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FOREIGN TRADE

DEPARTMENT OF TRADE AND COMMERCE, OTTAWA





FOREIGN TRADE

AUGUST 6, 1966

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COVER: Canadian products turn up in many out-of-the-way places. For example, these B.C. apples are going ashore at Spitzbergen, that lonely island in the Arctic Ocean and partly in the Arctic Circle, north of Norway.

—Photo by Richard Harrington.

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Selling to Mexico's Public Sector

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Sales opportunities in the public sector in Mexico are very promising. Did you know that the Mexican Government and its agencies spent over \$2 billion on imports during the years 1958-64? The Mexico City office enthusiastically suggests that Canadians explore this market—and then tells them how to do this.

The Newsprint Market in India

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It is apparent that Canada will encounter stiffer competition from the Soviet Union in the Indian newsprint market. The New Delhi office drew this and other conclusions after examining last year's trends and the Indian Government's recently formulated policy on newsprint imports and distribution.

Set Sail for Greece

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The author of this article set sail for Greece himself last August, when he was posted to the Athens office. He has since absorbed enough of the atmosphere to write a guide for the Canadian businessman who puts Greece on his itinerary and is interested in capitalizing on the opportunities in this developing country.

Promoting Sales Abroad

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The Director of the Department's Trade Publicity Branch drew upon his many years of experience in writing number 29 in our series, "How to Win World Markets." In discussing the promotion of Canadian products overseas, he stresses that the advertising chosen must conform to local customs and tastes and must emphasize how the product will meet demonstrated needs in a particular market.

Hawaii for Tourists and Trade

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To most people, the word Hawaii conjures up a tourist paradise. The Canadian businessman should realize that it could also be a good market for a variety of Canadian merchandise. And who wouldn't enjoy a business trip to these islands?

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COMING—GETTING HELP WITH EXPORT PROBLEMS, AUGUST 20 ISSUE



The Mexican Government plays an active rôle in national development, accounting for 22 per cent of all imports. Government agencies offer good export opportunities to Canadian suppliers.

These rails being laid on the Chihuahua-Pacific line in Mexico were made by a Canadian company in its Sydney plant. In fact, DOSCO, has recently won another Mexican contract for \$9.8 million worth of steel rails and track accessories.

Selling to Mexico's Public Sector

J. E. G. GIBSON, *Assistant Commercial Secretary, Mexico City.*

TWO BILLION DOLLARS. That's the approximate value of imports made by Mexican government departments and corporations during the last six years (1958 to 1964) of the former Government's term of office. It represented approximately 22 per cent of the over-all value of Mexico's imports, indicating clearly the considerable role the Government plays in economic development.

There is every possibility that this figure will be equalled by imports during the current regime of President Diaz Ordaz. The purchasing activities of the public sector obviously merit close examination by Canadian businessmen.

The Government's Role

Students of the Mexican political scene will know that the President of the Republic is elected for a six-year term and that he is legally barred from running for a subsequent term in the same office. While he is in office, the President is all-powerful and, as in the United States, he appoints his own Cabinet Ministers, senior civil servants and officials of gov-

ernment agencies and corporations. Thus, at any given time government actions mirror the characteristics, policies and wishes of the President.

Mexican Presidents during the past few years have been public-minded and anxious to leave their mark on the economic development of the nation. As a result, Mexico is now generally considered the most economically advanced and stable country in Latin America. All signs are that this development will continue, and indeed much remains to be done in the years ahead. We may expect, therefore, that substantial purchases, particularly of capital equipment, will be made outside Mexico.

Historically, the first year of a government's six-year term is used to draw up development plans for the entire term of office. All departments, agencies, etc., must present their proposals to the President for approval. Once approved, these programs become known as the Five Year Plan covering the period up to the end of the Presidential term of office. These plans are fairly rigidly adhered to and the businessman who

acquaints himself with them is in a good position to capitalize on them.

Leading Importing Agencies

A breakdown of importing agencies (see the table) reveals the areas to which the Government is giving preferential treatment. In recognition of their importance, the chief executive of each of the first three agencies listed is considered to be a member of the Cabinet. In other instances, the agencies or companies generally report to the President through one or other government department.

● **Oils and Petrochemicals**—Petroleos Mexicanos, the government oil monopoly, is by far the largest single importer in Mexico. Tankers, exploration and drilling equipment probably account for most of the petroleum equipment imported, but in reality the bulk of its present imports are in the petrochemical field. By law, Petroleos Mexicanos must hold a majority control in all primary petrochemical operations. So whenever purchase of complete plants or petrochemical plant equipment are made abroad, they are made in the name of Petroleos Mexicanos or a subsidiary of that agency.

● **Railways**—The Mexican National Railway system has long been a major foreign equipment buyer. Indeed, this is one of two areas in which Canadian suppliers have met with considerable export success. For the past several years the backbone of Canadian export sales to Mexico has been rails and related track material. In addition, a Canadian manufacturer sold 80 locomotives to the agency in 1963. Taken together, rails and locomotives made up a surprisingly large proportion of the railway's import figure shown in the table. There is every reason for optimism about future Canadian sales to this agency.

● **Electrical Equipment**—The Mexican Federal Electricity Commission was the third most important purchaser of foreign equipment under the former presidential regime. Very little heavy electrical equipment is made in this country, with the result that the Commission must seek its requirements in the international market. The Commission's role comprises electrical generation, transmission and

MEXICAN PUBLIC SECTOR IMPORTS FEBRUARY 1959—SEPTEMBER 1964

Importing Agency	Sphere of Interest	Value of Imports (\$U.S.)
Petroleos Mexicanos	petroleum exploration, mining and refining, petrochemical manufacturing	574,266,880
Ferrocarriles Nacionales de México (including Ferrocarril del Pacífico)	all aspects of railway operations	209,728,800
Comisión Federal de Electricidad	electrical power generation, transmission and distribution	200,666,960
Altos Hornos de México	basic steel & steel products	97,584,640
Productora e Importadora de Papel, S.A. de C.V.	import and distribution of newsprint	80,464,960
Diesel Nacional, S.A.	manufacture of cars, trucks, buses and components	56,888,480
Cia. Nacional de Subsistencias Populares	importer, exporter, distributor of basic foodstuffs	52,665,040
Aeronaves de México	domestic and international air services	38,537,750
Secretaría de Comunicaciones y Transportes	communications	34,176,000
Secretaría de Obras Publicas	public works	29,341,600
Total of all agencies, including all others		1,764,524,480

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distribution throughout most of Mexico. During the time referred to in the table, Mexico doubled its electrical generating capacity. The present administration has an ambitious development plan under way which includes thermal and hydroelectric power plants, high voltage transmission systems, and a start on a conversion from 50 to 60 cycles in Mexico City. Not far over the horizon may be a nuclear power station. A Canadian Electric Power Mission recently visited Mexico and found several excellent opportunities for supplying a wide range of equipment.

● **Steel Producers**—Altos Hornos de Mexico, Mexico's largest basic steel producer, is government-owned. With its smelting operations and secondary products sections, this company is and will remain a major importer of industrial equipment. Altos Hornos steel ingot production in 1964 was slightly over one million tons, representing 44 per cent of total national production. Plans are in hand to increase annual ingot capacity to 1.6 million tons and capital improvements and new purchases by this firm should cost about U.S.\$32 million, spread over the next three years.

● **Newsprint**—The government newsprint agency, Productora de Papel, S.A., has long been a vitally important Canadian customer. Virtually all newsprint and rotogravure paper used in Mexico must pass through PIPSA's hands en route to the printer. Canadian suppliers account for about 60 per cent of all newsprint imports into Mexico. Chile, with the aid of the lower tariffs granted to members of the Latin American Free Trade Association, has been pressing for a greater share of the market and has met with some success. None the less, we feel that Canada will remain the principal supplier for some time to come.

● **Other Sectors**—It quickly becomes apparent that governmental activity touches virtually all sectors of the Mexican economy. In addition to those sectors described above and in the table, the Government is involved in many forms of public works such as dams, harbours, highways, toll bridges, etc. It also is involved in the manufacture of a wide number of

secondary products such as drugs, fertilizers, pulp and paper, sewing machines, textile equipment, and special steels. Actually, there are few areas in Mexico where a supplier does not end up with the Government as one of his customers.

Forms of Purchasing

Many government purchases are financed by foreign credits, some of which are on a government-to-government basis which excludes suppliers from third nations. Petroleos Mexicanos in particular seems to concentrate on this type of loan. In recent years it has obtained sizable credits from Britain and Italy to finance a wide range of purchases in those countries.

Canadian sales of railway equipment, pulp and paper machinery and related items have been made to various Mexican government agencies under similar arrangements. In all such instances the Canadian source of long-term financing has been our Export Credits Insurance Corporation.

Some government agencies prefer to obtain credits from international institutions such as the International Bank for Reconstruction and Development or the Inter-American Development Bank. In such cases, the agency is obliged to issue tenders in the member countries. The Federal Electricity Commission has executed its recent development programs under the aegis of the IADB and several other departments and agencies have successfully sought funds from these sources.

Generally, where the items to be purchased are relatively low in value, the Mexicans will seek to purchase these on normal 60 or 90 day terms. But if the cost is high and the purchase cannot be conveniently financed out of available funds, the supplier will be expected to produce attractive credits or repayment terms. Money is expensive in Mexico and the supplier is expected to help make financial arrangements outside the country.

Mexico's import policy is very restrictive, particularly as it is applied to private enterprise within the Republic. Government agencies, however, have an easier time when seeking products from other countries. None the less, the situation frequently

arises where a Mexican-made product is available in competition with foreign-made equivalents. The standard practice in such instances is to give 15 per cent margin of price advantage to the Mexican product. In other words, if the domestic product is less than 15 per cent more expensive than the foreign product, the purchasing agency is obliged to choose the domestic product. This practice applies across the board, even when foreign financing is involved. The only possible exception is when a package deal is involved, and even in certain of these cases the Mexicans have been known to insist upon a certain minimum Mexican content.

Getting Yourself Established

Selling to the Government can be lucrative but it is also a time-consuming process, and the exporter needs a good man on the spot who knows his way round the various departments and has the proper connections. Many departments will not even consider a foreign supplier unless that company has a representative in Mexico.

Therefore, if you have not yet probed the market here, we at the Embassy would like to hear from you. Send us a few sets of your product literature with your export prices and we shall make inquiries about the chances for your goods in the various government agencies. If the results are positive, you should plan a trip to explore the market at first hand and to appoint a local representative. Once you decide to take this step, we shall be pleased to arrange appropriate appointments and introduce you to a number of prospective representatives.

Many government agencies require foreign suppliers to register with them before any business can be conducted. This involves sending technical literature describing your products as well as up-to-date export prices to the agency which is your potential customer. Often an agency has to make purchases at short notice, and having information on your products in the right hands at least guarantees equal consideration for them.

Naturally, registration of this nature should be a duty for your local representative. He can also be of incalculable benefit to you by keeping

in touch with your customers, learning what purchases are planned and when they will be made, and keeping you advised of the details of special tenders issued.

In an apparent attempt to establish closer surveillance of public sector imports, the Mexican Government on January 1, 1966, put into effect the "Law on Inspection of Acquisitions". This stipulates that all government purchases must be approved by the Ministry of National Patrimony before they can be considered as final. Furthermore, all suppliers must be registered with the Ministry before purchase orders can be considered.

Normally this registration (which involves submitting your prices and technical information) should be done by your local representative. If you are not represented here you should write to the Secretaria del Patrimonio Nacional, Direccion General de Adquisiciones, Lafragua 3-10° piso, México 1, D.F., requesting registration form number S.P.N. 30120. Once completed, the form should be returned to the Ministry, together with your registration fee of Mexican pesos \$100. In due course you will be given a registration number and should use it in all future quotations to the public sector.

This article has attempted to provide you with a general indication of sales opportunities within the public sector of Mexico. We would be pleased to hear from Canadian suppliers interested in further details. During the coming five years the development of Mexico's economy will continue to be one of the fastest in the world and we believe that Canada is in an excellent position to share in it. For this reason the contributions and activities of the public sector merit very close attention from Canadian exporters.



The Newsprint Market in India

Lack of foreign exchange and increased Soviet shipments preclude expansion of Canadian newsprint sales to India this year. However, tenders will soon be called for one million dollars worth of Canadian newsprint under Colombo Plan grant aid.

R. R. PARLOUR, *Commercial Counsellor, New Delhi.*

INDIA, with its 500 million people, offers a large potential market for many commodities. Newsprint is no exception. Given adequate foreign exchange resources and a rising standard of literacy, India could some day be one of the world's major newsprint consumers. However, the current shortage of foreign exchange forces the Indian Government to maintain restrictions on consumption and plans for the 1966/67 fiscal year (just begun) allow for only a moderate increase in newsprint imports. Canada's exports to this market are expected to remain steady at about 33,000 tons, valued at about \$4 million, but our percentage share of the market will decline because shipments from the U.S.S.R. show a steady upward trend.

Table I shows the sources of newsprint for last year and the program for the current year (see page 6).

Shipments from the U.S.S.R. and Eastern European countries are made under barter arrangements which allow for payment in rupees. Because of the shortage of foreign exchange, India is increasing its purchases from these sources. Imports from the U.S.S.R. for the past three years have been rising at a rate of 10,000 tons per year, and India's Minister of Commerce has stated that under a recently signed trade agreement they may total 75,000 tons by 1970.

Canadian cash sales this year are covered by a commercial contract between a Canadian exporter and the State Trading Corporation of India. On the other hand, the newsprint provided from Canada under grant aid is to be financed by a Colombo Plan grant of \$1 million. Procurement of the latter is expected to be carried out shortly by the STC which will issue a call for tenders. All

Canadian exporters will be eligible to bid.

The newsprint from the United States will be financed out of the \$100 million U.S. AID non-project loan 1966, and Indian officials expect that a call for tenders will be issued by the STC in the near future. It is not yet certain whether U.S. mills will be able to provide the entire tonnage requested. Last year India had programmed about 9,000 tons under U.S. aid but because of the aid "freeze", it was not received.

Substitute for Newsprint

White printing paper manufactured in India was first used as a newsprint substitute four years ago and now has become a growing factor in the newsprint market. Although its price is high (Rs. 1,500 per ton compared with about Rs. 900 per ton landed cost of imported newsprint), it is in ample supply and can be made available without direct expenditures of foreign exchange. Newspaper publishers complain of the high cost and the difficulty of running it through their presses, so that if sufficient newsprint becomes available, they may not take up the full allotment of white paper shown in the table.

TABLE I
INDIA'S NEWSPRINT SUPPLIES

	1965/66	1966/67
	(metric tons)	
Imports		
U.S.S.R. (rupee payment)	35,000	45,000
Canada (commercial sales)	25,000	25,000
Canada (grant aid)	8,000	8,000
United States (aid)	—	(21,000)*
Czechoslovakia (rupee payment)	6,000	6,000
Scandinavia (commercial sales—standard newsprint)	6,000	(6,000)
Scandinavia (commercial sales—glazed newsprint)	5,000	5,000
Poland (rupee payment)	—	(2,000)
East Germany and Yugoslavia (rupee payment)	—	(5,000)
Domestic Production		
White printing paper	31,000	(21,000)‡
National Newsprint & Paper Mills Ltd. (NEPA)	15,000	26,000
Total availability	131,000	150,000—170,000

*Figures in brackets represent tonnages still under negotiation.

‡A further 15,000 to 20,000 tons may be allotted later in the year.

In a market which consumes such a wide variety of newsprint from many sources, the question of market preference is a lively issue. Officials here feel this is to a large extent a matter of which type of paper a given publisher has been accustomed to using. Among publishers, Canadian and Scandinavian newsprint are generally considered top quality. The U.S.S.R. product comes next, followed by Eastern European and domestically produced newsprint. White printing paper appears to be the least popular.

NEPA, the domestic newsprint producer, is a government-owned undertaking which has now been in production for over a decade, using vegetable fibres as the basic raw material. This domestic product costs the publisher about 20 per cent more than imported newsprint. During the Third Five Year Plan just ended, India had set a target figure for domestic production of 120,000 tons a year but so far capacity is only 30,000 tons. India now hopes to encourage more domestic production

through joint ventures with Canadian or other foreign firms. Softwood available in the cooler northern regions is considered sufficient to support a newsprint and lumbering operation.

Publishers Are Rationed

In addition to programming the sources of newsprint for 1966/67, India has also announced the program for distribution among the publishers. Details of this are given in the public notice "Import Policy for Newsprint" dated April 26th. Copies are available from the Commercial Counsellor for Canada in New Delhi.

Under this program, newspapers will continue to be restricted as to circulation and number of pages, although a larger total availability of

newsprint than last year will permit some small increases. Large dailies will get 2.5 per cent more newsprint than last year and medium and small ones 5 per cent. Several of the major daily newspapers publish separate editions in several cities and thus can qualify for the larger increases, but generally the new policy favours the small newspapers. A special quota of 3¼ per cent of the basic annual entitlement will be given to all newspapers for coverage of the election campaign early next year; this will amount to about 5,000 tons. It is an interesting computation that in India, the world's most populous democracy, the press will carry out its 1967 election coverage with about one-third of an ounce of newsprint per capita! ●

Britain Plans for Natural Gas Boom

NATURAL GAS finds, both in the North Sea and on land, may play an important part in Britain's fuel policy in the coming years. The Gas Council has based development plans on an amount of gas which will be "at least sufficient to make it possible to create a natural gas industry in Britain and over a period of years to convert the town gas systems to natural gas."

It is still too soon to attempt to assess the discoveries and there have been no official estimates of the total quantities of gas that may become available from the North Sea or how quickly it can be used. But explorations carried out so far have yielded promising results.

British Petroleum, for example, has contracted to supply 50 million cubic feet a day of natural gas (almost pure methane) to the Gas Council, starting next year. Deliveries may increase later to 100 million cubic feet a day; B.P. has sufficient confidence to be laying a pipeline capable of carrying up to 200 million cubic feet of gas a day.

Another commercial find under the British continental shelf was made by the Royal Dutch Shell Group in association with Standard Oil of New Jersey (ESSO). Preliminary tests on one well indicated a gas find of considerable importance, and additional wells are to be sunk to establish the extent of the discovery.

Phillips Petroleum Exploration (U.K.) Ltd., a subsidiary of Phillips Petroleum Company, has successfully proved a well

producing up to 17 million cubic feet of gas a day and negotiations are under way for sales from this discovery area.

The Gas Council-Amoco North Sea Group has tested its well 60 miles north-east of Great Yarmouth; it produced about 12 million cubic feet a day and the Group is now convinced that another substantial commercial natural gas find has been made. Flow rates have now been increased up to a daily 25 million cubic feet and additional wells will be needed to determine the exact size of the field.

A potential commercial discovery has also recently been made on land (in Yorkshire) by Home Oil of Canada under a "farm-out" licence agreed with British Petroleum. Flowing at a rate of up to 10 million cubic feet a day—the output of an average-size gas works—this is by far the biggest gas well ever struck on land in Britain, and its future development is being watched with great interest.

Based on current finds, it seems reasonable to hope that by 1970 total production of British natural gas will be between 1,200 million and 2,000 million cubic feet a day. To put this figure into perspective: the rate of 1,200 million cubic feet a day is equivalent in calorific value to about 16 million tons of coal a year; present British coal production is about 180 million tons a year. It also represents slightly more than the present total consumption of town gas, which has less than half the calorific value by volume of the North Sea natural gas. ●

Jamaican Bauxite Industry



At Port Esquivel, Alcan Jamaica has built facilities for handling alumina in bulk. From here it goes to Canadian plants, such as the one at Kitimat, B.C., for processing into aluminum ingot.

Offers Specialized Market

The rapid expansion of Jamaica's principal export industries, bauxite and alumina, points to a heavy requirement for mining and associated transportation equipment. The varied experience of Canadian equipment manufacturers should serve them well here.

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

THE bauxite and alumina industry is one of the most important in Jamaica. Foreign sales of these two minerals in 1965 totalled \$105 million and accounted for 47 per cent of total exports. Jamaica today is the largest producer of bauxite in the world and the leading exporter of alumina.

The bauxite industry in Jamaica dates back to 1942, when the owner of a large agricultural property on the north coast of the island decided to

investigate why his land did not produce certain crops and what gave the soil its red colour. Soil samples sent abroad were found to contain bauxite and as a result the Government commissioned Aluminium Laboratories Ltd. of Montreal to investigate the extent of deposits on the island. In 1943 Aluminium Limited (Alcan) set up a local company called Jamaica Bauxites Ltd. and in that same year the first experimental shipment of 2,500 tons of bauxite went to North

America for process investigation by alumina plants there.

The establishment of Jamaica Bauxites Ltd. was followed quickly by the entry of other firms into the field and the industry at present is made up of four companies. Three of these—Reynolds Jamaica Mines Ltd., the Kaiser Bauxite Co., and Alcoa Minerals of Jamaica Inc.—mine and export bauxite. The fourth, Alcan Jamaica Ltd. (formerly known as Jamaica Bauxites Ltd.), mines its own bauxite and processes it into alumina in Jamaica.

Mining Companies

The firm Reynolds Jamaica Mines Ltd. is a subsidiary of Reynolds Metals of the United States and was set up here in 1950. It began large-scale mining in 1952 on its main

properties, several miles inland from the north coast of the island. The bauxite is carried from the mines by two aerial tramways to port and loading facilities at Ocho Rios. The company is currently building a new conveyor system and additional mining and storage facilities (costing \$7 million) that will permit it eventually to double shipments of ore from its mines in Jamaica. In 1964 it exported 1.8 million long dry tons of bauxite and over two million in 1965.

The Kaiser Bauxite Co. is a wholly-owned subsidiary of the Kaiser Aluminum and Chemical Corporation of the U.S. The local company was established in 1950 and in 1953 began shipments of bauxite from its Port Kaiser operation on the southern coast of the island. The company is now completing a \$30 million expansion program which comprises the creation of a new port, pier, railway and modern drying and storage facilities at Discovery Bay on the north coast. The Kaiser Bauxite Co. exported 3.5 million tons of bauxite in 1964 and slightly more than 4 million last year.

Alcoa Minerals of Jamaica Inc., a subsidiary of the Aluminum Company of America, was established here in 1959 and began production in May 1963. In 1964 it exported 500,000 tons of bauxite and in 1965 some 700,000.

Alumina Turned Out

Alcan Jamaica Ltd., a subsidiary of the Canadian Aluminium Limited (Alcan) group, began its operations in Jamaica in 1943 and is the pioneer firm in the industry.

In 1949 it decided to build a plant to produce alumina and in 1950 construction began on the Kirkvine Works near Mandeville and on loading facilities at Port Esquivel for handling bulk alumina. The first exports of alumina from Kirkvine were made as bagged cargo at the end of 1952 and two years later a shipment of bulk alumina went to the company's new smelter at Kitimat, B.C., allowing that operation to start up production. The annual alumina capacity of Kirkvine is 507,000 long tons. Work began on a second alumina plant at Ewarton in June 1956 and this plant came into production in 1959, with an original capacity of 270,000 tons.

Early last year, however, an expansion program costing \$2 million was begun at the Ewarton Works to bring the capacity up to 310,000 tons a year. A second expansion program, announced in April of this year, will increase output at Ewarton even further to 383,000 tons. When the Ewarton work is completed, the company will have a total annual alumina production of 890,000 tons. Alumina production by Alcan Jamaica has been increasing steadily, as the following figures show: 1961, 686,300 tons; 1962, 663,000 tons; 1963, 710,000 tons; 1964, 743,000 tons; 1965, 740,000 tons. The 740,000 tons of alumina produced last year represents two million tons of bauxite. Alcan Jamaica Ltd. has a total investment in this country of over \$150 million and employs some 2,500 people. Its contribution to the economy in the form of taxes, local expenditure, etc., now amounts to more than \$30 million a year. In addition to mining, the company is also involved in large-scale cattle breeding, pasture development, citrus cultivation and reforestation.

Exports Are Large

Bauxite and alumina are Jamaica's principal exports. In 1963 foreign sales of these two minerals reached \$87 million, in 1964 \$100 million, and in 1965 \$105 million, and the industry is still growing rapidly. As indicated earlier, considerable amounts of money are being invested in the enlargement and modernization of the

mining and processing facilities. In the year ended March 31, 1966, production of bauxite reached a new record of 8.7 million tons, compared with 7.2 million in 1964 and 7.9 million in 1965. Economically mineable reserves of bauxite total about 600 million tons. It is estimated that by 1970 Jamaican exports of bauxite will increase by 50 per cent and of alumina by nearly 15 per cent.

Purchasing Policy

The four companies currently operating in Jamaica purchase locally as much of their requirements as they possibly can. However, they must still import large quantities of equipment, spare parts, conveyor belts, tramway cables, wire rope, steel and hardware. Canadian firms should not overlook the bauxite and alumina companies as potential customers for their lines in Jamaica. The most effective way to sell to these organizations is to make an offer both to the parent company in North America and to the Purchasing Department of the firm in Jamaica, and often also to work through a Jamaican agent.

Canadian firms wishing to investigate prospects for the sale of their lines to the bauxite and alumina firms here should write to the Canadian Trade Commissioner in Kingston. We will provide them with the names of the purchasing officials to contact and also, if necessary, with the names of suitable organizations to represent them in the country. ●

Spanish Sahara Plans Progress

THE Spanish Sahara, on the northeast coast of Africa between Morocco and Mauritania, is in the first stages of setting up a Development Plan, following a tour of the area by four Spanish Cabinet Ministers. Economic planning will concentrate on four sectors: mining, agriculture, fishing, and the tourist trade. Mining is the most promising, and a detailed geological map has recently been completed. The most important discovery to date has been the phosphate deposits at Bucraa, found in 1963, with reserves of 1,300 million tons. There are other mineral deposits at Agracha and Izic.

The outlook for agriculture improved with the discovery of an extensive under-

ground lake two years ago near Villa Cisneros which could be used for irrigation. Some progress has been made but the pace is necessarily slow. Construction of the port of Villa Cisneros made possible the building up of a sizable fleet to fish the Sahara Banks, one of the richest fishing grounds in the world. Spanish vessels fishing in African waters also put into this port for refuelling and repairs.

The Spanish Sahara has its tourist attractions, particularly the legendary city of Smara with its famous desert mosque, and Aaiun, the capital of the territory. Regular charter flights now come in from the Canary Islands and a state hostel is being built. ●

For Your Information

Canada-U.S.S.R. Trade Agreement Renewed

The Minister of Trade and Commerce reported recently to the House of Commons on his visit to Moscow to renew the Canada-U.S.S.R. Trade Agreement. The Minister said:

"... This agreement was first concluded in 1956 and subsequently extended by the protocols of 1960 and 1963.

"Under the agreement each country undertakes to extend most-favoured-nation treatment to the other. This means that imports into Canada of Soviet goods will continue to enter at most-favoured-nation rates of duty, and Canadian exports to the U.S.S.R. will continue to enjoy similar treatment in that market. The agreement allows for exceptions on both sides, where matters relating to national security are involved.

"The exchange of most-favoured-nation treatment, with respect to shipping, relates to the treatment to be accorded to the vessels of either country while in the ports of the other. The terms of the protocol signed in Moscow are in general the same as those of the protocol of 1963, and provide, on a fully reciprocal basis, for facilitation of visits for business purposes. Both sides have also undertaken to continue to consider sympathetically any representations either government may make to the other concerning implementation of the agreement, or other matters affecting their commercial relations."

Wheat Sales to the Soviet Union

Commenting on the wheat sales concluded with the U.S.S.R. at the same time, the Minister said:

"It is gratifying that Canada now has assured sales to the U.S.S.R. of nine million long tons over the next three years, including substantial quantities of flour. I need hardly point out the implications of these sales for the production and marketing of Canadian wheat and flour. This transaction will provide strong underlying support for our whole economy, and for our efforts to expand Canadian exports. As indicated by the Canadian Wheat Board, the wheat will be shipped from both Pacific Coast and Eastern Canadian port areas. The sales to the U.S.S.R. will be a factor of strength in the world wheat market, and

will constitute an important element of stability in our trade relations with the U.S.S.R."

Other Trade Discussions with Soviet Minister

While he was in Moscow, the Minister also held discussions on trade matters with the Soviet Minister of Foreign Trade.

"We both recognized the importance of widening the range of goods moving between our two countries and we discussed the possibility of an increase in the number of trade missions that might be organized between the Canadian business community and Soviet foreign trade organizations.

"In my discussions with Mr. Patolichiev I emphasized the interest of our businessmen in marketing a broader range of Canadian manufactured goods in the U.S.S.R., as well as the basic materials, wheat and other goods now being exported. For his part, Mr. Patolichiev explained the great importance which the U.S.S.R. attaches to developing Soviet exports to Canada. I explained to him that Soviet goods had the same opportunity to compete for sales in the Canadian market as the goods of other countries to which we extend most-favoured-nation treatment. So there would be no misunderstanding, I gave him a letter indicating that I saw no reason why, within the framework of our laws and regulations, it should not be possible for the U.S.S.R. to develop its exports to the Canadian market.

"I believe there is room for the development of technical exchanges between Canada and the U.S.S.R. to the mutual benefit of both countries, and that both would benefit from the knowledge and understanding that would come from more widespread contact between the two peoples."

Aid to Export Promotion in Developing Countries

The Minister also reported on several phases of the Commonwealth Trade Ministers' Meeting in London, as follows:

"So as to help the developing Commonwealth countries in their export promotion efforts we have offered to bring to Canada, later this year, up to five

officials from developing Commonwealth countries for special courses on trade promotion. In addition we have offered to make senior Canadian Government Trade Commissioners available to conduct seminars on trade promotion in the developing countries themselves.

"We have also undertaken to provide to the developing Commonwealth countries information on market surveys and trade opportunities around the world, as contained in the Department's publication *Foreign Trade*. This offer of assistance was well received, as well as our willingness to lend assistance in the techniques of tourist promotion, to which developing countries attach great importance."

Anglo-Canadian Ministerial Committee

"... We explored how we might further strengthen the process of consultation and co-operation between our two countries (Canada and Britain). We agreed that it would be to the benefit of both countries if Ministers concerned with commercial and economic relations were to meet at intervals for discussion of matters of common concern. To this end an Anglo-Canadian ministerial committee on trade and economic matters is to be established. It is hoped that we shall be able to hold the first meeting of the committee later this year."

Britain and the Common Market

"The Right Hon. Douglas Jay, President of the Board of Trade, indicated the readiness of the British Government to seek membership in the European Economic Community, provided the essential interests of Britain and Commonwealth countries were safeguarded. It was agreed that other Commonwealth countries would be kept fully informed by the British of the progress of their exploratory discussions. Mr. Jay indicated that the British Government would consult closely with other Commonwealth Governments at all stages of any negotiations that might take place."

Trade between Commonwealth Countries

"There is clearly scope for substantially increased trade among Commonwealth countries on a multilateral basis. A meeting of senior planning officials from Commonwealth countries is to be convened, with a view to exchanging ideas on planning techniques, regional co-operation in planning, and co-operation in trade promotion."

European Countries Adopt Clothes Cleaning Symbols

Wash? Bleach? Iron? Dry Clean? These questions have become more numerous—and louder—with the introduction of new fabrics in Europe. Six countries have banded together to establish a uniform system of symbols to give the answer, right on the clothes themselves.

G. D. VALENTINE,
Vice Consul, Duesseldorf.

THE MANY NEW SYNTHETIC FIBRES used in the clothing industry have brought their own laundry and dry cleaning problems. To answer these, Belgium, Luxembourg, the Netherlands, France, Switzerland and West Germany have adopted an international system of labels for clothing that give instructions for washing, bleaching, ironing and dry cleaning. Italy also hopes to join the group and negotiations with other countries have begun.

The name of the group is the Symposium International d'Etiquetage d'Entretien des Textiles with headquarters in Paris. In order to overcome language difficulties, symbols have been adopted for use by manufacturers who obtain permission from the National Committee in each country. In West Germany the "Arbeitsgemeinschaft Pflegezeichen für Textilien" in Frankfurt has granted this permission to all textile manufacturers who are members of this special branch.

Rules and regulations governing the admission of new members to the Symposium have not yet been firmly established but it appears that the most important condition for membership is that a country establish a National Committee which represents all the garment manufacturers. If such a committee is in existence or can be formed, application can then be made to M. Ed. de Keyser, general manager of the Symposium, at 29 rue de Courcelles, Paris 8, France.

The symbols currently in use were proposed by the Dutch organization

and are shown here. They are now internationally registered trade-marks and are for the use of members only. They cannot be used by clothing or textile manufacturers in countries not belonging to the international organization. The regulations for their use are as follows:

1. The symbols should be either black on a white background or white on a black background and other colours may not be used. Depending upon the type of article, the background can be slightly coloured, but red, yellow and green are not permitted.

2. The order of the symbols must always be the same: washing, bleaching, ironing and dry cleaning. Normally the order is horizontal; however, a vertical arrangement may be used if the size of the label makes it necessary.

3. The symbols need not be of any particular size because this will depend on the article itself. But all proportions must be the same.

4. No additions to the symbols are allowed except that, if desired, the words "no ironing required" can be added below the symbol for "do not iron".

5. The label can be woven or printed and is to be sewed to or stamped on the article. It should be easily visible on the inside of the garment.

6. All symbols should be shown on the label even if one or more of them do not apply. In Germany, for example, bleaching is no longer used and the

symbol will probably be left out for use inside Germany. For export orders it will be included so that there will be no doubt about whether an article can or cannot be bleached.

7. If an article is composed of more than one type of material, the symbol used should correspond to the most delicate item. This is particularly important for buttons, trimming, etc.

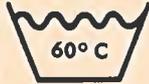
8. The manufacturers of the garments are responsible for affixing the labels before delivery to the retailer or wholesaler. If necessary, they can request the pertinent details from the supplier of the material and these instructions can be supplied using numbers rather than symbols.

Although the labels are not compulsory and were devised only to assist dry cleaners, laundries and the consumer, they are coming into widespread use throughout the countries belonging to the Symposium. Not only are major clothing manufacturers adopting the system, but manufacturers of irons and soap and detergent producers are also publishing the symbols in their instructions.

To increase co-operation in extending the use of the symbols in Germany, a study group has been formed which consists of interested organizations plus laundries, dry cleaners, research institutes, the washing machine and household appliance industry, and consumer organizations.

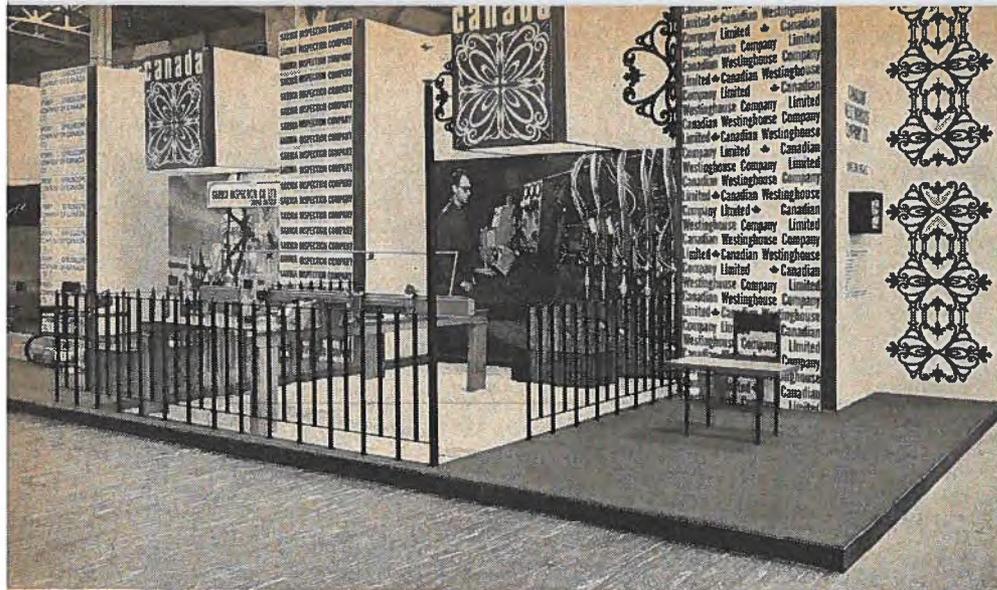


European Symbols for Treatment of Garments

Washing	Bleaching	Ironing	Dry Cleaning
 95° C (200° F) White Wash	 Permissible to Bleach	 Hot Iron Permissible Cotton, Linen	 Intensive Treatment
 60° C (140° F) Coloured Wash		 Standard Ironing Wool, Silk	 Standard Treatment
 30° C (85° F) Fine Wash		 Moderate Ironing Synthetic Fibres nylon, perlon, rayon, etc.	 Moderate Treatment
 Do Not Wash	 Do Not Bleach	 Do Not Iron	 Do Not Dry Clean

Typical Label

 95°	 cl	 Hot Iron Permissible	 P
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Booths like these four made up a major part of the Canadian stand at the International Samples Fair. A circular information centre was included.

Four Firsts for Canada at Barcelona

CANADA MOUNTED ITS BIGGEST INDUSTRIAL EXHIBIT ever in a foreign country at the recent International Samples Fair in Barcelona, Spain. The exhibit was also notable for many other reasons. It marked the first time that we had presented a major exhibit in Spain and the Canadians came home with two awards for the design of the stand. (A participating firm also won a prize for the industrial design of its machine.) Films from British Columbia, Ontario and Quebec showed a wide range of industrial equipment, including metal working machinery, automatic precision tools, vulcanizing equipment, machine tool controls, special castings, railway maintenance equipment, special steels, automatic welders, gamma beam irradiators and X-ray cameras.

The project officer, C. F. Daley, shares the honors won at Barcelona with designer A. Kuhlmann. Radio Barcelona named ours "Best International Exhibit" of the 32 foreign entries and the fair authorities designated it the "Best Overall Presentation".





Jack Turk, a sales representative from Pierce-All Manufacturing Limited, demonstrates a machine to an audience including (centre, in light suit) Excelentissimo Jose Valls Taberner, fair president, and (next to him on the left) Benjamin Rogers, the Canadian Ambassador to Spain.



An interested visitor to the Canadian exhibit was Senor Garcia Monco, Spain's Minister of Commerce. He is seen in the centre with L. A. Campeau, Canada's Commercial Counsellor in Madrid, inspecting the Aluminum Company of Canada's display.

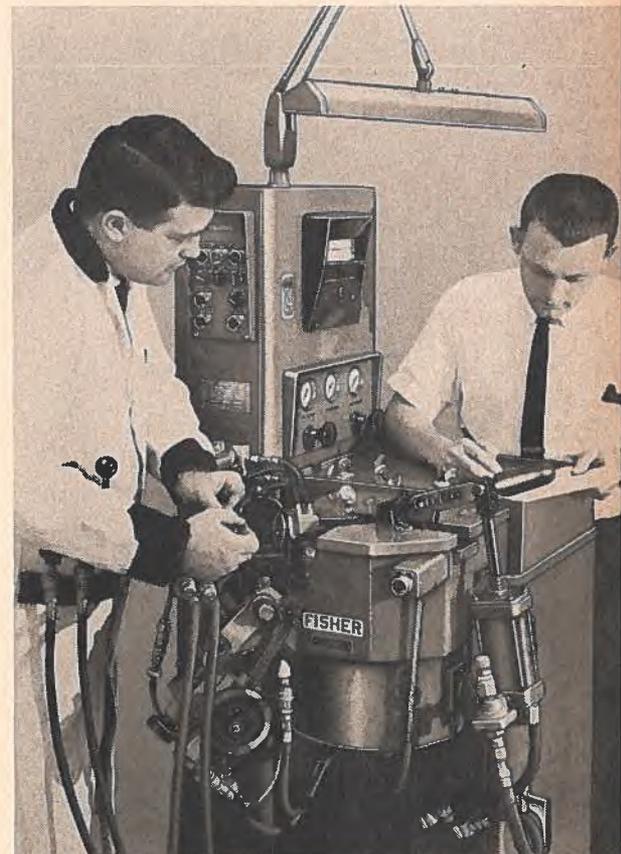
Approximately two million visitors thronged the fair grounds during the first two weeks of June and the prestige stand which held the 21 Canadian exhibits was designed to achieve the greatest possible impact. In addition to company officials and government officers on the stand, there were four receptionists and seven interpreters to see that visitors got their information quickly and correctly.

Spanish magazines, papers and radio stations were almost buried in a storm of preshow publicity from Canada. A brochure in Spanish was sent out with a portable slide viewer which contained eight color pictures of Canadian industrial installations. These two attention-getters were tied in with a contest during the fair that had as its prize a free trip to Canada for two during EXPO 67. Eight press releases were also mailed to various news media; they dealt with pulp and paper, oil and gas, the St. Lawrence Seaway, power development, steel production, Canada's microwave network, transportation and EXPO 67. Similar booklets and press releases were available on the stand itself.

On the Tuesday before the exhibition opened, the Canadians held a press conference which 40 Spanish journalists attended. After an introductory speech in Spanish, the meeting was thrown open to questions from the reporters. The answers formed part of the front page stories carried by each of the seven Barcelona papers.

Spanish businessmen were particularly interested in the Canadian products and services and many also expressed the hope of coming to Canada for EXPO 67. Although it is too early to tell what volume of sales will result from participation at Barcelona, one thing is certain—the Spaniards certainly knew that Canada was there.

This precision die-casting machine was cited by the fair's organizers as the most interesting and unique machine on display. Fisher Gauge Works Limited, the Canadian maker, exports its products to eight countries.



Set Sail for Greece

There's business to be done in Athens, city of two million and centre of the one-billion-dollar Greek import market. And when you have completed your interviews with the country's keen businessmen, the sights of classical Greece lie close at hand.

E. E. PRICE, *Assistant Commercial Secretary, Athens.*

*"Thou hast come to a steed-famed land for rest,
O Stranger worn with toil,
To a land of all lands the goodliest."*

SO SOPHOCLES put it in 460 B.C., in describing the Attic plain on which Athens rises. The ancient city is now a modern, bustling metropolis, yet the poet's message transcends time

in this country from which so many of our democratic institutions have sprung.

Last year more than 12,000 Canadians visited Athens, including

many hundreds of businessmen. Together with its adjoining port of Piraeus, the city's burgeoning population of two million represents one quarter of Greece's inhabitants, and 50 per cent of the country's purchasing power in a liberalized import market valued at over \$1 billion a year. A business trip can easily be combined with a few days of leisure



to allow a review and appreciation of Greece's kaleidoscopic attractions.

Pre-Trip Planning

Preparations for a trip to Greece are minimal, because all one requires for entry is a valid passport. Anyone entering Greece from the Middle or Far East may also be required to have smallpox and cholera vaccination.

As a major port of entry and departure for travellers between the East and Europe, Athens is well served by major international airlines, including connecting flights from Vienna and Rome, the nearest terminal points for Air Canada and Canadian Pacific Airlines respectively. In addition, comfortable passenger liners sail regularly to Piraeus from Halifax and New York.

April through October is the best time to visit Greece, although the Canadian visitor can expect very hot weather in July and August, when daytime temperatures of 90 to 100 degrees F. are common. Many Athenian businessmen are also absent on holiday during these two months.

In summer, lightweight tropical suits are essential, together with a good supply of lightweight cotton shirts. Spring and fall visitors will find a lightweight wool suit adequate. Allow room in your briefcase for a bathing suit and if possible, a few small gifts of Canadiana, because Greeks genuinely appreciate an exchange of gifts and hospitality.

The major holidays should be kept in mind in the preparation of any itinerary. These are March 25, in celebration of Greece's independence from Turkey in 1821; May 21, King Constantine's name day, (a Greek tradition, whereby a family celebrates the name day of each member), and October 28, in celebration of the day in 1940 when Greece said OXI (no) to the Italian surrender ultimatum. Easter and Christmas also bring traditional holiday celebrations.

Athens has a good number of first class, centrally located hotels, at a rate for a single air-conditioned room with bath of about \$12 per day without meals. From June through September, reservations should be made well in advance. Recommended hotels are the *Athens Hilton*, *Grande Bretagne*, *King George* and the *King's*

AUGUST 6, 1966

Going to Greece?

Many businessmen like to do some background reading before they go abroad. Here is a bibliography on Greece to help you get started. Please note that *Foreign Trade* unfortunately cannot supply any books or articles. We suggest you contact your public library or local Greek representative.

BOOKS

History

Burns, Andrew Robert. *A traveller's history of Greece*. London, Hodder and Stoughton, 1965, 328 p.

Heurtley, W. A., and others. *A short history of Greece from early times to 1964*. Cambridge, Cambridge University Press, 1965, 183 p.

Life and Customs

Finer, Leslie. *Passport to Greece*. London, Longmans Green & Co., 1964, 247 p.

General

Eliot, Alexander, and editors of *Life Greece*. Life World Library. New York, Time Inc., 1963.

PAMPHLETS

British Board of Trade. *Hints to businessmen visiting Greece*. London, 1965. (Order from Board of Trade, Export Services Branch, Room F.56 Hillgate House, 35 Old Bailey, London E.C.4.)

Morgan Guaranty Trust Company. *Doing business abroad: Greece*. New York, March 1966.

Organization for Economic Co-operation and Development. *Economic Surveys. Greece*. Paris, February 1966. (Order from the Queen's Printer, International Section, Ottawa, Canada, 80 cents.)

United States Department of Commerce. *Overseas Business Reports. Establishing*

a business in Greece. Washington, April 1966. (Order from Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402 or any Department of Commerce Field Office, 15 cents.) Note: This pamphlet provides an excellent bibliography.

United States Department of Commerce. Trade Mission Report. *Doing business in Greece*. Washington, 1963, 24 p. (Order from any United States Department of Commerce Field Office, 25 cents.)

PERIODICALS

Greece Today. Monthly Economic and Statistical Review. National Bank of Greece. Athens.

Trade with Greece. Quarterly Journal of the Athens Chamber of Commerce and Industry. 8, Amerikis Street, Athens.

ARTICLES

Finer, Leslie. *Greece: trembling on a tightrope*. *Statist*, May 20, 1966, p. 1272-3.

Finer, Leslie. *The sea-faring Greeks*. *Statist*, April 22, 1966, p. 981-2.

Greece: nation in transition. *New York Journal of Commerce*, December 27, 1965, Section 2, 10 p.

Stephanopoulos soldiers on. *Economist*, April 30, 1966, 219: 467.

Westebbe, Richard M. *Greece's economic development problems and prospects*. *International Development Reports*, March 1966, 8: 11-6.

PICTORIAL

Fermor, Patrick L. *Athens. Holiday*, June 1965, p. 40-51.

Weaver, Kenneth F. *Athens: her golden past still lights the world*. *National Geographic*, July 1963, p. 100-137.

Palace. All hotels and restaurants add a 15 per cent service charge and an additional tip of 5 to 10 per cent is common in all restaurants.

Upon Entry

Hellenikon airport, 15 miles from Athens, clears visitors through customs with a minimum of delay and formality. The traveller may bring in 200 cigarettes and two bottles of liquor duty-free; he may take 200

drachmae in Greek currency in and out without restriction.

The visitor is advised to bring travellers' cheques in U.S. dollars; he can cash these at the airport upon arrival and on departure reconvert into dollars up to Drs.4,000. The current exchange rate is about Drs.30 to the U.S. dollar.

Taxi fare from the airport to downtown Athens normally runs to about Drs.100 (Can.\$3.50) and your

cab driver appreciates a small tip, although it is not necessary. The flag drop fare commences at Drs.4.8.

Commercial samples and patterns of no commercial value are free of customs duty and easily brought through customs. When samples are sent in advance of one's arrival, they should be directed to the Commercial Division at the Canadian Embassy in Athens, with a letter confirming despatch directed to the Commercial Division to ensure their clearance through customs. If the shipment is of commercial value, the usual duties and taxes must be paid, or the Trade Commissioner reimbursed for them.

Price quotations, preferably c.i.f. Piraeus, should also be in your briefcase, because comparison with prices offered by other suppliers is an essential item for discussion in this highly price-conscious market.

Following Arrival

Normal working hours for businesses and shops from April to mid-October are from 8 a.m. to 1 p.m. and from 5 p.m. to 8 p.m. From mid-October to mid-May, the corresponding hours are from 8 a.m. to 1.30 p.m. and 4 p.m. to 7.30 p.m. Businesses, shops and government offices are open from 8 a.m. to 1 p.m. on Saturday throughout the year. Most appointments should be arranged for the morning because many businessmen are not in their offices in the evening, particularly in summer.

Business interviews can be arranged at short notice, although it is wise to confirm these by letter in advance of arrival to ensure that the appropriate principals of the firm will be here during your visit. Most Greek importers, manufacturers, and leading government officials are fluent in either English and/or French. The services of an interpreter can be readily arranged through the Canadian Embassy.

Calls on local government and business offices are inevitably accompanied by an offer of Turkish coffee or a cooling drink of "portocalatha" (orangeade). Discussions are conducted in a friendly and animated atmosphere and an invitation to dinner often follows.

The midday siesta usually precludes the possibility of a luncheon get-together, so most entertaining is done

in the late evening. The choice of good eating places is large, with preference usually given to a taverna in the Plaka (the old city), a seaside restaurant along the coast adjacent to the airport, or a sampling of delicious "kalamarakia" (squid), "strithia" (oyster), "octapothi" (octopus) or other fish delicacies at the port of Piraeus. Meals are accompanied by the serving of local wine, the most popular of which is retsina, a resinated white wine. Local water is safe to drink and the standard Greek diet of fish, meat and vegetables agrees well with the Canadian constitution.

Entertainment varies from the traditional night club revue and the Turkish belly-dancer to Greek Bouzoukia music and dancing. The Syrtaki, made popular by Zorba, is popular fare.

Don't Overlook

No trip to Athens would be complete without a visit to the Parthenon and its supporting attraction, the old Agora (marketplace). Within a day's tour easily arranged through your hotel lie the historic beauty spots of

Delphi, city of the Pythia Oracle; Corinth, near the famous canal and renowned in history for its gaiety, where Aphrodite was the leading deity; Mycenae, former city of Agamemnon, supreme leader of the Greeks against Troy, and Epidaurus, birthplace of Aesculapius, god of medicine, and the site of a 4th century B.C. open air theatre where Greek tragedies are performed each summer.

A week in Athens should allow time for the conduct of business interviews, a view of the city's historic wonders, and possibly a trip to a nearby island. We would welcome advance notice of your visit in order to make necessary arrangements to your satisfaction.

If you are tired of battling your way to the cottage each weekend or weary of the winter rain and snow, or if you have a few days to spend at the end of your European trip, set sail for Greece, where the winds blow fair under a clear and sunny sky. You won't be disappointed—and you may do some business too. ●

Jamaica's Banana Industry

THE Jamaican banana industry is one of the most important sectors of the Island's agriculture, with 95 per cent of production destined for export. Between 1960 and 1965, in a reversal of a previous down-trend, production of bananas increased considerably—from 10.1 million stems to 14.5 million. The result was that export earnings jumped from \$14.5 million to about \$18 million.

The significant increase in production resulted mainly from:

1. More effective control of plant diseases with the introduction of an integrated spraying program.
2. Closer planting.
3. The more efficient use of fertilizers.
4. The incentive given to growers from the institution in 1963 of a "by weight" purchasing system in place of the former "by stem" policy.

The quality of exports has improved since 1963 because of the use of mechanical loading at the major port and the

introduction of a policy of wrapping or boxing all exported fruit.

The boxing of fruit has not been as successful as originally anticipated; in 1965 only 9,000 tons of a total of 191,000 tons exported were packed in boxes. However, the program has been accelerated in 1966 so that 45 to 50 per cent of bananas are now being exported in boxes. The better handling of the fruit is reflected in the sharp fall in the quantity of bananas refused at shipping stations by the Banana Board as unfit for export. In 1965, about 346,000 stems were rejected as against 589,000 in 1964 and 608,000 in 1963.

Until recently, Britain took more than 96 per cent of Jamaica's banana exports. However with the seasonal price fluctuations in that market and fierce competition from other suppliers such as the Windward Islands, other markets, especially in the EEC, are now being actively explored. In addition, Jamaican exporters hope to find a long-term outlet for their bananas in Canada. In 1963 regular shipments to Canada were resumed after only negligible traffic since 1946, but the demand is still small. ●

Foreign Commercial Representatives in Canada

ARGENTINA

Ottawa—Economic Counsellor's Office, Embassy of Argentina, Room 724, 56 Sparks Street.

AUSTRALIA

Ottawa—Commercial Counsellor and Australian Government Trade Commissioner, 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 808, 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, 830 Dorchester Boulevard West.

Austrian Consulate General, 1410 Stanley Street.

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, 450 Wilbrod Street.

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, 10th Floor, 1645 Granville Street.

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

Regina—The 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.

BULGARIA

Montreal—Trade Office of Bulgaria, Suite 610, 1745 Cedar Avenue.

BURMA

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

CEYLON

Ottawa—First Secretary, Ceylon High Commission, Suites 103 and 104, 85 Range Road.

CHILE

Ottawa—Embassy of Chile, 56 Sparks Street.

Montreal—Consulate General of Chile, Apt. 101, 1745 Cedar Avenue.

Vancouver—Consul of Chile, 1575 West Sixth Avenue.

CHINA

Ottawa—Economic Counsellor, Embassy of the Republic of China, Suite 406, 85 Range Road.

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

COLOMBIA

Ottawa—First Secretary and Consul, Embassy of Colombia, Suite 102, 140 Wellington Street.

Montreal—Consul General of Colombia, Suite 320, 1500 Stanley Street.

Toronto—Consul of Colombia, Suite 726, 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, Suite 702, 85 Range Road.

Montreal—Royal Danish Consulate General, Suite 1525, 1245 Sherbrooke Street West.

Toronto—Royal Danish Consulate, 151 Bloor Street West.

Vancouver—Royal Danish Consulate, 1201 West Pender Street.

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

Ottawa—Chargé d'Affaires, Embassy of Ecuador, Room 728, 58 Sparks Street.

Montreal—Consul General of Ecuador, Apt. 1105, 2150 St. Luke Street.

Vancouver—Honorary Consul of Ecuador, Apt. 1, 1480 Arbustus Street.

EL SALVADOR

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

FINLAND

Ottawa—Embassy of Finland, 85 Range Road.

Montreal—Trade Commissioner for Finland, Suite 1114, 1010 St. Catherine Street West.

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, 738 Granville Street.

GERMANY

Ottawa—Commercial Counsellor, Embassy of the Federal Republic of Germany, 1 Waverley Street.

Edmonton—Consulate of the Federal Republic of Germany, 11818 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, 8070 Quinpool Road.

Montreal—Consul General of Haiti, 10919 Drouart Street.

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.

HUNGARY

Montreal—Trade Commissioner for Hungary, 1390 Pine Avenue West.

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.

KOREA

Ottawa—Third Secretary and Vice Consul, Embassy of the Republic of Korea, 77 Metcalfe Street.

LUXEMBOURG

Montreal—Consul General of the Grand-Duchy of Luxembourg, 3877 Draper 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—Commercial Counsellor, Consulate of Mexico, Suite 217, 159 Bay 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 General of Monaco, Suite 501, 31 St. James Steet 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, Suite 708, 635 Dorchester Street West.

Vancouver—New Zealand Government Trade Commissioner, Suite 615, 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, 3458 Prudhomme Avenue.

PERU

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

Vancouver—Consul General of Peru, Suite 116, 525 Seymour Street.

PHILIPPINES

Vancouver—Philippine Consulate General, 525 Seymour Street.

POLAND

Ottawa—Commercial Counsellor of the Polish Embassy, Apt. 58, 255 Stewart Street.

Montreal—Commercial Section, Polish Consulate General, 1500 Stanley Street, Suite 315.

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 2D.
Toronto—Consulate of Portugal, Suite 712, 159 Bay Street.
Vancouver—Consulate of Portugal, 7th Floor, 738 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, 182 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. (Eastern Canada)
Vancouver—Trade Commissioner for Sweden, Dominion Bank Bldg., Suite 1105, 207 West Hastings Street. (Western Canada)

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, 608-1445 Marpole Avenue.

TRINIDAD AND TOBAGO

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

TURKEY

Ottawa—Commercial Counsellor, Turkish Embassy, 197 Wurtemberg 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, Suite 701, Harbour Bldg., 133 Prince William 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. 102, The Rockcliffe Arms, 124 Springfield Road.

VENEZUELA

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

YUGOSLAVIA

Ottawa—Embassy of the Socialist Federal Republic of Yugoslavia, 17 Blackburn Avenue.
Montreal—Trade Representative for Yugoslavia, Interprogress Company Ltd., 2055 Peel Street West.
Toronto—Consul General of the SFR of Yugoslavia, 377 Spadina Road.



How to Win World Markets 29

No Canadian company sells in the domestic market without advertising; it's even more important in foreign markets. But that means playing in a different league. Here is sound counsel from a professional in the promotion game.

Promoting Sales Abroad

ROYD E. BEAMISH,
Director, Trade Publicity Branch.

MOST PEOPLE engaged in export trade promotion are hoping that medical research will soon emerge with a clinical explanation of, and treatment for, a baffling disease that strikes many companies the moment they begin to think of selling their goods elsewhere than in the familiar home market.

At the moment it is identified only as "export syndrome"—an inexplicable ailment that causes business firms to forget or ignore many of the basic tenets of selling the moment they begin to find markets abroad.

Few Canadian companies today would dream of launching a new product without developing a comprehensive marketing program, including market research, test market studies in suitable communities, an analysis of the competition, advertising and sales promotion.

But all too often the same company will decide to sell the same product in a country like Tanzania, Thailand or Trinidad and Tobago with little or no research, no realistic sales target, and no supporting artillery in the form of advertising and promotion. They contact an agent, make a deal, and sit back complacently waiting for him to set the world on fire with spectacular sales.

One reason for this unbusiness-like attitude, of course, may be that market information is not as easy to come by in some countries as it is on this continent. Another is that a good many companies approach the business of exporting with a peculiar ambivalence. On the one hand, there is the uneasy thought that the game may not be worth the candle—that the whole program may turn out to be merely an exer-

cise in futility. Management often finds it difficult to believe that it really can sell in foreign markets against the competition of other, perhaps nearer, countries. On the other hand, there is the equally unsettling thought that the quest for export markets might turn out to be just too successful. What will happen, management wonders, if we get orders so large that our production capacity can't take care of them, in addition to domestic demand?

Neither of these fears is likely to be realized if the prospective exporter makes full use of the expertise available to him from the Department's Trade Commissioners. They know the pitfalls and one of their primary concerns is to help Canadian firms avoid both the rock of Scylla and the whirlpool of Charybdis.

At the same time, no venture into export markets is likely to achieve the success it deserves unless it is given some degree of advertising, promotion and publicity support. The established exporting companies know this. They plan their export marketing carefully and have budgets for advertising and promotion. Their export managers may have had to battle entrenched domestic interests to pry the funds loose in the first place, but once that hurdle has been overcome, the door is open to realistic planning, market by market.

Set a Sales Target

But what about the firm that is just on the verge of moving into this exotic world of international commerce? It may be your own company and you may have given only the most tentative thought to

such a step. Perhaps someone in the firm has been convinced by a Commodity Officer from Trade and Commerce that you ought to exhibit in a trade fair coming up four or five months from now. Perhaps you've had a letter from a Trade Commissioner in some foreign country, advising you of a reputable agent who is interested in handling your products in his territory. What do you do now?

Companies which have achieved even minor success in the export field are unanimous about the first step to undertake. They recommend that the would-be exporter analyze his market potential at the earliest possible stage and set up a realistic sales target. From this, an export promotion budget should be established, according to the manufacturer's normal practice in domestic sales.

"If anything," says André Lachance, president of Chemico-Pharmaceutical Co. Inc., "you need to make a larger allowance for export promotion than you would use in your domestic operation." He has earmarked 10 per cent of sales for this purpose. The percentages will vary, of course, from company to company and commodity to commodity, just as they do in domestic advertising.

This is why it is important to establish a base sales figure early in your export planning, so that advertising and promotion plans can be scaled appropriately.

Needless to say, the phrase "advertising and sales promotion" covers a broad spectrum. Sales will have to reach substantial figures before a program of planned media advertising can be contemplated, but there are many other approaches that can be made from the start.

Plan Sales Literature

One of these is sales literature. It should be as attractive and effective as the material you use at home, even though the copy approach may have to be quite different.

Canadian consumers are fairly sophisticated. They are aware of the uses and applications of most products because they have been exposed to them for years. The same product being launched in a foreign market may require much more precise instruction about its use. But this can be done by changing the text or copy approach, without necessarily requiring major revision of the artwork or design.

If you produce brochures or folders in full color for the domestic market, you should not be satisfied with anything less for your export customers. Because domestic press runs are usually much larger than those for foreign countries, some firms hesitate to use color because of the high expense involved in short printing runs.

This can be sharply reduced by using a technique which has become standard operating procedure within the Department's Trade Publicity Branch. When the English-language version of a brochure is being ordered, we calculate the number of copies required in foreign languages. Suppose the requirement is for 10,000 English, 2,000 German and 3,500 Spanish. We order the color plates to be run for the whole 15,500. (Beyond the cost of paper, this costs little more than 10,000 would.) Then the black plate (which naturally includes all the text) is printed on 10,000 copies in English. New black plates are made for the other two languages and printed separately. This means that, for the cost of one press run and one plate, the booklet is produced in full color for each language.

Watch the Language

The importance of providing sales literature in the language of the country where it is to be used cannot be over-emphasized, and the importance of precise translation is paramount. Spanish text for Latin America is quite different from the equivalent text required in Spain. And it is almost impossible to get

adequate work done in Canada. Trade Publicity Branch now has a policy of having all translations done in the country where the material will be used.

The need for this was brought home to us on several occasions, two of which stand out in our minds with special clarity. We produced a handsome booklet in Portuguese to accompany a high-level trade mission to Brazil. The post returned one copy to us, with 123 mistakes carefully circled in red. Most of them merely reflected the different use of the language as between Portugal and Brazil. The booklet would have been fine in Lisbon but it made no sense in Rio de Janeiro.

An even more forceful course of instruction was provided for us by our Tokyo post. We sent them an advance draft of a Japanese translation of a booklet which had been prepared in Canada. The Minister (Commercial) in Tokyo possessed great tact as well as a sense of humor. He mailed us a tear sheet from an American magazine which published what was purported to be a verbatim reproduction of a Japanese instruction sheet for the guidance of English-speaking motorists in Japan. I recall one phrase, admonishing the driver to "tootle the horn melodiously" if a pedestrian were in his path. The general character of the piece could best be described as pidgin English.

A couple of days later, he wrote to say he hoped we had enjoyed the amusing little piece. Then he added: "You may be interested to learn that the text of your proposed booklet reads exactly like this to Japanese. We had our locally engaged staff read it and they were convulsed."

The moral was readily grasped and a new translation was prepared for us in Japan. The Department of Trade and Commerce, thanks to this wise guidance, did not produce a booklet in pidgin Japanese.

The Canadian firm planning language versions of sales literature

would be well advised to contact the Trade Publicity Branch. Our staff will be happy to let you know the name and address of the firm doing our translations in the country concerned and the rates charged. They are surprisingly low in many instances and, since we use only translators accustomed to writing advertising and sales copy, the translation—or adaptation, to be more precise—does the job it was intended to do.

Promotion at Fairs

If your first reconnaissance of export potential for your products should take the form of participation in a Department-sponsored trade fair, Trade Publicity Branch can help you make the most of your opportunity. You should, of course, plan to have plenty of appropriate sales literature at your exhibit. Departmental promotion activities are designed to draw as many visitors as possible to the Canadian stand, but it is up to the company representatives manning the displays to sell their products, with the willing help of the Trade Commissioners on duty.

For most trade fairs the Department produces a booklet which is, in essence, a catalogue of the participating firms. The page or two dealing with your company can only be as effective as you will permit. When sending information about your exhibit, your company and your products to Trade Publicity Branch, try to pick out the most interesting aspects of your story for us to present to the trade or the general public, as the case may be. Every product has what advertising people call its "unique selling proposition." This may be quality or price or some special feature, but whatever it is you are bound to be aware of it. Let the Trade Publicity Officer in on your secret and he will be able to prepare more effective copy for your portion of the booklet.

Incidentally, reprints of the page or pages allocated to your company

AUGUST 6, 1966

FOR REFERENCE

Dunn S.W. *International Handbook of Advertising*. New York, McGraw-Hill, 1964. 788 p. (McGraw-Hill Series in International Development)

Price: \$24.00.

Order from: McGraw-Hill Co. of Canada, Ltd., 330 Progress Ave., Scarborough, Ontario.

International Advertiser: the Magazine for International Marketing Executives. Monthly.

Price: Members—Free; Non-Members—\$15.00.

Order from: International Advertising Association, Inc., 475 5th Ave., New York, N.Y. 10017.

International Chamber of Commerce. *Advertising Conditions and Regulations in Various Countries*. 2nd Rev. & Enl. Ed. Basel, Switzerland, Verlag für Recht und Gesellschaft AG, 1964. 17 pamphlets. (I.C.C. Document No. 15) Published in English-French.

Price: Members—\$20.00; non-members—\$30.00.

Order from: Canadian Council, International Chamber of Commerce, 1224 St. Catherine St. W., Montreal 25, Quebec.

International Chamber of Commerce. *Dictionary of Advertising and Distribution in Eight Languages*. Basel, Switzerland, Verlag für Recht und Gesellschaft AG, 1954. Unpagged. (I.C.C. Document No. 14)

Price: Members—\$13.00; non-members—\$20.00.

Order from: Canadian Council, International Chamber of Commerce, 1224 St. Catherine St. W., Montreal 25, Quebec.

Media/Scope's *International Media Buyer's Check List*: Basic Considerations for the Advertiser or Agency Contemplating the Use of Overseas Media. (In Media/Scope 10: 141-3 April '66)

Price: 75 cents per issue.

Order: Media/Scope, Standard Rate & Data Service, Inc., 5201 Orchard Road, Skokie, Illinois.

U.S. Bureau of Foreign Commerce. *A Directory of Foreign Advertising Agencies and Marketing Research Organizations*. Washington, D.C., Department of Commerce, 1959. 135 p.

Price: 45 cents.

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

in any departmental publication can always be ordered from the printer at minimal cost. It has always surprised me that more Canadian firms do not take advantage of this opportunity to add to their library of useful sales literature. Because the printing plates have already been made, the most expensive part of the printing job has been done for you.

At major trade fairs, the Department sends a Trade Publicity Officer to the exhibit to maintain contact with local press, radio and TV people and to use publicity techniques to attract as much interest to the Canadian exhibit as possible. If you have something unique on your stand, let him know all about it. He may be able to interest a TV producer in bringing his cam-

era around, or a magazine or newspaper writer in doing a special story on it. All these things can help to heighten buyer interest in your product or service.

Use "Canada Courier"

Another useful ally in your export promotion activities is the tabloid newspaper, *Canada Courier*, published by the Department and distributed to some 100,000 businessmen in nearly 100 countries. It is produced six times a year in English, twice in German, French and Spanish and, this year, twice in Arabic. The editor will always be glad to see stories or reports about your new products and to print them if they have sufficient export interest.

Not everyone attracts the same response as that recorded by Chemico-Pharmaceutical Company, Inc., but it does indicate what can be achieved by a single report in this publication. This company manufactures a deodorizing chemical that is now selling in Europe, Asia, the West Indies, South America, Australia, Asia and the Middle East. A story on the product was published in *Canada Courier* some three years ago. It produced no fewer than 800 business inquiries, which led to the establishment of more than a dozen distributors and generated a surprising amount of business.

Inquiries were received over a two-month period, as the publication was distributed in various geographical areas. The first ones came from the United States and Britain. European countries came next, followed by South America, Australia, the Middle East and India. One result of this graduated inflow was that all inquiries could be processed by the regular staff; if they had come simultaneously, temporary staff would have been needed to deal with them.

Try the Trade Press

When a company's export sales have reached the point where new outlets, rather than simply increased volume from existing outlets, are required it is probably time to consider media advertising in addition to whatever other promotion it has been doing. Trade Publicity Branch will always be ready to help when the time for this decision arrives by suggesting media and making the benefits of its own experience available to any Canadian exporter.

The products you sell and the character of your distribution system will govern the nature of your advertising approach to a considerable extent but, generally speaking, the trade press is the logical starting point for a media program. Your primary object at this stage is to convince retailers or others in the

trade that they can benefit and profit from handling your line.

Select Right Medium

If you have an advertising agency, the problems of preparing appropriate advertising and selecting suitable media are considerably simplified. The agency can make inquiries for you and recommend media in the full knowledge of rates, closing dates, mechanical requirements, etc. If you do not have an agency, you will have to make these inquiries yourself.

In either event, there are allies you can call to your aid. A qualified Canadian international media representative who acts as an agent for foreign publishers has a good deal of this information in his files and can get data on other publications promptly, as a rule. If you have no agency, he can also reserve space for you, arrange for translations, and even put you in touch with freelance writers and artists who can prepare the advertisement for you.

The largest and most broadly connected Canadian firm in this business is Allin Associates, 915 Carlton Tower, Toronto, and 14 Crescent St., Montreal. The "media rep" exists to augment the services of, not compete with, advertising agencies. If you have an agency, you can assure your account manager that calling on a media rep's services will not affect the agency commission by so much as a penny.

But even with the co-operation of both an agency and a media rep, there is one more base to touch before heading for home plate. Be sure to consult your sales representative in whose interests you will be advertising. He will often know more about the relative merit of competing publications than your agency or media rep can hope to find out, because he probably reads them. Ask him to airmail you copies of those he is prepared to recommend.

Copies of foreign publications can help you to accomplish two things. Your agency, or whoever produces your advertisement, can see the mechanical requirements in action. More important, the publication will show you and your agency the kind of layout, text arrangement, and artwork its readers are accustomed to seeing and help you to produce more effective advertising. The best designed Canadian layout imaginable may be hopelessly out of place in some foreign publications but until you have seen copies of them, you'll never know it. You can take it for granted that the published advertisements are effective, even if they bear little resemblance to what you consider good advertising.

Advertising Allowances

If you are producing consumer goods, you may eventually want to move farther into the media field—newspapers and consumer magazines, radio and television, posters and point-of-sale advertising. Then you will have to explore the most efficient way of developing these techniques. Some exporting companies use the advertising allowance system, undertaking to allow rebates or cash discounts to their distributors if certain amounts of funds are used for this purpose.

Advertising allowances enable you to concentrate your available funds in those areas where your sales are heaviest but, like so many such techniques, they are a two-edged sword. Some agents will do no advertising and pocket the money as a sort of bonus; others will put it to work for you. There is a Canadian washing machine manufacturer selling in the Middle East who operates on this basis. He sells reasonably well throughout his territory but is particularly successful in Jordan. On a visit to the territory, he found out why. As he drove through the streets of Jerusalem en route to his hotel, he saw his washing machines featured on billboards in strategic areas of

the city, linked with the name of the department store handling them. His Jordanian agent had been using his advertising allowance wisely, in co-operation with the retailer. All three—retailer,

agent and manufacturer—were reaping the benefit.

The anecdote illustrates one more fundamental requirement for export success—a requirement already reported earlier in this series.

It is this: there is no substitute for being on the ground, in person, if you really want to win world markets.



Hawaii for Tourists and Trade

If Canadians could supply only 5 per cent of the products these islands purchase from mainland United States, our Hawaiian sales would rise by \$30 million a year. Does your firm make any product listed in this article? If so, opportunities in Hawaii beckon you.

F. B. CLARK, *Consul and Senior Trade Commissioner, Los Angeles.*

Hawaii in Brief

Area: 6,424 square miles (over 20 islands).

Principal islands: Oahu (population) 500,409, Hawaii 61,332, Maui 35,717, Kauai 27,922.

Population: 765,000.

Capital: Honolulu.

Chief cities: Honolulu (population) 294,194 (1962), on Oahu island; Hilo 25,966 (1962), on Hawaii island.

Chief port: Honolulu.

Economy: based on pineapple (\$125 million), sugar (\$160 million), tourists (\$253 million), and on services for U.S. Armed Forces (\$200 million).

Exports: sugar, pineapple, coffee.

Imports: \$600 million a year; 60 per cent of food products are imported.

Chief suppliers: U.S. mainland—83 per cent of all imports. Remainder divided among Canada, Australia, New Zealand and Japan.

Communications: several steamship lines connect the islands with U.S. mainland, Canada, Australia, Philippines, and Japan. Over 11 commercial airports.

HAWAII is an island paradise for visitors who like sun and surf. And for those who are able to mix business with pleasure, a trip there can be profitable. Unless you are selling pineapples or sugar, you need not worry about domestic competition. Moreover, this 50th State makes a volume of offshore purchases surprising for a permanent population not much larger than that of Greater Vancouver. The range too is extensive—just about every consumer product (winter clothing and equipment excluded), all types of building materials, automotive products and, to a lesser extent, industrial goods.

Honolulu is the home of the State government and the business community, and is also the principal port and international airline terminal. It is located on one of the smaller islands, Oahu, close by Pearl Harbour to the east and Waikiki, the resort area, to the west. Southwest of Honolulu, 170 air miles away, lies the big island of Hawaii, more than six times the size of Oahu. Total land area for the six principal islands is about treble that of Prince Edward Island. The population of 765,000 is heavily concentrated in Honolulu and the racial composition is interesting: 47 per cent

Caucasian, 28 per cent Japanese, 10 per cent Filipino, 5.6 per cent Chinese, and the remainder part Hawaiian.

Honolulu is a modern, bustling city with lots of traffic and central office space scarce. The city is ringed with shopping centres: the Ala Moana is expanding to 155 stores and 7,900 parking spaces, which makes it the biggest centre in the United States. Many tourists, however, come to see the old Hawaii which is not too evident in Honolulu and adjacent Waikiki. The other islands still reflect the Hawaii of song and story and modern hotels are rising to meet the mounting tourist demand.

Pineapple and Sugar

Sugar and pineapple have been the main props of the economy but their importance is declining. World consumption of pineapples continues to rise but Hawaiian production of canned pineapple and juice has levelled off to \$125 million per crop year. This figure represents a lot of pineapples, however, and exceeds in value the combined pineapple production of the rest of the world. Hawaii is a significant sugar supplier to the United States mainland, with a record harvest of 1,178,770 tons available in 1964. This output is expected to be maintained in succeeding years and at present prices will bring an annual return of \$160 million.

There is not much diversity in agriculture, with sugar and pineapple accounting for 83 per cent of total farm income. Other crops with good prospects are coffee (worth \$4 million in 1964), macadamia nuts, and papaya. Local ranches sent 30,000 tons of beef to market last year, double the amount of ten years ago but less than half the local demand. More than 60 per cent of the food consumed on the Islands is imported.

Local Manufacture Rising

Although agriculture is still vital to the economy, other industries have better growth rates. As the resident population increases, prospects for local manufacturing improve. In 1965, concrete poles, aluminum extrusion, plastic pipes and certain cleaning agents were added to the meagre list of Hawaii-made products. Calculated on the basis of value added in the manufacturing process, a



This is the intricate pattern formed by the pineapple plantings in Hawaii, broken by an area of trees. Terracing and contour planting are common practices to avoid erosion. Production of pineapples continues to exceed that of all other countries combined.

total of over \$300 million was recorded for manufacturing in 1964. Eliminate sugar milling and pineapple canning, however, and the amount drops to about \$120 million. This represents mainly output from two cement plants, a steel rolling mill, an oil refinery and small textile and furniture plants.

Tourists and Servicemen

The tourist trade and supplies and services for the Armed Forces account for the present boom and bustle in Hawaii. Some 600,000 holiday visitors arrived last year. Most of them came during the winter but there is also an influx in the summer months. About 55 per cent of these people came from the Pacific Coast States and practically all the rest from Western Canada and the Eastern United States. In mid-1966, 15,000 hotel rooms will be ready to accommodate them: 11,000 concentrated in Waikiki and the remainder scattered throughout the other islands. As air fares continue to

decrease, additional waves of vacationers choose Hawaiian beaches for their holidays. More than a million are expected by 1970.

There is no dependable estimate of the number of military personnel stationed in Hawaii because of the constant movement to and from Southeast Asia. Hawaii is the U.S. military headquarters for the Pacific and at least 50,000 uniformed personnel are stationed there, most of them Navy. All services combined spend locally over \$400 million a year, with 45 per cent for military pay, 32 per cent for civilian labour, and 23 per cent for local purchases. Add this income to the \$253 million spent each year by tourists and the importance of the transient population is plain.

Imports Exceed Exports

With handsome returns from tourist and military expenditures and with agricultural exports adding \$300 million a year to the Island economy, this State easily accounts for a wide

variety of offshore purchases valued at over \$600 million a year. This amount is greater than that spent by most countries of South America and Hawaiian demand increases sharply each year. The United States mainland supplier naturally has an advantage in this market because of duty-free entry, frequent shipping service by air or sea, and a well-established acceptance of American products. So the Island merchants choose to purchase 83 per cent (\$562 million) of their annual requirements from the U.S., leaving about \$90 million to divide among Canada, Australia, New Zealand, Japan and others.

Canada shares some of the trade advantages of the United States except for duty-free entry, but most of our exporters consider Hawaii the private domain of United States exporters and not really big enough in volume to warrant a look. Nevertheless, if a modest 5 per cent of total Hawaiian purchases placed in the United States mainland was diverted to Canada, our exports to this market would rise by some \$30 million each year. And this is not too ambitious an objective for Canadian companies who have proved they are competitive by making steady sales south of the border. And a business visit to Honolulu to select a representative or prod one previously appointed can be combined with a pleasant holiday.

What to Sell

The statistics provided should have established the impressive size of the market despite the modest population and limited real estate. But precisely what can Canadians sell? With rare exceptions, if your firm provides only primary materials for industry, then ignore Hawaii. But if you can offer manufactured or processed products normally sold to householders rather than industrial accounts, you should investigate this market. Food products first—the hotel and restaurant trade will pay well for quality fresh and frozen fish and meat products. If air freight is required to ensure freshness, the expense-account tourist at the dining table will pay for this culinary dividend. Known brand names are generally selected in supermarkets but neither management nor customer is immune to change. To introduce a new line of canned foods, however,

you must offer a price advantage. There is also a modest market for fresh fruit, apples, strawberries, cherries, etc.

Building materials are much in demand. Construction is the major activity, with a volume of \$325 million recorded in 1965, up 18 per cent from a big year in 1964. All types of construction are under way—housing developments, office buildings, hotels, highways, high-rise apartments and improved harbour facilities. Just about everything required for these projects comes from the mainland or the Orient, so if your company can offer products which a building contractor will buy, try the Hawaiian market.

Driving around Honolulu, a visitor suspects that every resident is mobile because the traffic is so intense. In 1964 almost 300,000 vehicles were registered and last year 22,000 new cars were sold. These are impressive statistics when you consider the population but more important, they mean opportunities to sell new cars, automotive parts and accessories. U.S. models predominate so Eastern United States firms are the main

source of supply. Delivery costs from Canadian competitors would not be any higher.

These are a few of the more promising trade prospects, but to these should be added paints, hardware, utensils, toys, small appliances, sporting goods, paper, shoes and certain lines of wearing apparel.

Consult Los Angeles

A visit to Hawaii is the best way to choose the right representative for your products but to save time, first contact the Commercial Division of the Canadian Consulate General in Los Angeles. We maintain a directory of agents, distributors and wholesalers in Hawaii, with the latest information on each firm collected by personal calls on the best prospects. There is no guarantee that all Canadian offers of products mentioned here will find a ready response but judging by the volume and variety of merchandise arriving daily by air and sea an initial inquiry is worthwhile. Better still, your offer may justify a business visit to Hawaii to follow up the leads that Los Angeles has supplied. ●

Future for Australian Wheat

THE 1964-65 Australian wheat crop was grown on a record 17.9 million acres of land and was valued at approximately \$518 million. A harvest of 368 million bushels was produced in that year but because of drought the area sown to wheat for grain in 1965-66 fell sharply to 16.7 million acres. This was the first reduction in acreage since the extremely wet year of 1956-57, proof that either a drought or a very wet season can affect the wheat plantings.

The 1965-66 wheat crop is estimated to have declined to about 250 million bushels, lowering the average output for the past five years to 305 million bushels. But the outlook for the Australian wheat industry is bright. The reduced 1965-66 harvest has greatly diminished the quantity of wheat available for export. With the present strong demand for wheat in world markets, clearance of this quantity is assured. Prices for Australian wheat on export markets have improved considerably in recent months and this factor, combined with the higher guaran-

teed price (raised from Can. \$1.753 to \$1.824 a bushel) and the large proportion of the crop covered by the guarantee, can be expected to raise the final return to growers for the 1965-66 crop.

Planting for the November harvest is now under way and should be completed by the end of July. Although drought conditions prevailing in northern New South Wales and Queensland placed total Australian output for 1966-67 in jeopardy, recent rains in the dry areas have permitted seeding to go forward. Forecasts of production are now optimistic and, if reasonable rains fall throughout the growing season, 18 million acres could be planted and production in excess of 300 million bushels expected.

Australia exports wheat to approximately 29 countries. In 1964-65 some 209,978,000 bushels were exported. The major buyers were Communist China 83,623,000 bushels, U.S.S.R. 31,664,000, Britain 19,132,000, India 17,543,000, Japan 16,276,000, and Iran 8,983,000. ●

What's current in commodities?

Oilseeds and Oilseed Products

Britain—Imports last year totalled nearly \$387 million, with Canada capturing orders worth \$70 million. Increased demand for livestock feed promises to keep the market strong.

G. D. COOPER, *Commercial Assistant (Agriculture), London.*

BRITAIN does not produce oilseeds and depends entirely on imports for its needs. These imports include groundnuts, soybeans, palm nuts and kernels as well as cottonseed and flaxseed, which make up the bulk of imports; significant quantities of copra, castorseed, rapeseed and sunflowerseed also enter the country. Some have specific uses, but price variation among competing products is an important influence in determining which will be imported. The price relationship of seed versus oil versus oilcake and meal will also affect to some degree the form in which the product is imported.

Exports and Tariffs

Total imports for 1965 of all oilseeds, oils and meals amounted to 2.4 million long tons valued at \$386.6 million. Of this, purchases from Canada were valued at some \$120 million. Commonwealth sources provide 75 per cent of total imports and tariff preferences play an important role in determining sources of supply.

From Commonwealth countries, oilseeds and their products enter Britain duty-free. The preference on soybeans amounts to 5 per cent, but there is no duty on rapeseed from non-Commonwealth sources. On oils from oilseeds the preference amounts to 15 per cent and on meals 15 per cent for soybean meal and 10 per cent for others.

Canada's Market Share

Britain is Canada's best customer for oilseeds and oilseed products, accounting for almost half of our oilseed exports. For the past several years, imports from Canada have averaged \$55 million but in 1965, ac-

cording to British trade statistics, the value jumped to \$70.2 million. In terms of market share this represents 18 per cent of total British requirements.

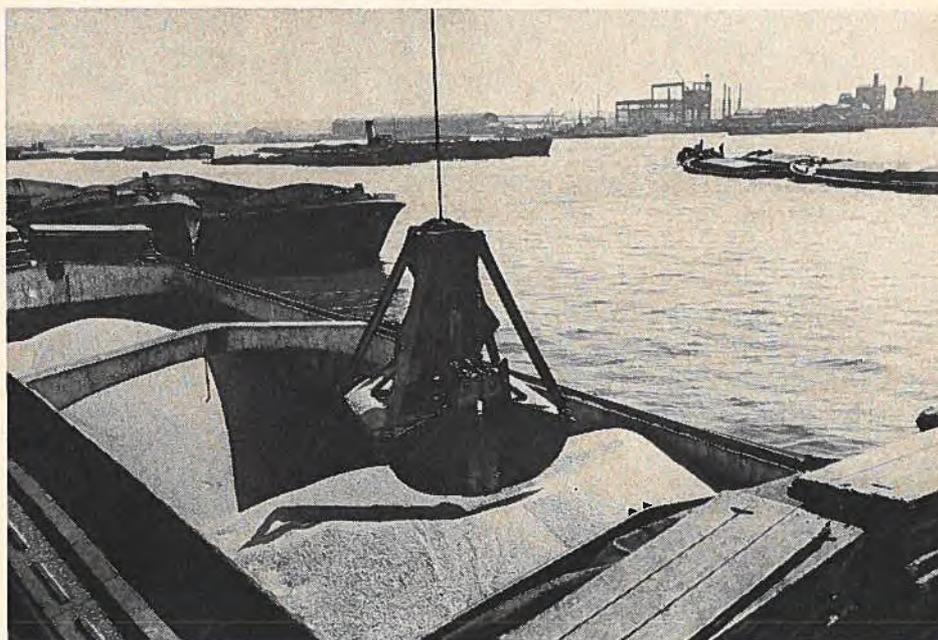
The value of the main products exported from Canada and the share of the British market this represents is given in Table I.

The United States is Britain's main source of supply of soybeans, accounting for 55 per cent of all requirements. Canada is the next largest supplier, with 33 per cent. Canada is the only supplier of soybean cake and meal of any significance, providing 95 per cent of Britain's import require-

ments. About 79 per cent of soybean oil imports come from Canada, with Denmark next in line with 15 per cent.

The market for rapeseed is still relatively small with Denmark providing 35 per cent, followed by Canada (23 per cent), Sweden (20 per cent) and France (18 per cent). By far the bulk of rapeseed cake and meal comes from Algeria, which meets 45 per cent of total requirements, followed by Chile (16 per cent), Italy (12 per cent) and France (10 per cent). Canada provides only 7 per cent. The limited imports of rapeseed and mustardseed oil come mainly from the Netherlands.

Canada supplies almost the whole of the British market for flaxseed (98 per cent); the remainder comes from a variety of sources, chiefly New Zealand and the Netherlands. Canada also provides a very fair proportion of linseed cake and meal (69



Britain is Canada's best customer for oilseeds and their products; our sales last year reached \$70 million, and market is expected to continue strong and possibly expand. Here, oilseeds are unloaded from a barge at the Erith Oil Works in Kent.

TABLE I
Imports of Oilseeds, Vegetable Oils and Oilseed Cake & Meal into Britain, 1965

Description	Total Imports		Imports from Canada		Canadian Share of Imports
	Quantity long tons	Value Million \$Can.	Quantity long tons	Value Million \$Can.	Value Per Cent
Oilseeds					
Soybeans	282,396	36.4	94,241	12.7	35
Palm nuts & kernels	203,733	38.6	—	—	—
Flaxseed	124,912	18.3	122,553	17.9	98
Cottonseed	103,724	9.9	—	—	—
Groundnuts	91,316	23.5	—	—	—
Copra	57,096	14.2	—	—	—
Rapeseed	32,146	4.5	7,224	1.2	27
Castor oil seed	10,189	1.5	—	—	—
All other	8,975	1.4	1,151	.1	7
Total	914,487	148.3	225,169	31.9	21.5
Vegetable Oils					
Palm	115,514	32.3	—	—	—
Groundnut	68,754	24.0	—	—	—
Coconut	42,265	15.8	—	—	—
Linseed	40,844	10.1	6,000	1.6	16
Cottonseed	32,544	10.0	—	—	—
Castor	23,496	6.0	—	—	—
Soybean	21,154	6.6	16,735	5.4	82
Tung	5,273	2.8	—	—	—
Olive	2,717	2.1	—	—	—
Other (soft)	2,596	.8	—	—	—
All other	4,288	1.7	—	—	—
Total	359,445	112.2	22,735	7.0	6.2
Oilseed Cake & Meal					
Groundnut	480,778	56.8	—	—	—
Soybean	243,702	29.9	231,953	28.6	96
Cottonseed	235,321	23.5	—	—	—
Sunflowerseed	68,375	6.4	2,362	.3	5
Rapeseed	54,499	4.4	3,755	.4	9
Linseed	25,457	2.8	17,626	1.9	68
All other	35,012	2.3	1,290	.1	4
Total	1,143,144	126.1	256,986	31.3	24.8
Total, all descriptions	2,417,076	386.6	504,890	70.2	18.2

ternational grain traders. The main purchasing method is through standard contracts of the Incorporated Oil Seeds Association and the London Oil and Tallow Traders Association; these may be subject to arbitration under the rules of the associations if disputes arise. Supplies and price determine purchases. The British seed-crushing industry today is confined to a few large firms and is highly complex and specialized. A major problem facing the industry is the fact that producing countries (particularly in developing areas) are installing their own mills and selling the crude oils and meal separately. Although this is to the advantage of producer countries, it has meant that the British mills are working below capacity.

Just as the crushers combined to form a few very large companies, so have the feed compounders amalgamated. National Compounders now consists of nine companies, some of which both crush seed and produce the compounds. The food processing industries are also co-ordinated in groups and margarine production, in which Britain is virtually self-sufficient, is controlled by large integrated organizations.

Oils

Britain's food and soap industries provide the chief outlets for vegetable oil supplies, but industrial uses in making paints, lubricants, plastics, floor coverings, etc., are many. Modern processing techniques have made possible more varied applications of vegetable oils, but in general the "soft" edible oils (such as groundnut, soybean and cottonseed) are used principally by the food industry. The "hard" oils (palm, palm kernel and coconut oil) have a dual use: in margarine and specialized food manufactures and in the soap and detergent industries. Linseed, castor and tung may be classified as industrial oils, used chiefly as lubricants and drying agents as well as in the paint and plastics industries.

The margarine, cooking fats and oils industry is the main user of vegetable oils. Coconut, palm and palm kernel, groundnut, soybean and cottonseed constitute the principal oils used. However, soybean and cottonseed are replacing the other vegetable

per cent); the chief competition is Australia (14 per cent), Pakistan (5 per cent) and West Germany (6 per cent). Linseed oil supplies come chiefly from the Netherlands (55 per

cent) and the Argentine (29 per cent). Canada provides 15 per cent and the United States only 1 per cent.

Shipments of sunflowerseed are negligible but sunflowerseed cake and meal are imported in quantity from the Argentine (83 per cent), and supplies also come from the Netherlands (10 per cent), Canada (3 per cent) and Uruguay (2 per cent). Sunflowerseed oil supplies come from the Netherlands (53 per cent) and the U.S.S.R. (43 per cent), with smaller supplies from West Germany and South Africa.

The British Trade

British users in the crushing, feed-compounding and food industries do not import directly but obtain supplies through brokers, dealers and in-

TABLE II
Canada's Exports of Oilseeds and Oilseed Products to Britain
(Canadian figures)

Commodity	Value (Can.\$)
Soybean	9,081,086
Soybean oil	4,519,526
Soybean oilcake and meal	23,466,658
Flaxseed	16,260,689
Linseed oil	2,351,659
Linseed oilcake and meal	1,724,168
Rapeseed	1,056,695
Mustardseed	384,915
Sunflowerseed	91,543

oils to a degree, and marine oils and animal fats are becoming a much more important ingredient (at the expense of vegetable oils) in margarine and cooking fat manufacture. British production of margarine has recently stabilized after a sharp decline from the war and early postwar levels.

Soap production which primarily uses the "hard" oils has declined in the face of competition from synthetic detergents and reduced export demand, but production has now been stabilized and increases are expected in the future. The soap industry is also replacing vegetable oils to some extent with relatively inexpensive tallows. Consumption of industrial oils has been curtailed to a degree by the use of synthetics, particularly in the paint and plastics industries.

Oilcake and Meal

The International Oilseed Crushers Association at its 1965 conference expressed some concern over the deficiency in protein supplies because requirements are rising faster than production. The main problem centers on outlets for vegetable oils where demand is not going up as rapidly as it is for meals.

Oilseed, cake and meal are the main high-protein feeds for livestock, but as the content of amino-acids and biological protein value vary according to the type of meal, selectivity has to be observed in feeding. British use of meal is heavy and with the rapidly increasing emphasis on intensive livestock rearing, augmented protein supplies in the form of meal are needed.

Soybean meal ranks as the most important oil meal, and with its particularly high biological protein value is in heavy demand as a pig and poultry feed. Rapeseed meal has not proved too popular in the past because of taste and toxic factors. Improvements in varieties and technology, however, are making the meal more acceptable and increased use is expected in the future.

Outlook

Domestic requirements of oilcake and meal are expected to increase substantially and this should result in higher imports of seed as well as oilcake and meal. Imports of vegetable oils are likely to increase but at a

slower rate than those of other oilseed products.

The high quality and acceptability of soybean meal as an animal feed are giving rise to added demand for this product and Canada should continue to be the main source of imports. Rapeseed and its products,

which have been regarded in the past with some prejudice by the British trade, are becoming more popular and a useful market is expected to develop. There is particular interest in Canada as a source of supply and, provided prices are competitive, our sales could rise substantially. ●

Electronic Products

New England—The USAF and NASA are among the largest of the many electronics buyers in the area served by our Boston Consulate. Because the industry is not vertically integrated, components and sub-systems can be sold here by Canadian firms.

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

BOSTON (commonly known as the Hub of New England) has in the past few years also become the center of a vigorous and expanding electronic industry. One feature of this expansion has been the location of many new plants on its circumferential highway—Route 128. This multi-lane freeway circles the city at a distance of about 12 miles and now has about 574 firms located along its edges. Known as "the Space Highway," it feeds an area that provides one-eighth of the jobs in the entire Boston region.

Sub-groups in the electronics industry have little in common except the use of certain techniques to control electricity in gas, vacuum, liquid or solid-state matter. Their end products are quite different, consisting of com-

puters, particle accelerators, instruments, electron tubes, and radar, among others. In comparison with other industries, all segments of the electronics industry require a considerable number of professional workers. Thus the scientific-educational-research complex of Boston serves as a nucleus for this sophisticated industry. This is particularly true of those firms manufacturing scientific and measuring instruments. They wish to remain close to research and educational institutions, and to have face-to-face contact with buyers and ready access to specialized information.

Electronics in New England is on the whole oriented towards non-consumer products, including equipment for defence and commercial use as well as a myriad of components. There is also a concentration of research and development facilities. Prime government buyers include the United States Air Force Electronic Systems Division in Bedford, Massachusetts, and the new NASA Electronics Research Center in Cambridge, Massachusetts.

Where Is It?

The Canadian Consulate General in Boston includes five states in its territory—Massachusetts, Rhode Island, Maine, New Hampshire, and Vermont. As far as this territory is

EMPLOYMENT IN NEW ENGLAND'S ELECTRONIC COMPONENTS INDUSTRY, 1963

Area	Per cent of total
Connecticut	24.8
New Hampshire	10.7
Boston standard metropolitan area	37.4
Massachusetts, other than Boston area	22.9
Rhode Island	4.2
Total of above	100.0

Source: U.S. Department of Commerce, 1963 *Census of Manufacturers.*

concerned, the overwhelming concentration of the electronics industry is in eastern Massachusetts and Rhode Island. In most statistical reports, Connecticut is included as part of New England and consequently is shown in the attached table, which gives the geographic distribution of the industry in terms of employment.

A list of some of the products and services of the industry gives a good indication of the scope of its activities. These include:

- Data processing equipment
- Medical instrumentation
- Atomic standards
- Signal analysis equipment
- Semi-conductors and transducers
- Gyros and accelerometers
- Recorders
- Switching instruments
- Laboratory instruments
- Sonar systems
- Connectors and fasteners.

This list is only representative—a complete one would cover several pages.

Opportunities for Canadians

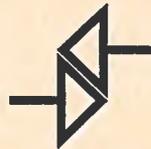
The uninitiated might well make the remark about "bringing coals to Newcastle" at the thought of selling electronic components and equipment in this market. However, this industry is not vertically integrated and outside vendors supply it with most components and sub-systems. Electronics companies purchase almost every conceivable type of equipment including resistors, precision potentiometers, transducers, electron tubes, digital stepping motors and printed circuit boards.

Recognizing the electronic industry's importance, the Canadian Government participated for the first time in the 1965 Northeast Elec-

tronics Research and Engineering Meeting (NEREM '65). This is an annual Boston conference and exhibition which drew over 20,000 visitors to hear technical papers and view some 335 exhibits. The nine Canadian companies which took part in the Canadian exhibit estimated total sales resulting from the show could be as high as \$1.5 million. It was so successful that almost twice the number of Canadian companies are planning to participate again this November in NEREM-66.

We at the Consulate General in Boston are prepared to help the Canadian manufacturer enter this market. If we can be of assistance (for example, in locating an agent), do not hesitate to contact us. Our address is 607 Boylston Street (moving to 500 Boylston on August 1), Boston, Massachusetts 02116. (Phone: Area Code 617, 262-3760.) ●

trade lines



The Forest Research Laboratory in East Pakistan has produced a paper pulp from a native light hardwood called "Kadam". It is said to have good strength and can be used for making paper by the kraft and neutral semi-chemical process—Karachi.

The Philips Company of the Netherlands will make electrical and electronic equipment at Bari in Southern Italy. It has acquired a 29-acre site for a factory which will employ 500 workers. The capital investment will be over \$8 million—Rome.

Processing of oilseeds has become one of Mexico's most rapidly expanding industries. In the past five years, output of seven basic oleaginous products has risen about 27 per cent in value. Some 52 companies are processing these products with total annual output of 450,000 tons of cottonseed, peanut, sesame, safflower, linseed, soybean and olive oils, peanut butter and margarine, etc. Exports, chiefly of sesame oil, rose to 29.2 million pesos (Can.\$2.5 million) in 1964. Imports of oleaginous products increased from 28 million pesos

(Can.\$2.4 million) in 1964 to 42.6 million pesos (Can.\$3.7 million) in 1965—Mexico City.

South Africa's first textile machinery manufacturing plant has been completed at Woodbrook, East London. The R500,000 (Can.\$751,500) industry has been established by the Swiss engineering firm of Adolph Saurer Limited, plus the Industrial Development Corporation and the Saurer agents in the Republic.

Initial plans call for the new plant to assemble machines from imported parts and then to introduce South African content within a short time, and to increase this as experience increases. In the beginning 500 weaving machines per year will be turned out, satisfying over 90 per cent of domestic demand. The company anticipates that exports to Angola, Mozambique and Rhodesia will increase and is considering long-term plans for other export markets—Cape Town.

Construction of a superhighway connecting Rome with the Adriatic coast has begun. The first part will run from Rome to Aprila and will be 126.5 km. with 17 tunnels, 65 viaducts and 8 entry and exit stations.

About 500,000 metric tons of iron and concrete will be required at a cost of almost Can.\$160 million. This will represent only a portion of the throughway cutting across the middle of Italy and connecting the Tyrrhenian with the Adriatic Sea. The Superhighway of the Sun and the Superhighway of the Adriatic, both running from north to south, will intersect this throughway—Rome.

Installation of a nuclear power station in Argentina is economically feasible, according to a study released by the Argentine National Atomic Energy Board. The 500,000-kilowatt station would be built near the River Plate or Parana, within 100 kilometres of the Federal District. Construction would cost about U.S. \$100 mil-

lion and the plant could be in operation by 1971. A thermo-type station, it would operate eventually on uranium supplied by the National Atomic Energy Board—Buenos Aires.

West German farmers put more than 40 per cent of their total expenditures into buildings last year. In 1964/65 they spent about DM1,300 million (Can. \$348 million) on construction of farm buildings and DM405 million (Can.\$109 million) on farm homes. Some 63 per cent of farm homes and buildings are pre-1900. Most of agriculture's net investments last year were financed entirely by outside funds, mainly with government aid, because construction costs are high and financing difficult—Bad Godesberg.

foreign tariffs and trade regulations

Brazil

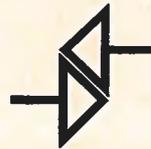
NEW IMPORT REGULATIONS—The Foreign Trade Bureau of the Bank of Brazil (CACEX) asks agents, concessionaires or distributors of foreign manufacturers or exporters to furnish catalogues or price lists, authenticated abroad, covering the merchandise of the commercial or industrial lines of their principals. Formerly, pro-forma invoices were used to support the prices shown in applications for import licences and exchange certificates. Pro-forma invoices will now be accepted only in exceptional cases.

South Africa

IMPORT PERMITS 1966—The Minister of Economic Affairs announced on July 13 a further relaxation of import controls (see *Foreign Trade*, June 25, 1966, pages 47 and 48) in order to supplement anti-inflationary measures which had already been taken.

Manufacturers may now apply for additional permits whenever their stocks of imported raw materials fall below six months' consumption. Allocations to merchants importing raw materials have been raised to 100 per cent of 1964 imports. The allocation for pharmaceutical and medical goods now also rests at the 1964 level.

South African authorities have indicated that it is their intention to issue import licences at a greater rate



for consumer goods and for capital goods for plant repairs and modest expansion. Restraints will be continued on new industries and major expansion.

India

IMPOUNDED CARGO—The Indian Ministry of Commerce has announced that, with respect to the release by Pakistan authorities of impounded shipments which had been consigned to India, all import licences which covered these goods and which have expired are now being revalidated for clearance through Indian Customs. Indian authorities require documentary evidence that the licences have been unused in whole or in part and that the goods being cleared are in fact those which were impounded and covered by licences.

Portugal

CONSULAR INVOICE ABOLISHED—By Decree-Law No. 47010 of May 16, 1966, the Portuguese Government abolished the need for a consular invoice for imported goods, effective July 1, 1966. Goods need only be accompanied by commercial invoices certified by a Chamber of Commerce or port or Customs authorities in the country of origin. A Bill of Lading containing a declaration of origin is an acceptable substitute for the certified commercial invoice.

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.

Germany—W. F. Hillhouse, Commercial Counsellor (Agriculture) in Bad Godesberg, who will be posted to Washington with the same title:

Winnipeg—August 25-26

Hong Kong—R. K. Thomson, Senior Trade Commissioner in Hong Kong, who will be transferred to Duesseldorf, West Germany, as Consul:

Montreal—September 6-7

Italy—J. H. Stone, Commercial Counsellor in Rome:

Montreal and Toronto—September 6-16

Jamaica—L. D. Burke, Commercial Secretary in Kingston:

Montreal—September 6-8

Winnipeg—September 14-15

Toronto—September 9-13

Vancouver—Sept. 16-19

Pakistan—R. D. Sirrs, Commercial Secretary in Karachi, who will be posted to Guatemala City as Commercial Secretary and Consul:

Winnipeg—August 11-12

Vancouver—August 17-19

Calgary—August 15

Philippines—R. C. Anderson, Consul and Trade Commissioner in Manila, who will be posted to Boston with the same title:

Toronto—August 22-24

Montreal—August 25-29

South Africa—C. R. Gallow, Trade Commissioner in Johannesburg, who will be posted to Hong Kong with the same title:

Montreal—September 14

Winnipeg—October 4

U.S.S.R.—W. J. Collett, who will be posted to Moscow as Commercial Secretary:

Winnipeg, Toronto, Montreal—August 15-19

United States—W. R. Hickman, Commercial Counsellor (Agriculture) in Washington, who will be posted to Copenhagen, Denmark, with the same title:

Vancouver—September 1-2

Delhi—September 9

Winnipeg—September 6

Montreal—September 25-26

Toronto—September 7-8

Wm. Jones, Chief, United States Division, who will be posted to Johannesburg, South Africa, as Trade Commissioner:

Montreal—August 19-22

W. A. Stewart, Consul and Trade Commissioner in Boston, who will be posted to Santo Domingo, Dominican Republic, as Commercial Secretary:

St. John's—August 7-12

K. D. Taylor, Consul and Assistant Trade Commissioner in Detroit, who will be posted to Karachi as Assistant Commercial Secretary:

Vancouver—August 15-16

Temporary Duty in Ottawa

The following officers are on temporary duty in Ottawa. Anyone who wishes to see them should contact the Trade Commissioner Service, phone: 992-9930.

R. C. Anderson, Consul and Trade Commissioner in Manila, Philippines, August 8-19.

D. S. Armstrong, who will be posted from Ottawa to Stockholm as Commercial Counsellor, August 12–September 16.

M. B. Blackwood, Commercial Counsellor in Mexico City, September 6–20.

L. D. Burke, Commercial Secretary in Kingston, Jamaica, August 29–September 3.

W. J. Collett, who will be posted to Moscow, U.S.S.R., as Commercial Secretary, August 22-26.

W. R. Hickman, Commercial Counsellor (Agriculture) in Washington, September 12–23. Mr. Hickman will be posted to Copenhagen, Denmark, with the same title.

F. M. Mulkern, Assistant Commercial Secretary in Singapore, August 2-12. Mr. Mulkern will be posted to Madrid, Spain, as Assistant Commercial Secretary.

J. H. Nelson, Commercial Secretary in Guatemala City, November 18–December 1. Mr. Nelson will be posted to Liverpool, England, as Trade Commissioner.

J. H. Stone, Commercial Counsellor in Rome, September 19-23.

R. K. Thomson, Senior Trade Commissioner in Hong Kong, September 8-23. Mr. Thomson will be posted to Duesseldorf, West Germany, as Consul.

In Territory

Bahamas—D. I. Ditto, Assistant Commercial Secretary in Kingston, Jamaica, will visit the Bahamas August 20-27.

Guyana—D. H. Clemons, Assistant Commercial Secretary in Port-of-Spain, Trinidad, will visit Guyana August 14-20.

Paraguay—M. B. Bursey, Commercial Counsellor in Buenos Aires, Argentina, will visit Paraguay August 7-13.

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

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 .93

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent July 26	Units per Canadian dollar	Notes (see below)
Algeria	Dinar .....	.....	.2192	4.56	
Argentina	Peso	Free .....	.0053	188.68	
Australia	Dollar .....	.....	1.200	.8333	
Austria	Schilling .....	.....	.0416	23.98	
Bahamas	Dollar .....	.....	1.049	.9523*	
Belgium and Luxembourg	Franc .....	.....	.0216	46.25	
Bermuda	Pound .....	.....	2.998	.33	
Bolivia	Peso .....	.....	.0908	10.01	
Brazil	Cruzeiro	Official Free .....	.0005	2053.39†	
Britain	Pound .....	.....	2.998	.33	
British Honduras ..	Dollar .....	.....	.7495	1.33	
Burma	Kyat .....	.....	.2256	4.43	
Ceylon	Rupee .....	.....	.2249	4.44	
Chile	Escudo	Bank rate .....	.2668	3.75	
		Free .....	.2295	4.36	
Colombia	Peso	Free .....	.0671	14.88	
		Certificate .....	.1193	8.40	
Congo, Republic of	Franc .....	.....	.0072	139.50	(1)
Costa Rica	Colon .....	.....	.1621	6.15	
Cuba	Peso	†	†	†	
Czechoslovakia	Koruna .....	.....	.1492	6.68	
Denmark	Krone .....	.....	.1552	6.41	
Dominican Republic	Peso .....	.....	1.074	.93	
Ecuador	Sucre	Official .....	.0597	16.72	
		Free .....	.0534	18.69	
El Salvador	Colon .....	.....	.4296	2.32	
Fiji	Pound .....	.....	2.700	.37	
Finland	Markka .....	.....	.3356	2.98	
France, Monaco, etc.	Franc .....	.....	.2192	4.56	(2)
Franco-African Republics, etc. ..	Franc .....	.....	.0044	227.79	(3)
French Pacific	Franc .....	.....	.0120	82.64	(4)
Germany	D Mark .....	.....	.2692	3.71	
Ghana	Cedi .....	.....	1.2492	.80	
Greece	Drachma .....	.....	.0358	27.86	
Guatemala	Quetzal .....	.....	1.074	.95	
Guyana	Dollar .....	.....	.6246	1.60	
Haiti	Gourde .....	.....	.2148	4.65	
Honduras	Lempira .....	.....	.5370	1.86	
Hong Kong	Dollar .....	.....	.1874	5.33	
Hungary	Forint	Official .....	.0921	10.86	

*The Bahamas converted to decimal currency May 25, 1966.

†The Cruzeiro was devalued November 16, 1965; the Central Bank of Brazil is expected to issue soon the new cruzeiro. One new cruzeiro will then equal one thousand old cruzeiros.

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

Country	Unit	Type of Exchange	Can. dollar equivalent July 26	Units per Canadian dollar	Notes (see below)
Iceland	Krona	Official	.0250	40.00	(1)
India	Rupee		.1432	6.96*	
Indonesia	Rupiah		‡	‡	
Iran	Rial		.0139	71.94	
Iraq	Dinar		3.007	.33	
Ireland	Pound		2.998	.33	
Israel	Pound		.3580	2.79	
Italy	Lira		.0017	581.06	
Japan	Yen		.0029	335.37	
Lebanon	Pound	Free	.3458	2.89	
Malaysia	Dollar		.3509	2.85	
Mexico	Peso		.0859	11.61	
Morocco	Dirham		.2148	4.64	
Netherlands	Florin		.2979	3.35	
Netherlands Antilles	Florin		.5895	1.76	
New Zealand	Pound		2.998	.33	
Nicaragua	Cordoba		.1534	6.50	
Nigeria	Pound		2.998	.33	
Norway	Krone		.1502	6.64	
Pakistan	Rupee		.2249	4.44	
Panama	Balboa		1.074	.93	
Paraguay	Guarani	Free	.0086	116.27	
Peru	Sol	Free	.0400	24.94	
Philippines	Peso	Free	.2782	4.41	
Poland	Zloty	Fixed Basic rate	.2685	3.72	
Portugal & Colonies	Escudo		.0374	26.66	(5)
Sierra Leone	Leone		1.499	.67	
South Africa	Rand		1.499	.67	
Spain and Dependencies	Peseta		.0179	55.55	
Sweden	Krona		.2081	4.81	
Switzerland	Franc		.2488	4.01	
Syria	Pound	Free	.2811	3.56	
Thailand	Baht	Free	.0519	19.27	(1)
Tunisia	Dinar		2.057	.49	
Turkey	Lira		.1193	8.35	(1)
United Arab Republic	Pound	Official	2.470	.41	
United States	Dollar		1.074	.93	
Uruguay	Peso	Free	.0169	60.90	
Venezuela	Bolivar	Official Free	.2389	4.19	
West Indies	Dollar		.6246	1.60	(6)
	Pound		2.998	.33	(7)
Yugoslavia	Dinar	Official	.086	11.63	

*The Indian rupee was devalued on June 5, 1968.

‡As Indonesia is no longer a member of the IMF, a realistic exchange rate is not available.

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.

Marketing Data Sheet

MEXICO

Area

Totals 760,000 square miles.

Climate

Varies from temperate to tropical, depending on the area.

	Average annual rainfall (inches)	Mean temperature in degrees F.
Pacific Coast Area		
Acapulco, Gro.	59	80
Mazatlan, Sin.	33	75
Tijuana, Baja Calif.	8	60
Gulf Coast Area		
Tampico, Tamps.	50	76
Veracruz, Ver.	64	77
Mérida, Yucatan	36	79
Central Plateau & other areas		
Mexico City	24	60
Monterrey, N.L.	29	71
Guadalajara, Jal.	38	66
Chihuahua, Chih.	16	65
Nuevo, Tamps.	17	76

Population

Totals 40.9 million: 49.8 per cent males and 50.2 per cent females. About one-half the population is located within 200 miles of Mexico City.

35 years and over	9.7 million
25 to 34	5.3 million
15 to 24	7.5 million

Households

About 7.5 million families.

Income

National, U.S. \$16,256 million (GNP U.S. \$19.3 billion); per capita, U.S. \$450 per annum. Average hourly wage is U.S. 50 to 60 cents per hour.

Unskilled labour	—U.S.\$2.50 per day
Semi-skilled labour	—U.S.\$4.50 per day
Skilled labour	—U.S.\$8.00 per day

Banks

There are 103 banks operating 1,081 branches with total assets of U.S. \$7.4 billion and 99 private industrial development banks with total assets of U.S.\$1.6 billion.

Motor Vehicles

There are 644,100 passenger cars, 409,200 commercial trucks and 29,700 buses registered.

Telephones

There are 18 telephones per 1,000 persons.

Radio and Television

In 1965, 4.4 million homes had a radio and 1.2 million had a TV receiver. There are 410 radio stations and 20 TV (525 lines per picture) stations, privately owned.

Water

The water is safe to drink in principal urban areas; bottled water is available. The average pressure is 4.5 kilograms per cubic centimeter and the mineral content and hardness vary with the region from hard to soft.

Electric Power

50 cycle a.c., 110/125 volts in Mexico City; 60 cycle throughout the rest of the country. The cost for residential use is U.S.\$0.032 per kwh. Three-phase system is used. No grounding conductor required in appliance cords. The distribution system has a ground wire. Number of customers for electric power totals 3,204,995; estimated per capita consumption, 385 kwlt. National capacity (installed) is 5,209,477 kw. The Federal District (Mexico City) currently on 50 cycles, will change to 60 cycles over the next 15 to 20 years.

Coal

There is both hard and soft coal. Production in 1965 reached 2,137,000 metric tons; reserves total 13 billion metric tons.

Gas

Three types available: manufactured, liquefied petroleum gas, and natural. The natural gas production in 1963 was 401,556,000 MCF and the reserves are estimated as sufficient for 30 years. The gas is principally bottled (tanks) with limited distribution through pipe systems. The gas costs approximately U.S.\$3.80 per 110 pounds and there is an increase in demand for gas bottled in tanks.

Petroleum Products

90 octane, 80 octane grades available as well as aircraft fuel, kerosenes, diesel and heating fuels. There are reserves of over 4,990 million barrels of hydrocarbon. Production of crude oil is 129.5 million barrels.

Weights and Measures

Metric system

Screw Thread

Metric standard compulsory. Right hand thread is standard.

Standards

Official approval is mandatory for gas, fuel and mass-produced electrical appliances.

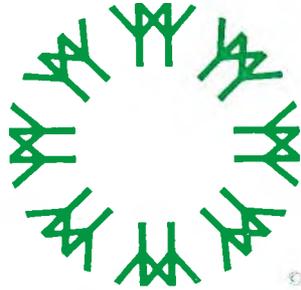
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Hon. Robert H. Winters

THE WORLD IN MINIATURE AWAITS YOU AT MONTREAL, CANADA, IN 1967

Expo 67, the focal point of Canada's 100th birthday celebration, will be not only the greatest show in Canadian history but the largest Universal and International Exposition ever held. In effect, the exhibition will be a miniature world, in which more than two thirds of the nations on our globe will be represented.

This unique undertaking stands as a classic example of what can be accomplished through close co-operation and mutual understanding. This is a joint project of the Governments of Canada, the province of Quebec and the city of Montreal. Already the three active partners have achieved minor miracles in the areas of creative imagination, coordinated planning and physical construction.

But Expo 67 will be more than an exciting and spectacular show. It will be a meeting place for businessmen from all parts of the world. The International Trade Centre, operated by the Business Development Bureau, will generate the kind of personal association that lies at the bottom of all successful trading relationships.

Foreign visitors, provided with specific information by these facilities, will travel to many parts of Canada to transact business that will favourably affect Canada's economy for many years to come. The benefits that will flow from Expo to the Canadian people are such that there is no doubt that the 1967 Universal and International Exposition will make a lasting contribution to our well-being.

At this stage, as we start the final lap of our race against time and the exigencies that will inevitably arise, I extend my warmest wishes for success to all who are associated with the evolution of Expo 67 from a dream in the minds of a few to a shining reality for millions.

Minister of Trade and Commerce

expo67