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FOREIGN TRADE

DEPARTMENT OF TRADE AND COMMERCE, OTTAWA

Approaching the Venezuelan Market

South Africa Streamlines Marketing Methods

Don't Overlook Northern Ireland

FOREIGN TRADE

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COMING—A LOOK AT TRADE WITH EASTERN EUROPE, AUGUST 7 ISSUE

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Approaching the Venezuelan Market

W. D. WALLACE, Commercial Counsellor in Caracas for the past four years, begins a tour of Canada in Montreal on August 9. Here is a briefing for businessmen who intend to discuss with him trends in Venezuela and the best marketing methods to use there.

DURING the past two years Venezuela has made impressive economic gains, with virtually all sectors of the economy sharing in them. The petroleum industry remains the backbone of the economy, contributing 22 per cent of the gross national product (Bs. 32 billion in 1964), 90 per cent of the foreign exchange earnings, and 70 per cent of the Government's revenue. Developments in housing, waterworks and agrarian reform, and the building of highways, bridges, chemical works, and electric power projects have been speeded by loans made under the "Alliance for Progress" program.

Venezuela is trying to lessen its dependence on the petroleum industry and has embarked upon a big industrial program in which private, public and foreign capital is participating. It is becoming self-sufficient in production of poultry, eggs, milk, and certain canned foods and in the near future will produce enough dried codfish to meet its needs. It can now offer for export—in addition to the traditional products like petroleum, iron ore, coffee and cocoa—sugar, iron and steel products, canned fish and shrimp, and various vegetables and fruits.

All these developments are changing the pattern of the country's import trade and are being reflected in the composition of Canada's exports. Venezuela must still import the major share of its requirements but the shift is towards raw materials, semi-finished goods, and industrial equipment. Many consumer products, textiles and food products have been placed under compulsory import licensing or given high tariff protection.

Venezuela has a reciprocal trade agreement with the United States and a modus vivendi arrangement with a number of countries, including Canada, which provides for most-favoured-nation treatment and means that these countries benefit from the low tariffs applied to certain products coming from the United States. Venezuela is not a member of the GATT nor of the Latin American Free Trade Association. It announced its decision to join LAFTA a year ago but this is still under study and to date it has not made a formal application.

Foreign Trade

Last year both exports and imports increased and, as usual, there was a favourable balance of trade. Exports, at Bs.9,233 million, rose 4.8 per cent over 1963 as a result of larger shipments of petroleum and iron ore. Imports, which had been declining in the past few years, also rose—to Bs.4,824 million compared with Bs. 4,655 million in 1963. The favourable balance of trade totalled Bs.5,409 million, the largest ever.

Although complete statistics are not available for 1964, it is estimated that the United States accounted for 55 per cent of total imports, West Germany 8 per cent, Britain 6 per cent, Canada 5 per cent, and Italy 4 per cent. On the export side, the United States was the chief market, followed by the Netherlands Antilles, Canada and Britain.

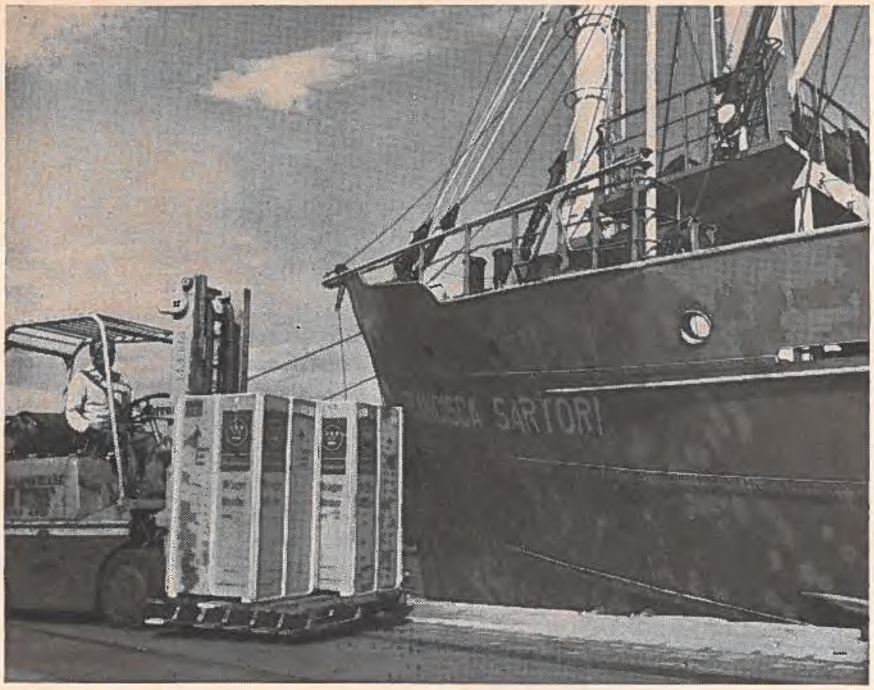
Trade with Canada

Venezuela is Canada's leading customer in South America and 1964 was a record year for our exports to this country. (See Table I.) In turn, Canada is an important market for Venezuela's petroleum and petroleum products. The balance of trade, however, remains in favour of Venezuela. In 1964, our exports to Venezuela totalled $64.1 million compared with $46.3 million in 1963; Venezuelan imports into Canada reached $270.6 million against $243 million in 1963, an increase of 11 per cent.

TABLE I

CANADA-VENEZUELA TRADE

Year	Exports	Imports	Balance in favour of Venezuela
	(Can. dollars '000)		
1959	45,833	204,582	158,749
1960	35,345	195,189	159,844
1961	34,978	216,640	181,622
1962	42,328	224,275	181,947
1963	46,328	243,495	197,167
1964	64,075	270,621	206,546



Bound for Venezuela, these Westinghouse washers take their leave of Canada. Exports of these machines have risen from $406,000 in 1959 to $686,000 last year. Regular shipping services leave from Vancouver, St. Lawrence and Atlantic ports.

Canada exports a wide range of products to Venezuela and although agricultural commodities dominate, there is a definite shift towards raw materials and semi-finished products. Sales of wheat, motor vehicles, sheet and strip steel, copper and products made substantial gains, with smaller increases in powdered milk, newsprint paper, plastic and synthetic rubber, bond and writing paper and washing machines. On the other hand, there has been a decline in exports of wood pulp, aluminum and products, oats, marine engines and pharmaceuticals.

TABLE II

CHIEF CANADIAN EXPORTS TO VENEZUELA

	1959	1960	1961	1962	1963	1964
			(Can. dollars '000)			
Wheat	5,304	4,980	4,574	11,802	14,199	20,763
Whole milk powder	7,685	7,821	9,057	8,708	6,918	7,367
Motor vehicles	1,624	863	1,324	667	1,859	5,330
Sheet and strip steel	526	223	401	1,630	2,526	4,470
Newsprint paper	2,358	2,320	2,499	2,701	2,396	2,788
Plastic and synthetic rubber not shaped	....	....	1,542	1,537	1,931	2,059
Copper and products	1,189	318	538	853	1,535	1,999
Seed potatoes	749	686	1,227	662	926	1,126
Wood pulp	1,685	673	1,816	2,155	1,473	782
Bond and writing paper	725	593	908	745	473	764
Washing machines	406	280	322	308	551	686
Aluminum and products	898	669	724	1,015	743	664
Pork, fresh and frozen	159	423	311	204	135	661
Asbestos fibres	383	475	616	531	369	657
Malt	377	505	463	583	677	604
Agricultural machinery	191	154	48	291	304	602
Skim milk powder	216	431	204	229	238	521
Oats	466	....	334	407	538	410
Valves	195	108	175	236	209	369
Plastic film and sheet	....	325	241	280	382	352

Canada ranked third among Venezuela's foreign markets in 1964. Crude oil and products is our chief import and in 1964 totalled $268.9 million, followed by green coffee at $962,000, refined sugar at $428,000, cocoa beans at $122,000 and shrimp at $52,000.

Trade Controls

Venezuela has two rates of foreign exchange: Bs.4.4 to the U.S. dollar, which is used by the petroleum and iron ore companies, and Bs.4.50 to the U.S. dollar, used for all other purposes. Subsidies have been eliminated on all products except wheat and powdered milk.

Higher tariffs and compulsory import licensing are being used to a greater degree. The list of products subject to these controls is too long for publication in this article, but Canadian exporters interested in further details may direct their inquiry to the Office of Trade Relations, Department of Trade and Commerce, Ottawa, or to the Commercial Division, Canadian Embassy, Caracas.

Approaching the Market

Canadian exporters interested in developing the Venezuelan market should endeavour to assess the sales prospects for their products with the assistance of the Caracas office, which can supply information on import statistics, competitive prices, and licensing, if any. It can also recommend a suitable representative—commission agent, distributor, importer, or industrialist. The selection will depend to a great extent upon the commodity, its price, volume and other characteristics. No hard-and-fast rule can be given and each product must be traded through the most suitable channel.

In considering the Venezuelan market, it must be remembered that competition from exporting countries is severe and this has led local importers to expect and in fact obtain liberal payment terms. These terms are not always justified be-

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cause the usual legal protection afforded sight drafts in most countries is absent in Venezuela. Exporters must not lose sight of the fact that local importers, no matter what the terms of payment, can always obtain possession of the shipment by posting a bond with the local customs authorities.

In many instances—but particularly for sales of perishable merchandise, livestock and precious metals—an irrevocable letter of credit is recommended. The major portion of imports is handled on sight draft, payable 30 to 60 days after shipment, but it is not uncommon for drafts to be paid 90 to 120 days after shipment.

To achieve large volume sales in the face of stiff competition and payment terms which seem to be more liberal than the situation warrants, it is advisable to have a responsible agent. Experience proves that the agent can develop substantial business and also avoid problems by careful selection of customers and close follow-up on collections.

It is important for exporters to comply carefully with the complex formalities of Venezuelan documentation to avoid losses, delays and fines. Failure to do so in most instances places a burden on the importer. Complete details on documentation are contained in the booklet, "Venezuela Shipping Documents and Customs Regulations", which may be obtained from the Office of Trade Relations, Department of Trade and Commerce, Ottawa.

Shipping Services

There are fairly regular shipping services to Venezuela from St. Lawrence and Atlantic Coast ports and from Vancouver. Shipments usually take from 12 to 20 days, depending on the port of shipment. Where urgent delivery is required, it may be desirable to use overland transport to New York and ship via the Grace Line. This means higher transportation and forwarding costs but ensures delivery five to six days after departure from New York. Forwarding by rail or truck to Miami and air freighting shipments from Miami may be indicated for livestock or other orders that warrant the high cost of such transportation.

As a result of the trend towards industrialization and greater agricultural development in Venezuela, the market for certain established imports will continue to shrink but for certain raw materials and semi-fabricated products needed by new industry it will increase. The opportunities for Canadian exporters to do more Venezuelan business are good, but to take advantage of them competitive prices and terms are a must, bearing in mind the strong competition from other sources of supply. ●

Hamburg Serves Canadian Exporters

HAMBURG has a population of almost two million and next to Berlin it is West Germany's second largest city. This bustling city can also boast of some of the largest port facilities in Europe. It is Hamburg's key position as a commercial centre, as an entrepot port and as a funnel through which goods pour into the Continent that make this city of prime concern to Canadian exporters.

Some of Europe's largest brokers and import merchants carry on their operations here. Lumber, foodstuffs, raw materials and manufactured goods come to Hamburg to be used in North Germany, shipped south to the larger industrial regions of the Rhine, Ruhr and Westphalia, or transhipped to Scandinavia and the East Bloc countries.

Hamburg is an important commercial centre and port because its location on the River Elbe makes it readily accessible from the North Sea and a network of railways and canals connects it with most of the Continent. In fact, the city has been a trade centre for centuries and over 700 years ago was the distribution point for lumber from Scandinavia, fish from the Baltic, and grain from Eastern Europe. The businessmen of Hamburg are still trading in these commodities but now the lumber is frequently Douglas fir from British Columbia or white spruce from the Maritimes, the fish is sometimes Canadian salmon or cod, and the grain often comes from the Prairie Provinces. The city is also a market place for a wide variety of manufactured and consumer goods, plastics, chemicals and a host of other twentieth century products.

The city also has free port facilities to offer exporters. Using these facilities, an exporter can stock supplies for all of Europe in one place and draw upon them at any time. The exporter pays customs duties only when he moves the materials beyond the free port area to Germany or a third country. The advantages of this system are three:

- The materials are readily available in Europe for the exporter's customers.
- There are none of the usual complications of storing goods in a bonded warehouse.
- Large bulk shipments can be made to one central depot.

Exporters who ship goods on consignment or who have agents in each country will find this arrangement equally attractive. To serve these exporters, there are many forwarding firms with modern storage facilities in the free port area. Individual importers, particularly those with selling connections in several countries, frequently have their own free port storage facilities from which they can fill orders rapidly as they come in from other countries. It is for these reasons that many Canadian exporters would be well advised to look into the possibility of employing the services offered by the free port.

Hamburg has yet another service to offer—an experienced and reliable business community which is internationally minded and among the most efficient in the world. It is this atmosphere, combined with financial stability and specialized trading knowledge, that can mean dividends for Canadian exporters. The Canadian businessman will also find that in most cases he can use English in his negotiations, an advantage that is rare in most European cities.

The name Hamburg is synonymous with trade and the city lives by it and specializes in it. In the process it has developed services and techniques which, in combination with its natural geographical advantages, can be gainfully exploited by Canadian exporters who are prepared to enter a tough but promising market.

—D. S. McCRACKEN,
Vice Consul, Hamburg.

The second part of this two-part article explains various preferential arrangements, Canada's membership in the GATT, some of the non-tariff restrictions that face exporters to certain countries, and how to obtain further tariff information from the Department.

Understanding Foreign Tariffs II

Office of Trade Relations.

ONE OF THE QUESTIONS that the inexperienced exporter often asks is about preferential tariffs—what they are, and where and how Canadian companies selling abroad can benefit from them. Probably the most important from our point of view is the Commonwealth preference system. Canada, as a member of the Commonwealth, enjoys tariff preferences in many Commonwealth markets. The Commonwealth preferential tariff system as now operating originated in 1898 when Canada granted reduced duties on imports from Britain. By 1907 all the self-governing Dominions had adopted preferences in favour of Britain. Before the First World War, Britain levied duties on only a very limited number of products but by 1919 had agreed to extend preferences to the whole Empire on all dutiable goods.

A notable expansion of intra-Commonwealth preferences took place as a result of the Imperial Economic Conference in Ottawa in 1932. Britain adopted a new and comprehensive tariff on foreign goods, preferences were established in several British Colonies for the first time, and reciprocal trade agreements were concluded among several Commonwealth countries.

Preferences have since been modified and supplemented by subsequent negotiations among various members of the Commonwealth. Under arrangements at present in force, preferential rates of duty favouring Canadian products as compared with those of non-Commonwealth origin are accorded by the following countries:

Australia
Bermuda
Britain
British Guiana
British Honduras
British West Indies
British Solomon Islands
Ceylon
Cyprus
Fiji
Gambia
Gilbert and Ellice Islands
Jamaica
Malawi
Malta
Mauritius
New Zealand
Rhodesia
St. Helena
Seychelles
Sierra Leone
Tonga
Trinidad & Tobago
Western Samoa
Zambia

In the following Commonwealth countries, the preferences Canada enjoys are restricted to a few items, in some instances because the tariff itself is of very limited scope:

Brunei
Falkland Islands
Gibraltar
Malaysia

Some preferences are also accorded to Canada by the Republics of Ireland and South Africa, although those countries are no longer members of the Commonwealth.

The tariffs of the following parts of the Commonwealth do not give preferences to any Canadian products:

Ghana
India
Kenya
Nigeria
Pakistan
Uganda
United Republic of Tanzania

Preference Conditions

To obtain preference, Canadian goods must comply with certain specified conditions which vary from country to country throughout the Commonwealth.

The prime condition in granting preferences is that a certain proportion of the material and labour entering into the product be of Canadian origin. A distinction is usually made between articles which are grown or produced in Canada and those which are manufactured in Canada. The former generally must be wholly of Canadian origin; the latter may contain anywhere from 25 to 75 per cent of Canadian material and labour (depending upon commodity and country).

In most instances, materials of other Commonwealth countries may be included to make up the required content. In Australia the prescribed content must be either Canadian or Australian. In Australia and New Zealand, there is a provision that goods that are wholly manufactured in Canada may contain basic raw materials, or certain specified partially processed materials, of non-Commonwealth origin in any proportion.

Another condition for obtaining preference is that the goods be consigned direct from Canada to the countries of destination. This does not mean that Canadian goods transshipped through a non-Commonwealth country do not get the benefit of the preference, but that on leaving Canada their final destination should be a Commonwealth country according such preferences. For example, if the goods are consigned first to a country not entitled to a preference—the United States, for example—and subsequently reconsigned to a Commonwealth country, the benefit of entry at preferential rates is lost.

Other Preferential Arrangements

An agreement between the United States and the Philippine Republic provides for the reciprocal granting of tariff preferences. These preferences, however, are being eliminated gradually by annual reductions in the preferential margins and are due to disappear entirely by 1974. They amount to 10 per cent of the duties as of January 1, 1965. The preferential agreement between the United States and Cuba which came into effect in 1902 has been suspended and imports into the U.S. from Cuba are practically prohibited.

France and its overseas territories have an extensive preferential system. Preferences are also exchanged between Portugal and its overseas territories.

Customs Unions

A customs union is an agreement which eliminates tariff barriers between two or more countries and in which the countries in the union have a common tariff against imports from the rest of the world.

The most notable modern example of a customs union is the European Economic Community established by the Treaty of Rome which came into effect on January 1, 1958. The EEC consists of Belgium, France, Italy, Luxembourg, the Netherlands and West Germany. The Treaty provides for the application of a common external tariff and a phased reduction in internal duties leading to their abolition by January 1, 1970. The rates of duty applicable to goods imported from outside countries have already moved 60 per cent of the way towards complete alignment with the eventual common external tariff. Internal tariffs among the member countries have so far (January 1, 1965) been reduced by 70 per cent for industrial goods and 50 to 55 per cent for agricultural commodities. Certain agricultural products are to be subject to a system of variable import levies rather than to fixed rates of duty. In essence, the import levy is designed to bring the price of imports at least to the level of the domestic price. The EEC is considering proposals for advancing to July 1, 1967, the abolition of EEC internal duties, the entry into force of the common agricultural policy, and the application of the common external tariff for all products. The formation of a customs union is to be followed by the adoption of common commercial and economic policies.

Greece and Turkey have become associate members of the Community and will eventually adopt its tariff structure. A special Agreement of Association has also been worked out with 18 former dependencies in Africa, as well as with Surinam and the Netherlands Antilles.

The European Coal and Steel Community, with the same membership as the European Economic Community, was designed to establish a common market for coal, iron ore, steel and scrap. While the ECSC provided for a harmonized rather than a common external tariff, it was agreed in January 1964 to apply temporary uniform rates of duty established at the highest level prevailing among the six member countries.

Another example is the fast developing Central American Common Market. This comprises Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

Free Trade Areas

A free trade area differs from a customs union in that the member countries, while removing in whole or in part duties on each other's products, do not have a common tariff on imports from other countries. The most important of such groupings is the European Free Trade Association, which was established for industrial products on May 3, 1960, and consists of Britain, Austria, Denmark, Norway, Portugal, Sweden and Switzerland. Finland became an associate member in 1961. With certain minor exceptions, internal tariffs on industrial goods moving among member states have now been reduced from their previous levels by 70 per cent.

The Treaty of Montevideo established in June 1961 a similar grouping known as the Latin American Free Trade Association. Its membership now consists of Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru and Uruguay.

Tariff Relations with Other Countries

In addition to the Commonwealth preference system, Canada's tariff relations are also governed by the General Agreement on Tariffs and Trade (GATT), commercial agreements and trade treaties, and some less formal arrangements. All these arrangements are intended to protect Canadian trade against discrimination in the application of foreign tariffs.

The chief feature of all these arrangements is that they provide for exchange of most-favoured-nation treatment among the contracting parties to the General Agreement. This means that the contracting parties agree that each will accord to the goods of the other the benefit of the lowest duties applied to similar goods originating in any other country. There are some exceptions to this rule. For example, there are provisions that the preferences exchanged among members of the Commonwealth may not be claimed by countries outside the Commonwealth, on the grounds that these were in existence before the entry into force of the GATT. Similarly, preferences exchanged exclusively between the United States and the Philippine Republic, France and its overseas possessions, and similiar arrangements based on historical, political or geographical grounds are excepted from the application of the most-favoured-nation principle.

Canada signed the Protocol of Provisional Application of the General Agreement on Tariffs and Trade on October 30, 1947, and it went into force on January 1, 1948. GATT, as well as assuring most-favoured-nation treatment among the contracting parties, provides for scheduled tariff concessions and lays down rules and regulations to govern the conduct of international trade.

The first round of GATT tariff negotiations at Geneva in 1947 involved more than one hundred bilateral negotiations and the results were consolidated into a single comprehensive annex to the Agreement, divided into schedules. These schedules covered some 45,000 separate tariff items.

Subsequent rounds of tariff negotiations at Annecy in 1949, at Torquay in 1950-51, and at Geneva in 1956 and again in 1960-61, extended these concessions to many other items and have attracted more countries to join the GATT. At present GATT membership covers 64 contracting parties. An additional 14 countries comply with the articles of the GATT either as provisional members, under special arrangement, or on a de facto basis.

At the 20th session of the contracting parties in November 1962, it was agreed to convene a meeting of Ministers in 1963 to adopt a program for the expansion of trade in both primary and secondary products. At this meeting, the Ministers agreed to hold comprehensive trade negotiations in 1964, which would seek to arrive at substantial reductions in tariffs across the board. This resolution led to a further meeting of Ministers in May 1964 which opened the Kennedy Round of trade and tariff negotiations currently under way in Geneva. These negotiations cover all products, agricultural as well as industrial, and non-tariff barriers as well as tariffs. Ministers also agreed that the negotiations should provide for the expansion of the trade of the less developed countries.

Export Duties

Although they are not of particular concern to Canadian exporters, export duties are mentioned briefly to complete the tariff picture. Most export duties are levied to raise revenue and, since there is no desire to handicap exports unduly, they are usually very low. In some cases there may be a protective implication, as when a country wishes to discourage the export of a product in short supply and needed for domestic industry. Not many countries impose export duties. Usually export duties are levied on only a limited range of products, but one or two countries apply them generally.

Import and Exchange Restrictions

Import restrictions are frequently used in place of, or in addition to, tariffs to regulate imports. They provide for a more precise method of control whereby imports can be limited to certain predetermined amounts or prohibited altogether.

Quantitative restrictions or other similar forms of import control have been adopted in many countries. They began to be widely used between the two wars and after the Second World War became quite extensive. They have been used chiefly in countries with balance-of-payments difficulties but have also been employed as a device for protecting home industries.

Import restrictions take many forms. Sometimes they are "global" quotas in which the amount to be imported from the world is fixed and the supplying countries compete for a share of the quota. Or individual quotas may be established for each supplying country with the amount usually based on proportions supplied in some previous period. These two methods may be combined by first setting up a global quota and then allocating shares of this quota to various countries. In still other instances, no quotas are announced and imports are regulated by licences which are issued to (or withheld from) individual importers on the basis of each application as it is presented.

Another form of limiting imports is exchange control, in which the restriction applies not to the goods themselves but to obtaining exchange to pay for them, with a similar restrictive effect on imports. In conjunction with this type of control, some countries classify imports and provide funds at officially set rates of exchange for each category. The more favourable treatment is accorded to goods considered essential to the economy. The same result is achieved in some other countries by levying exchange taxes at various rates in accordance with the priority accorded to the product.

The General Agreement on Tariffs and Trade prohibits in principle the use of quantitative restrictions on imports. However, because it is recognized that this may not be immediately attainable in every country, certain clearly defined exceptions are permitted. One of these is that products of a kind which are controlled internally, such as agricultural and fisheries products, may be subject to import control. Any such restrictions must be non-discriminatory—that is applicable equally to imports from all countries. The GATT also permits the temporary imposition of restrictions for balance-of-payments reasons. In this case discriminatory application of restrictions as between sources of supply may be employed.

In recent years, the improvement of the balance-of-payments position in most industrialized countries has permitted the dismantling of many of the import controls imposed during the postwar period.

For Reference

Canada. Department of Trade and Commerce, Office of Trade Relations. *Shipping Documents and Customs Regulations.* Ottawa. Irregular. Reports Issued on Various Countries.

Price: Free.

Order from: Office of Trade Relations, Department of Trade and Commerce, Ottawa 4, Ont.

Contracting Parties to the General Agreement on Tariffs and Trade. *The Role of GATT in Relation to Trade and Development.* Geneva, 1964. 56 p.

Price: Free.

Order from: Queen's Printer, Ottawa.

The Genneral Agreement on Tariffs and Trade (GATT). Canadian Imperial Bank of Commerce Commercial Letter, April 1964, 8 p.

Price: Free.

Order from: Branch offices of the Canadian Imperial Bank of Commerce.

Britain. Central Office of Information, Reference Division. *The General Agreement on Tariffs and Trade (GATT). London, H.M.S.O.*, 1964. 26 p. (R5470/64)

Price: Free.

Order from: Canadian offices of the British Information Services.

United States. Department of Commerce, Bureau of International Commerce. *GATT: General Agreement on Tariffs and Trade.* Washington, 1964. 16 p.

Price: 25 cents.

Order from: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402.

United States. Department of Commerce, Bureau of International Commerce. Overseas Business Reports. One title issued in this series covering various countries is *Foreign Trade Regulations of . . . .* Washington. Irregular.

Price: 15 cents each.

Order from: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402.

In compliance with these import controls, it is important that Canadian exporters make sure before shipping goods abroad that their customers have fulfilled all the licensing and other documentation requirements. If a licence is necessary, the customer usually informs the exporter of the licence number or sometimes sends him a copy of the licence itself. (The whole subject of documentation requirements will be covered in a later article.)

State Trading

Trade with state-controlled economies, such as those in Eastern Europe, poses a particular problem for the Canadian exporter. Foreign trade in these countries is a monopoly of the state. Transactions are carried out exclusively by state corporations, each of which deals in a specific category of goods, and buys and sells in accordance with the targets set by that country's short-term or long-term economic plans. This state control makes tariff concessions rather less meaningful than those granted by a market economy such as Canada's. To achieve some degree of reciprocity with state-trading countries, therefore, Canada normally requires that the exchange of most-favoured-nation treatment on which most trade agreements are based be supplemented by a firm commitment on their part to purchase minimum quantities of Canadian goods. Agreements along these lines have so far been concluded with the Soviet Union, Bulgaria and Hungary.

For Further Information

The whole field of foreign tariffs and trade regulations is a complicated one and the inexperienced exporter particularly may need further information. He should get in touch with the Office of Trade Relations in the Department of Trade and Commerce, Ottawa. One of the primary purposes of the Office of Trade Relations is to provide this service to the business community. The Office in each of its five area divisions (United States, Commonwealth, Latin America, Asia and Middle East, Europe), has on file as complete a collection of the tariffs of the world and other relevant legislation as it is possible to obtain. This is kept up-to-date by official amendments received from Canadian commercial representatives in the field. Official information is further supplemented by notices and news items appearing in official gazettes, trade papers, bank reports and reference works and by similar material received from many sources. Translations of tariffs are supplied by the International Customs Tariffs Bureau at Brussels, an organization founded in 1890 to which all the major trading nations, including Canada, subscribe.

Changes in foreign tariffs and other trade regulations of interest to Canadian exporters are published in *Foreign Trade*. Normally, this information appears as a notice in the section "Foreign Tariffs and Trade Regulations"; however, in certain instances an article may be published explaining the implications of particularly important developments. To ensure as widespread coverage as possible, this information is often also sent to the firms and associations on the Department's mailing list.

In requesting information about tariffs, the exporter should indicate the countries in which he is interested and describe the product in as much detail as possible, with particular reference to its use and component materials. Illustrated catalogues or brochures describing it also help in determining the tariff classification. If the tariff classification is not clear or cannot be easily determined from the information available, the Office of Trade Relations is in a position to request an official ruling from the customs officials of the country concerned, through the Departmental offices abroad. The Office can also assist an exporter who, through some inadvertence, finds himself in difficulties with the customs authorities of another country. ●

Chile Expands Copper Industry

A proposed expansion of Chile's copper industry and the extent of government participation in it was announced in detail by President Frei following his inauguration last November. In spite of left-wing demands for total expropriation, his government will work with private industry in fulfilling its plans.

Agreements with the major copper companies call for expansion of the industry to an over-all level of production of 1.2 million metric tons of copper by 1970, almost double the 617,000 metric tons produced in 1964. The increases are expected to come mainly from the following sources:

- The new Compania Minera Andina, a subsidiary of Cerro Corporation in which the Chilean Government owns 25 per cent of the shares—60,000 metric tons.
- The Anaconda group (Chuquicamata and El Salvador)—190,000 metric tons.
- El Teniente, owned by Braden Copper Company (Kennecott Copper Corporation)—90,000 metric tons.
- Small and medium-sized mining companies—165,000 metric tons.

The Government also plans to raise copper refining capacity from the present 275,000 metric tons to more than 700,000 metric tons by 1970. The ultimate goal is a refinery capacity equal to ore production. These gains will be made in electrolytic copper (to be increased from 175,000 to 450,000 metric tons) and in fire-refined copper (180,000 to 300,000 metric tons).

Plans call for the establishment of important new mining companies to which foreign investors will contribute with capital and technical assistance. The Anaconda group has agreed to form a new enterprise to exploit the "Exotica" copper beds, near its principal mine at Chuquicamata. These deposits contain an estimated 153 million tons of ore and have a potential yearly output of 100,000 metric tons. The Chilean Government will own 25 per cent of this proposed company. Other unexploited mining properties belonging to the Anaconda group will be transferred to another new development company of which the Government will own 49 per cent.

The Braden Copper Company will become a Chilean incorporated company known as Sociedad Minera El Teniente S.A. The Chilean Government will own 51 per cent of the shares and the Kennecott Copper Corporation will retain 49 per cent. The value of the 51 per cent ownership amounts to U.S.$80 million, which will be invested in the mine to increase production. The amount will be amortized in 20 years with a minimum rate of interest. The new company will have to finance U.S.$120 million to complete the investment.

Government participation in the copper industry will require an investment of U.S.$135 million in the Anaconda group including Exotica, U.S.$81 million in Compania Minera Andina, and U.S.-$200 million in Sociedad Minera El Teniente S.A.

It is expected that in 1970, on the basis of 29 cents a pound for copper, these new arrangements will result in a yield to the Chilean Government of U.S.$301 million compared with U.S.-$186 million in 1963.

Although the prospects for placing Canadian mining and refining machinery in Chile are promising over the next few years, it should be noted that the American firms involved continue to purchase through the New York Offices listed below:

Kennecott Copper Corporation
405 Lexington Avenue
New York 17, N.Y.

Anaconda Company
25 Broadway
New York 25, N.Y.

—Z. W. BURIANYK,
Assistant Commercial Secretary, Santiago.

Selling to the Booming Boating Market

Americans spent over $2.6 billion on pleasure boating last year and they will probably spend even more this year. This growing market for everything from dinghys to cabin cruisers is a natural one for Canadian boat builders to cultivate. Here are a few hints on how and where they could advertise and sell.

W. G. HUXTABLE, *Consul and Trade Commissioner, New York.*

CANADIAN manufacturers selling boats here will be sharing in a market which has been growing almost without pause for the last 15 years. Retail sales in the United States market should be close to $3 billion in 1965 compared with less than $700 million in 1950. (See Table I.)

This optimistic view is based on record figures for most areas of the business in 1964, when 38.5 million Americans enjoyed boating for fun and spent over $2.6 billion on it. They sailed in 7.7 million boats, 550,000 of them powered by inboard motors and 4.4 million by outboards. The remainder of the fleet consisted of half a million sailboats and over 2.2 million rowboats, prams, canoes and miscellaneous craft. These pleasure craft used up 936 million gallons of gasoline, and 11 million gallons of paints and varnishes (weighing about 55,000 tons) were applied to their surfaces! Sales of new outboard motor boats reached 270,000 and of sailboats 13,500. There was even room for 5,500 pontoon boats and 1,650 houseboats.

Nearly 500 boats of all types, inboard cruisers and sailboats, fill this over-all view of the New York Coliseum's second floor during the 55th National Motor Boat Show. More than 400 exhibits arranged over five floors attracted about 400,000 persons.

United States import figures (see Table II) for 1964 show that 3,509 boats worth U.S.$6.9 million were imported from all countries. Of these, 705 worth U.S.$1,185,046 came from Canada.

At present, the United States import duty on complete pleasure boats when motor or sail propelled, assembled or in kit form, and valued at $15,000 or under, is 4 per cent. On pleasure boats valued at over $15,000 it is 10 per cent. Generally speaking, parts for boats bear a 12 per cent duty.

New Materials Used

More than any other field of manufacturing, boat building has been characterized since World War II by the introduction and use of new materials. Wood has been used in new ways. Strength and durability have been improved, especially by the introduction of waterproof synthetic resin adhesives. Aluminum has now become popular and steel too has made a solid contribution to small boat building.

The most spectacular story is that of fibreglass. Unused 20 years ago in small boat construction, more than 65 million pounds of fibreglass-reinforced plastics will be used in pleasure boat manufacturing by some 400 builders this year.

Even newer materials are being introduced. Dynel, used in ladies' pile overcoats and as a covering for

Arctic radomes, and polypropylene, used in floating ropes and carpets, have excellent qualities, including great flexibility and toughness. It is claimed that these materials can be combined with epoxy resins to make even stronger reinforced plastic boats. Solid polyethylene is used by one manufacturer to make unsinkable boats 8 to 14 feet long in one vacuum-forming operation. Several firms are making small and inexpensive boats of expanded polystyrene rigid foam.

Another revolutionary material has been developed by the B. F. Goodrich Industrial Products Company. A uni-cellular rigid polyvinylchloride plastic foam sheet, it has the strength of wood and fibreglass but weighs only half as much. If covered with a layer of dynel or fibreglass for rigidity, it cannot be dented by sledgehammer blows. Even if the outer covering is pierced, the foam cannot become waterlogged because of its uni-cellular construction.

The material is formed by bending after low temperature heating under batteries of heat lamps or heat blankets. The first boat built with the new material, a 37-foot trimaran with sleeping accommodation for four, was made by two men using simple tools and rudimentary forms.

TABLE I

U.S. RETAIL BOATING SALES 1950-64

(millions of U.S.$)

1964	2,605
1963	2,581
1962	2,506
1961	2,340
1960	2,525
1959	2,475
1958	2,085
1957	1,912
1956	1,580
1955	1,230
1954	1,000
1953	950
1952	720
1951	645
1950	680

Market Strategy

Even for United States manufacturers, selling in this market is not easy. The average boat dealer is not financially strong and there are few distributors able to market and finance boats. As a result, most U.S. boat-makers sell direct to dealers. A few do so on consignment.

The dealer is a vital link in the distribution chain. He should be visited regularly and considered an equal partner with the manufacturer in distribution. Boat producers might well copy the dealer relations programs of automobile manufacturers. There co-operative advertising, warranty, franchise protection, dealer incentive and training programs are widely used. Incidentally, many automobile dealers have entered the boat business and almost without exception they have done well.

Advertising is important. We believe that the average boat buyer spends at least three months investigating the types available, costs, and the most advantageous method of purchasing. (Wives notice a far-away, glazed expression during most of this period.) The prospective boatman studies buyers' guides and boating magazines and is easily influenced by the opinions of boating neighbours and dealers.

A good press and a good public can only be developed by continued effort. The boating magazines run articles on tests of new craft as well as stories of cruises, races, and boat operation. Publicity does not come without effort but it is invaluable to a boat producer.

Boat Shows

In addition to advertising and a continuing dealer-customer and public relations program, perhaps the most important sales medium is the boat show. There are hundreds of shows featuring boat displays every year in the United States. The most important trade show is the Marine Trades Exhibit held in Chicago in September. This is a truly national show for the trade only. Eleven Canadian firms exhibited under Department of Trade and Commerce sponsorship in last year's show and a similar Canadian display will be mounted this year.

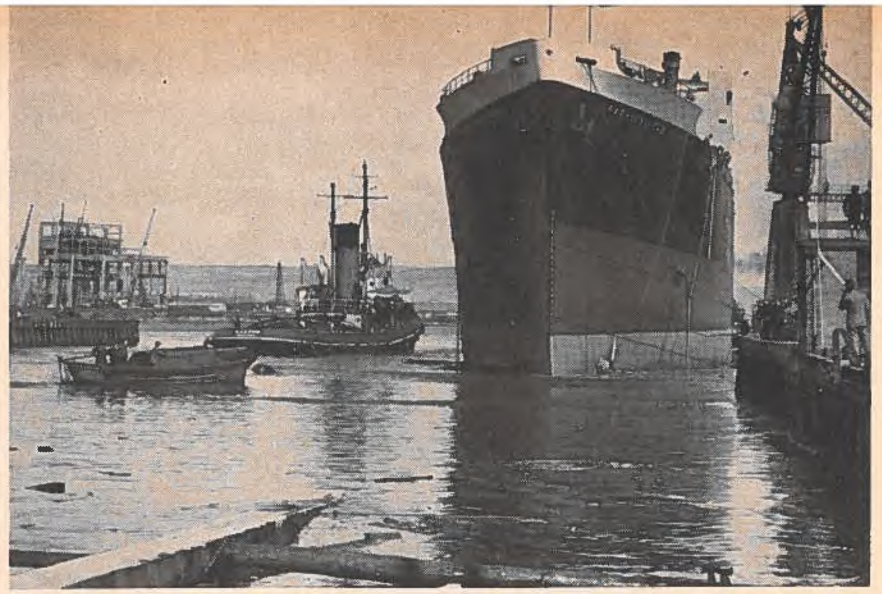
The National Motor Boat Show is held every year in January in New York, a city with the largest concentration of pleasure boats in the world. Nearly 400,000 people come to this show on public days and over 3,000 dealers and distributors visited it on the special trade days this year, despite bad weather. It is sponsored by the National Association of Engine and Boat Manufacturers, whose members have a preferred choice of display locations. If suitable space remains, the Department of Trade and Commerce plans to organize a Canadian boat and accessory display in the 1966 show. Your firm may be interested. ●

TABLE II

IMPORTS INTO U.S. OF YACHTS OR PLEASURE BOATS

(not including parts or hulls alone)

	1963		1964	
Country	**Quantity**	**Value U.S.$**	**Quantity**	**Value U.S.$**
Hong Kong	155	1,407,806	160	1,567,560
Canada	746	945,833	705	1,185.046
Netherlands	282	967,793	385	803,404
Britain	847	588,378	548	692,294
Denmark	204	884,937	179	682,439
Japan	4,480	599,997	372	557,576
West Germany	706	319,550	525	486,398
Sweden	39	233,023	22	238,507
Italy	36	43,054	19	187,201
France	386	121,638	275	178,270
Norway	70	437,713	209	96,112
Spain	14	92,499	5	45,137
Yugoslavia	30	17,105	....	....
All other countries	108	208,160	105	159,641
Totals	**8,103**	**6,867,486**	**3,509**	**6,879,585**



Canada and Northern Ireland maintain close connections, partly through shipping services from Belfast to Montreal. This new Head liner, "Rathlin Head", is shown just after launching at Belfast and before its maiden voyage to Canada.

Don't Overlook Northern Ireland

The people in this small, compact market are already acquainted with Canadian products—from timber and wheat to hand tools and electric ranges—and the market is growing. Have you investigated it?

DONALD H. LEAVITT, *Assistant Trade Commissioner, Glasgow.*

THE travel posters read "Come to Northern Ireland"—and about 350,000 people a year accept the invitation. But surprisingly, this country has not attracted much attention from Canadian manufacturers and there are few Canadian businessmen among the visitors to this pocket-sized market of approximately 1.5 million people—one million of whom live within a 25-mile radius of the capital, Belfast. Here lush fertile land, growing industry, friendly people, and economic prosperity are pleasantly blended together—and all within easy reach of England and Scotland by air and sea. Although this market of 1.5 million people is not large, it is growing and stable and can provide a profitable addition to a firm's business in Britain.

Northern Ireland—or Ulster as it is sometimes called—consists of the six counties of Antrim, Armagh, Down, Fermanagh, Londonderry and Tyrone, and the country Boroughs of Belfast and Londonderry. It has a coastline of 245 miles and a land frontier with the Irish Republic of about 200 miles, and is within 13 miles of the Scottish coast. This geographical proximity to the rest of Britain is reflected in the many similarities to Scotland, especially in the economic field, and in the constitutional link with England and Scotland. Northern Ireland is, however, unique because it has its own parliament at Stormont, Belfast, which has jurisdiction over local matters.

Economic Outlook Promising

Northern Ireland has the highest birth rate and the lowest death rate in Britain. The land area (5,242 square miles) is less than one-fifth of the Irish Republic's (26,599 square miles) and the population (1,435,400) is just over half that of the Republic (2,824,000).

Unemployment has been a serious and persistent problem in Northern Ireland (at the beginning of March 1965 it was 6.8 per cent) and measures to overcome it have for a long time been the main factor in the Government's economic policy. This high rate stems from the depression in the traditional industries (shipbuilding, linen and aircraft), the mechanization of farming, and the population growth.

In spite of this, one senses the prosperity here. You see it at the new Belfast airport, in the clean and well-kept houses, in the new buildings, and in the well-stocked stores. This prosperity is confirmed by the index of industrial production which reached 137 in 1964 compared with 124 in 1962 (1958 =100). In the last ten years industrial production has risen 38 per cent compared with the British average of 24 per cent and employee output 46 per cent compared with 21 per cent in Britain. Although average incomes are still slightly below the British average, they have risen steadily since the war. The tourist trade is on the upswing with visitors spending about $37 million a year. The construction industry has been booming since the war and major building projects totalling over $300 million are being carried out in Belfast at present. Development is taking place not only in the city centre but in surrounding districts; many of the large projects are over $3 million in value.

TABLE I

NORTHERN IRELAND'S MARKETS

	1961	1962 (£,000)	1963
CANADA	202	210	1,034
Qatar	....	....	125
Cyprus	104	266	63
Other Commonwealth countries	289	399	50
Irish Republic	21,877	19,133	22,908
Total to Commonwealth countries and the Irish Republic	**22,472**	**20,007**	**24,180**
Norway	4,962	46	3,823
West Germany	1,960	1,781	1,658
Italy	1,266	1,722	1,506
Soviet Union	....	2	1,398
Belgium	759	727	1,215
France	373	379	1,078
Other foreign countries	4,556	7,850	5,068
Total to foreign countries	**13,876**	**12,507**	**15,746**
Total Exports	**36,348**	**32,514**	**39,926**

TABLE II

WHERE NORTHERN IRELAND BUYS

	1961	1962 (£,000)	1963
CANADA	6,549	11,525	10,918
Federation of Rhodesia and Nyasaland	4,381	4,869	5,145
Australia	4,537	5,028	2,499
India	1,838	3,032	3,328
Other Commonwealth countries	5,923	4,563	4,483
Irish Republic	29,328	29,142	37,743
Total from Commonwealth countries and the Irish Republic	**49,933**	**57,323**	**63,360**
United States	15,573	19,401	17,667
Belgium	3,097	4,016	5,497
Soviet Union	3,540	2,549	1,734
Netherlands	2,585	3,831	3,863
France	2,027	1,702	2,615
Other foreign countries	12,858	15,834	16,666
Total from foreign countries	**39,680**	**47,333**	**48,042**
Total Imports	**89,614**	**104,656**	**111,402**

Much of the credit for this prosperity must go to the Government's intensive program to promote industrial diversification. It has offered various forms of aid and financial assistance, including ready-built factories and labour retraining. This development program since 1945 has cost the Northern Ireland Government over $237 million, including grants for machinery and equipment. But in the same period 190 new industries have been set up. A Canadian company, Canadian Technical Tapes of Montreal, is now building a factory here.

Canada's Trade Increasing

Canada sells more than $30 million worth of goods a year to Northern Ireland. In 1963 we bought slightly over $3 million worth of products (mostly from the linen industry). The statistics do not break down our shipments by commodity but our traditional exports of timber, wheat and barley are well established. Canadian apples, onions, and cheese are well received and so are our canned fruits and vegetables. Canadian canned salmon is a long-established favourite. There also is a growing market for Canadian-style consumer goods and Canadian companies have been selling hand tools, electric ranges, T.V. trolleys, and cotton fleece underwear.

Easier Than You Think

It may be easier than you think to sell here. The customs laws and procedures are the same as in the rest of Britain but unlike these areas, there are estimates of imports and exports based mainly on information obtained from harbour authorities which do not include goods transshipped from other parts of the country. There is also direct shipping service between Canada and Northern Ireland. The Head Line and Lord Line operate jointly a general cargo ship service between Belfast and Montreal and Saint John, N.B., three times per month and between Belfast and Toronto every three weeks (in season).

Northern Ireland is physically and in some ways culturally separate from the rest of Britain and it should be treated as a separate market. In most instances an agent or sub-agent for Northern Ireland should be appointed. There is a demand for quality goods but spending money is still limited and tastes tend to be conservative. For these reasons the Northern Irelander may be slower to accept some new ideas or products than people in other parts of Britain.

The first step in selling here is to work out c.i.f. prices and send several copies of your catalogue or descriptive material to the Canadian Government Trade Commissioner in Belfast, who will be pleased to undertake an initial survey of the market. If there is sufficient interest, a trip to the trading centre of Belfast would be the second step. Canadians are well received and the trade and local government departments are co-operative and agreeable. Business is conducted in a leisurely fashion, so leave yourself plenty of time and don't plan too many appointments for one day.

If Time Allows—

If time allows, combine business with pleasure. Northern Ireland is a land where driving is still fun. Outside the main centres of population the roads are uncluttered and the visitor can cover the entire country during the course of a day. He is more likely, of course, to linger along pleasant country roads and highways or at one of the numerous pubs. The country is a paradise for golfers and anglers; there are more than 60 golf courses and many are situated amid spectacular scenery. For the fisherman there are over 400 loughs and 1,660 miles of river at his disposal and most of these teem with fish.

A visit to Northern Ireland can be both profitable and pleasant. But remember that first step: send c.i.f. prices and catalogues to the Canadian Government Trade Commissioner, 15/17 Chichester Street, Belfast 1. ●

The Netherlands Buys Knitware

The market is growing—and growing faster than production. All types of yarns and finished articles are imported. If the price and style are right, the Netherlands could become a steady outlet for Canadian-made knitted garments, the author believes.

J. B. McLAREN, *Assistant Commercial Secretary, The Hague.*

THE NETHERLANDS' knitwear and hosiery industry, founded in the middle of the nineteenth century, produced goods valued at Can.$138 million in 1963 and exported goods worth $28.6 million.

Yarn Requirements

To keep this industry going calls for ever increasing amounts of yarn; in 1963 it used 19,100 metric tons compared with 14,350 in 1960. Sixty per cent of its yarn requirements are produced by domestic mills and most of the remainder comes from Belgium, West Germany and Italy. Quantities supplied by Canada are small and vary from year to year. In 1960 the Netherlands bought from us three metric tons of untwined cotton yarn and four tons of synthetic fibre yarn. (This was the last year in which we sold the Dutch cotton yarn.) Our exports of synthetic yarn to Holland dropped to 2 tons in 1961, rose to 21 tons in 1962, and dropped to 8 tons in 1963. In the period January to August 1964 we made no sales. Offal of synthetic fibres is also exported to the Netherlands—5 tons in 1963 compared with 15 in 1962, 33 in 1961 and 52 in 1960. In the first eight months of 1964, we shipped 39 tons.

• **Knitted Goods**—The 1963 domestic production of knitted goods included approximately 3.1 million pounds of woollen, 9 million pounds of synthetic, and 2.6 million of other (chiefly cotton) goods. In spite of stiff competition from Japan and Belgium, Canada supplied quantities of knitted cotton workmen's gloves. (See Table I)

• **Women's Stockings**—The production of seamless stockings has gone up substantially—from approximately 9 million pairs in 1959 to 40 million in 1963. There are also large imports of stockings: 32.9 million pairs, valued at $9.1 million in 1963. The principal suppliers were Belgium, with 12.5 million pairs valued at $4.5 million, Italy with 11.9 million pairs valued at $2.3 million, and West Germany with 7.9 million pairs valued at $2 million.

TABLE I

DUTCH IMPORTS OF WORK GLOVES

	No. of pairs	Value in dollars
1960	not listed	4,800
1961	30,340	16,200
1962	84,170	42,300
1963	177,370	85,200
1964 Jan.-Aug.	97,820	50,400

• **Socks**—Total production of socks and anklets fell from 27.6 million pairs in 1959 to 25.3 million in 1963. One reason is the introduction of stretch nylon socks, which last longer than traditional types. Another reason is the increase in imports. In 1963 the Dutch imported 5.8 million pairs of nylon socks, valued at $1.9 million and 2.2 million pairs of woollen socks, valued at $909,900. The largest quantity came from Belgium.

• **Nightwear and Underwear**—The output of lingerie made of semi- and fully-synthetic yarn climbed from 5.4 million pieces in 1959 to 8.2 million in 1963. Production of underwear (chiefly cotton) increased from 48.7 million pieces to 57.5 million during the same period. Production of tights, which were first introduced in the Netherlands about 1958 and rapidly gained acceptance, has risen rapidly and passed the 3.2 million mark in 1963.

In 1962, nylon underwear valued at $3,900 was imported from Canada, but our share of this

TABLE II

	DUTCH IMPORTS			DUTCH EXPORTS		
	1961	1962	1963	1961	1962	1963
			(in $'000)			
Knitted piecegoods	11,340	12,990	17,400	15,180	19,680	30,000
Knitted gloves and mittens	2,400	3,090	4,230	120	180	270
Socks and stockings	13,200	11,490	12,090	4,260	4,620	4,830
Knitted underwear	2,790	4,500	7,980	3,480	3,900	4,380
Knitted outerwear	30,450	36,660	49,980	3,420	5,820	8,340
Other knitted goods	780	960	1,140	240	210	240
Mail order goods	1,500	1,470	1,770	480	390	390
Total	**62,460**	**71,160**	**94,590**	**27,180**	**34,800**	**48,450**

market of over $2 million in 1963 totalled only $7,200. The major suppliers of this item are Belgium and West Germany, which have an EEC preferential duty rate of 9.6 per cent compared with the 21 per cent rate that applies to Canada.

• **Sportswear and Outerwear**—The Dutch industry is unable to meet the large and steadily growing domestic demand for knitted outer clothing. Domestic production in 1963 of 7.3 million pieces of outerwear and 2.2 million pieces of sports and beach wear fell considerably short of demand. Imports are rising and Belgium and Italy are the major suppliers. Canada was listed in Netherlands import statistics for the first time in 1962 as a shipper of $5,100 worth of knitted clothing.

• **Babywear**—Production of baby clothing is also increasing and rose from over 1 million pieces of underwear and 3.4 million pieces of outerwear in 1959 to 1.5 million and 4 million in 1963. Practically all babywear sold in the Netherlands is made in the country.

Prospects for Canadian Sales

In spite of strong competition from domestic suppliers and other EEC shippers, Canadian firms have started to make inroads into this expanding market. If price and style are right, there is no reason why the Netherlands could not become a steady customer for Canadian knitwear products. •

What's current in commodities?

Pharmaceuticals

Hong Kong—**Imports of pharmaceuticals into this Crown Colony reached a value of over $7 million in 1964. Promotion of quality products at competitive prices could increase Canadian sales, which amounted to less than $5,000 last year.**

NORMAN R. GISH, *Assistant Trade Commissioner, Hong Kong.*

HONG KONG has a population of almost four million people, of whom almost 98 per cent are Chinese. Despite the density and overcrowding, the general health of the population is good and is steadily improving. The Medical and Health Department of the Government provides hospitals and clinics throughout rural and urban areas and is responsible for maternal and child health, school health and port health. It also supplies specialist health services. Government and private agencies together provide approximately 12,000 hospital beds —a ratio of about 2.28 beds per 1,000 of population. Hong Kong can also boast of the largest general hospital in the Commonwealth, the Queen Elizabeth, which opened in 1963.

Traditional Chinese medicines are still used by many in Hong Kong but consumption of western-type medicines is increasing steadily. The Government maintains its own Pharmaceutical Service which is directed by a Chief Pharmacist. He is responsible for purchasing and supplying drugs and operating dispensaries on behalf of the Government. He also directs the two Central Medical Stores which manufacture in bulk, make tablets from certain pharmaceuticals, and produce sterile preparations and fluids for parenteral administration. There is also a Government Vaccines Laboratory which produces considerable quantities of vaccines. In the last fiscal year these agencies spent over Can.$1.5 million on drugs and dressings.

Many church and private agencies provide medical facilities and there are a substantial number of doctors and dentists in private practice in Hong Kong. An unusual aspect of the Hong Kong market is that most doctors dispense pharmaceuticals from their own offices. Unlike Canada, the Hong Kong patient rarely uses the prescription-dispensing facilities of retail pharmacies. This has limited the growth and development of a pharmacy service as we know it in Canada and there are surprisingly few drug stores.

More than 60 factories specialize in traditional Chinese medicines but only a few produce western pharmaceutical preparations. Several local firms also carry out tabletting and fill ampoules and capsules with imported raw materials. They supply the Hong Kong Government Medical Service with many of the simpler pharmaceuticals, including vitamin

SELECTED PHARMACEUTICALS IMPORTS AND SOURCES OF SUPPLY—1964

	Products						
	Vitamins	Antibiotics	Hormones	Sera Vaccines	Antipyretics	Dermatological Preparations	Totals by Conntry
United States	5,979,382	11,993,349	69,983	242,272	33,869	209,012	18,673,128
Italy	356,642	5,637,850	4,612	16,623	....	....	6,023,905
Britain	736,476	1,850,743	63,560	196,529	74,076	68,152	3,020,614
Philippines	211,215	1,117,530	49,168	27,310	26,143	....	1,431,366
Germany	623,808	705,911	59,586	....	5,832	18,021	1,415,194
Switzerland	386,827	222,062	336,359	2,637	179,400	76,649	1,302,487
France	6,595	264,937	588,016	7,870	54,514	....	942,468
Denmark	98,135	768,774	22,004	2,450	....	....	897,363
Belgium	55,145	758,358	9,377	....	22,000	....	844,880
Australia	14,638	30,851	....	6,870	669,772	....	742,255
Netherlands	136,795	150,225	162,734	24,204	17,600	....	491,558
China	52,394	409,800	19,000	....	....	....	481,194
Japan	103,079	147,084	2,956	....	10,254	35,672	299,045
Canada	10,705	....	3,672	9,710	....	....	24,087
Totals by product	**8,771,836**	**24,057,474**	**1,391,027**	**536,475**	**1,093,460**	**407,506**	**36,589,544**

Source: Hong Kong Trade Statistics
Rate of exchange: HK$1.00=Can.$0.19

preparations (in tablet, injectable and syrup form), antibiotics, sulpha drugs and other generic products.

It is difficult to estimate the scope or volume of local production as statistics are not available. However, Hong Kong does export some locally manufactured pharmaceutical products. There is also a large re-export trade in imported pharmaceuticals which reflects the Colony's importance as a distribution centre for Southeast Asia as well as a final consumer of pharmaceuticals.

Importing Not Difficult

There are no restrictions on the import of drugs or pharmaceuticals into Hong Kong except for products containing alcohol; a small duty is levied on the alcoholic content. The Dangerous Drugs Ordinance and the Pharmacy and Poisons Ordinance are drawn broadly on the lines of the corresponding British legislation. The Chief Pharmacist of the Government of Hong Kong has the responsibility of enforcing inspection under both ordinances. Before selling a product an importer must submit a sample of it to the Chief Pharmacist for inspection. If it falls under either of the ordinances, then the importer can sell the preparation only to doctors and outlets with the necessary licence.

Within the selected range of six major pharmaceuticals—including vitamins, antibiotics, hormones, sera vaccines, antipyretics and dermatological preparations (see table) —the major suppliers are United States (51 per cent), Italy (16.4 per cent), Britain (8.2 per cent), Philippines (3.8 per cent), West Germany (3.8 per cent) and Switzerland (3.6 per cent). In 1964 imports of these pharmaceuticals totalled HK$36,589,544; Canada supplied only HK$24,087 worth.

Methods of Selling

Imported products are usually sold through agents, even for some of the larger companies which have their Far Eastern representatives stationed in Hong Kong. These company representatives are usually of great assistance in providing direction to the local agent and calling on the larger accounts.

The agent either buys outright or on a consignment commission basis, depending on arrangements made. Those who represent a manufacturer who uses Hong Kong as a supply base for Asia draw on locally stored stocks. The agent may sell directly to medical practitioners and pharmacies or through sub-agents or wholesalers—often to all—with varying discounts. Many agents find they have to extend credit and expect assistance from the manufacturer in return. Credit terms to agents vary from sight draft to 120 days, documents against acceptance, but the general line of credit is from 60 to 90 days.

Advertising is done mainly through sampling and most manufacturers grant 20 to 50 per cent discount in the form of sample goods. Labelling in Chinese characters is not essential but can help sales of the more common drugs. Some importers package and label their own brands from imported materials.

The Hong Kong market shows, as with most products, no national preference for pharmaceuticals and customers are won by competitive prices coupled with acceptable quality. The free port status of the Colony makes it an extremely price-conscious market.

There are still opportunities for sales by newcomers, despite the solid entrenchment of the big pharmaceutical manufacturers and the Trade Commissioner is prepared to canvass local importers on behalf of Canadian manufacturers. Those interested should write to the Office of the Canadian Government Trade Commissioner, P.O. Box 126, Hong Kong. ●

Selling School Supplies in the United States

The multi-million-dollar school equipment market has hardly been touched by Canadian exporters even though its needs are many and varied. The annual convention of the American School Administrators is a good place to make the all-important first contacts.

WILEY J. MILLYARD, *Consul and Trade Commissioner, Philadelphia.*

ONE DAY last February I visited the annual convention of the American School Administrators in Atlantic City, New Jersey. I was aware that a number of manufacturers of school supplies had exhibits there and I expected to see such things as textbooks and school furniture. To my amazement, I found two levels of the gigantic Convention Hall jammed with displays from 557 companies, some of whom had exhibits in more than one category. The space given over to exhibits far exceeded that reserved for meetings and discussions, and the range and variety of the products were overwhelming.

It did not take long to learn that for any manufacturer who desires to list schools among his customers, this is the place to make contacts. School administrators from every school in the United States as well as some from Canada were present and a receptionist told us that by that day, the last of the convention, over 27,000 people had registered. Since the public is allowed in only on the opening day, all the regis-

What Canadians Could Sell to U.S. Schools

Classification	Number of Exhibitors
Accounting machines	4
Acoustical products	5
Aquariums	2
Art materials	12
Athletic, gymnasium & playground apparatus & maintenance equipment	71
Audio-visual material & equipment	71
Auditorium seating	14
Bleachers	10
Book covers	2
Books, magazines, periodicals	54
Building maintenance equipment & supplies	22
Cafeteria equipment	17
Caps & gowns—choir robes	2
Carpeting	4
Chalkboards, blackboards, bulletin boards	14
Character & citizenship guidance material	5
Checkroom equipment	2
Commencement diplomas & materials	3
Desks, charts & tables	52
Dictating equipment—shorthand machines	6
Door closers, latches, locks and keys	22
Electronic training & equipment	16
Fire alarm systems	5
Floor & wall coverings	8
Folding doors, gates & partitions	13
Food service equipment	8
Glass	5
Health education materials	14
Heating, ventilating & air conditioners—equipment & controls	15
Home economics equipment	12
Intercommunication equipment	6
Janitor supplies	22
Kindergarten materials, equipment & playthings	13
Library service & supplies	13
Lighting, lighting fixtures	10
Lockers, cabinets & shelving	29
Maps, globes, charts & atlases	9
Math. laboratories	4
Miscellaneous	79
Music materials & equipment	18
Office equipment	19
Pencils, pens—marking instruments	6
Photography	8
Pianos & organs	7
Plastics—wall coverings & fabrics	16
Plumbing specialties	11
Precision tools & equipment	3
Radio & television equipment	9
Reference books	31
School buses	3
Sound distribution & recording equipment	11
Stage equipment	15
Teaching aids & materials	70
Tests & measurements	12
Textbooks	35
Tiles—ceramics	2
Tote boxes & trays	4
Tractors & lawnmowers	2
Uniforms	2
Vacuum cleaners	8
Windows, shades & venetian blinds	12
Total	**1,021**

trants were people interested in phases of education and attendance figures were thus quite impressive. Without question, it is the largest convention/trade show held in Atlantic City each year and not surprisingly, all the principal hotels along the famous Boardwalk were filled to capacity.

Canadian Exhibits Lacking

Much to our disappointment we could find only one Canadian manufacturer in the whole 114,000 square feet of display area. The firm was displaying equipment for teaching electricity. The representative expressed deep satisfaction with the show and told us the company had received a large number of inquiries, not only from school administrators but from distributors looking for additional lines. As a result of this, it was arranging for representation in several areas of the United States where formerly it had none.

The exhibition area was split up into a number of classified sections and to give some idea of the number and variety of exhibitors, we prepared a box-score (see the list) of those likely to be of most interest to Canadian exporters.

Even a fast glance at the list should make it clear that education has become big business. It's a far cry from the old one-room schoolhouse to the intricately designed and equipped schools of the present day.

It doesn't require much imagination to realize that here is a vast market running into hundreds of millions of dollars, as yet largely untapped by Canadian suppliers. Certainly anyone wishing to investigate this market doesn't have to wait a whole year to do so. However, we know of no other way of gaining exposure at one time to the whole fraternity of school administrators and distributors of school equipment than through the Atlantic City convention. Next year's show will, as usual, take place in Convention Hall and will run from February 12th through the 16th.

I have spoken with Mr. Richard Carpenter, Assistant Executive Secretary for Business Management of the National Education Association, 1201 Sixteenth Street, N.W., Washington, D.C., and he informed me that more Canadian exhibitors would be welcome, provided there is enough room for them. This year the exhibition space was completely sold out and first consideration for 1966 space must naturally go to old customers. Announcements for the 1966 convention will be mailed to interested parties in August, followed a month later by the formal prospectus and application form. The completed form and $50 deposit must be returned early in October. Booths are available in two dimensions: 10 feet × 10 feet and 8 feet × 10 feet depending on location; rates also vary with location. Mr. Carpenter stated that he would be pleased to hear from any Canadian companies that are interested and we sincerely hope he won't be disappointed. ●

Greece Modernizes Communications

THE GREEK Government is continuing its program to restore, extend and modernize the country's transport and communications facilities. Included in this plan are projects to construct and improve roads, bridges, tunnels, canals, airlines and ports.

Completion this year of the middle third of the major north-south highway between Athens and Salonica and the future construction of a modern thoroughfare from Corinth to Patras will provide Greece with a faster trade route to its EEC partners. It will also mean another route from Western to Eastern Europe through connection with a new Yugoslav highway.

Another improvement in connections with the West being considered by the Ministries of Merchant Marine and Public Works is the widening and deepening of the Corinth Canal. At present only ships with a beam under 18 metres and a draught under 7 metres can use this waterway. The proposed canal will allow larger vessels to skip the 200-mile voyage around the southern tip of the Peloponnese.

At the western mouth of the Gulf of Corinth, the construction of a bridge or tunnel between Rion and Antirion is under study. It is expected that the tunnel will be favoured because it would be less expensive and less subject to earthquake damage and could be built of domestically produced concrete, thus saving foreign exchange. However, it is not likely that this project will take shape in the near future.

The Hellenic State Railways and the Piraeus-Peloponnese Railways are continuing their modernization programs, which include the eventual dieselization of the entire system. The Ministry of Communications announced in May that agreements had been signed and credits opened for the purchase of additional diesel locomotives, diesel passenger and freight cars to the equivalent of $11.2 million and that rolling stock amounting to $5.2 million would be procured shortly.

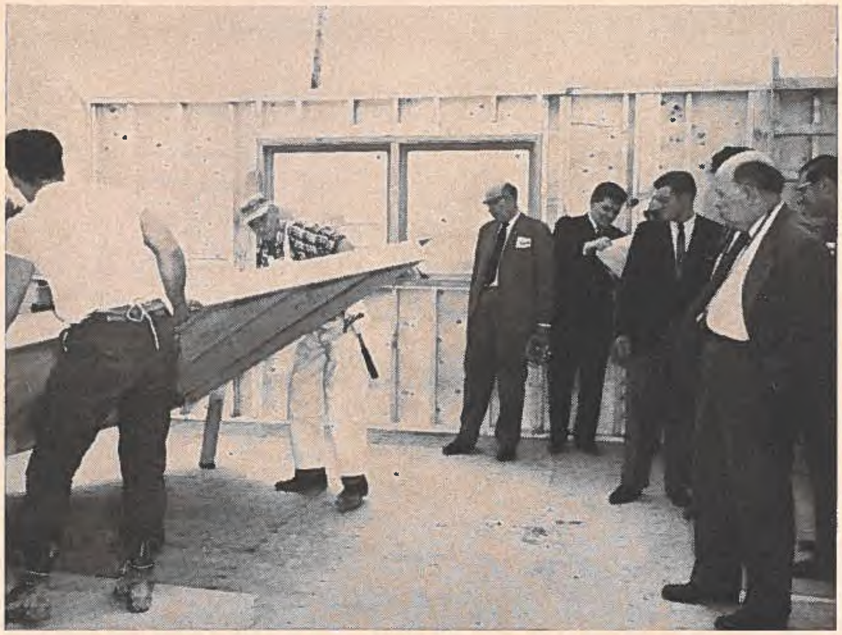
Canada's best chance to participate in these developments lies in heavy diesel locomotives. One Canadian company has quoted on recent tenders and lost out only by a small margin to a large U.S. firm. Most of the other rolling stock is bought from Western and Eastern European countries.

Olympic Airways, operated by Aristotle Onassis, continues to have a monopoly of Greek domestic and foreign air services. Daily domestic flights using piston aircraft now connect Athens with the other major Greek cities. Jet transatlantic flights with daily service from Athens to New York are planned for 1966.

Several small ports such as Patras and the country's two main ports, Piraeus and Salonica, are scheduled for expansion and modernization, under the direction of the Ministries of Merchant Marine and Public Works.

—B. A. MACDONALD,
Commercial Counsellor, Athens.

Housing Mission Tours Canada



Members of the 26-man mission watch the assembly of a prefabricated home at a building site in Calgary, one of the seven cities they visited. The mission also went to Vancouver, Victoria, Quebec City, Halifax, Ottawa and Montreal.

To display the techniques of timber-frame building, used in about 90 per cent of Canadian residential construction but relatively unknown in Western Europe, the Department of Trade and Commerce recently sponsored a three-week, cross-Canada tour by housing officials and builders—12 from West Germany and 14 from the Netherlands. This housing mission studied various residential construction projects across Canada and visited prefabrication centres and building material manufacturers. The Department, by sponsoring this mission, extended to continental Europe a promotion campaign for timber-frame construction that has been under way in Britain for the past two years. It is hoped that it will result in greater sales of Canadian lumber and plywood to European builders interested in techniques that are fast, low in labour content, and provide a high standard of comfort and finish.

In Ottawa, two members of the housing mission discuss the techniques and examine the materials used in the erection of a multiple unit housing project. The mission was to issue a report on its findings to government authorities and the building trade on its return to Western Europe.

IR Hendrik Broersma (left), of the Central Directorate of Housing and Building in The Hague, and Jan Jansen of N. V. Phillips Gloeilampenfabrieken, Eindhoven, examine a plywood sheet undergoing test by the B.C. Plywood Manufacturers Association.

South Africa Streamlines Marketing Methods

R. G. GODSON, *Assistant Trade Commissioner, Cape Town, and*

S. B. McDOWALL, *Assistant Trade Commissioner, Johannesburg.*

More Canadian goods are selling in South Africa, despite continuance of some import control. Changes in wholesaling and retailing techniques, very similar to those taking place in Canada, may suggest new approaches to exporters to this dynamic market.

THE rapid increase in purchasing power in South Africa—to about \$6.3 billion today—has been accompanied by a change in and modernization of marketing methods. The decline in net profit per unit sale, partly because of the greater proportion of locally made goods, has led individual retail stores to enlarge the floor area and increase the variety of goods stocked. Closely related to this trend is a movement away from specialization and towards the more general store.

Price control, though no longer applicable to most consumer goods, has had a lasting effect on the structure of the trade. The maximum limit under price control was so fixed for some items that many retailers in times of scarcity were able to secure higher gross profits if they bought goods direct from the local factory. This was one of the main inducements to bypass the wholesaler.

From the growth of the general store has come the growth of large-scale distributive units. These have undoubted advantages since they permit keener prices because of bulk ordering direct from the factory and are more attractive to the shopping public, because of the large assembly of different articles and departments under one roof.

Influence on Retailers

The layout and the appearance of the retail store have changed greatly in the past few years. Store design has become a specialized branch of architecture in terms of lighting, air conditioning, comfort, parking and other characteristics. In durable goods, there has been a marked growth in specialized financing services offered to consumers by banks and other financial institutions, which has tended to relieve the retailer of the granting of credit. Another recent trend is the growth of "factoring"—or the taking over from manufacturers by financial institutions of the function of granting credit to retailers. In effect, the "factors" are now buying his "credit book" from the manufacturer and effecting collections.

A significant feature at the present time is the tendency for numbers of small traders to group together to form a voluntary chain-store movement. Essentially this movement falls into two types: first, a group of retailers co-operate to form their own central buying office and distribution centre and second, a number of retailers in similar fields of merchandise co-operate with an existing wholesaler or group of wholesalers to develop a low-cost distribution mechanism.

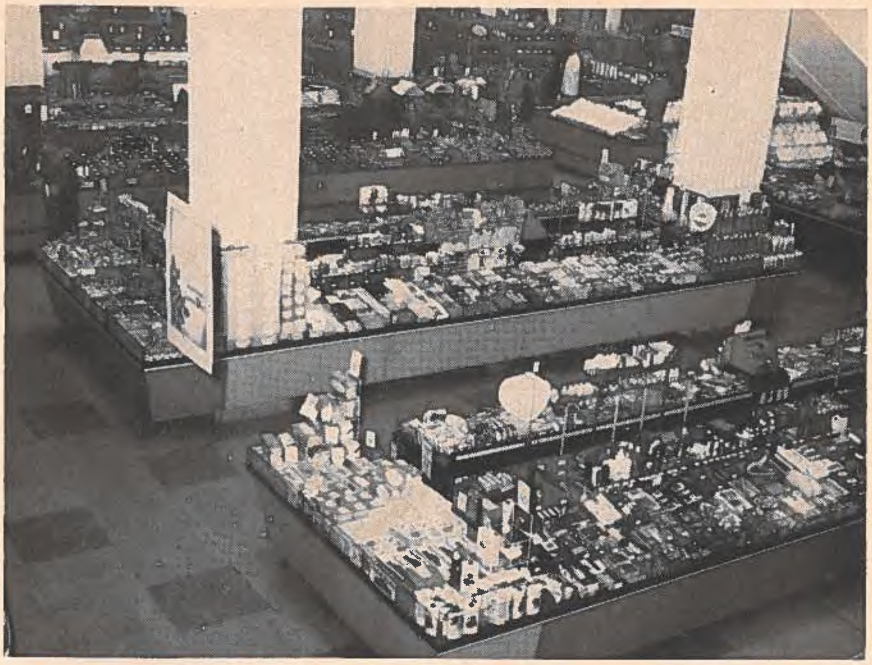
Self-Service Increasing

A change of sufficiently large proportions to be called revolutionary has taken place in retailing foodstuffs and groceries (as well as other lines) with the advent shortly after the war of the self-service operation. The introduction of self-service was facilitated by the increasing extent to which farm produce was graded and standardized. At first, self-service was restricted to packaged dry groceries, then it was extended to dairy products and fresh produce such as fruit and vegetables, and finally, as refrigeration techniques improved, to meat, fish and frozen foods. Today this technique is being used in selling an ever-increasing range of products, including piecegoods and clothing.

Resale Price Maintenance

South Africa is now seeing on a relatively small scale the advent of the discount store. There is also much discussion of resale price maintenance and the Board of Trade and Industries has been directed to investigate individual and collective resale price maintenance practices.

A good deal of controversy has currently arisen over the granting of benefits or coupons with the sale of consumer goods. In South Africa this is regulated by the Trade Coupons Act which, broadly speaking, outlaws the giving of certain prescribed benefits with goods sold. The benefits are laid down by regulation under the Act and at present are confined to such things as matches, picture cards with cigarettes, tobacco or sweets, and picture cards given with any foodstuff. The Act bans, however, the giving of trade coupons with articles sold. A trade coupon is defined as being anything that entitles the holder to receive or compete for a benefit of any kind (not simply the prescribed benefits just mentioned). However, a Court judgment some years ago held that a trade coupon which lays down that the relative benefits may be received by persons submitting a copy of it does not represent a violation of the Act. In consequence of this judgment, many trade coupons of this type now accompany merchandise of various descriptions.



These two toiletries and cosmetics counters form part of the ground floor display area of a Cape Town department store. The consumers' increased purchasing power has meant that South Africans are spending greater amounts on such semi-luxuries.

The Act does not forbid price discounts nor the giving to purchasers of tokens entitling them to receive either a sum of money or other goods of substantially the same kind as those purchased. There is considerable pressure today to have the Act strengthened.

Within recent years the trading stamp has made its appearance in South Africa and there is much controversy over the desirability of this marketing device also.

Other Changes

Another major change in distribution methods is the emphasis placed upon convenience of location and the consequent development of suburban shopping. Closely connected with this has been the development and widespread use by shoppers of motor cars and their desire to avoid congested downtown traffic. As the Government's policy of reducing the number of domestic servants is implemented, we can expect the convenience of quick delivery service and parking facilities offered by suburban stores to increase their popularity as the years go by.

Shopping hours in South Africa are rigidly regulated by provincial legislation and with few exceptions, exclude shopping after 6 p.m. Mondays to Fridays and after 1 p.m. on Saturday. There is much controversy about these trading hours.

Distribution in Smaller Areas

One of the major developments that has affected distribution in smaller towns has been the marked increase in the proportion of non-Europeans in the population there, combined with a proportionately slower growth in European population because of the continuing movement of Europeans to major industrial areas. Improved transport has also encouraged the tendency of residents of smaller towns to make more frequent shopping trips to the metropolitan areas. At the same time, smaller towns have witnessed a rapid growth of the consumer and trading co-operative movement. At the moment a Commission of Inquiry is investigating the affairs and practices of co-operatives.

In the more remote areas, many of the farmers take out general dealer licences and operate small stores on their properties, largely to supply their labourers. This practice has also adversely affected the sales of the small-town dealer. Further competition for the small-town store has come from the increase in the number of itinerant traders and from the establishment of branches of large retail organizations.

Consumer Buying Associations

In recent years, consumers have set up organizations to reduce their buying costs by obtaining discounts for volume. Lately there has been a tendency towards the establishment of discount clubs. In some large industrial and financial organizations, staff buying clubs and staff canteens of various types have been established to obtain the benefit of a special discount by bulk purchasing.

Distribution among Africans

With the increasing part the African is playing in the economy of the Republic as a worker in many fields, he is becoming more and more important as a consumer. His present purchasing power is estimated at approximately $1.5 billion a year. For many years trading with the African population has been carried on by specialist distributors. In the Bantu areas, the European trading stations have performed the functions of selling, issuing credit, and buying produce from Africans. It is the Government's policy to encourage the operations of Bantu traders in the Bantu areas and it seems likely that the number of Bantu retailers and wholesalers will increase.

Purchasing Power Rising

Many of the distribution trends discussed here have been accelerated by the postwar industrialization of South Africa. This advance has greatly increased the proportion of domestic goods in total retail sales. It is now possible to find department stores in South Africa over 90 per cent of whose sales are of South African-made goods. This trend has also been fostered by import control which was introduced in 1948 and which restricted imported merchandise, making it necessary to maintain turnover by widening the range of goods sold.

Purchasing power in South Africa is increasing rapidly and despite import control, out of the $6.3 billion spent in 1964, about $800 million was spent on imported goods. This points up the importance of Canadian exporters keeping in touch with changes in distribution techniques taking place there, similar in many ways to those going on in Canada. The future should see these similarities increase. ●

For Your Information

Address to Farm Women's Week of the Manitoba Farmers Union on June 11, 1965

The Minister of Trade and Commerce paid tribute to the Canada Wheat Board in his address to the Farm Women's Week of the Manitoba Farmers Union. In selling wheat and flour to Canada's cash customers, which number some 75 countries large and small, Mr. Sharp said that the Board exercised a high degree of sound judgment and integrity.

The Government has extended the necessary credit backing to the Board to make possible the recently announced record sale of 58.7 million bushels to China and the three year agreement with East Germany. Poland, Czechoslovakia and Hungary have all made credit purchases of Canadian wheat. In all, the Government has facilitated wheat exports by assuming the credit risk on sales of wheat to a total amount in excess of $500 million. In the current year, our credit sales will account for over one-third of our total exports.

In announcing the export target of 1.2 billion bushels of wheat for the next three years, the Minister recognized that a large volume of exports is not the whole answer. The Government is developing new policies to enable farmers to achieve larger and more reliable incomes, especially the small producer who is affected most severely by rising costs. However, it is important that these measures of special assistance do not interfere in any way with the operations of the Canadian Wheat Board as a producers' marketing board.

He characterized the second wheat world of the emerging nations in Africa, Asia and Latin America as undergoing dynamic change. The combination of population expansion and income growth in the less developed world can have a marked effect upon total world wheat consumption. Canada has responded to the challenges clearly presented by the emergence of the twin worlds of developed and developing countries, by supporting international assistance programs such as the U.N. Refugee Program and the World Food Program and through the Colombo Plan.

Canada fully recognizes the benefits of food aid. Yet we must continue to be concerned to preserve existing commercial markets for the world's efficient wheat and flour producers, and endeavour to develop new markets on commercial terms.

Within the context of the Kennedy Round, the cereals group has been convened to negotiate appropriate arrangements for grains. For the first time, an effort is being made to develop, if possible, a world grains agreement encompassing price, access and food aid questions. The Minister recalled that it took sixteen years to develop an international agreement for wheat and he cautioned that the task today is at least no less great or difficult than it was in the 1930's. As a major producer and the principal commercial exporter of wheat, Canada has a vital stake in the success of these negotiations and will be doing its utmost to make them a success. ●

Choosing an Agent in New England

New England is a good market for the Canadian electronics manufacturer but success may depend on getting the right representative. Choosing one is an important step—but not too difficult if you follow the procedure outlined in the following article.

D. S. BAKER, *Vice Consul and Assistant Trade Commissioner, Boston.*

THE Canadian electronics manufacturer planning to enter the New England market is confronted with an important question. How should he arrange his sales organization to make the best possible progress in this market? After some thought, he may decide that a manufacturers' representative offers the most desirable way to sell in that area.

The Trade Commissioner Service in Boston, Massachusetts, is ready to help you find that representative. Once we know of your interest, we can assist you in determining the best approach to the market. And if that seems to be through a representative, we are prepared to recommend a number of qualified and interested firms.

Decisions to Be Made

Before you think about selecting a representative, you must make certain key decisions. Essentially, these are:

1. To what market segment do you wish to sell your product or service (distributors, original equipment manufacturers, etc.)?

2. What is your sales objective in the area this year and five years hence?

3. What will your policy towards a representative be? You must decide on commission rates, territory, order procedure and so forth.

These decisions made, you know what you want to achieve and the representative you will need to do this. What next? Contact the Consulate, and we can then arrange for you to meet or communicate with qualified representatives. However, in order to select them, we must be able to:

1. Tell prospective representatives who you are, what you want to sell, and to whom. (This determines their interest in your firm.)

2. Know what type of organization you are looking for, in order not to waste time contacting representatives unlikely to be useful in your marketing plans. This does not mean we screen out everyone who is unsuitable, but it does mean we give you a good idea of how many interested and capable representatives we have found.

Visit the Market

The next step is yours—and at this point we recommend a personal visit to New England. It is your opportunity to meet prospective representatives and make a first-hand assessment of the market.

When you pick the type of representative who fits your marketing plans, you can obtain his most effective effort on your behalf by being specific and telling him exactly what you want. It is trite to tell him simply that his objective should be to "sell and make a profit". That is like a general telling his men that their orders are to "win the war". For effective selling, clear objectives, planning and control are as important for the representative as for your own domestic sales force.

In order to avoid conflicts and misunderstanding, we recommend drawing up a written agreement between the representative and you, his principal.

Hopefully, a successful business relationship will be the result and you will have entered the New England electronics market. Although this is only a beginning, it is an important and even crucial step. Poor planning or bad selection is not only unprofitable but it can damage future business prospects. It can truthfully be said that the choice of a suitable representative *in terms of your sales objectives* is one of the most critical decisions in entering the New England market.

As an example, let us say you manufacture a line of transducers and related amplifiers. You decide that the New England machine tool industry offers an excellent market for these devices and that a manufacturers' representative would be the desirable channel of distribution. Because it requires engineering competence to select and sell transducers, you decide that a manufacturers' representative with engineering experience and selling direct to original equipment manufacturers of machine tools is best. Moreover, you feel that his organization should be capable and willing to expand as sales grow.

With this in mind, you contact the Consulate, tell us of the basic plans, and ask if we know of any interested representatives. We investigate and reply—yes, some five firms have expressed interest and would like to talk further with you about this. We then arrange to have you meet them when you come to Boston.

Negotiating from strength—through an interested and qualified company executive and with a clear marketing strategy—you are in the best position to obtain effective representation. This is your task, but we are convinced it is the profitable approach.

In conclusion, we can only emphasize that there is no one best representative organization. They specialize like everyone in the business world and attention to detail will help you pick a good firm.

The task of the Canadian company is to match marketing effort to the opportunities. New England offers the opportunities and carefully chosen manufacturers' representatives can supply the effort. ●

FOREIGN TARIFFS AND TRADE REGULATIONS

Denmark

FURTHER IMPORT LIBERALIZATION—By notice No. 246 of June 21, 1965, the Danish Ministry of Commerce withdrew import controls from a number of goods.

The following goods may be freely imported from July 1, 1965, on without import licences:

Meat and edible offal of rabbits
Frozen (also cooked) cucumbers, mushrooms and carrots
Prepared or preserved cucumbers
Fresh blackberries and gooseberries
Mangolds and other feed roots
Blocks or plates of rough granite
Transmission belts and conveyors of vulcanized rubber
Rubber tires and tubes for bicycles
Wallpaper
Refrigerators of 200 liters or less
Washing machines and parts
Gas meters and parts

Detailed information may be obtained from the Office of Trade Relations, Department of Trade and Commerce.

Denmark

CUSTOMS CLASSIFICATION—The Danish Ministry of Finance authorized the Danish Customs Directorate by notification of March 8, 1965, to issue written rulings concerning customs classification of commodities imported into Denmark, provided a sample of the commodity along with information on its composition or a detailed description of the commodity is submitted. Rulings issued by the Customs Directorate may be appealed to the Minister of Finance.

Where samples or detailed descriptions are not provided, the Customs Directorate's advice will constitute only a guidance and not a ruling.

Ghana

DECIMAL CURRENCY SYSTEM—The Ghanaian Government has announced the introduction of a new system of currency effective July 19, 1965, with denominations of the "cedi" and the "pesewa". One cedi is equivalent to 100 pesewas (or 100 pence sterling). The existing Ghanaian pound (equivalent to £1) and the new currency will circulate concurrently for one year.

New Zealand

AIRCRAFT IMPORT REGULATIONS AMENDED—The New Zealand authorities have announced that aircraft which are to be used solely for aerial top dressing and other agricultural work will be exempt from import licence—Wellington.

Singapore

IMPORT REGULATIONS—The Malaysian Tariff Advisory Board has announced its Second List of some 240 items for inclusion in Malaysia's common tariff. Since the formation of the Federation of Malaysia, the constituent states (Malaya, Singapore, Sarawak and Sabah) have continued to apply their existing tariffs. The Tariff Advisory Board was established to recommend the appropriate level of the future Malaysian common tariff to the Central Government.

The list contains the following goods: milk, biscuits, macaroni, footwear, leather, furniture, paints and pigments, aluminum doors and household utensils, chemicals, laminated boards, artificial plastic materials, telecommunications equipment and parts for refrigerators and air conditioners, sauces, paperboard and stockings.

The goods on this list will be subject to specific import licence in Singapore pending the recommendations of the Tariff Advisory Board. Quotas will be established on the basis of proven exports for the year of 1964.

For further details, please contact the Commonwealth Division of the Office of Trade Relations.

Jamaica Builds a New Port

KINGSTON, Jamaica, has one of the finest natural harbours in the world—large, landlocked and tideless. As a result it has become the island's principal port, handling by far the bulk of freight and passengers destined for this country.

In recent years, however, the strain on existing port facilities has increased considerably with Jamaica's economic and industrial growth. The problem of improving and redeveloping the existing docks, however, was extremely difficult because of their proximity to the centre of the city, which in itself was already overcrowded. Faced with these difficulties the authorities decided to create an entirely new port about four miles from the existing dock area. This new port, called Newport West, is now under construction on 265 acres reclaimed from marginal swamp. In addition to the port itself the area will also include a new industrial estate.

The location of the new port and industrial estate is particularly advantageous because it is adjacent to:

1. The main industrial complex of Kingston which has been developing rapidly over the past few years.

2. The main artery road leading out of western Kingston which connects with two-thirds of the population of Jamaica.

3. The recently opened oil refinery.

4. Rail facilities.

5. Small aircraft landing strip.

The new port is two miles closer to the mouth of the harbour than the old one, and after dredging will have a 35-foot deep channel. It will also have a turning basin sufficient to accommodate the largest vessels calling at Kingston and provision for 11 shipping berths, each berth 600 feet long. Cargo storage buildings will be built at each berth to handle incoming and outgoing material. Plans call for all cargo to be handled by ships' cranes and moved in and out of the warehouses by trucks. It is hoped that six berths will be completed and in operation by late 1965. Additional berths will be considered once these have been in operation for some time.

The company responsible for the development of the new port is the Foreshore Development Company Limited, a consortium made up of local and overseas interests. This firm in turn handed over the development of the proposed piers to two private companies—Western Terminals Limited and Kingston Wharves Limited. Both these organizations are backed by large and well known Jamaican firms which already represent many of the shipping companies servicing this country.

When the new port is completed, offices and apartments will probably replace these warehouses in Kingston harbour.

Western Terminals' three wharves will have dockside facilities for general cargo and will also include a considerable amount of reefer space. The modern passenger terminal will be complete with in-bond shops especially designed to cater to Caribbean tourist ships. The tourist trade has been declining in recent years because of the inadequate landing facilities and the new passenger terminal will help to attract tourist ships to Kingston.

Kingston Wharves Limited is building transit storage warehouses and will provide cold storage and installations to handle bulk cargo. It will also provide processing and repacking and other ancillary facilities.

The development of the new port will be of great benefit to the city's commercial section, which has become very congested over the years and it is expected that a number of merchants will move their operations closer to the port area. The closing down of the existing wharves and warehouses and the probable move of the merchant community will permit the development of downtown Kingston. New apartment and office buildings will probably take the place of the warehouses and sheds now standing in the old port.

The Canadian exporter should find, with these improved facilities, a substantial reduction in shipping and handling costs on freight to Jamaica. Vessels will be unloaded more quickly and more efficiently, shortening the time in port. With adequate space for unloading and handling of cargo there should be less likelihood of breakage or damage to goods.

The new port is being developed privately at an estimated cost of $20 million. This investment on the part of private business indicates the confidence placed in the country's economic and political stability.

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

Brazil

AIRCRAFT—An order for ten Handley-Page Herald aircraft and spares, amounting to £3.75 million, has just been placed with the British firm by VASP, Brazil's second largest domestic airline. Delivery of the first Herald—a medium range twin-engine jet prop aircraft, is scheduled within twelve months' time and the remainder will follow at the rate of three every two months. The aircraft, which can carry a maximum of 56 passengers, are to be used on regional routes—Rio de Janeiro.

Canada

EASTERN CANADA TO SWEDEN—Salen Shipping Companies of Stockholm, Sweden, recently announced the establishment of a new refrigerated shipping service from eastern Canadian ports to Britain and Europe. The service will be operated with modern refrigerated vessels capable of carrying up to 4,000 tons of refrigerated cargo. The shipping company is scheduling a fortnightly service.

The name of the shipping line is Salen Reefer Express Line and the agents are Federal Shipping Agencies Ltd., 410 St. Nicholas St., Montreal—Ottawa.

Chile

AIRLINES—The Linea Aerea Nacional (LAN) has announced its intention of acquiring new passenger planes and expanding its services. LAN proposes to replace its Convair 440 and DC-3 aircraft with modern and more economic machines. The need for two airliners with a capacity of 120 to 150 passengers each and seven planes with a capacity of 40 to 50 passengers each has been mentioned but further studies are required to determine the possible increase in traffic and the funds available for such purchases. It is also reported that LAN has been instructed by the Government to consult Lufthansa regarding a possible association between the two airlines in a service between the United States and Chile. The association would be based on the Commercial Air Transport Treaty signed between West Germany and Chile during the previous administration—Santiago.

Guatemala

PORT EXPANSION—The facilities of Puerto Matias de Gálvez are being expanded. The work includes a doubling of the length of the present pier and a waterworks scheme. The estimated cost of this work is U.S.$5.7 million—Guatemala City.

Iran

PORT REORGANIZATION—The World Bank has agreed to organize and pay the foreign exchange costs, estimated at $39,000, of a study of port administration in Iran. Consultants are now in Iran to examine the methods currently used and to make recommendations for reorganizing port operations and cargo handling. The study will take about three months—Tehran.

Italy

INTERNATIONAL AIRLINES SERVICE—In 1964 the number of passengers who arrived at and departed from all Italian airports totalled 3,762,357; 10,254 tons of mail were loaded and unloaded and 53,284 tons of goods. The corresponding figures in 1963 were 3,412,-068, 10,930 and 47,421. In other words the increase in passengers and in goods amounted to 10.30 per cent and 12.4 per cent, the decrease in mail 6.2 per cent—Rome.

Northern Ireland

AIR TRANSPORT—Northern Ireland will have a new airline—Emerald Airways—which will operate a freight and passenger service in the region and provide links with Eire, Scotland and Wales. The first step towards its formation has been taken with the order for a Skyvan light transport aircraft, made by Short Brothers and Harland, Belfast. It is intended to use the Skyvan on a feeder line service from Northern Ireland for passengers joining transatlantic flights at Shannon—Glasgow.

Scotland

NEW DRYDOCK—The nearly completed £1.25 million drydock being built by Barclay Curle & Co. at its Elderslie repair department at Scotstoun, Glasgow, is expected to come into operation shortly. The new dock, 680 feet long and 95 feet broad, will be the biggest in the port of Glasgow and will be capable of taking ships of up to 38,000 tons deadweight. Other work which will add a further £350,000 to the modernization bill is well ahead and includes the provision of a new 200-foot long platers' shed, which will be equipped with new machinery—Glasgow.

Switzerland

BERNE EXTENDS AIRPORT—The Canton and the city of Berne have approved an appropriation of Sw.-Fr. 1.09 million to enlarge the Berne-Belp airport. To provide a minimum safety factor for the proposed new schedule feeder service to the international airports of Zurich and Geneva, the runway will be extended from the present 1,315 yards to 1,435 yards. The width remains unchanged at 33 yards.

The daily feeder service will be operated by Balair with a Fokker F. 27 aircraft belonging to Swissair. Charter flights will continue to use the airport at Berne-Belp during the summer holiday season—Berne.

TRADE COMMISSIONERS ON TOUR

In Canada

The following officers are undertaking tours of business centres throughout Canada as detailed below. Businessmen who wish to see them should get in touch with the Board of Trade or Chamber of Commerce in the cities mentioned, with the following exceptions: Toronto, Canadian Manufacturers Association; Windsor (Ontario), Greater Windsor Industrial Commission; St. John's, Halifax, Montreal, Ottawa, Winnipeg, Edmonton and Vancouver, Department of Trade and Commerce; Fredericton, Department of Industry.

Belgium—L. H. Ausman, Commercial Counsellor in Brussels:

Winnipeg—September 1-3
Montreal—September 7-15
Quebec City—September 16

When he completes his tour, Mr. Ausman will be posted to London, England, as Minister (Commercial).

Brazil—D. M. Holton, Consul and Trade Commissioner in Sao Paulo:

Toronto—July 26-30
Hamilton and area—August 2-4
Peterborough—August 6
Belleville—August 9

When he completes his tour, Mr. Holton will be posted to Brussels, Belgium, as Commercial Counsellor.

Britain—Finlay Sim, Trade Commissioner in Glasgow, Scotland: Toronto, Hamilton, Cooksville, Montreal—September 9-15.

Hong Kong—N. R. Gish, Assistant Trade Commissioner in Hong Kong:

Toronto—Aug. 3-6
Montreal Aug 9-12

Malaysia—Philip Stuchen, who has been seconded to the Trade Commissioner Service from the Economics Branch and posted to Kuala Lumpur:

Toronto—July 26-29
Sarnia—July 30
Winnipeg—August 9-10
Edmonton—August 11
Calgary—August 12
Vancouver—August 13-19

United States—I. V. Macdonald, Consul and Trade Commissioner in Detroit:

Toronto—July 26-30

W. J. Millyard, Consul and Trade Commissioner in Philadelphia:

Montreal—August 9-16
Quebec City—August 17
Halifax—August 18-19

W. Adair Stewart, Consul and Trade Commissioner in Boston, will visit Montreal July 26 to July 30.

Venezuela—W. D. Wallace, Commercial Counsellor in Caracas:

Montreal—Aug. 9-11
Quebec City—Aug. 12-13
Toronto—Aug. 16-20
Winnipeg—Aug. 23
Edmonton—Aug. 24-25
Vancouver—Aug. 26-Sept. 3

When he completes his tour, Mr. Wallace will be posted to London, England, as Commercial Counsellor.

Temporary Duty in Ottawa

Norman Gish, Assisant Trade Commissioner in Hong Kong, August 9-13. Contact Commonwealth Division, phone: 992-2421.

Finlay Sim, Trade Commissioner in Glasgow, Scotland, August 5-12. Contact Commonwealth Division, phone: 992-2421.

W. D. Wallace, Commercial Counsellor in Caracas, Venezuela, July 26 to August 6. Contact Latin American Division, phone: 992-7641.

In Territory

British Honduras—P. Ho Fatt, Commercial Assistant in Kingston, Jamaica, will visit British Honduras August 15-21.

Norway—B. G. R. Barton, Commercial Assistant in Oslo, will visit Trondheim August 19-20.

J. E. Lancaster, Commercial Secretary in Oslo, will visit Bergen August 26-27 and Stavanger August 30-31.

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

The Ocean Freight Market

AVERAGE RATES for the second quarter of 1965 were notably higher than those for the same period a year ago. As in the first quarter, tankers engaged to carry grain from North Atlantic ports exerted a downward influence on freight rates, but a short sharp rise in rates in the latter part of the quarter was evidence of strong upward pressure on the market. Rates for grain from the Pacific coast declined from the peak reached in the first quarter of the year and stabilized at a much higher level than a year ago. The smaller ships employed in the scrap iron and steel trades and for voyages from the Great Lakes commanded premiums. The average rate for scrap iron and steel from the Pacific coast to Japan was higher than in any quarter since the Suez Canal crisis of 1957.

In marked contrast to dry cargo rates, the tanker rate for black oil from the Caribbean to United States North Atlantic ports was well below the level of a year ago for most of the second quarter. Only in three of the last ten years (1958, 1959 and 1961) were lower average rates recorded during a second quarter.

CHARTER RATES—SECOND QUARTER 1965

The rates shown in column A are in sterling or U.S. dollars with the Canadian dollar equivalent in column B calculated at £=$3.02 and U.S. $=$1.08. For comparison, the rates a year ago are shown in column C with the Canadian dollar equivalent in column D calculated at £=$3.02 and U.S.$=$1.08.

TIME CHARTERS

The classes of ships indicated have been selected as representative for the purpose of illustrating time charter rates. Average rates per deadweight ton per month for the second quarter of the year were as follows:

	1965 Second Quarter		1964 Second Quarter	
	A	B	C	D
	£ or U.S.$	Can.$	£ or U.S.$	Can.$
General Trading (approximately 6 months)				
Motorships, 11,000-12,999 dwt., 13-14.9 knots	$3.65	3.94	$3.27	3.53
Motorships, 13,000-14,999 dwt., 13-14.9 knots	$3.74	4.04	$3.15	3.40
Steamships, 9,000-10,999 dwt., 9-10.9 knots	$2.84	3.07	$2.50	2.70

TRIP CHARTERS

Average rates for the second quarter of the year were as follows:

	1965 Second Quarter		1964 Second Quarter	
	A	B	C	D
	£ or U.S.$	Can.$	£ or U.S.$	Can.$
Heavy Grain (per long ton)				
St. Lawrence to Britain	43s. 7d.	6.58	35s. 9d.	5.40
St. Lawrence to Belgium/Holland	$4.40	4.75	$4.01	4.33
St. Lawrence to Denmark	$5.33	5.76	$4.65	5.02
St. Lawrence to France	$6.18	6.67	$5.75	6.21
St. Lawrence to East Germany	....	....	$6.38	6.89
St. Lawrence to West Germany	$4.43	4.78	....	....
St. Lawrence to Italy	$6.96	7.52	....	....
St. Lawrence to Japan	....	....	$9.70	10.48
St. Lawrence to Poland	$4.84	5.23	$5.08	5.49
St. Lawrence to U.S.S.R. Baltic	....	....	$5.95	6.43
St. Lawrence to U.S.S.R. Black Sea	....	....	$6.88	7.43
Churchill to Britain	43s. 2d.	6.52	40s. 0d.	6.04
Heavy Grain (per long ton)				
Churchill to Norway	....	....	35s. 0d.	5.29
Great Lakes to Britain	69s. 6d.	10.49	66s. 5d.	10.03
Completing St. Lawrence	43s. 11d.	6.63	32s. 8d.	4.93
Great Lakes to Belgium/Holland	$8.72	9.42	$8.05	8.69
Completing St. Lawrence	$4.49	4.85	$3.62	3.91
Great Lakes to Denmark	$10.58	11.43	$10.75	11.61
Completing St. Lawrence	$5.89	6.36	....	....
Great Lakes to West Germany	$8.90	9.61	$8.17	8.82
Completing St. Lawrence	$4.88	5.27	$3.45	3.73

Great Lakes to Italy	$11.75	12.69	....	....
Completing St. Lawrence	$7.75	8.37	....	....
Great Lakes to Japan	$15.25	16.47	....	....
Completing St. Lawrence	$11.19	12.09	....	....
Great Lakes to France	$9.50	10.26	$10.75	11.61
Great Lakes to Venezuela	$10.63	11.48	$9.25	9.99
Halifax/Saint John to Belgium/Holland	....	....	$3.50	3.78
British Columbia to Britain	$8.00	8.64	$7.50	8.10
British Columbia to Belgium/Holland	....	....	$5.75	6.21
British Columbia to Germany	....	....	$6.90	7.45
British Columbia to South Africa	....	....	61s. 11d.	9.35
British Columbia to Venezuela	....	....	$6.86	7.41
British Columbia/North Pacific to Japan	$8.08	8.73	$6.71	7.25
British Columbia to west coast India	....	....	70s. 0d.	10.57
British Columbia to the Philippines	$9.14	9.87	....	....
British Columbia to Communist China	47s. 10d.	7.22	39s. 8d.	5.99
Coal (per long ton)				
Hampton Roads to Belgium/Holland	28s. 0d.	4.23	24s. 9d.	3.74
Hampton Roads to Japan	$8.27	8.93	$6.88	7.43
Fertilizers (per long ton)				
Dalhousie to Britain	....	....	$4.20	4.54
British Columbia to Pakistan	....	....	$10.50	11.34
Gypsum (per long ton)				
Halifax to New Haven, Conn.	....	....	$1.25	1.35
Iron Ore (per long ton)				
Seven Islands to U.S. Gulf Ports	$1.25	1.35	$1.35	1.46
Seven Islands to U.S. North Atlantic Ports	....	....	$1.35	1.46
British Columbia to Japan	$4.80	5.18	....	....
Lumber and General Cargo (per long ton)				
British Columbia to Britain	$15.25	16.47	$12.88	13.91
British Columbia to Australia	$18.04	19.48	$15.43	16.66
British Columbia to South Africa	....	....	$12.50	13.50
British Columbia to Japan	....	....	$11.11	12.00
Lumber, Deals, Battens, Boards (per standard)				
Windsor, Nova Scotia, to Britain	....	....	402s. 0d.	60.70
Oilseeds (per long ton)				
Vancouver to Japan	$9.14	9.87	....	....
Potash (per long ton)				
British Columbia to Taiwan	....	....	$7.40	7.99
British Columbia to New Zealand	....	....	$8.00	8.64
Long Beach, California, to New Zealand	$9.88	10.67	....	....
Pulpwood (per fathom)				
Bay of Fundy to France	....	....	235s. 0d.	35.49
Scrap Iron or Steel (per long ton)				
St. Lawrence to Belgium/Holland	....	....	$7.37	7.96
U.S. Atlantic to Belgium/Holland	....	....	$7.37	7.96
Great Lakes to Belgium/Holland	....	....	$9.80	10.58
U.S. Atlantic to Japan	$13.54	14.62	$11.53	12.45
Great Lakes to Japan	....	....	$15.23	16.45
California to Japan	$10.62	11.47	$8.25	8.91
Sulphur (per long ton)				
British Columbia to Britain	....	....	50s. 0d.	7.55
British Columbia to Italy	....	....	$10.00	10.80
British Columbia to Lebanon	....	....	$8.50	9.18
British Columbia to Tunisia	....	....	$8.00	8.64
Oil, Black (per long ton)				
Venezuela to Portland, Maine	$1.13	1.22	$1.35	1.46
Persian Gulf to Portland, Maine	$3.29	3.55	$3.49	3.77
Venezuela to Montreal	$1.80	1.94	....	....

Foreign Commercial Representatives in Canada

ARGENTINA

Ottawa—Economic Counsellor, Argentine Embassy, 211 Stewart Street.

AUSTRALIA

Ottawa—Commercial Counsellor, Australian High Commission, 90 Sparks Street.

Montreal—Australian Government Trade Commissioner, Canadian Imperial Bank of Commerce Bldg., 1155 Dorchester Boulevard West.

Vancouver—Australian Government Trade Commissioner, Suite 608, Burrard Bldg.

AUSTRIA

Ottawa—Embassy of Austria, Suite 202, 85 Range Road.

Calgary—Consulate of Austria, 1132 Kensington Road N.W.

Halifax—Consulate of Austria, 6 Young Avenue.

Montreal—Austrian Trade Delegate, Suite 2275, 630 Dorchester Boulevard West.

Toronto—Austrian Trade Delegate, Suite 616, 62 Richmond Street West.

Vancouver—Consulate of Austria, 525 Seymour Street.

Winnipeg—Consulate of Austria, 54 Harrow Street.

BAHAMAS

Toronto—Trade Commissioner of the Bahamas, Room 707, Victory Bldg., 80 Richmond Street West.

BELGIUM

Ottawa—First Secretary, Belgian Embassy, 168 Laurier Avenue East.

Montreal—Consul General of Belgium, 913 Royal Bank of Canada Bldg.

Toronto—Consul General of Belgium, Room 1901, 8 King Street East.

Vancouver—Consul General of Belgium, Room 1432, Marine Bldg.

BOLIVIA

Montreal—Consul, Consulate General of Bolivia, Suite 827, 305 Dorchester Boulevard West.

BRAZIL

Ottawa—Brazilian Embassy, 305 Stewart Street.

Montreal—Brazilian Government Trade Bureau, Suite 960, 615 Dorchester Boulevard West.

BRITAIN

Ottawa—Minister (Commercial), British High Commission Bldg., 80 Elgin Street.

Edmonton—The British Trade Commissioner in Alberta, Suite 600, Bank of Montreal Bldg., 101st and Jasper Avenue.

Halifax—The British Trade Commissioner in the Atlantic Provinces, 5425 Spring Garden Road.

Montreal—The Principal British Trade Commissioner in the Province of Quebec, 635 Dorchester Boulevard West.

Regina—The Assistant British Trade Commissioner in Saskatchewan, Room 207, Derrick Bldg., 2431 11th Avenue.

Toronto—The Principal British Trade Commissioner in Ontario, 200 University Avenue.

Vancouver—The Principal British Trade Commissioner in British Columbia, Bank of Nova Scotia Bldg., 602 West Hastings Street.

Winnipeg—The British Trade Commissioner in Manitoba and Saskatchewan, 4th Floor, 333 Broadway Avenue.

BURMA

Ottawa—Embassy of the Union of Burma, Royal Trust Bldg., 116 Albert Street.

CEYLON

Ottawa—First Secretary, Ceylon High Commission, 448 Daly Avenue.

CHILE

Ottawa—Embassy of Chile, 58 Sparks Street.

Montreal—Consulate of Chile, Suite 1100, 200 St. James Street.

Vancouver—Consul of Chile, 1575 West Sixth Avenue.

CHINA

Ottawa—Counsellor, Embassy of the Republic of China, 201 Wurtemberg Street.

Vancouver—Consul General of China, 510 Hastings Street West.

COLOMBIA

Ottawa—First Secretary and Consul, Embassy of Colombia, Suite 11, Roxborough Apts.

Montreal—Consul General of Colombia, 1500 Stanley Street.

Toronto—Consul of Colombia, 67 Yonge Street.

Vancouver—Vice-Consul of Colombia, 2705 West 22nd Avenue.

COSTA RICA

Montreal—Consul General of Costa Rica, 4753 Lacombe Avenue.

CUBA

Montreal—Cuban Trade Commissioner, Suite 1200, 3737 Metropolitan Boulevard East, Ville St. Michel.

CZECHOSLOVAKIA

Montreal—Commercial Section, Czechoslovak Consulate General, 1280 St. Mark Street.

DENMARK

Ottawa—Royal Danish Embassy, 446 Daly Avenue.
Montreal—Royal Danish Consulate General, Suite 1525, 1245 Sherbrooke Street West.
Toronto—Royal Danish Consulate, 151 Bloor Street West.

DOMINICAN REPUBLIC

Montreal—Consul General of the Dominican Republic, 3437 Wilson Avenue.

EASTERN CARIBBEAN (Barbados, Leeward and Windward Islands, and British Honduras)

Montreal—Acting Commissioner, Eastern Caribbean Commission, Suite 351, 2100 Drummond Street.

ECUADOR

Montreal—Consul General of Ecuador, Room 708, 1410 Stanley Street.
Vancouver—Consul of Ecuador, Apt. 1, 1480 Arbustus Street.

EL SALVADOR

Montreal—Consul General, Room 215, 300 St. Sacrement Street.

FINLAND

Ottawa—Attaché, Embassy of Finland, 85 Range Road.

FRANCE

Ottawa—Commercial Counsellor to the French Embassy, 10 John Street.
Montreal—Commercial Counsellor of France, 2060 Mackay Street.
Toronto—Commercial Counsellor of France, 185 Bay Street.
Vancouver—French Trade Commissioner, Suite 1216, 736 Granville Street.

GERMANY

Ottawa—Commercial Counsellor, Embassy of the Federal Republic of Germany, 1 Waverley Street.
Edmonton—Consulate of the Federal Republic of Germany, 11618 100th Avenue.
Montreal—Consulate General of the Federal Republic of Germany, 1501 McGregor Street.
Toronto—Consulate General of the Federal Republic of Germany, 77 Admiral Road.
Vancouver—Consulate of the Federal Republic of Germany, National Trust Bldg., 325 Howe Street.
Winnipeg—Consulate of the Federal Republic of Germany, 424 Wellington Crescent.

GHANA

Ottawa—Counsellor, Office of the High Commissioner for Ghana, Suite 608, The Fuller Bldg., 75 Albert Street.

GREECE

Ottawa—Royal Greek Embassy, Suite 110, Chateau Laurier.

GUATEMALA

Montreal—Consul General of Guatemala, Suite 407, 5165 Sherbrooke Street West.

HAITI

Ottawa—Consul General, Embassy of Haiti, Apt. 111, 150 Driveway.
Halifax—Honorary Consul of Haiti, 6070 Quinpool Road.
Montreal—Consul General of Haiti, Apt. 312, 3015 Sherbrooke Street West.

HONDURAS

Montreal—Consul General, Consulate General of the Republic of Honduras, Suite 101, 1225 St. Mark Street.
Toronto—Honorary Consul, Consulate of Honduras, 19th Floor, 25 Adelaide Street East.

INDIA

Ottawa—Second Secretary (Commercial), Office of the High Commissioner for India, 200 MacLaren Street.
Vancouver—Trade Commissioner for India, Suite 804, Standard Bldg., 510 West Hastings Street.

INDONESIA

Ottawa—Economic Affairs, Indonesian Embassy, Box 233, Terminal A.

IRAN

Ottawa—Imperial Embassy of Iran, Apt. 502, Sandringham Apartments.

IRAQ

Washington—First Secretary (Commercial), Embassy of the Republic of Iraq, 1801 P. Street, N.W.

IRELAND

Montreal—Irish Trade Representative (Irish Export Board), 2100 Drummond Street.

ISRAEL

Montreal—Consul and Trade Commissioner of Israel, 1555 McGregor Avenue.

ITALY

Ottawa—Commercial Counsellor and Senior Trade Commissioner, Embassy of Italy, 172 MacLaren Street.
Montreal—Consul and Trade Commissioner, 1595 McGregor Avenue.
Toronto—Italian Trade Commissioner, Suite 510, 100 University Avenue.
Vancouver—Italian Trade Commissioner, 736 Granville Street.

JAMAICA

Ottawa—Counsellor, Office of the High Commissioner for Jamaica, 90 Sparks Street.

JAPAN

Ottawa—Counsellor (Commercial), Embassy of Japan, 75 Albert Street.
Montreal—Consulate General of Japan, Suite 2505, 1155 Dorchester Boulevard West.
Toronto—Consulate General of Japan, 11th Floor, 20 Toronto Street.
Vancouver—Consulate General of Japan, Room 1211, 409 Granville Street.
Winnipeg—Consulate of Japan, 301 Tribune Bldg.

LEBANON

Ottawa—Embassy of Lebanon, 401 Albert Street West.

LUXEMBOURG

Montreal—Consul General of the Grand-Duchy of Luxembourg, 4832 Western Avenue.

MEXICO

Ottawa—Embassy of Mexico, Room 706, 88 Metcalfe Street.
Montreal—Consulate General of Mexico, Suite 1730, 1245 Sherbrooke Street West.
Quebec—Consulate of Mexico ad honorem, 2040 Terrasse Stuart, Sillery.
Toronto—Consulate of Mexico, Room 309, 20 Carlton Street.
Vancouver—Consulate of Mexico, Room 607, Burrard Bldg., 1030 W. Georgia Street.
Winnipeg—Consulate of Mexico ad honorem, 906-908 Confederation Bldg.

MONACO

Montreal—Consul of Monaco, Suite 501, 31 St. James Street West.

NETHERLANDS

Ottawa—Commercial Counsellor, Embassy of the Netherlands, 12 Marlborough Avenue.
Edmonton—Netherlands Consulate, Merit Bldg., 10008 106th Street.
Montreal—Netherlands Consulate General, Room 1736, Place Ville Marie.
Toronto—Netherlands Consulate General, 159 Bay Street.
Vancouver—Netherlands Consulate General, 475 Howe Street.

NEW ZEALAND

Montreal—New Zealand Government Trade Commissioner, Room 708, Prudential Assurance Bldg., 635 Dorchester Street West.
Vancouver—New Zealand Government Trade Commissioner, Suite 615, United Kingdom Bldg., 409 Granville Street.

NICARAGUA

Montreal—Consul General, Consulate General of Nicaragua, 3601 Decarie Boulevard.

NORWAY

Ottawa—Secretary, Royal Norwegian Embassy, Suite 700, 140 Wellington Street.
Montreal—Consul General of Norway, Royal Norwegian Consulate General, 2007 Imperial Bank of Commerce Bldg., 1155 Dorchester Boulevard West.
Vancouver—Consul General of Norway, Royal Norwegian Consulate General, 837 West Hastings Street.

PAKISTAN

Montreal—Trade Commissioner for Pakistan, Suite 606, 1230 McGregor Street.

PANAMA

Montreal—Consul General, Consulate General of Panama, 3553 Girouard Avenue.

PERU

Ottawa—Second Secretary and Consul, Embassy of Peru, 539 Island Park Drive.

PHILIPPINES

Vancouver—Philippine Consulate General, 525 Seymour Street.

POLAND

Ottawa—Commercial Counsellor to the Polish Embassy, Apt. 58, 255 Stewart Street.
Montreal—Commercial Section, Polish Consulate General, 1500 Stanley Street, Suite 525.

PORTUGAL

Ottawa—Embassy of Portugal, 285 Harmer Avenue.
Halifax—Consulate of Portugal, 428 Barrington Street.
Montreal—Consulate of Portugal, 4920 Western Avenue.
North Sydney—Consulate of Portugal, P.O. Box 769.
Quebec—Consulate of Portugal, 155 Laurier Avenue.
St. John's—Consulate of Portugal, King's Bridge Court, Apartment 2E.
Toronto—Consulate of Portugal, Suite 712, 159 Bay Street.
Vancouver—Consulate of Portugal, 7th Floor, 736 Granville Street.

REPUBLIC OF SOUTH AFRICA

Montreal—South African Trade Commissioner, 3725 Royal Bank Bldg., Place Ville Marie.

SAN MARINO

Montreal—Consul General of San Marino, 27 McNider Avenue.

SPAIN

Ottawa—Commercial Counsellor to the Spanish Embassy, 162 Daly Avenue.

SWEDEN

Ottawa—Royal Embassy of Sweden, Suite 604, 140 Wellington Street.
Montreal—Royal Consulate General of Sweden, Suite 800, 1155 Dorchester Boulevard West.
Toronto—Trade Commissioner for Sweden, 1057 Bay Street.
Vancouver—Trade Commissioner for Sweden, Dominion Bank Bldg., Suite 1105, 207 West Hastings Street.

SWITZERLAND

Ottawa—Counsellor of Embassy, Swiss Embassy, 5 Marlborough Avenue.
Montreal—Consul General of Switzerland, 1572 McGregor Street.
Toronto—Consul General of Switzerland, 100 University Avenue.
Vancouver—Consul of Switzerland, 402 West Pender Street.
Winnipeg—Consul of Switzerland, Tribune Bldg., 257 Smith Street.

THAILAND

Montreal—Consulate General of Thailand, 1155 Dorchester Boulevard West.
Toronto—Consul of Thailand, Suite 405, 112 King Street West.
Vancouver—Consul of Thailand, 1495 Marpole Street.

TRINIDAD AND TOBAGO

Montreal—Trade Commissioner, Suite 200, 1210 Sherbrooke Street West.

TURKEY

Ottawa—Commercial Counsellor, Turkish Embassy, 197 Wurtemburg Street.

UNION OF SOVIET SOCIALIST REPUBLICS

Ottawa—Commercial Counsellor, Embassy of the U.S.S.R., 24 Blackburn Avenue.

UNITED STATES

Ottawa—Commercial Attaché, Embassy of the United States, 100 Wellington Street.
Calgary—Consul General of the United States, 805 8th Avenue S.W.
Halifax—Consul General of the United States, Bank of Nova Scotia Bldg.
Montreal—Consul General of the United States, 1558 McGregor Avenue.
Quebec—Consul General of the United States, 1 Ste. Genevieve Avenue.
Saint John—Consul of the United States, 206 Union Street.
St. John's—Consul General of the United States, King's Bridge Road.
Toronto—Consul General of the United States, 360 University Avenue.
Vancouver—Consul General of the United States, Burrard Bldg., 1030 W. Georgia Street.
Windsor—Consul of the United States, Canada Trust Bldg.
Winnipeg—Consul General of the United States, 6 Donald Street.

URUGUAY

Uruguay—Chargé d'Affaires a.i., Apt. 59, Roxborough Apts.

VENEZUELA

Montreal—Consul General of Venezuela, Room 270, 1980 Sherbrooke Street West.
Vancouver—Consul of Venezuela, 525 Seymour Street.

YUGOSLAVIA

Ottawa—Embassy of the Federal People's Republic of Yugoslavia, 17 Blackburn Avenue.
Montreal—Trade Representative for Yugoslavia, Interprogress Company Ltd., 445 Jean Talon Street West.
Toronto—Consul General of the FPR of Yugoslavia, 377 Spadina Road.

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 .9219.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent July 9	Units per Canadian dollar	Notes (see below)
Algeria	Dinar		.2214	4.52	
Argentina	Peso	Free	.006352	157.43	
Australia	Pound		2.4217	.4129	
Austria	Schilling		.04203	23.79	
Bahamas	Pound		3.0271	.3303	
Belgium and Luxembourg	Franc		.02185	45.77	
Bermuda	Pound		3.0271	.3303	
Bolivia	Peso		.09220	10.85	
Brazil	Cruzeiro	Official Free	.000593	1,694.05	
Britain	Pound		3.0271	.3303	
British Guiana	Dollar		.6306	1.59	
British Honduras	Dollar		.7568	1.32	
Burma	Kyat		.2278	4.39	
Ceylon	Rupee		.2270	4.41	
Chile	Escudo	Bank rate	.3493	2.86	
		Free	.2960	3.38	
Colombia	Peso	Free	.05606	17.84	
		Certificate	.1205	8.30	
Congo, Republic of	Franc		.007231	138.29	(1)
Costa Rica	Colon		.1637	6.11	
Cuba	Peso		‡	‡	
Czechoslovakia	Koruna		.1506	6.64	
Denmark	Krone		.1565	6.39	
Dominican Republic	Peso		1.0847	.9219	
Ecuador	Sucre	Official	.06026	16.59	
		Free	.05857	17.07	
El Salvador	Colon		.4339	2.30	
Fiji	Pound		2.7271	.3667	
Finland	Markka		.3390	2.95	
France, Monaco, etc.	Franc		.2214	4.52	(2)
Franco-African Republics, etc.	Franc		.004428	225.84	(3)
French Pacific	Franc		.01218	82.10	(4)
Germany	D Mark		.2709	3.69	
Ghana	Pound		3.0271	.3303	
Greece	Drachma		.03615	27.66	
Guatemala	Quetzal		1.0847	.9219	
Haiti	Gourde		.2169	4.61	
Honduras	Lempira		.5423	1.84	
Hong Kong	Dollar	Free	.1882	5.31	*July 2
		Official	.1892	5.29	

*Latest available date.

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

Country	Unit	Type of Exchange	Can. dollar equivalent July 9	Units per Canadian dollar	Notes (see below)
Iceland	Krona	Official	.02523	39.64	(1)
India	Rupee		.2270	4.41	
Indonesia	Rupiah		.004339	230.48	(1)
Iran	Rial		.01432	69.83	
Iraq	Dinar		3.0371	.3303	
Ireland	Pound		3.0271	2.77	
Israel	Pound		.3616	576.04	
Italy	Lira		.001736	.3293	
Japan	Yen		.003013	331.90	
Lebanon	Pound	Free	.3346	2.99	
Malaysia	Dollar		.3543	2.82	
Mexico	Peso		.08678	11.52	
Morocco	Dirham		.2169	4.61	
Netherlands	Florin		.3012	3.32	
Netherlands Antilles	Florin		.5752	1.74	
New Zealand	Pound		3.0159	.3316	
Nicaragua	Cordoba		.1550	6.45	
Nigeria	Pound		3.0271	.3303	
Norway	Krone		.1516	6.60	
Pakistan	Rupee		.2270	4.41	
Panama	Balboa		1.0847	.9219	
Paraguay	Guarani	Free	.008608	116.17	
Peru	Sol	Free	.04044	24.73	
Philippines	Peso	Free	.2783	3.59	
Portugal & Colonies	Escudo		.03773	26.50	(5)
Sierra Leone	Leones		1.5186	.6585	
South Africa	Rand		1.5136	.6607	
Spain and Dependencies	Peseta		.01812	55.19	
Sweden	Krona		.2096	4.77	
Switzerland	Franc		.2505	3.99	
Syria	Pound	Free	.2841	3.52	
Thailand	Baht	Free	.05250	19.05	(1)
Tunisia	Dinar		2.0772	.4814	
Turkey	Lira		.1205	8.30	(1)
United Arab Republic	Pound	Official	2.4948	.4008	
United States	Dollar		1.0847	.9219	
Uruguay	Peso	Free	.01999	50.03	
Venezuela	Bolivar	Official Free	.2415	4.14	
West Indies	Dollar		.6306	1.59	(6)
	Pound		3.0271	.3303	(7)
Yugoslavia	Dinar	Official	.001446	691.56	

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.

Markets in Brief

Liberia

Area: 43,000 square miles.

Population: 1,000,000 approximately.

Climate: equatorial in character but not extreme; high humidity. Dry from November to April, cool and wet from May to October. February and March are hottest months. Temperatures in the capital range from 70's to high 80's.

Topography: 350-mile coastal area is fertile; interior, extending some 150 miles, includes high forest areas, the plateau of the hinterland, numerous small rivers, and desert areas.

Language: English.

Currency: Liberian dollar; Liberian \$1.00=U.S. \$1.00.

Foreign exchange and import controls; no exchange controls and import licences are not required except for a few goods. Import licence not required for fish.

Weights and measures: both Imperial and U.S. standards.

Capital: Monrovia (population 41,000); also chief port and marketing centre.

Economy: based on subsistence farming and production of rubber for export, but mineral production (particularly iron ore, diamonds, gold) rapidly becoming important. Agriculture, forestry and fishing provide 40 per cent of GNP. National Planning Agency, created in 1962, is working on plan which will give priority to development of agriculture, transportation, irrigation and hydroelectric power.

Total Liberian imports: 1962—\$131.6 million; 1961—\$90.6 million.

Chief imports: machinery and transport equipment, manufactured goods needed to construct mining facilities, and foodstuffs.

Chief suppliers: United States, Britain, West Germany.

Value of imports from Canada: 1964 (January-September) —Can.\$4,657,759; 1963—Can.\$1,009,643; 1962—Can. \$815,805.

Chief imports from Canada: (thousands of Can.\$) 1963—wheat flour 207; prefabricated buildings, structures, parts 197; radio, TV equipment and parts 148; industrial chemical specialties and explosives 144. 1964 (January-September) —ships and boats 4,192.

Total Liberian exports: 1962—\$67.4 million; 1961—\$61.9 million.

Chief exports: rubber, iron ore and concentrates, diamonds, palm kernels.

Chief markets: United States, Netherlands, Britain, Italy.

Value of Canadian purchases: 1964 (January-July) Can.\$8,000; 1963—Can.\$105,955; 1962—Can.\$40,341.

Chief Canadian purchase: rubber.

Usual terms of payment: normal credit terms can safely be extended to the large general stores and big concessionary companies, but businessmen should take care in making arrangements with small traders, especially those outside Monrovia.

Prices: f.o.b. price and c. and f. and c.i.f. charges must be shown.

Samples: admitted free if of no commercial value.

Visas: required.

Correspondence: airmail only; letters 25 cents a half ounce.

Trade agreements: special arrangement by Order in Council effective March 1, 1955. Canada grants MFN treatment.

Import controls, documentation, customs tariffs, marking and labelling: consult the Office of Trade Relations, Department of Trade and Commerce, Ottawa.

For detailed information on this market write to:

Asia and Middle East Division
Office of Trade Relations
Department of Trade and Commerce
Ottawa

or

Commercial Counsellor
Office of the High Commissioner for Canada
P.O. Box 1639
Accra, Ghana

If undelivered return to:
The Queen's Printer, Ottawa, Canada

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