation services, common language, and well established links between the Canadian and West Indian business communities all combine with the current economic scene in the West Indies to form a time-tested foundation on which to build even closer and more extensive trading associations in the years to come. The Canadian exporter should not overlook the promising market potential which lies in the West Indies just beyond his doorstep. ●





These are new student residences on the Port-of-Spain campus of the University of the West Indies; they were built with Canadian grant aid. The original \$10 million aid plan from Canada ended three years ago, but extensions were granted.

Canada Aids the Commonwealth Caribbean

CANADA first began to contribute to the development of the Commonwealth Caribbean territories in 1958 and this aid has continued and been increased in the eight succeeding years. It has taken two forms: grant aid and special development loans, and has included technical assistance and various capital projects. Ships for inter-island communication, deepwater wharves, warehouses, natural resources surveys, rural electrification, the building of schools and bridges, the provision of experts in various fields and the training of teachers—these are but a few of the projects that Canada has financed either wholly or partially.

A total of \$10 million to be spread over five years was allocated to the West Indies Federation at its inception in 1958. It was decided to spend most of it on projects that would strengthen ties between the Federation members. Six million dollars was earmarked for building two ships, the *Federal Palm* (finished in 1960) and the *Federal Maple* (1961) to be used to carry inter-island passengers and freight. Some \$700,000 was used to put up a residence on the Port-of-Spain campus of the University of the West Indies, and of the remaining funds, more than \$700,000 went to technical assistance, mainly training teachers and providing advisers.

When the Federation was dissolved in May 1962 the aid continued, but was adapted to meet the new situation. Both Jamaica and Trinidad submitted their requests directly to the Canadian Government and negotiations followed. Canada joined Britain and the United States in surveying the needs of the smaller West Indian territories and took over responsibility for certain projects.

The original \$10 million aid program finished on March 31, 1963, but Canada had already agreed to carry it on, with an allocation of \$2.1 million for fiscal 1963-64. In addition, British Guiana and British Honduras, which had been receiving about \$100,000 a year under a separate Commonwealth program, were brought under the Commonwealth Caribbean scheme. Among the projects undertaken that year were provision of a modern VOR landing system at Piarco Airport in Trinidad and the supplying of technical school equipment to St. Kitts. The remainder was spent on technical assistance and on initiating projects in such fields as transportation, water distribution, and produce storage in some of the "Little Eight" islands.

The pace of Caribbean development quickened in 1964-65, when a total of about \$9 million in grant aid and special development loans (\$5.5 million) was approved by the Canadian Government. This made possible several new projects in Jamaica, Trinidad and British Guiana, plus a number of programs in several fields in the smaller islands. Listing a number of these will show the wide range of Canada-aided projects.

● *In Trinidad* (about \$3.5 million)—Grant funds were used for major engineering surveys covering water supply, transportation and harbour development, and provision of fire-fighting equipment for Tobago. Development loans are being used for supply of lumber for a low-cost housing project; port equipment for Port-of-Spain harbour; provision of materials for a rural electrification program; prefabricated factory shells for an industrial development site, and two port warehouses.

● *In Jamaica* (more than \$2.9 million)—Provision of a deep-sea fishing vessel; supply of technical school equipment; pipe for small rural water-distribution schemes. Development loans are being spent on the Olivier Bridge, a sewerage project in a Kingston suburb, and the building of rural schools.

● *In British Guiana* (\$1.2 million in grants)—Provision of two diesel locomotives; supply of highway construction equipment; program of aid to the Amerindian population.

● *In the "Little Eight"*—Building and equipping of four primary schools in Grenada (2), Antigua and Dominica; construction of warehouses on St. Kitts and St. Lucia; delivery of port-handling equipment worth \$450,000 to five of the eight islands; completion of a deep-water wharf and warehouse project on St. Vincent. Water resources surveys were also undertaken in Montserrat and St. Kitts.

In addition, the technical assistance program has received major attention. Up to the end of 1964, some 248 people from the Commonwealth Caribbean had received training in Canada and during this fiscal year (1965-66) 380 have been studying here. In the seven years 1958-64, Canada has sent to the area 112 teachers or advisers; the figures for fiscal 1965-66 are 67 teachers and about 32 technical advisers.

Canada's interest in these projects and programs was confirmed by the setting aside of \$10 million for the fiscal year 1965-66 to complete many of the projects listed above, to initiate others, and to defray the cost of an even larger technical assistance program. ●

Jamaica

Industrial expansion has increased imports, enlarged the trade deficit, resulted in greater import control. Canadian sales touched \$7 million last year, with foodstuffs leading the field.

L. D. BURKE,
Commercial Secretary, Kingston.

THE CURRENT BUSINESS OUTLOOK in Jamaica gives grounds for guarded optimism. Although certain sectors of the economy have not performed as expected during the past year, others have done sufficiently well to more than compensate for these.

In assessing the over-all commercial position of Jamaica at the present time, the main industries that must be considered are agriculture, manufacturing, mining and the tourist trade.

Agriculture—Earnings Down

In terms of employment, agriculture remains the most important undertaking. Jamaica produces two main crops—sugar and bananas. Although output and exports of sugar were high in 1964, world prices declined, with the result that earnings from sales dropped below the previous year. In 1964 Jamaica produced 474,000 tons of sugar and exported 417,000, compared with production of 477,000 tons and exports of 394,000 in 1963. Banana exports rose last year and earnings were greater, though prices declined seriously in the last quarter of the year. Earnings from agricultural exports have also been less than they could be because production of certain other export crops (such as cocoa and coffee) has remained fairly static.

Finally, the rate of expansion in both the growing and processing of foodstuffs required domestically has not been sufficient to meet local demand. With an expanding popu-



Standing beside a leather cutting machine in a Kingston, Jamaica, plant are Mr. A. Ronai (left), Director, Caribbean Operations, for the Bata Shoe organization, and Mr. L. D. Burke, Canada's Commercial Secretary in Kingston, who holds a piece of Canadian upper leather an import worth \$500,000 in 1964.

lation and rising standard of living, this has resulted in continually mounting imports of foods. In 1964 Jamaica imported over \$60 million* worth of foodstuffs. This is a significant figure for an island with a population of only 1.8 million. The over-all picture for agriculture is consequently not particularly encouraging but the Government is trying to improve it through a program of land reform and irrigation projects and through the expansion

*All figures given in this report are in Canadian dollars.

of the activities of the Agricultural Marketing Corporation, which provides guaranteed prices and a market for certain crops.

Manufacturing—Output Rising

Jamaica's industry has come a long way in the past few years. Although fewer people are employed in manufacturing than in agriculture, the industrial sector contributes more to the gross domestic product and has for several years. According to government statistics, the value of manufactured goods produced locally has risen

from \$25 million in 1950 to \$120 million in 1964, an increase of nearly 400 per cent. Last year Jamaica exported \$16.5 million worth of manufactured goods, including clothing, cosmetics, paints, footwear and many other items. This is impressive for a relatively small country, usually considered solely agricultural. The Government has encouraged the establishment of industry through tax holidays (up to 15 years now for certain areas), industrial incentives, and through its import policy. (Further reference to this last factor and its effect on Canadian trade will be made later in this report.) In 1964 nineteen new industrial firms went into production under incentive legislation. Most recent additions to made-in-Jamaica products are gas ranges, wallboard, steel containers, telephone equipment and asbestos cement pipe.

Mining—Bauxite Leads

Jamaica is the world's largest producer and exporter of alumina and bauxite. Four companies operate in this field in Jamaica—three U.S. (Kaiser Bauxite Co., Reynolds Jamaica Mines Ltd., and Alcoa Minerals) and one Canadian (Alcan Jamaica Ltd.). Alcan is the only one producing alumina, which is shipped mainly to the company's smelters in Arvida and Kitimat. This industry has expanded continuously. Kaiser is in the middle of an expansion program that will cost over \$30 million and involves the construction of 13½ miles of railway and new loading and shipping facilities on the north coast. Alcan recently announced that it was expanding alumina production by 36,500 tons a year; total output will then reach approximately 800,000 tons a year. When this new project is completed early in 1966, the Canadian company's capital investment in Jamaica will total over \$150 million. Current output of bauxite amounts to 8 million tons a year. Alumina and bauxite replaced

sugar as Jamaica's principal export several years ago and today they are the main Jamaican products sold abroad. In 1964 they accounted for 45 per cent by value of total exports. In view of the high level of activity in the aluminum industry abroad, producers here are counting on the strong demand for alumina and bauxite to continue.

Tourist Trade—Dollar Earner

This year looks like another record for Jamaica's tourist trade; at the end of August it was already up 42 per cent over last year. In the first eight months of this year 223,000 visitors arrived, topping the similar period for 1964 which was in itself a record. From January-December 1964 visitors totalled 227,000. More people are coming to the island these days than ever before and they are staying longer. The off-season has also improved to the point where holiday time here is practically all year round. Expenditure by tourists in 1964 was estimated at \$47 million compared with \$40 million in 1963. Canadians accounted for about 12 per cent or \$5 million of this trade in 1964 and they are much sought after as tourists because they normally stay longer than do visitors from other countries.

The expansion in the tourist trade has not resulted in the building of as much new accommodation as one might expect. Instead, the tendency has been to improve and add to existing facilities and also to operate the hotels at a higher occupancy rate. If the tourist trade continues as buoyant as it is now, however, it is expected that new accommodation will be built and plans have recently been announced with that object in view. It is interesting to note that the trend in Jamaica today is away from hotels and towards the apartment type of building. The owners of these apartments occupy them for part of the year and rent them for the rest of

the season, as is currently done in Europe.

Construction Pace Brisk

One other industry that has proved to be a sustaining economic factor is construction. The building industry has been operating at a high level in Jamaica for the past year and a half. Office buildings, private dwellings and government buildings have all played their part in the boom and housing schemes are also becoming more common. Arrangements are currently being made, for example, for the final stage of the Duhaney Park housing estate where 1,500 homes are going up. A number of large new industrial projects are also under construction. Included in this category is Newport West, which involves the building of completely new port facilities in Kingston Harbour. (A report on Newport West appeared in the July 24, 1965, issue of *Foreign Trade*.)

Two Difficult Problems

Two dark spots on the economic horizon, however, are the adverse balance of payments and the problem of persistent unemployment.

Reflecting the growth in population and strong consumer demand characteristic of 1964, Jamaica's imports last year exceeded \$300 million for the first time—(\$302 million, compared with \$240 million in 1963). Because of this substantial import bill, the trade deficit reached a record high of \$69 million; exports rose only slightly, from \$216 million to \$233 million.

Contributing largely to the import bill was food, which rose by nearly \$11 million over the 1963 figure to a staggering \$62 million. Imports of manufactured goods, chemicals, machinery and transportation equipment also increased substantially. In domestic exports, bauxite and alumina shipments went up considerably but the value of sugar exports declined by nearly \$5 million. Figures for the first half

of 1965 indicate that the trade gap has not narrowed appreciably during the current year and for the first six months totalled \$30 million. However, the composition of imports has changed, with more capital and fewer consumer goods.

The growth of the tourist trade and the inflow of capital have helped mitigate the effects of the trade deficit, but the Jamaican Government has decided that the country must live more within its means and as one method of achieving this, has placed a selected but increasing number of products under import control. Since January of this year 43 new items have been made subject to import licensing.

Unemployment Persists

Persistent unemployment and under-employment remain one of Jamaica's most serious problems. The growing manufacturing sector has helped to absorb some of the surplus workers but the need to create many additional jobs remains, particularly in view of the reduced opportunities for Jamaicans to emigrate. An effort is being made to ease unemployment through better education and training facilities and the allotment of funds to projects providing jobs.

Trade with Canada

Jamaica has traditionally had a favourable balance of trade with Canada. Although alumina makes up the largest part of Jamaican exports to Canada, we also buy sugar, frozen citrus concentrates, cocoa and cocoa butter, and rum. A number of new items have been added recently, including confectionery, bananas, porcelainware and cement clinker. Jamaican exports to Canada in 1964 were valued at \$48 million. Of this, sales of alumina accounted for \$30 million, sugar for \$15 million, (Canada currently purchases 20 per cent of total Jamaican production of sugar) and citrus concentrates for nearly \$1 million.

Office Hours and Holidays, Jamaica Office

Office Hours

Canadian High Commission, Kingston, Jamaica.

Commercial Section: 8:00 a.m.—4:00 p.m. Monday—Friday.

External Affairs: 8:30 a.m.—4:30 p.m. Monday—Friday.

Public Holidays

JAMAICA

New Year's Day

Ash Wednesday

Good Friday

Easter Monday

National Labour Day (May 23rd)

Queen's Birthday (June)

Independence Day (first Monday in August)

Christmas Day

Boxing Day

Early closing days: Wednesday (downtown stores)

Thursday (uptown stores)

Saturday (offices)

BAHAMAS

New Year's Day

Good Friday

Easter Monday

Queen's Birthday (April)

Commonwealth Day

Whit Monday

Labour Day (June 1)

Emancipation Day (first Monday in August)

Discovery Day (October 12)

Christmas Day

Boxing Day

Early closing day: Friday.

BRITISH HONDURAS

New Year's Day

Baron Bliss Day (March 9)

Good Friday

Holy Saturday

Easter Monday

Labour Day (May 1)

Empire Day (May 24)

Queen's Birthday (April 21)

National Day (September 10)

Prince Charles' Birthday (November 14)

Christmas Day

Boxing Day

Early closing day: Wednesday or Saturday.

Canada's sales to Jamaica last year reached \$29 million, an increase of \$7 million over our exports in 1963. Foodstuffs made up

over 50 per cent of our sales. Especially significant in this field are salt cod (Jamaica is the largest overseas market for this Canadian

product, purchasing \$3.7 million worth in 1964), flour (\$3.5 million), canned sardines and herring (\$1.5 million), and ham and bacon (\$500,000). Other important Canadian exports to Jamaica last year were automobiles (\$2 million), newsprint (\$1 million), tires (\$600,000), cotton fabrics (\$600,000), and upper leather (\$500,000).

Future Prospects

Conditions in Jamaica in 1964 were above average and our exports benefited accordingly. The basic economic climate in the island is probably even better at the present time. Jamaica's policy of restricting the import of goods produced or about to be produced domestically, however, is having a moderating effect on our trade. But this is a developing and industrializ-

ing country and consequently provides a growing market. It should be possible to step up our sales through the export of additional products and through increases in the value of products we are already selling here.

We feel that opportunities are particularly promising for Canadians in the following fields:

1. Raw materials and equipment required by the new plants being established locally—especially because Jamaica does not itself provide a wide variety of these.

2. Construction supplies and materials—for the continually expanding building industry here.

3. Foodstuffs—Jamaica will have to import the bulk of its requirements of food for some time to come. Canadians are known as sup-

pliers and have proved their competitiveness in this field.

4. Hotel trade—furnishings, institutional supplies and equipment (including institutional packs of foodstuffs) and, in fact, any products that the hotel trade normally requires.

We suggest that Canadian firms write to us about their products, especially if they are in the fields mentioned above. There are good shipping services between Canada and Jamaica, a margin of tariff preference for Canada on most lines of between 10 and 15 per cent, and a ready acceptance of Canadian goods. We are already selling some 500 different lines to Jamaica. Under current conditions, there is no reason why many more Canadian products cannot be promoted successfully in this market. ●

Jamaica to Double Power Output

Contracts for electric power development will be awarded on a competitive world-wide basis—and this spells opportunity for Canadian electrical equipment manufacturers and consulting engineers.

D. I. DITTO, *Assistant Commercial Secretary, Kingston.*

THE DEMAND for electric power in Jamaica is increasing 10 per cent a year and to meet this growing need the Jamaica Public Service Company Ltd. has drawn up a long-range development plan. Over the next 12 years the company will invest \$50 million in additions to existing generating stations which now have a capacity of 111,000 kilowatts. It will also spend over \$60 million on new substations and on transmission, distribution and service lines. The company is now seeking a \$24 million to \$30 million loan from the World Bank to

finance part of this expansion program.

Immediate plans call for the construction of a steam generating station which will have an ultimate capacity of 130,000 kilowatts. This station, to be completed late in 1970, will be built west of Kingston's expanding industrial estates and the Newport West dock and warehouse complex now under construction. The first part, an urgently needed 30,000-kilowatt unit, will be ready by October 1967; the second, 40,000 kilowatts, by 1969. Plans call for a third part, 60,000

kilowatts, to be added by 1970 if power consumption continues to increase. This fall the JPS Company will install, on Jamaica's north coast resort area near Montego Bay, two 1,700-kilowatt diesel units at a cost of \$500,000; in 1966, it will add another three. The 20,000-kilowatt hydro station on the north coast will also be augmented with the addition of two small hydro plants—one of 3,200 kilowatts and one of 4,800. By 1970, the JPS Company should have an installed capacity of about 252,000 kilowatts.

Long-range plans, dependent on a continuing increase in the consumption of power, propose that in the late seventies a fourth unit of 100,000 kilowatts be added to the generating facilities west of Kingston. These plans also include a new steam generating plant for the area east of the capital.

The impetus behind this expansion is in part Jamaica's economic growth, particularly in industry. Of the JPS Company's \$12 million total sales in 1964, industry accounted for 50 per cent. Major sectors of Jamaica's economy—all large consumers of electric power—registered substantial production increases over 1963; bauxite mining rose 13.7 per cent, manufacturing 7 per cent, and the tourist industry 12 per cent. Cement production reflected the boom in construction and rose 40 per cent.

The moderate 3.5 per cent growth in agriculture, however, forced the Government to spur the JPS Company into increasing rural electrification. Before drafting a 25-year All-Island Electricity Franchise, now before the Jamaican House of Representatives, the Government stipulated that the JPS Company extend distribution lines to towns with 500 or more inhabitants and to all areas in which there are 3.5 or more potential customers every 300 pole-line feet. It also stipulated that the isolated systems in Port Antonio on the island's northeast coast and in the Parish of Westmoreland on the west coast be hooked up with the all-island electric grid system. Neither area is now integrated with the JPS Company system. The standard 50-cycle electric power frequency, adopted in 1962, will facilitate these plans.

Power Company Reorganizing

The draft 25-year franchise requires the eventual Jamaicanization of the JPS Company, which now has assets valued at approximately \$42 million. It means the gradual withdrawal in the next 15 years of the Canadian parent company's (Jamaica Public Service Ltd.) controlling ownership of the common shares. Investment in the JPS Company will then be open to Jamaicans, but no individual or firm will be allowed to hold more than 20 per cent of the ordinary shares without government approval. Jamaican

nationals must also be in the majority on the board of directors.

An independent Utility Commission, yet to be established, will act as the regulatory authority and will study Jamaica's electric service needs to ensure that the JPS Company complies with the requirements of its licence. It will also limit the company's rate of return to "2.5 per cent above the point in the immediately preceding year of the gross redemption yield on the then latest external long-term loan bonds of the Government issued in the United Kingdom". After consulting with the company, the commission will also decide upon the standards of construction to be used. While awaiting establishment of a Jamaican Bureau of Standards the JPS Company will adopt the "Safety Rules and Construction Standards" of the National Bureau of Standards of the U.S. Department of Commerce (Handbook H81).

Many Canadian electrical equipment manufacturers and consulting engineers have had wide experience in both domestic and foreign power projects and they should be able to compete in supplying Jamaica's growing electrical needs. Contracts for the engineering, generating equipment, and distribution and service lines for the JPS Company will be on a competitive world-wide basis. Only the engineering contract for the 30,000-kilowatt unit to be installed by October 1967 has been let so far. The remaining contracts for this \$110 million scheme are still to be awarded. Canadian consulting engineers and electrical equipment manufacturers who are interested in receiving more details about the JPS Company's expansion program should contact without delay the Commercial Secretary, Office of the High Commissioner for Canada, P.O. Box 225, Kingston, Jamaica. ●

Jamaica's Work Permit Legislation

IN December of last year the Jamaican Government introduced legislation—Foreign Nationals and Commonwealth Citizens (Employment) Act—making it necessary for certain groups of commercial visitors to obtain work permits before being allowed to transact business here. Any businessman coming to this country to solicit orders directly, for example, was required to secure a permit.

On the other hand, it was generally believed that businessmen visiting Jamaica to investigate the market here for their product, appointing or visiting an agent did not require a permit. (See the article "Why Not Visit Jamaica" in the July 10, 1965, issue of *Foreign Trade*.) This interpretation has now been substantiated by a recent amendment to the Employment Act which states that for a period of up to 14 days in any one calendar year, persons who visit Jamaica on behalf of a principal abroad, in connection with the appointing of, or for the purpose of having business consultations with, a local business agent or a local distributor may do so without obtaining a permit.

In recognition of the need for outside assistance, particularly of a technical nature, to help in the establishment and expansion of local industries and other businesses, it has also been decided that for a period of up to 14 days in any one year persons who visit Jamaica to inspect the plant, machinery or equipment of any factory or other industrial works or give technical advice on the operation of any local undertaking, business or enterprise of any kind shall be exempt from the provisions of the Employment Act.

It should be noted that despite the changes in the work permit legislation, any businessman coming to Jamaica with the primary purpose of soliciting orders directly and on his own will require a work permit.

Application forms for work permits can be obtained from the Office of the Jamaican High Commissioner (Royal Bank Building, Sparks and Metcalfe Streets, Ottawa) and the completed forms should be sent to the Ministry of Home Affairs, P.O. Box 467, Kingston, Jamaica. ●

British Honduras

Expansion of agriculture, construction of a new capital, and improvements to existing transportation and communications call for an expenditure of \$48 million under a Seven Year Development Plan. There are now opportunities for increasing Canadian sales.

P. HO FATT,

Commercial Assistant, Kingston.

THE British Honduran Government has placed primary responsibility on the agricultural sector for the future economic development of the country. The Government, as in the past, will call upon the two main export industries, sugar and citrus, to play a major role in its recently published Seven Year Development Plan. It has established production targets and expects by 1972 a fivefold increase over the 1964 output of 33,000 tons of sugar. Tate and Lyle Ltd. will build a second sugar factory to reach this production goal. The Plan also calls for the area under citrus cultivation to increase from 6,500 to 10,000 acres within five years.

Plans to Broaden Economy

Plans are also going ahead for the steady development of the livestock industry and call for an increase in cattle from the present 25,000 head to at least 125,000 by 1972. Negotiations are already under way for the establishment of a modern abattoir to be financed by a consortium of local and foreign interests. The output of this plant will be chiefly for export and because of a world shortage of beef, the possibilities are promising. A pilot scheme to grow Virginia-type tobacco has also begun and within the next three years tobacco should cover at least 1,500 acres.

The emphasis being placed on agricultural development as the

chief means of achieving a self-sustaining economy is not surprising in view of the rather limited resources, apart from land, of British Honduras. Moreover, the small domestic market inhibits any attempt to establish large-scale manufacturing operations. The production of goods suitable for export is being encouraged, however, and a United States firm has set up a plant to produce garments for the U.S. market. Efforts are also being made to promote light and secondary industries and the tourist industry by setting up a Development Finance Corporation and by offering liberal incentives.

Capital Will Be Relocated

Building activities should receive a boost when construction of the new capital begins shortly. The present capital, built on low-lying lands near the sea, was badly damaged by Hurricane Hattie in 1961 and to prevent a reoccurrence, the new capital will be built on a site fifty miles inland. The first stage of this project, it is estimated, will cost approximately \$12 million and the British Government has promised to provide approximately \$11.5 million in soft loans or grants. More money will be needed, however, to put up the necessary housing and public utilities and private capital will no doubt be considered.

The Government, as well as providing the roads and services necessary for the new capital, is trying to hasten the improvement of existing roads, harbours and telecommunication facilities. Out of a pro-

posed expenditure of \$48 million under the Seven Year Plan, \$18.5 million has been allocated to public works and services; this emphasizes their importance to the future economic development of the country.

Canadians Could Sell More

The British Honduras agricultural development program is progressing well but there have been some setbacks caused by the depression in world market prices for sugar and citrus, and by a cutback in lumbering operations. Despite these obstacles business conditions in British Honduras continue to be promising and prospects are bright for the sale of Canadian goods in the following categories:

(1) Construction materials and supplies in general for the building industry which is progressing at a steady pace and in particular for the new capital. The British, because they are financing part of this project, will probably insist on the use of their own materials but there should be some opportunities to sell Canadian building materials and supplies.

(2) Equipment and materials for the improvement of roads, harbour, civil aviation and telecommunication facilities. Modernization of transportation and communication facilities is important, as mentioned previously, to the future economic progress of the country and the Government is doing its utmost in this field. Canadian manufacturers of related equipment should

therefore pay particular attention to developments in this sector of the economy.

(3) Electrical appliances. Firms in British Honduras have indicated an interest in Canadian-made appliances such as gas ranges, refrigerators, etc. Britain and the United States have in the past dominated the market for these imports, but Canadian manufacturers are making steady progress as a result of the competitive prices and high quality of their products. Several Canadian firms are already represented and selling in British Hon-

duras but there is still room for a few more.

(4) Foodstuffs. British Honduras imports nearly all the foodstuffs it requires. Because a number of Canadian food products are already established here it should not be too difficult to increase sales.

The British Honduras market is a relatively small one, with annual imports totalling approximately \$25 million. It remains, nevertheless, a good outlet for Canadian goods and should not be neglected or ignored by Canadian businessmen. In 1964 Canadian exports to British Hon-

duras increased nearly 40 per cent over the previous year—from Can.-\$697,634 to \$972,669. It should be possible to maintain, if not increase, this rate of growth.

Canadians should write to our Kingston, Jamaica, office about any product they may have to offer to this market. We will undertake a market survey and if prospects are encouraging will recommend a personal visit to British Honduras. This visit is easily made when businessmen are visiting the southern United States or Central America because there are air connections from those areas to Belize City. ●

Discover the Cayman Islands

These islands cover less than a hundred square miles and their total population is only 8,500. But last year they spent almost Can.\$3 million on imports. A business visit to this tourist paradise could result in sales and help raise Canada's share of the market.

D. I. DITTO, *Assistant Commercial Secretary, Kingston.*

COLUMBUS made one of his last discoveries in the New World in 1503—the Cayman Islands. They became a British colony in 1670 and, favourably located for trade in the days of sail, were well known as a port-of-call. However, with the advent of steam the Caymans lost this prominence and became increasingly remote until the development of modern air communications. Now, as a link in international air routes, they are among the newer and developing tourist areas in the Caribbean.

The Islands lie some 180 miles west of Jamaica and 475 miles south of Miami, Florida. Grand Cayman, the largest of the three, covers approximately 76 square

miles. Little Cayman and Cayman Brac are about 58 miles northeast of Grand Cayman, approximately the same size and together have an area of 20 square miles. The Islands' total population is 8,500, of which over 7,000 live on Grand Cayman; all are English-speaking.

Economy Based on the Sea

Caymanians depend on the sea for their livelihood unlike the inhabitants of many of the other Caribbean Islands who work plantations. They are traditionally fishermen and renowned sailors; in fact, at least a thousand are at sea at any given time, either fishing or serving as crew members on ocean-going vessels. Their wages are

largely responsible for keeping the Islands financially self-sufficient and providing them with foreign exchange to spend on imports.

The century-old cottage industry of ropemaking finds a ready market in Jamaica for its products because its thatch rope is inexpensive and highly resistant to decomposition in salt water. Other exports include shark skins and turtle meat, skins and shells.

Imports, on the other hand, are disproportionately large because the land is unsuited for cultivation and almost all consumer goods must be imported. Caymanians spent approximately Can.\$3 million on imports in 1964; of this only \$39,894 was on Canadian goods which included hardware, flour, tires, canned fish and spirits.

Market Growing and Accessible

Canadian exports, although still small, have risen in the past two years. Improved transportation is one of the reasons for this increasing trade. Regular shipping services

link Montreal, Halifax, and Kingston, Jamaica, and a new daily trucking line operates between Montreal and Toronto and Miami, Florida. All connect with three smaller shipping lines which ply between Jamaica, Florida and the Cayman Islands. Moreover, Air Canada flights to Jamaica connect with a thrice-weekly BWIA flight out of Kingston to Grand Cayman and two Caribbean airlines offer flights six days a week from Miami to Grand Cayman. A chartered flight between Vancouver, B.C., and Grand Cayman began last year and now carries Canadian tourists and some cargo every three weeks during the tourist season from November to May.

The tourist industry is becoming increasingly vital to the Islands' economy. In 1964, 4,000 tourists, compared with 2,000 in 1962, visited the Islands and this resulted in an expansion of tourist facilities.

Of the dozen hotels, guest houses and cottage groups on the islands, two of the largest are Canadian-owned. Uncrowded white-sand beaches, excellent fishing and the opportunity for skin diving off the coral reefs or around the 325 known shipwrecks are beginning to attract visitors—tourist and foreign investors alike.

Opportunities Await Canadians

Some Canadian businessmen have only recently discovered that the Islands offer opportunities for export sales. Prospects for increased Canadian exports to the Caymans appear to be mainly in hardware, foodstuffs, and articles for the tourist trade. Canadian goods entering the Caymans must, of course, compete with products coming from Miami and Jamaica, but with improved transportation links, Canadians should not be precluded from a larger share of the

market. Belgium, Germany, Italy and Britain as well as the United States and Jamaica are now the major suppliers to the Caymans. Two proposed housing developments on Grand Cayman, providing 2,000 homes chiefly for retired couples, and new hotel, office, and store construction are possible outlets for Canadian construction materials.

Foodstuffs not only offer the largest market but the greatest competition. Food is the major import but because the three largest grocery outlets are affiliated with co-operatives in Florida, price and quality of Canadian products must be competitive. Fresh fruit and vegetables like apples and potatoes and fresh, frozen and pickled meats should sell well in the supermarkets. Canadians might also sell quality meats and canned goods to hotels but would face competition from suppliers in Miami. Canadian liquor, cigarettes and souvenir jewellery should find a ready market in the expanding tourist trade.

Tourist attractions and business opportunities exist side by side in the Cayman Islands. If you are travelling in the Caribbean, why not visit them and combine business with pleasure. Our office in Kingston, Jamaica, will be pleased to help. ●



Seven Mile Beach on Grand Cayman is the site of the Beach Colony Hotel. The tourist industry is becoming more and more important to the islands, and Canadians are among the developers. Two of the largest tourist facilities (there are about a dozen) are Canadian-owned.

Bahamas

Steadily growing tourist trade, rise in income from tourists, and booming construction industry make this a lucrative market. Exports from Canada doubled last year to reach \$9 million.

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



Lush foliage frames this view of the harbour at Hope Town, Abaco. Like many of the others in the Out Islands of the Bahamas, this one is virtually unchanged from the days when it was settled by Loyalists who came here during the time of the American Revolution. Today tourists come from all over the world.

THE PRINCIPAL BUSINESS of the Bahamas is tourists. One estimate often given is that 80 per cent of its revenue comes from this source. In addition, the islands derive income from exports of pulpwood lumber, vegetables and salt. Industrialization is limited but is now beginning not only in Nassau but also in Freeport on Grand Bahama Island. Because the tourist trade was particularly buoyant in 1964, business conditions in the "Islands of June" last year were excellent and the Bahamas today represent a promising market for Canadian exporters.

More Tourists Coming

Last year 600,000 people visited the Bahamas. The goal of the industry for 1965 is 650,000 and this figure will probably be reached. The largest June increase in tourist traffic to Nassau in many years pushed the total number to nearly 400,000 for the first half of 1965. The June performance also established the Bahamas once and for all as a year-round tourist resort.

Although the Bahamas have a total resident population of only 130,000, this large influx of visitors creates a strong demand for consumer goods, foodstuffs, liquor, etc., and also for building materials and supplies for the construction of resort accommodation. In the absence of local production, most of these requirements must be imported.

In 1964 total receipts from the tourist trade amounted to about Can.\$100 million. The majority of visitors are American but Canadians are becoming more and more Bahamas-conscious and they made up about 12 per cent of the visitors last year. New Providence Island (on which Nassau is located) has always been the centre of the tourist trade but the other islands (or Out Islands as they are called), are also being discovered by holiday-makers and resort builders from all over the world. In 1964 the number of

visitors to the Out Islands rose by nearly 40 per cent over the figure for the same period a year ago.

The boom in tourism has not come about without effort on the part of the Island authorities. The Ministry of Tourism maintains regional offices in North America and in London, carries out a great deal of co-operative advertising with steamship lines and other carriers, and uses overseas advertising and public relations agencies to sell the Bahamas to tourists. The Bahamas today apparently place more colour advertising in U.S. magazines than any other foreign government. Advertisements extolling the Bahamas as a vacation spot are also familiar in the Canadian press.

Construction

Hotels and resorts in the Bahamas have in the past year been operating at capacity. This, plus the continued expansion in commercial activities, has resulted in near boom conditions in the construction industry. The value of building permits granted during the first seven months of this year practically doubled the figure for the same period last year. From January to July 1964, permits were granted covering buildings worth \$15 million. In the same period this year, permits were issued for proposed buildings worth \$27 million. Construction projects included a \$2 million addition to the well-known Sheraton Colonial Hotel in Nassau and a \$3 to \$4 million office building in downtown Nassau. Two large new hotels are planned for New Providence Island and may be under construction soon. (A separate article on one of the Out Islands, Grand Bahama Island, and the development of tourist accommodation appears on page 19.)

Finance

Apart from tourism, Nassau is important as an international finan-

cial centre and as a location for trust companies, holding companies, and the registered offices of international trading and manufacturing organizations. More than 60 finance houses—including banks, trust companies, saving and loan institutions and finance firms—were operating in the Bahamas in 1964. Three wholly-owned Canadian banks and the Bank of London & Montreal have branches there. The first of the Canadian banks was established in Nassau in 1908 and the largest and oldest trust company is affiliated with the Royal Bank of Canada and has as chairman E. P. Taylor.

A number of factors have attracted these investment and finance firms to the Bahamas. The islands have no income, corporate, capital gains, sales or land taxes. In addition, they are politically stable, conveniently located geographically, and have a climate that makes them popular with executives and staff.

Changing to Decimal Currency

One development of current interest is the coming switch from sterling to a decimal system of currency. Original date for the change-over was June 1, 1966. Now, however, it is more likely to be April 1967 at the earliest. The new system will introduce the Bahamian dollar and the sign for this will be similar to the North American dollar sign except that a capital 'B' will precede it. There are to be nine denominations of coins and eight denominations of notes, including a 50-cent note and a three-dollar bill. In coins there will be a square 15-cent piece. (All of these should be ideal for collectors.)

The new system should bring benefits in the long run. The Bahamian dollar will be pegged to sterling but on an approximate parity with the U.S. dollar. From the tourist point of view the exchange will be simplified and prices can be expressed in both Bahamian and U.S. currency in the same way.

The use of the decimal system, once established, will not really represent much of a change because Bahamians in all walks of life are accustomed to quoting in either dollars or sterling. The switch will have little if any effect on Canadian trade.

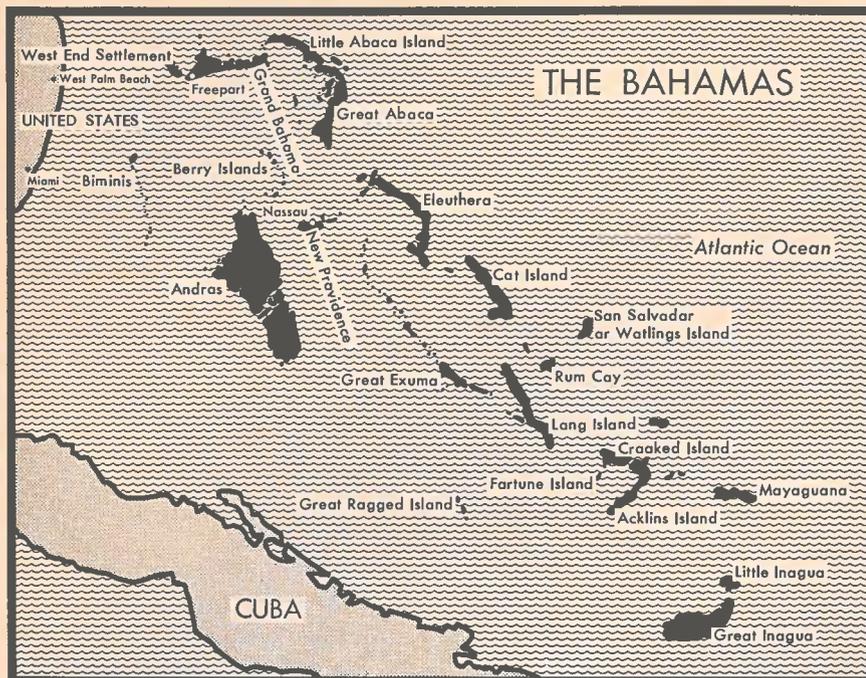
Canadian/Bahamian Trade

Canada buys limited quantities of vegetables, salt and pineapples from the Bahamas. The main contribution, however, that Canada makes to the economy of the islands is in terms of tourist trade and investment in the Bahamas. In 1964 the value of Canadian exports to the Bahamas went up by 50 per cent—from \$6.1 million to \$9 million. The principal commodities that we sold there were automobiles (\$1.2 million), evaporated milk (\$900,000), prefabricated buildings, whisky, sugar and flour.

Competition in the Bahamas is keen. The Americans are located close to the market and are able to provide good service out of Miami and other Florida ports. British companies too are firmly established in the islands. Nevertheless, Canadians have proved time and time again that they can be competitive. Shipping services to the Bahamas from Canada are good, Canadian firms enjoy the advantage of the British preferential tariff, and Canadian products are well known and accepted in the islands.

Based mainly on a flourishing tourist trade, the market in the Bahamas is growing steadily. We feel that many more Canadian products can be sold there, with the emphasis on goods that the Bahamas currently import in large quantities such as foodstuffs, apparel, toilet preparations, boots and shoes, furniture, electrical appliances, hardware and building materials.





THE BAHAMAS

Area: 700 islands representing a combined area of 4,405.5 square miles.

Population: 112,555 (1962).

Climate: sub-tropical; daytime temperature averages 72 to 85 degrees. Rainfall 30 to 60 inches a year.

Language: English.

Currency: sterling; Bahamian pound at par with sterling.

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

Weights and measures: imperial standard.

Capital and chief port: Nassau (1962 population 57,000).

Marketing centres: Nassau, Freeport on Grand Bahama Island.

Economy: based on tourism but industry becoming more important, especially in Freeport.

Banks: Royal Bank of Canada, Canadian Imperial Bank of Commerce, Bank of Nova Scotia, Bank of London & Montreal, Limited.

Total Bahamian imports: 1963—Can.\$73.5 million.

Chief imports: (Can.\$ million) 1963—food 23.5, wholly or mainly manufactured goods 47.9.

Chief suppliers: (Can.\$ million) 1963—United States 48.7, Britain 13.5, Canada 6.1, Trinidad 3.1.

Value of imports from Canada: 1964—Can.\$9.0 million; 1963. Can.\$6.1 million.

Chief imports from Canada: (Can.\$'000) 1964—motor vehicles and parts 1,388; evaporated milk 906; pre-fabricated buildings 723; alcoholic beverages 711; sugar 669; wheat flour 615; meat, fresh, frozen, canned 519.

Total Bahamian exports: \$4.8 million.

Chief exports: crayfish, salt, tomatoes, cascarilla bark, sponges.

Chief markets: United States, Canada, Britain.

Value of Canadian purchases: 1964—Can.\$411,756; 1963—Can.\$426,452.

Chief Canadian purchases: (Can.\$'000) 1964—fresh cucumbers 191, salt for fisheries 59, metal ores 24, fresh pineapples 22.

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

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

Samples: deposits required but refunded on re-export of samples. Certified invoices and packing lists must accompany all samples imported.

Visas: not required, but visitor must have a valid travel document, not necessarily a passport. Businessmen visiting the Bahamas to solicit business must obtain an Immigration Permit, which costs £10, from the Department of Immigration. When this is issued, a travelling salesman's licence is then granted. However, businessmen wishing to consult with and advise their local agents do not require an Immigration Permit.

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

Import controls, documentation, customs tariffs, marking and labelling: most goods can be imported freely. Agricultural produce governed by tariff structure which varies according to availability of local produce. For further details, consult the Office of Trade Relations, Department of Trade and Commerce, Ottawa.

Correspondence: airmail only; 10 cents per half ounce.

For detailed information on this market write to:

Commonwealth Division
Office of Trade Relations
Department of Trade and Commerce
Ottawa

or

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

Freeport: a Separate Market

Ten years of development in tourist trade and industry has created demand for building materials, hardware and consumer goods. But don't rely on Nassau agents; treat it as a separate market.

L. D. BURKE,
Commercial Secretary, Kingston.

ARE YOU INTERESTED in possible sales to one of the most quickly developing resort, commercial and industrial centres in the Caribbean? If you are, take a close look at Freeport.

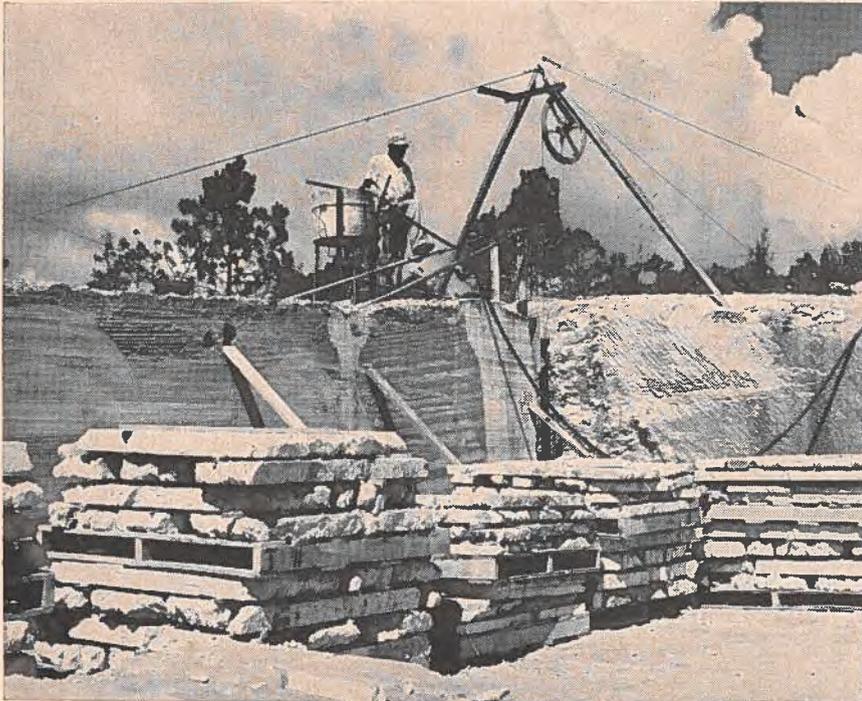
Freeport is located on Grand Bahama Island, one of the most northerly islands of the Bahamas archipelago. Only a decade ago it was literally undeveloped. On August 4, 1955, an agreement was entered into between the Government of the Bahamas and a private organization called the Grand Bahama Port Authority Ltd. This company was granted certain concessions and in return accepted the

responsibility for bringing a large part of Grand Bahama Island under development as an industrial and resort area. At the time there were criticisms and doubts about the island ever becoming a going concern. Progress in the Port Authority's concession area—later to be called Freeport—has been rapid, however, and the city has now come into its own.

Expansion Now Rapid

The first major installations in Freeport consisted of bunkering facilities for ocean-going vessels (it is one of the largest refuelling centres of its kind in the Western Hemisphere), a \$55 million cement plant (owned by U.S. Steel), and the Lucayan Beach Hotel, a luxurious building that cost \$9 million and includes a Riviera-type casino large enough for 1,000 gamblers. This was the nucleus. Additions have been built at a fast pace; in the past twelve months alone, three hotels have been put up with over 1,000 rooms.

Residential construction has also become a major activity as more and more people have decided to take up permanent residence on the Island. Industry also is expanding. Some of the industries already operating in Freeport include a block-making plant, two ready-mix cement plants, paint manufacturing, the blending of liquors, and electrical engineering. The latest addition to the industrial complex is the Syntex Corporation, internationally known manufacturers of pharmaceuticals, who will shortly begin building a plant on the island. Freeport has also been most successful as a tourist centre and in 1964 it



Rock cutting is one of the many industries at Freeport on Grand Bahama Island. Construction is playing a major role in the expansion of both industrial and resort facilities in the city. During 1965, three hotels have been built; housing and industrial starts are up. In 1964 visitors totalled 109,000; in 1963 27,000.

attracted 109,000 visitors. The year before the figure was only 27,000.

What has attracted industry, commerce and the tourist trade to Freeport? To begin with, there are no taxes; instead, firms pay a licensing fee to the Port Authority. (All companies must be licensed in order to operate in Freeport.) Second, it is close to the United States—Miami is only 87 miles away. Ideal weather and lovely beaches have lured tourists. The availability of gambling facilities has also been important but it is now only one of the attractions of this resort area.

Canadian Role

Canadians have played an important role in the development of Grand Bahama Island. Greater Freeport Industries Ltd., a wholly-owned subsidiary of Grand Bahama Industries Ltd. of Toronto, went into Freeport early. This firm operates there, among other businesses, a dairy, a construction company, a drive-in movie, a bakery, a nursery and firms that distribute building and automotive supplies. Greater Freeport Industries Ltd. has also branched out into the field of real estate and together with other Canadian interests has already put up a 124-unit apartment building and a 168-room hotel, which has been designed to cater especially to underwater and skin-diving enthusiasts.

Because of the rapid development imports into Freeport have risen sharply. Although it is only 45 minutes by air from Nassau, it is almost an entirely separate market. There are some Bahamian companies with offices in Nassau and Freeport that are able to represent overseas firms in both cities, but they are few in number.

To sell in Freeport a Canadian firm must normally do two things: first, visit Freeport (otherwise you cannot hope to compete with the Americans whose representatives are often there), and second, appoint a separate representative

there. This usually means shipping to a distributor who can hold stock.

Shipping Goods

You can fly to Freeport via either Nassau or Miami, and in December Air Canada will be starting a weekly service direct from Toronto to Grand Bahama Island. Because trade is well organized in Freeport, two days will normally be enough to determine whether your products can be sold there. Ships from Eastern Canadian ports sail to Grand Bahama and a daily trucking service operates between Ontario and Quebec and Miami, West Palm Beach and Port Everglades. Each method of shipping has its advantages. The trucking service operates in the following way. The Canadian trailer arrives in Miami or West Palm Beach. The goods are transferred directly from the Canadian trailer to the Freeport trailer and the latter is loaded onto a ship and transported to Grand Bahama Island. On arrival in Freeport, it is rolled off and towed to the customer's warehouse. Partial shipments can be combined and, if necessary, sent directly to a customs broker in Freeport for distribution. The trucking service now guarantees delivery within one week from Ontario or Quebec to Freeport. Goods moving by water can either be shipped directly to Freeport (a regular monthly service is in operation) or forwarded to Freeport via Nassau.

Freeport is not a free port in the strict sense of the word. Firms in Freeport licensed by the Port Authority do not normally pay duty for the goods they require for their own operations. Duty is payable, however, on consumer products such as food, clothing, spirits, etc.

Market Has Expanded

The market for imported goods is growing rapidly and is now worth about \$25 million a year. Opportunities for Canadians are best in consumer goods, where duty must be paid and where we have the ad-

vantage of the British preferential tariff. There are also good prospects for building materials, hardware, plumbing supplies, hotel furnishings and similar items needed in the construction of homes, hotels and commercial establishments in Freeport. There is only limited scope at present for industrial materials and equipment but that field is gradually opening up.

The merchants in Freeport want to do business with Canada. Our suggestion to Canadian exporters is that they should not overlook this market. If you can set aside two or three days, you can investigate Freeport as an outlet for your goods by flying down directly from Canada. On the other hand, if you are visiting the Caribbean, be sure to include Freeport and Nassau. You could open up a worthwhile market for your lines in the Bahamas.



Trade Commissioners on Tour

In Territory

Cyprus—B. C. Steers, Commercial Secretary in Tel Aviv, Israel, will visit Nicosia, Famagusta and Limassol during the week beginning November 28.

India—R. R. Parlour, Commercial Counsellor in New Delhi, will visit Calcutta December 6-9.

Puerto Rico—J. E. Kepper, Acting Commercial Secretary in Santo Domingo, Dominican Republic, will visit San Juan January 10-14.

Saudi Arabia—I. V. Macdonald, Commercial Counsellor in Beirut, Lebanon, will visit Jeddah December 3-9.

Thailand—J. H. Bailey, Trade Commissioner in Singapore, will visit Thailand for the week beginning November 29 and for the week beginning January 3.

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

Enterprising Exporters in the Caribbean

Volcano Seeks for Service

JAMAICA has been for many years now one of the most important export markets for our Volcano products. As manufacturers of automatic heating equipment—including fire-tube boilers from 5 to 500 h.p. and water-tube boilers from 9,000 to 70,000 pounds of steam per hour—it is impossible for us to hope to export to any country until we have found a reliable and efficient representative, equipped to give 24-hour service on our boiler/burner units.

Packaged boilers today are built to assure maximum safety and efficiency and this can only be obtained by using electronic controls. It is therefore evident that only specialized technicians can be used to sell and service our boilers properly.

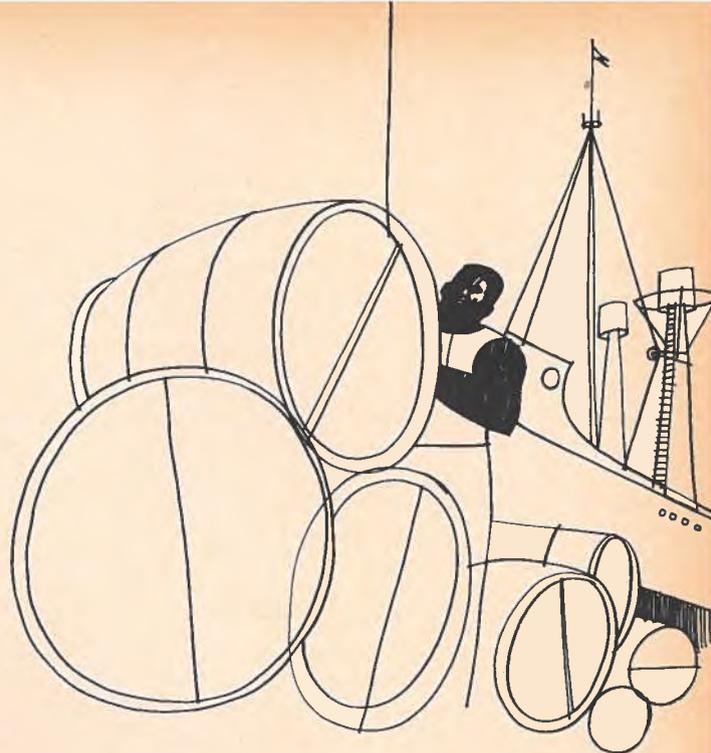
Our best method of locating this type of representative has always been and probably always will be through the Canadian Trade Commissioners. These people have spent considerable time investigating the proper agents and have then referred them to us to complete the final arrangements.

Our normal procedure when working with Trade Commissioners is to send them catalogues of our products. With these, they are in a good position to contact people who might be interested in selling our products or even making them under licence if they have the necessary facilities.

In Jamaica our agent, the Technical Supply Co. Ltd., contacted us after hearing through an engineering firm that we were looking for a representative for the British Caribbean. The first contact was made early in 1960 and after a serious investigation and a visit to Jamaica, we reached an agreement with the firm. Our exports to Jamaica have progressed regularly from then on and we are happy to say that at present, Technical Supply Co. is one of our most important export agents.

We are, of course, advertising regularly in the *Canadian Trade Index* and have on special occasions advertised in trade publications covering export markets.

—J. L. MELOCHE,
Executive Assistant, Volcano Limited.



Duro Stresses Good Agents

OUR experience with the markets of Jamaica and Trinidad goes back to the early thirties and is characterized by long association with the same agents in these two markets. For exporters wishing to sell in these areas or in any other export markets, the choice of an agent is very important. There are many who call themselves agents and are keen to take on easy selling lines but they become easily discouraged when progress is slow in establishing the line. There are others who are lazy and slow and slipshod with correspondence and order-writing. Still others will sell any account without regard to their financial responsibility, resulting in bad debts or costly clearance delays for the exporter. An understanding that no commission will be paid until the invoice is met in full encourages selectivity on the part of the agent.

The best method of finding an agent, other than following the recommendation of a reliable non-competing fellow exporter, is to seek the assistance of our man on the spot, the Canadian Trade Commissioner responsible for the market concerned. He functions as an exchange between agents looking for lines and lines looking for agents. It is obviously a great advantage if an exporter can meet a potential agent before the choice is finalized and can brief him in detail on products, prices and procedures, at the same time learning the peculiarities and problems of the particular market.

Certainly it is desirable that the market be visited (preferably on a serious business mission rather than as a quick stop-over on a cruise) as frequently as the potential profit justifies. One benefit I found resulted

from meeting our agents in their markets was that it assured them they were not forgotten, apart from the occasional letter, and helped them to identify themselves with our company and take a personal satisfaction in selling our goods. Face-to-face contact gave the agents a chance to ask questions and make helpful suggestions which they would hesitate to put in a letter to a remote unknown. All sales executives know it is important to develop good personal relationships with their domestic sales people. The same holds good for their export representatives, who have the added hurdle of distance from home office.

A visit to a market also develops a personal interest in that market on the part of the exporter, as well as an obvious improvement in his knowledge of its characteristics. The selling value of his calls on customers in export markets is generally far greater than that of a call on a domestic customer because of the comparative rarity of a visit by someone from the plant. It helps to develop a personal identification between the customer and the exporter which the agent, who normally handles many lines and is a local man, cannot achieve on his own.

You will hear first hand about the unnecessary missteps which irritate customers—slow, incomplete or inaccurate documents which delay clearing the goods or increase custom duties, unnecessary cubic volume which increases the ocean freight bill, inadequate packing in the face of the rougher handling which is difficult to avoid in export shipments by sea. When you are shown the mistakes other exporters are making, it makes you very conscious of what to avoid in your efforts to keep the laid-down cost and the clearance and claims headaches to a minimum for your customers.

Local competition is increasing in many of our Caribbean markets, as governments naturally encourage local industry to provide employment and lessen dependence on imports. This results in the entry of many products being prohibited entirely or put on a restricted import licence basis. Here again, an intelligent and energetic agent is essential to assist customers in securing permission to import wherever possibilities exist.

Much has been written about pricing for export. We have had little pressure for pricing on a c.i.f. basis in these markets and we have avoided it because every change in ocean freight rates means your lists are out-of-date. However, since my visit we have added another column to our price lists which gives the estimated c.i.f. cost for each item in each market, and these have proved remarkably accurate. We have also calculated for each agent a simple factor with which he can multiply the estimated c.i.f. price in Canadian dollars and get the sum in shillings or in BWI dollars, as the case may be, at which the item would be retailed to make the accustomed mark-up, having paid the regular rate of duty. This allows him to make a quick comparison of the items he has which are likely to be

competitive with those he sees in his customers' stores. It saves him wasting time trying to sell those items the customer is retailing at 45 shillings and which his factor tells him would have to be sold at 60 shillings if replaced by his brand.

To offer good value is always essential for success in any market. In export markets, the problems are normally compounded by distance and different customs. To overcome these we feel the essential extra ingredients are a good agent, prompt shipping in the smallest cube compatible with safe transit, and accurate and speedy documentation. And, of course, a personal visit to the market if this is a reasonable possibility.

—W. G. SHAMBROOK,
*President, Duro Aluminum Limited
and Duro Metalwares Limited.*

Bennett Briefs Its Agents

OUR FIRM, Bennett Limited, turns out shoe supplies, such as counters moulded to fit the last, ready-built heels, fitted insoles, and plastic shoe parts, including heels. In the postwar years, the British Caribbean and especially Jamaica has proved to be one of the most responsive markets for our goods.

Until fairly recently, the shoe industry in Jamaica remained extremely small but in the last ten years or so, many new factories have been opened and the industry has been progressing very rapidly. About the time this expansion began, a progressive agent in Kingston, the Intertrading Corporation Limited, applied for our agency, which was granted to it. We had the director come to our office and plant at our expense and had him spend some time here to familiarize himself with our products, the method of manufacturing them, and their application. A few months after he returned to his country, I went to Jamaica to make the round of his customers with him and from then on, our business there started to grow and is still growing. From time to time I or someone else from our organization goes to Jamaica to visit with customers and our agent also comes to our office to discuss problems, see new developments, and so on. In the past few years our sales of shoe supplies there have increased by leaps and bounds and there may come a day when we shall have to study the possibility of manufacturing some products on the island.

We feel that our success in Jamaica—as in any foreign country—depends in a very great measure on the loyalty, aggressiveness, reliability and competence of the agent. The exporter must see to it that the quality of his goods is dependable and that they are priced right. He must sometimes be willing to go out of his way to develop new lines or variations of his existing

lines to meet requirements in other countries. He must keep in close contact with his agent and customers at all times; a visit to foreign customers by an executive of the company flatters them and increases goodwill on their part.

All market research in Jamaica has been and is done by our agent. We have no special methods of advertising and promotion and as a matter of fact we never publish any advertisement of any kind in news media. Our service and quality constitute our advertising.

—ARMAND AUCLAIRE,
Vice-President, Sales, Bennett Limited.

These Are Individual Markets

APPROXIMATELY six years ago, S. Coorsh & Sons Ltd. entered the British Caribbean market. Our entry into the area was prompted by a need for an expanded market for barrelled beef.

The first step towards finding a foreign market was contact with Canadian Trade Commissioners. Our experience in this instance was a positive one. We found that Trade Commissioners were able and willing to provide complete information on all markets which would be helpful to our specific industry.

After a careful study of the information received from the Trade Commissioners, we decided to look further into the Caribbean market. We felt that the best approach was an on-the-spot study of the situation. Robert Thivierge, then general manager of Coorsh and now vice-president of the company, went to the Caribbean to make a market survey of the types of products that would sell in the area.

Following the initial visit, research was carried out on the product found to be acceptable to the largest number of consumers. As a result of this research, Coorsh was the first meat processor in North America to put barrelled beef into a 34-pound pail. This type of packaging was well accepted by the individual Caribbean markets.

It took one visit from our company executive to realize that each Caribbean market was different. Although the market as a whole was similar to the North American market in that products had to be of good quality, individual markets required a different manner of doing business. Although the product was the same, it had to be packaged under different names for each market to cater to the food habits of the people. The barrelled beef, sold under various names, is used mainly to flavor stews and rice. It is accepted widely because it keeps well despite the lack of refrigeration.

It took two years to obtain the standing we now have in the Caribbean market. No media advertising was used to put our name before the public. For the

most part, the people who buy our product do not show the same interest in newspapers, radio or T.V. as our Canadian consumers do. Too, we were confronted with the fact that there was a great deal of Canadian competition in the area and we were the latecomers.

Again, on-the-spot research by staff came to the rescue. Packaging was important. Consumers related brand to product, and some easy reference on the outside of the package was a must.

It was essential that the name be conspicuous in a number of places on the tin. The pail was moved around the country and people began to connect it with the Coorsh brand name and the fact that the product was of good quality. Since the tin was reusable, the brand name was before the public constantly. We are now known widely as "the people with pails".

One agent, T. Geddes Grant, handles our product in Barbados, Trinidad, Jamaica and British Guinea. Markets in the Windward Islands are handled through a Montreal broker. However, someone from Coorsh management visits the Caribbean at least once a year. People who handle our product in the Caribbean visit Coorsh regularly in Montreal in order to keep up our close relationship.

We have found that Canadians and Canadian products are well received in the Caribbean, which is a plus on the Canadian side in terms of competition from other countries.

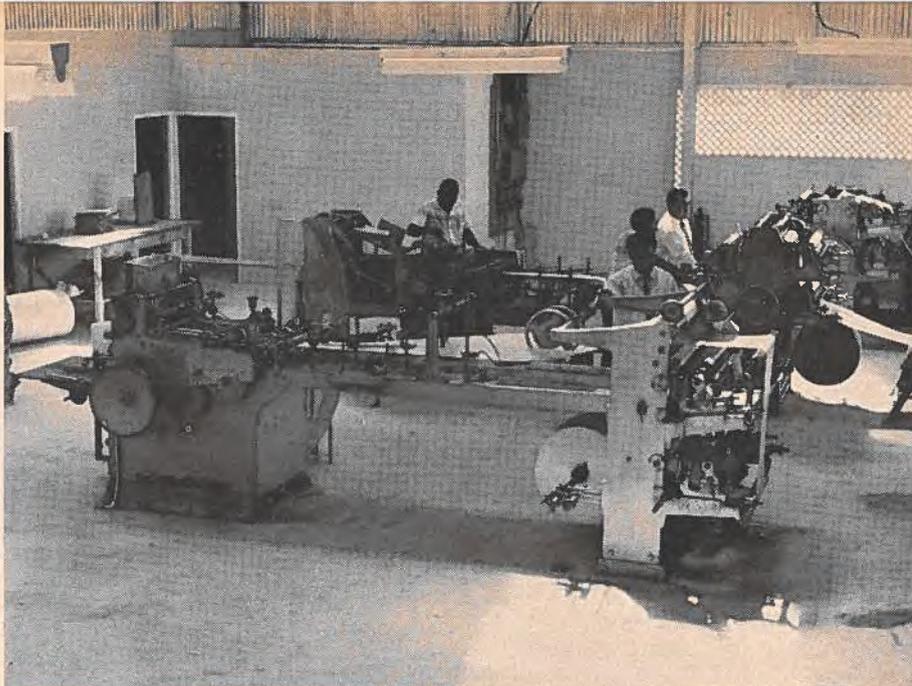
The following steps are suggested for companies which are thinking of entering the Caribbean market.

1. Work through the Trade Commissioner.
2. Visit the islands for an on-the-spot analysis. One cannot generalize in terms of an over-all market. As we have indicated, each island area must be approached in a different manner.
3. Make products to suit the market and keep quality high. Unlike North American markets, the buying habits cannot be influenced and changed.
4. Give careful consideration to the fact that modern merchandising is moving into the area at a rapid rate. For example, Trinidad, Kingston and Barbados already have supermarkets and one or two discount houses.

We have come to realize that these markets are very important. As a consequence, we are researching new products for them. On the other side of the coin, it is our feeling that Canadian companies have a responsibility to these Caribbean countries to provide products of top quality and to help in the expansion of their economy.

—N. MATHESON,
General Manager, S. Coorsh & Sons Ltd.

Trinidad and Tobago



Set in a spacious, well-lit location, three of the largest machines of the I.S.S.A. Nicholas paper bag factory in Port-of-Spain turn out a variety of products.

Canadian exports to this Commonwealth country rose 10 per cent in 1964, and 15 per cent in the first half of 1965. However, our share of the total market was unchanged. Opportunities exist for greater sales but Canadian exporters will have to increase promotion efforts.

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

FOR TRINIDAD and TOBAGO 1965 has been an eventful year. Already well launched on an economic development program, it embarked on a policy to promote the establishment of new industries producing import substitutes. The country's important oil industry, although making gains in processing facilities (including Texaco's new \$10 million plant) has suffered a further decrease in crude production. In the first six months of this year it produced 23.94 million barrels compared with 25.04 million in the same period last year. The sugar industry, backbone of employment, is in difficulty because of high production costs and the low world sugar prices. Trinidad may benefit from the increased demand and prices for coffee, but it continues to suffer from the depressed world market for cocoa. It is also experiencing problems in

growing coconuts because of rearing disease which affects the trees.

Trinidad now has branches of two United States banks—the Chase Manhattan Bank and more recently the First National City Bank of New York. In another part of the financial world the Roy-west Banking Corp. of Nassau, entered the mortgage and development financing field and the Bolam-Barclays Finance Co. was formed. The island will also mark the first anniversary of its own national currency on December 14, 1965.

During the year, the Trinidad and Tobago Tourist Board increased its efforts to attract tourists from North America; travel agents, the government-owned Hilton Hotel and the British West Indies Airline are co-operating. Plans call for a \$15 million British-financed hotel and resort development at Scotland Bay on the northwest corner of the

island; several less spectacular projects are reportedly in the discussion stage.

Stiff competition from abroad and from local production continued to restrict expansion of Canada's share of this traditional market in 1964. Although Canadian exports to Trinidad and Tobago rose 10 per cent to \$17,790,818, our share of the island's

TABLE I
CANADIAN EXPORTS TO TRINIDAD
AND TOBAGO

	1963	1964
	(Can.\$)	
Total	16,213,071	17,790,818
of which:		
Fancy meats, cured	249,888	241,587
Cod, heavy salt	783,668	740,332
Sardines, canned	222,647	311,616
Milk powder skim milk	273,048	226,961
Wheat flour, n.e.s.	3,039,573	3,020,550
Apples, fresh	214,747	266,389
Potatoes, n.e.s.	383,809	289,832
Lumber, western red cedar	536,087	487,822
Newsprint	470,736	394,247
Rigid insulating board	91,282	211,432
Broad woven fabrics, cotton n.e.s.	357,214	370,388
Passenger autos and chassis	204,294	486,510
Refrigerators and freezers, household	280,528	439,484

FOREIGN TRADE

merchandise trade (oil excluded) slipped to 9.2 per cent. Canadian exports of \$9,561,595 in the first half of 1965 were up 15 per cent over the same period in 1964, but the island's total merchandise imports also rose 15 per cent and our share of the market was unchanged.

Trinidad's major suppliers, Britain and the United States, together supplied nearly two thirds of the island's imports in 1964. They also supplied the toughest competition in this market but more distant countries, notably Australia and Japan, are now seeking a share of it. Table I lists Canada's major exports to Trinidad and Tobago.

Principal Crop in Trouble

The mainstay of Trinidad's agriculture is sugar. Aside from the predictable and sizable problems of weed and pest control, production is low because of small holdings and little mechanization. The result is a cost of production much higher than the prevailing world price and only marginally below the negotiated price at which most of the country's crop is sold under the Commonwealth Sugar Agreement. Although discussions continue in the hope of establishing a higher negotiated price there appears to be little prospect for improvement during the next few months. In the meantime the Trinidad Government has embarked on a far-reaching land settlement and livestock development program in an effort to employ surplus labour, reduce imports and diversify the pattern of traditional estate agriculture (which also includes cocoa, coffee and coconut).

Industrialization Fostered

In 1950, Trinidad enacted its "Aid to Pioneer Industries Ordinance". Since then, the government has expanded its incentives for and protection of new manufacturing and tourist facilities. Approved "pioneer" industries are granted five to ten year tax holidays, duty free imports of machinery and

supplies, accelerated depreciation schedules, and unrestricted repatriation of capital and profits as well as protection against import competition. The Industrial Development Corporation, established in 1959, rules on all applications to import the manufactured items that appear on the "negative" list and assesses the ability of local manufacturers to produce similar or substitute items. The corporation, when it learns of a particular demand through its review of import license applications, often tries to persuade local industries that they are capable of manufacturing the article in demand. On occasion, it has been found that local manufacturing capabilities are insufficient to supply the market or that the local product is more expensive or, in quality, not equal to an import. More than one hundred firms with a combined investment of nearly \$150 million were established in Trinidad by the end of 1964.

More than 30 plants are now in various stages of planning and six others are under construction; combined investment is over \$50 million. Recent additions to Trinidad's manufacturing community include a shrimp processing plant, a writing pad manufacturer, and a flour mill (late 1965 opening). Plans are under way for a meat canning and processing plant, gas cylinder assembly plant, an automobile assembly plant, a steel mill, a feed mill and a dockyard.

Second Five Year Plan

Trinidad's Second Five Year Plan (1964-68) has for its major objective reduced dependence on petroleum through accelerated growth in manufacturing and agriculture. Heavy emphasis is being placed on employment because 14 per cent or more of the labour force is unemployed and the population is growing rapidly. Trinidad's First Five Year Plan was financed largely through budget surpluses and internal borrowing. However, efforts are being made to finance most of

the \$170 million public investment of the current plan through the World Bank, other international and national aid agencies, and foreign bond issues. Capital inflow and growing government debt resulting from development expenditures is exerting pressure on prices but this has been tempered by the government's fiscal and monetary restraint.

Important projects in the Second Five Year Plan are: second stage of trunk dialling telephone system, first phase of a landing fish market and fishing boat harbour, a \$3.5 million port development project, an airborne land-use survey, a low-cost housing project and development of the newly organized National Transit Authority.

Tourist Development Lags

The Trinidad Carnival draws tourists from all parts of the world but accommodation is limited with the result that during the rest of the year fewer tourists visit Trinidad than Barbados. Nevertheless the island is making vigorous efforts to increase tourist facilities and to sell Canadians and Americans on the idea of a winter vacation in the sunny Caribbean. Heading the promotion is the Trinidad and Tobago Tourist Board which has the co-operation of hotels, travel agents, and airlines. In addition to introducing its "Sunjet" (Boeing 727) service and packaged tours, BWIA is completing plans for the operation of a thrice-weekly service between Trinidad and Venezuela, and is negotiating for the extension of its British Guiana service to Surinam. To meet the demand that these additional services will impose on its aircraft BWIA is adding a fourth Boeing 727 to its fleet. Air Canada and Pan American Airways already schedule frequent service from North America to Antigua, Barbados and Trinidad.

Market Competitive

Trinidad is more demanding than most small markets; it is price-conscious but is also fast becoming

a sophisticated mass consumption market in the North American sense. Brand awareness is growing and is nourished by a well-developed advertising industry that employs newspaper, radio and television media as well as outdoor, and point of sale techniques. When merchandising supermarket and department store products, Canadian exporters face world-wide competition of the first order. In the field of raw materials and semi-

processed goods, Canadian shippers have, on occasion lost the edge of preferential tariff because the new industries enjoy duty-free import privileges. Even traditional suppliers must complement favourable dollar exchange and good delivery by a vigorous sales and service approach to the market.

In spite of increased competition from local and imported goods excellent opportunities for sales of Canadian products still exist in

many fields. Canadian exporters are urged to accelerate their promotion efforts in this growing market. The tariff preferences which continue to apply, particularly to manufactures, and the favourable exchange rates provide advantages to Canadians. Firms prepared to make a continuing sales effort should send descriptive literature and prices to the Commercial Secretary, Port-of-Spain, for an assessment of sales possibilities. ●

Barbados

Drop in price of sugar may affect 1965 earnings, but tourist trade is taking up some of the slack. Government plans to diversify agriculture, attract more industry. Canada now holds nearly 12 per cent of the import market, which is rising by 10 per cent a year.

LORNE D. R. DYKE, *Commercial Secretary and*

DAVID H. CLEMONS, *Assistant Commercial Secretary, Port-of-Spain.*

BARBADOS is expected to have some 180,000 or more tons of sugar and fancy molasses available for export this year. Canada and Britain provide an assured market for 163,000 tons and an additional 5,000 tons was allocated to Barbados under the West Indies quota of the U.S. Sugar Act. Another 12,000 tons is sold locally. Although this seems like a healthy marketing situation, price is the problem. In August of this year the world price of sugar was approximately £21 a ton, which is said to be about half the cost of making sugar in the West Indies.

Under the Commonwealth Sugar Agreement, Barbados can sell up to 136,000 tons at the negotiated price of £46 per ton. Then sales to Britain and Canada are made at the prevailing world price, with the

benefit of a preferential tariff. Any left over has to be sold at the world price with no preferences. The drop in the world sugar price has not yet affected the island's economy seriously but the strains associated with heavy dependence on a single crop—the major employer and earner of export income—are increasingly evident. But there are several compensating factors, the most important of which is probably tourist income.

The popularity of Barbados as a sunny, relaxing holiday spot, particularly for North Americans in winter but also for Venezuelans and West Indians (and some North Americans) in the summer, continues to increase. In 1964, the number of tourists rose 7,000 over 1963, to 57,598 (some 10,000 of these were Canadians). In the first

quarter of 1965, there were 5,000 more arrivals than during the same period in 1964. In January and February, Barbados earned WI\$3.16 million in hard currency as against WI\$3.02 million in 1964. Ninety-five cruise ships stopped at Bridgetown in 1964 (75 in 1963).

The tourist industry is especially encouraged by the increase in the number of off-season visitors. In April-October 1964, there were 24,805 tourist visitors compared with 12,439 in 1959. Hotel proprietors report that 1965 is "very much better" than 1964 and that occupancy has frequently reached 100 per cent. Several hotels are expanding their facilities and two new ones, including the Barbados Hilton, are under construction.

Industrialization Under Way

Manufacturing and processing industries in Barbados continue to increase with the assistance of foreign capital. Aluminum louvres, window and door frames, and store fronts are now being made at a "pioneer" factory established in December 1964. Pioneer status, with duty-free imports of parts and a protected home market, has also

been granted to a manufacturer of upholstered furniture who began operations this year. Ready-to-wear clothing for men, women and children is now being made under the same conditions. Offices have been opened in Toronto and New York City in an effort to attract more investors.

The larger prospective market that would result from the planned free trade area with British Guiana has encouraged existing manufacturers and some with soundly planned ventures to expand their production plans. Since 1957, when the Barbados Development Board was set up, 42 new industries have been established on the island, employing about 1,600. It has been estimated that this direct employment has created work for nearly 4,000 people. Barbados is proud of its record of economic and political stability and the climate is a healthy one for investment in branch plants.

Agriculture to Be Diversified

The 1965-68 development plan in Barbados calls for intensified efforts to diversify agriculture. As already noted, the island depends heavily on sugar and grows very little else on a commercial scale. The result is that foodstuff imports place a heavy burden on the economy.

Crown lands on the island's east coast are now accessible and the new Agricultural Development Corporation intends to promote dairy and meat production in the area. The Government is importing Canadian Holstein-Friesian dairy cattle for distribution to farmers and a dairy will be completed early next year.

Speaking in the House of Assembly on the Bill to establish the Agricultural Development Corporation, the Minister of Agriculture, Lands and Fisheries emphasized that the Government's efforts at agricultural diversification would not mean growing less sugar. He indicated that better land use and better re-

turns to the farmers are the aim. Another speaker pointed out the need for expert advice from abroad.

At the same time, much attention is being focussed on the fishing industry. Substantial long-term benefits are expected from an FAO regional research production survey with headquarters in Barbados. Currently, local species such as flying fish and dolphin are caught by the many outmoded pirogues and several larger vessels and 23 American shrimpers work out of Bridgetown on the shrimp grounds off the northeast coast of South America. An expansion of shrimp production is forecast as a result of facilities offered to Barbados-based shrimp trawlers and the local fishing industry is being encouraged and assisted to develop along co-operative lines in production, marketing and financing.

Free Trade Area Mooted

The most far-reaching economic/commercial development in Barbados and the eastern Caribbean this year was the proposal by Premier Burnham of British Guiana and Premier Barrow of Barbados, for a free trade area between the two territories.

The economies of Barbados and British Guiana are complementary to a large degree and no large-scale dislocation of established manufacturing is foreseen for either party. The economic expansion and prosperity that hopefully will derive from establishment of a free trade area would almost certainly benefit Canada.

Canada's Share Edges Up

Canada's 1964 exports to Barbados, at \$6,922,135, were up 26.6 per cent over 1963. In the first quarter of 1965, our exports fell slightly to \$1.36 million. Since 1962 imports into Barbados have been rising more than 10 per cent per year and Canada's share of the market has risen slightly. Last year we gained 0.6 per cent to reach 11.8 per cent. Other principal suppliers

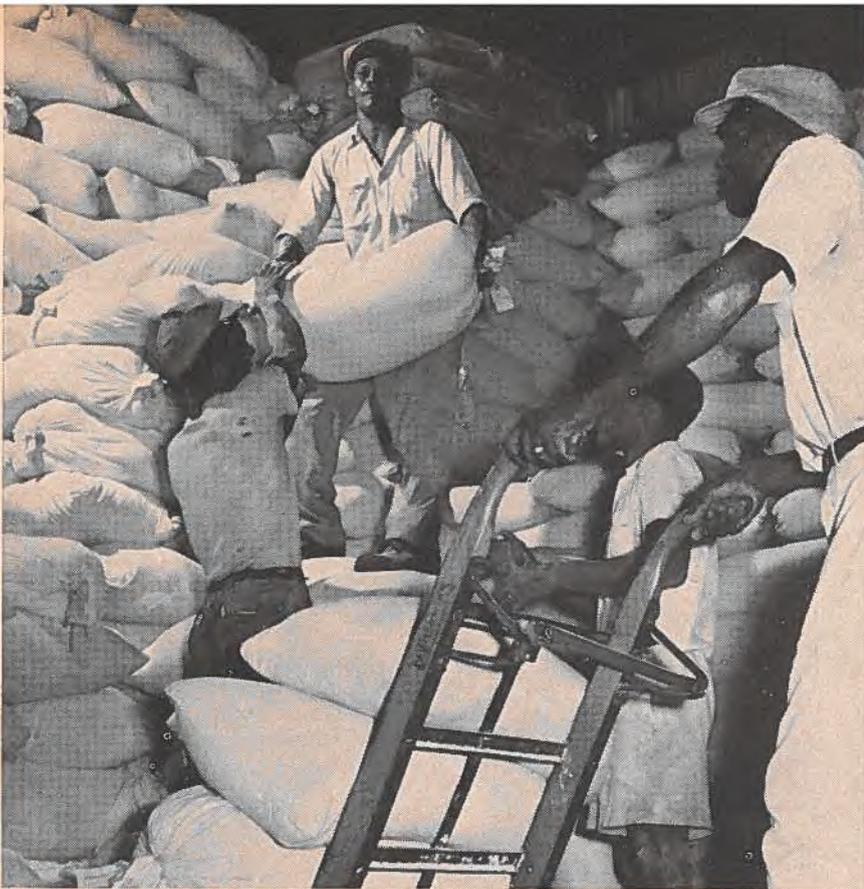
are Britain 29.9 per cent and the United States 16.2 per cent.

Foodstuffs continue to be Barbados largest imports. Canadian exporters of packaged consumer food products have benefitted greatly from tourist travel to the island and the improved standard of living that has resulted. The market is increasingly competitive, however, and Canadian exporters are going to have to merchandise their products more aggressively to maintain sales. Particularly in the institutional trade, there are exciting opportunities for firms with a good product competitively priced, with advanced packaging. They must also offer detailed and careful service.

Commercial and institutional construction, as well as private building, has enhanced sales possibilities for Canadian lumber and building materials. (Imports of Douglas fir increased to 5.9 million board feet in 1964.) North American-style appliances and household fixtures are gaining acceptance as purchasing power rises and more elaborate construction is undertaken to appeal to North American visitors. The use of British specifications in construction has hindered more rapid expansion of Canadian sales in this area, but this is unlikely to continue indefinitely.

With an excellent supplier image, good shipping and air services and in many cases a tariff advantage, Canadian exporters are urged to focus attention on this attractive island market. The Port-of-Spain office maintains active market coverage with regular one-week trade-promotion visits scheduled through the year. Firms wishing to investigate sales possibilities should write, with descriptive literature, c.i.f. Bridgetown prices, and samples if possible, to the Commercial Secretary, Port-of-Spain, who will be pleased to contact prospective agents and distributors and assess sales potential.





Workmen in a warehouse of the St. Vincent Cooperative Society in Kingstown load bags of arrowroot for shipment abroad. The Society has 13 warehouses.

Leeward and Windward Islands

Plans for federation disrupted; some of the islands face difficult economic problems. Income from tourists is increasing, facilities are being improved. Canadian sales up 21 per cent in 1964.

DAVID H. CLEMONS, *Assistant Commercial Secretary, Port-of-Spain.*

THE Leeward and Windward Islands are still a scattered group of independent economies because of the indecisiveness of talks on a "Little Seven" federation. When Barbados, which was to be the capital and mainstay of the federation, began to seek independence alone, the Leeward and Windward Islands were, in effect, left to cast about by themselves.

Shortly after Barbados announced its intention to seek independence, a Barbados-British Guiana Free Trade Area was announced by the Premiers of those colonies. Antigua, the largest and best developed of the smaller islands, then announced its intention to join the Barbados/British Guiana pact. Working committees are now formulating details and studying the effects of the proposal, with a view to drawing up an agreement to come into force by the beginning of 1966. Although all of the members will not necessarily have the same external tariffs, they will have free trade among themselves.

Left more or less to their own devices, the islands of St. Kitts-Nevis-Anguilla, Montserrat, Dominica, St. Lucia and St. Vincent have suffered an economic down-turn, further aggravating the situation.

Agriculture—Record Mixed

● *Sugar*—Production of sugar in Antigua fell to 14,000 tons from close to 22,000 in the 1963/64 crop year because of a severe drought. The other sugar-producing islands, St. Kitts and Grenada, produced 43,629 and 844 tons respectively, 4,384 tons more than last year. St. Vincent is considering the reintroduction of sugar into her economy because of the large losses suffered by arrowroot growers.

● *Bananas*—Banana production has now fully recovered from the hurricane damage of 1963 and this year January-August exports totalled 9,730,643 stems. Prices received by growers are averaging about 4½ cents per pound, allowing a small

profit to most producers. New feeder roads into the interior of Dominica and St. Lucia are providing transportation for the product of the new plantings. St. Vincent is turning arrowroot lands over to banana production where possible. Banana output should be considerably higher in 1966 and price competition more acute than ever before.

● *Arrowroot*—Over 90 per cent of the world's supply of arrowroot comes from St. Vincent. Chronic oversupply has resulted in a 62,000-barrel carryover as of June 1965, with only 25,000 barrels (200 pounds each) committed under existing contracts. Production for the 1964/65 crop season to the end of June 1965 totalled 37,184 barrels, down from 59,590 in the previous crop year. St. Vincent is considering sponsoring a trade mission to Canada to educate the public in the use of arrowroot, with the hope of increasing retail sales of this product. Nevertheless, arrowroot land is being turned over to bananas, sugar and sea-island cotton output as quickly as possible.

● *Spices*—Nutmeg and mace from Grenada are doing well this year. Exports of nutmeg January to June 1965 totalled WI\$1,691,527, up from WI\$549,814 in 1964. Shipments of mace rose to WI\$436,726 from WI\$260,315 in the same period.

● *Cocoa*—Cocoa production was up slightly to 39,395 cwt. valued at WI\$1,578,496 (January-June 1965), and prices were generally favourable.

● *Sea-island cotton* — Sea-island cotton is gaining in popularity. A picking machine was successfully introduced during the year in Antigua but the problem of cleaning mechanically picked cotton remains. It is hoped that new equipment from the United States being tested in Antigua will solve this problem. If the experiments are successful, sea-island cotton production in

Antigua and St. Vincent may rise considerably. Plantings have already increased in Antigua because the price offered by the sole British purchaser remains very good.

Tourist Industry Booms

Tourist travel to the Leeward and Windward Islands, primarily Antigua and Grenada, and to a lesser extent St. Lucia, Montserrat and St. Vincent, has increased noticeably. St. Vincent and the Grenadines are stepping up their tourist promotion efforts. Arrivals in Antigua totalled 7,645 in March 1965, (compared with 4,937 in March 1964) and in Grenada 10,278 for January-November 1964, up from 1963. St. Lucia is hoping to attract more traffic in the 1966 season by having airport facilities to handle the Boeing 727 Sunjets operated by BWIA. The runways of an old U.S. air base at Vieux Fort are being lengthened and appropriate electronic gear installed to handle these aircraft as of January 1966. A shuttle service to the Vigie airport near Castries is to be operated by LIAT until the tourist industry relocates its facilities or the existing airport can be improved to handle the jets.

St. Vincent is installing lighting on its airstrip to make possible two flights a day to service the tourist industry. Since the Grenadines south of St. Vincent have excellent beaches and beautiful scenery, it is hoped that these can be developed by private investors under lease from the St. Vincent Government. Two islands, Bequia and Young's Island, are already receiving visitors.

Development Projects

An oil refinery rated at 14,000 barrels a day is now under construction in Antigua and is expected to come on stream late in 1966. This refinery, owned by West Indies Oil Company Ltd., will service Antigua and the neighbouring islands.

Three Canadian businessmen have investigated the timber resources of Dominica and they are

expected to begin building a sawmill and later a plywood mill in that island. The tropical hardwoods grown in Dominica will be peeled for veneer and cut for dimension.

In St. Vincent, pioneer status has been granted for the manufacture of oils and fats and several local firms are competing to be accepted as the designated pioneer manufacturers. Similarly the production of poultry and eggs is being sponsored in St. Vincent, with two firms interested in receiving pioneer status. The manufacture of garments has been approved as an industry but no firm has come forward to take up the Government's offer of protection and tax holidays under the Pioneer Industries Ordinance.

Canadian Sales Rising

Canada's exports to the Leeward and Windward Islands reached Can.\$7,986,332 in 1964, up 21 per cent over 1963. Flour is still our largest single export to these islands, with shipments valued at \$2,280,000 in 1964. Salt fish came second, and lumber in various forms third. Refined sugar reached the surprising figure of \$321,000, canned sardines rose to \$198,000 from \$124,000, and broad-woven cotton fabrics jumped to \$131,000 from \$79,000. The largest decline was in exports of western red cedar

TABLE I
PRINCIPAL CANADIAN EXPORTS
TO LEEWARD AND WINDWARD
ISLANDS

	1962	1963	1964
	(Can.\$'000 f.o.b.)		
Wheat flour, n.e.s.	1,824	1,993	2,280
Salt fish	954	1,130	1,113
Lumber	450	447	533
Sugar, n.e.s.	77	292	321
Canned sardines	138	124	198
Poultry feeds	69	83	164
Passenger autos and chassis	46	78	139
Boots and shoes, women's and children's, last-made	56	92	136
Broad-woven fabrics, cotton, n.e.s.	127	79	131
Passenger car, truck and bus tires	14	51	110

which dropped from \$10,966 in 1963 to \$746 in 1964, largely because of competition from British Guiana.

In the Leeward and Windward Islands, selling is usually done through commission agents who often also act as stockists/distributors. Some Canadian firms have also succeeded in selling direct to larger stores on an exclusive basis. The managers of these businesses are often more experienced in merchandising than smaller distributors are, and novelty and minor household products and specialty food-

stuffs that require promotion and display may be best sold in this manner.

Visits by the Canadian supplier are invaluable in assessing local conditions, which vary appreciably from one island to another. These visits have helped to place many Canadian lines and have proved rewarding in terms of continued sales.

The Port-of-Spain office is in continuous touch with the majority of agents throughout the Leeward and Windward Islands. On regular visits to the islands the Trade Commissioner and the Assistant Trade

Commissioner frequently discover new trading opportunities or place new lines. Businessmen and officials in these islands consider Canada a sort of "big brother" and are most receptive to offers and suggestions from Canadian firms and their representatives. With descriptive literature and c.i.f. port-of-entry prices for each island, the Port-of-Spain office can assess the market potential for a product and suggest an appropriate channel of distribution. It welcomes the opportunity to examine the market on behalf of Canadian firms. ●

British Guiana

Development projects mooted or under way and more stable political conditions are enlarging the market. Canadians sold over \$7 million worth of goods here in 1964, notably fish and vegetables.

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

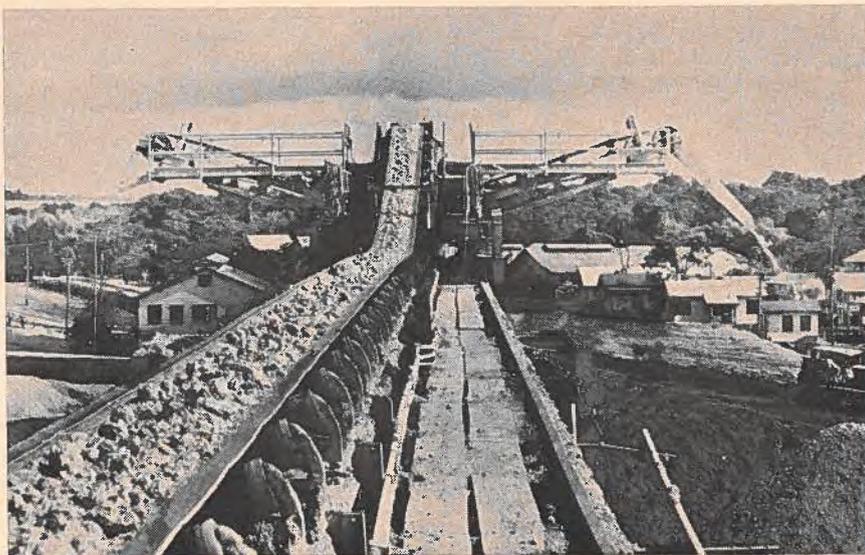
BRITISH GUIANA, bordering Venezuela on the northeast coast of South America and with its vast potential mineral resources and virgin hardwood forests offers perhaps the best possibilities in the southeastern Caribbean for increasing Canadian exports.

Under the coalition government, now ten months old, of Mr. Forbes Burnham, Premier and political leader of the Peoples' National Party, and Mr. Peter D'Aguiar (United Force Party), one of the country's most enterprising businessmen, British Guiana is already heading towards political independence as "Guyana". With Barbados, it is spearheading a movement towards integration in the British West Indies. Already a free trade area between British Guiana and Barbados has been agreed upon.

British Guiana, more than twice the size of the Leeward and Wind-

ward Islands, Barbados and Trinidad and Tobago combined but with a population of little more than 600,000, may well provide the

answer to the population explosion in the area. Efforts are under way to attract qualified Guyanese residents abroad to return to their native land to participate and assist in development of the country's vast resources. This step recognizes that the complex problem of generating human skills and knowledge re-



When mined, bauxite is washed in scrubbers to remove clay and other matter. Here, washed bauxite is taken by a conveyor belt to wet storage mounds in the lower right of the picture. Next drying in rotary kilns, then shipment abroad.

quired in economic development is as important as generating capital investment.

Business has been fairly normal this year, with merchants carrying larger inventories than during the three preceding years. An Industrial Development Corporation has been established to attract and assist new industries by offering the usual incentives of a tax holiday and duty-free concessions. Hydrologic resources are to be evaluated with UN assistance in the hope that development of hydroelectric power will be found feasible.

The communications system is being expanded and new roads built. Some of the major road projects and the work at Atkinson Field are being financed by United States aid. The 80-mile coastal railway is also receiving attention: two diesel locomotives have been supplied by Canada under the Commonwealth Caribbean Assistance Program. Development of beef and dairy cattle industries—a natural for British Guiana with its vast interior savannah—and the introduction of a banana industry are included in the Government's plans for economic development. Such shaping of development plans hopefully indicates that British Guiana may not fall prey to the popular misconception evident elsewhere in the Caribbean that nationhood requires the industrial structure of large developed nations, including an auto industry, steel industry, etc., and also that an urgent policy of import substitution must be embarked on.

Trade Picture Brighter

British Guiana's exports over the past few years have totalled approximately Can.\$90 million a year. Principal exports are sugar, molasses and rum, bauxite and alumina, and rice. Canada has a vital interest in the bauxite mining industry through ownership of the Aluminum Co. of Canada's Demerara Bauxite Co., at Mackenzie on the Demerara River.

In 1964 Canada's exports to British Guiana rose to Can.\$7,115,-

625 from \$5,061,014 in 1963—an increase of nearly 40 per cent. In the first six months of 1964, our sales, at \$3,418,444, were down slightly compared with the \$3,505,-924 for the similar period of 1964.

Canadian exports to British Guiana consist of over 440 commodity classifications, with salted fish, pickled meats, canned sardines, flour, onions, potatoes, yellow split peas, tobacco, newsprint, fabrics, mining and agricultural machinery, and household furniture among the major commodities. Our imports from British Guiana consist largely of sugar, bauxite, and alumina and totalled \$35.7 million in 1964, thus leaving a large balance of trade in British Guiana's favour.



Trade with Rhodesia

THE Prime Minister, in a press release dated November 11, 1965, stated that Canada does not recognize the unilateral declaration of independence by the Smith Government in Rhodesia, the Smith Government itself or the independent state of Rhodesia that Mr. Smith claims now exists. The Prime Minister went on to say:

"In view of the action of Mr. Smith's government we are withdrawing the Canadian Trade Commissioner in Salisbury. We are recommending immediately to the Governor in Council the withdrawal of the preferential tariff treatment Rhodesian goods have enjoyed in Canada. Imports from Rhodesia will no longer be accorded the British preferential tariff, nor will they be entitled to the rates in the most-favoured-nation tariff. Instead they will be subject to the much higher rates in the general tariff. We are also bringing into effect immediately a complete arms embargo. The export of all arms, military equipment and ammunition to Rhodesia will be banned, and there will be no new aid and financing agreements."

The following note, dated November 9, 1965, has been received from our

Canadian manufacturers and exporters should make every effort to secure a larger share of this interesting and growing market, now purchasing roughly Can.\$100 million worth of goods a year from all sources. You can investigate sales opportunities in British Guiana with the assistance of the Port-of-Spain office by providing descriptive literature, samples and c.i.f. Georgetown prices to enable us to canvass the trade. Officers from Port-of-Spain make regular trade-promotion visits to British Guiana. If we can help you, write to the Commercial Secretary, Office of the High Commissioner for Canada, P.O. Box 1246, Port-of-Spain, Trinidad, W.I.

Salisbury office. The information it contains, although made public before the declaration of independence, is correct as Foreign Trade goes to press.

"The Government of Rhodesia has announced that no goods may be imported into Rhodesia on or after November 4, 1965, other than in terms of a specific or open general licence. The Ministry of Commerce and Industry has set up a special Import Control Section to deal with the granting of specific import licences. This restriction has been brought into force in an attempt to safeguard external reserves and the aim is to hold imports at approximately the 1964 level. The legislation on general import control will be in effect until December 31, 1965. Importers are required to provide details of their 1964 imports to the Import Control Office and licences for goods entering the country during the remainder of 1965 will be granted individually on a pro-rated basis. The method, level and basis for licensing of imports in 1966 have not yet been decided."

Additional information may be obtained from the Commonwealth Division, Office of Trade Relations, Department of Trade and Commerce, Ottawa. ●

Department of Trade and Commerce

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

Regional Offices: St. John's, Halifax, Montreal, Winnipeg, Edmonton, Vancouver (see page 32)

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Executive Assistant: B. F. Armishaw	2-2380, 2-0819
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Assistant Deputy Minister (Commodities and Industries): Denis Harvey	2-5417, 2-7056
Assistant Deputy Minister (External Trade Promotion): T. R. G. Fletcher	2-2530, 2-0798

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To telephone: in Ottawa—dial 99 and the government local; out-of-town—call government switchboard 232-8211 and ask for the local, or dial direct Ottawa area code 613, then 99 and the local.

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

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Secondary organic chemicals:	2-2905

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 Acting Regional Manager: R. C. Montreuil Telex: 01-20280

St. John's, Nfld., Sir Humphrey Gilbert Bldg., Duckworth St. (P.O. Box 5458) Phone: 2698
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 Acting Regional Manager: G. A. Gillespie Telex: 035287

Edmonton, Alta., 10225-100th Ave. Phone: 422-7178
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Assistant Dominion Statistician: L. E. Rowebottom	2-5426
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Export Credits Insurance Corporation 309 Cooper St., P.O. Box 655

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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, 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 .9294.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Nov. 15	Units per Canadian dollar	Notes (see below)
Algeria	Dinar .....	.....	.2195	4.56	
Argentina	Peso	Free .....	.005977	167.31	
Australia	Pound .....	.....	2.4134	.4144	
Austria	Schilling .....	.....	.04167	24.00	
Bahamas	Pound .....	.....	3.0167	.3315	
Belgium and Luxembourg	Franc .....	.....	.02168	46.13	
Bermuda	Pound .....	.....	3.0167	.3315	
Bolivia	Peso .....	.....	.09145	10.93	
Brazil	Cruzeiro	Official Free .....	.0005859	1,706.77	*Nov. 12
Britain	Pound .....	.....	3.0167	.3315	
British Guiana	Dollar .....	.....	.6285	1.59	
British Honduras	Dollar .....	.....	.7542	1.33	
Burma	Kyat .....	.....	.2259	4.43	
Ceylon	Rupee .....	.....	.2263	4.42	
Chile	Escudo	Bank rate .....	.3162	3.16	
		Free .....	.2644	3.78	
Colombia	Peso	Certificate .....	.05977	16.73	
		.....	.1195	8.37	
Congo, Republic of	Franc .....	.....	.007173	139.41	(1)
Costa Rica	Colon .....	.....	.1624	6.16	
Cuba	Peso .....	.....	†	†
Czechoslovakia	Koruna .....	.....	.1494	6.69	
Denmark	Krone .....	.....	.1560	6.41	
Dominican Republic	Peso .....	.....	1.07594	.9294	
Ecuador	Sucre	Official .....	.05977	16.73	
		Free .....	.05756	17.37	
El Salvador	Colon .....	.....	.4304	2.32	
Fiji	Pound .....	.....	2.7177	.3680	
Finland	Markka .....	.....	.3362	2.97	
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 .....	.....	.2689	3.72	
Ghana	Cedi .....	.....	1.2570	.7955	
Greece	Drachma .....	.....	.03586	27.89	
Guatemala	Quetzal .....	.....	1.07594	.9294	
Haiti	Gourde .....	.....	.2152	4.65	
Honduras	Lempira .....	.....	.5380	1.86	
Hong Kong	Dollar	Free .....	.1874	5.34	*Oct. 29
		Official .....	.1885	5.31	

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

*Latest available date.

Country	Unit	Type of Exchange	Can. dollar equivalent Nov. 15	Units per Canadian dollar	Notes (see below)
Iceland	Krona	Official	.02502	39.97	(1)
India	Rupee		.2263	4.42	
Indonesia	Rupiah		.004304	232.35	(1)
Iran	Rial		.01420	70.40	
Iraq	Dinar		3.0126	.3319	
Ireland	Pound		3.0167	.3315	
Israel	Pound		.3586	2.79	
Italy	Lira		.001722	580.72	
Japan	Yen		.002989	334.56	
Lebanon	Pound	Free	.3529	2.83	
Malaysia	Dollar		.3515	2.84	
Mexico	Peso		.08608	11.62	
Morocco	Dirham		.2152	4.65	
Netherlands	Florin		.2663	3.76	
Netherlands Antilles	Florin		.5705	1.75	
New Zealand	Pound		3.0057	.3327	
Nicaragua	Cordoba		.1537	6.51	
Nigeria	Pound		3.0167	.3315	
Norway	Krone		.1507	6.64	
Pakistan	Rupee		.2263	4.42	
Panama	Balboa		1.07594	.9294	
Paraguay	Guarani	Free	.009683	103.27	
Peru	Sol	Free	.04011	24.93	
Philippines	Peso	Free	.2759	3.62	
Poland	Zloty		.04482	22.31	
Portugal & Colonies	Escudo		.03742	26.72	(5)
Sierra Leone	Leones		1.5063	.6639	
South Africa	Rand		1.5084	.6630	
Spain and Dependencies	Peseta		.01797	55.65	
Sweden	Krona		.2080	4.81	
Switzerland	Franc		.2491	4.01	
Syria	Pound	Free	.2817	3.55	
Thailand	Baht	Free	.05272	18.97	(1)
Tunisia	Dinar		2.06042	.4853	
Turkey	Lira		.1195	8.37	(1)
United Arab Republic	Pound	Official	2.4747	.4041	
United States	Dollar		1.07594	.9294	
Uruguay	Peso	Free	.01771	56.46	
Venezuela	Bolivar	Official Free	.2395	4.18	
West Indies	Dollar		.6285	1.59	(6)
Yugoslavia	Pound		3.0167	.3315	(7)
	Dinar	Official	.0008608	1,161.71	

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.

Shipping Services from Canada to the British Caribbean

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

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