

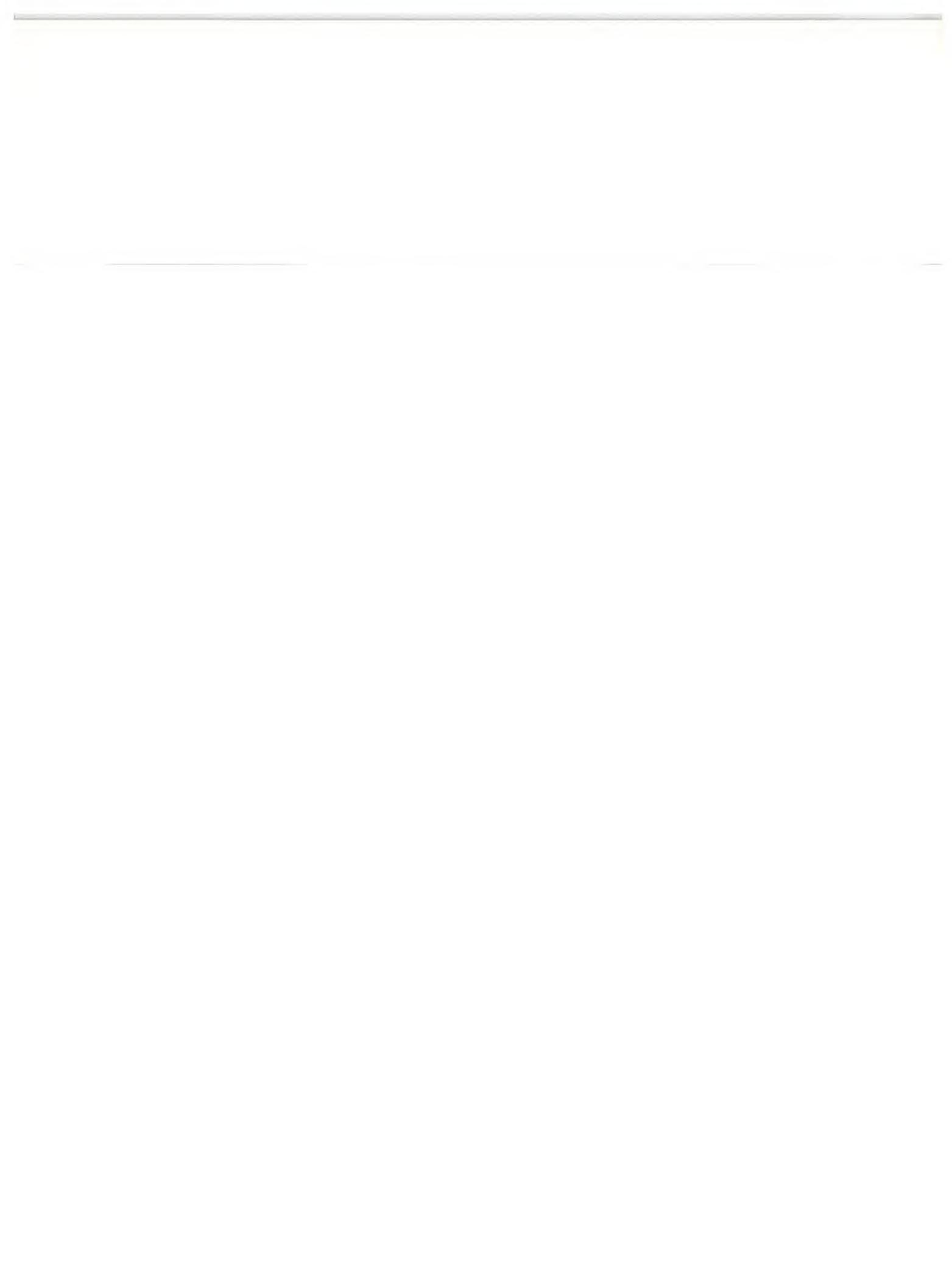
APRIL 29. 67

FOREIGN TRADE

DEPARTMENT OF TRADE AND COMMERCE, OTTAWA



Fisheries Exports Break all Records



FOREIGN TRADE

APRIL 29, 1967

Vol. 127 No. 9

COVER: This round dip net, known as a brailer, scoops salmon out of the purse of the seine onto a fishing vessel off the B.C. coast. Exports of Pacific salmon brought in \$15.1 million last year. For a complete review of Canadian production and exports of fisheries products, turn to page 16.

Established in 1904. Published fortnightly by the Department of Trade and Commerce.

The Hon. ROBERT H. WINTERS, Minister.

J. H. WARREN, Deputy Minister.

O. MARY HILL, Editor.

Material appearing in this magazine may be reprinted with credit to "Foreign Trade".

Subscription: \$5.00 a year in Canada
\$7.00 abroad.

Single copies: 25 cents each.

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

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Australian Recovery Continues

2

The Sydney, Melbourne and Canberra offices have combined forces to produce a series of articles on Australian development and on trade opportunities there. This report forecasts an improvement in Canadian sales "down under" in 1967.

Selling Food Products in Australia

5

Canada and Australia both rely heavily on agricultural exports—and each sells various types of food products to the other. Following a careful study of the trade, the Sydney office suggests what types of food Canadians can sell there and goes on to make suggestions about the best marketing procedures to adopt.

Australian Agriculture: Production and Exports

8

Recovery from a long and costly drought has sparked the Australian advance this year, beginning with record grain crops. Our agricultural man in Canberra deals with the various groups of agricultural exports and with those to Canada.

Australia Tackles Its Transportation Problems

10

Geography has posed problems for Australians—problems that they are overcoming gradually as the export drive intensifies and as new resources are discovered and exploited. Their experience has its lessons for Canadians.

Australia Finds More Oil and Natural Gas

13

Promising discoveries of both oil and natural gas have put new heart into the searchers for both, on land and under the sea. What do these discoveries mean to the Australian economy and specifically to its petroleum imports?

Fisheries Exports Break All Records

16

Fish was one of Canada's earliest exports—and sales abroad are still going up. At \$222 million in 1966, they went to 76 countries and covered the whole range of fisheries products, from live lobsters to canned salmon and salt cod.

Swiss Hotels: a Vital Industry

24

Italy Moves Forward Again

27

A Base on Grand Bahama

29

The Ocean Freight Market

30

Marketing Data Sheet: Uruguay

36

Foreign Exchange Rates

32

Trade Fairs

21

Trade Commissioners on Tour

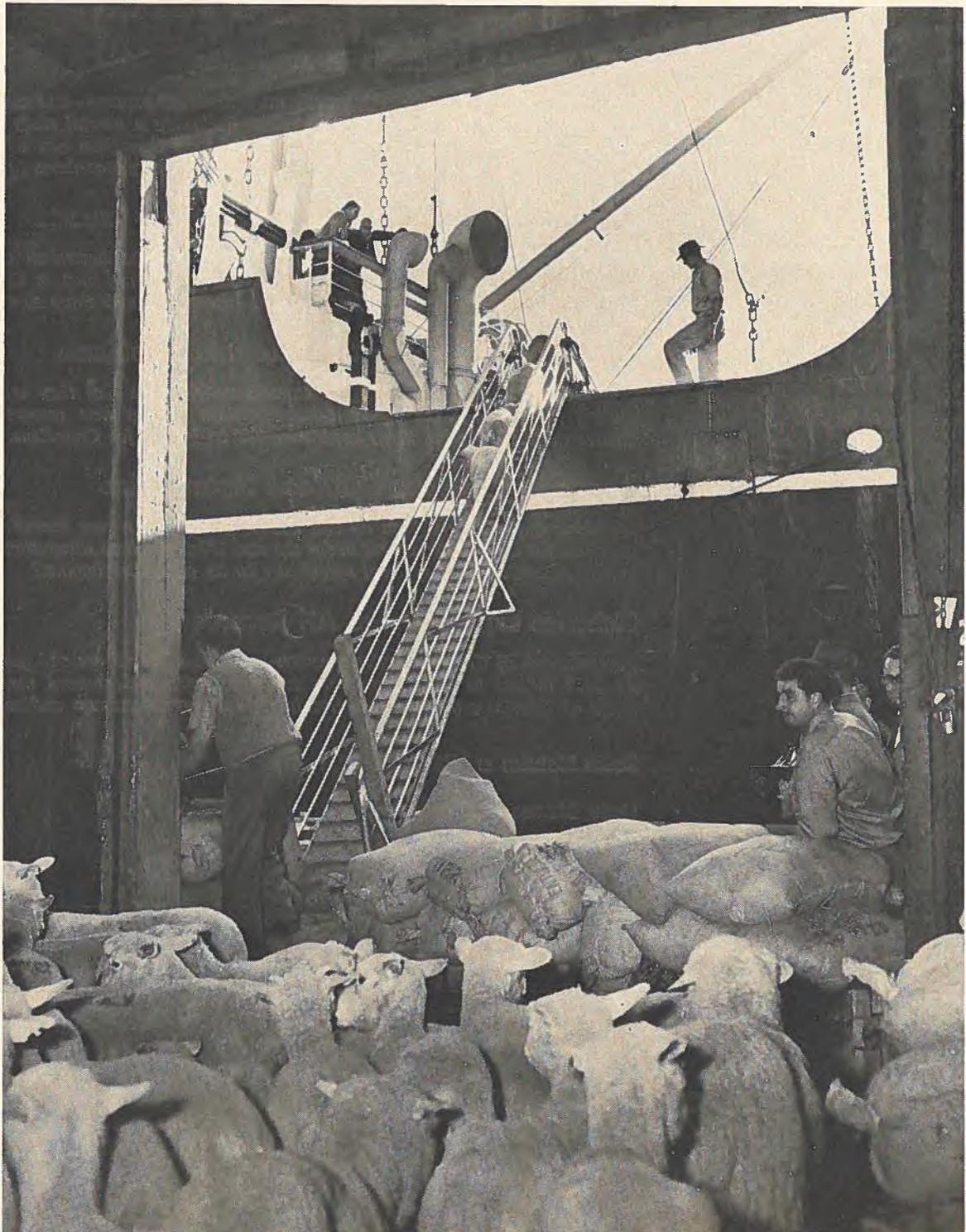
35

Trade Lines

34

COMING: DEVELOPMENT AND TRADE IN THE FAR EAST, MAY 13 ISSUE

Australian Recovery Continues



Slowdown brought on by severe drought has ended; agricultural recovery is well under way; wheat crop is good; mineral production and exports are up. Canadian exporters who are prepared to face competition could do well in this market.

J. A. STILES,
Commercial Counsellor, Sydney.

THE RAPID GROWTH of the Australian economy in recent years has given way to a quieter advance. In the year ended June 30, 1966, the growth rate was 4.5 per cent compared with 6.2 per cent in 1964-65. In the current year the increase in the gross national product is running at approximately 4 per cent. The value of Australia's GNP should reach A\$21 billion in 1967 compared with A\$15 billion five years ago.

An important cause of the slowdown has been the drought which plagued the country for eighteen months in 1965 and 1966. Currently there are signs of improvement, although expansion in economic activity is taking longer than was expected. Recovery in the drought-affected parts of the rural sector is now well advanced and many farmers have turned to wheat for a quick cash crop. Prospects are that production and exports of wheat this year will reach a record. Mineral production and exports also show a strong growth pattern, with iron ore, bauxite, manganese and coal particularly significant.

Other Signposts

Sales of new motor vehicles in the last two months of 1966 and the first two of 1967 were encouraging and indicate that new vehicle registrations could reach 400,000 for the calendar year 1967, a rise of nearly 6 per cent over 1966. Statistics covering other retail sales in recent months also point to an upward trend in consumer spending.

The building industry finished 1966 with the total value of buildings approved 6.2 per cent less than in the previous year. Approvals for houses and flats rose but for other new buildings and alterations declined sharply. For 1967 the position in private housing construction appears satisfactory, with continued activity expected in apartment building. The need to replace the substantial number of homes recently destroyed in the disastrous bush fires in the Hobart area of Tasmania will give an immediate boost to home construction in that state. New government building for defence, education and offices will also help to stimulate activity.

The number registered as unemployed in January 1967 reached 89,000, or 1.9 per cent of the work force, the highest figure for that month since 1963. There has been a slight easing of the previously tight labour situation but a shortage of skilled workers in many trades remains. The Government is trying to overcome this by increased efforts to bring in trained personnel from overseas.

Trade and Payments

Australia's trade account position is improving. In the first six months of 1966/67 imports totalled A\$1,357 million compared with A\$1,534 million in the corresponding period of 1965/66. Exports in the same six months this year reached A\$1,397 million compared with A\$1,305 million in the first six months of 1965/66. These movements had the effect of turning an A\$202 million deficit in

the first six months of 1965/66 into a trade surplus of A\$40 million for the first half of 1966/67.

TABLE I
AUSTRALIAN FOREIGN TRADE

	Imports	Exports	Balance
	(Aust.\$ million)*		
1963-64	2,329.6	2,725.6	+ 396.0
1964-65	2,841.3	2,579.2	- 262.1
1965-66	2,939.5	2,720.9	- 218.6
1966-67 (July-December)	1,357.0	1,397.0	+ 40.0

* One Australian dollar equals Canadian \$1.21.

Prospects for Australia's overseas trade in the full year 1966/67 appear good. Exports are expected to reach A\$2,850 million compared with A\$2,721 million in the previous year. The increase is expected to result mainly from larger exports of wheat and flour, sugar and minerals, (particularly iron ore). On the other hand, imports in 1966/67 are expected to fall slightly compared with 1965/66. Despite substantially increased Australian defence equipment purchased from overseas, imports this year are expected to total only A\$2,790 million compared with last year's A\$2,939 million. Thus the outlook is for an A\$60 million trade surplus in the 1966/67 fiscal year.

Japan seems likely to become Australia's leading customer in the 1966/67 year, taking over this position from Britain for the first time. The United States is Australia's third most important export market, followed by France, Communist China and West Germany. As a supplier to Australia, Britain ranks first, followed by the United States, Japan, West Germany and Canada.

These lambs, on their way to North American dinner tables, symbolize the importance of wool, meat and other agricultural products to the Australian economy. Gradually, however, manufactured goods and minerals are looming larger.

Despite British restrictions and U.S. controls on private capital exports, the inflow of capital into Australia has remained satisfactory; in 1966/67 it is expected to total approximately A\$500 million, substantially below the A\$834 million recorded in 1965/66 but still slightly above the 1964/65 figure. Because of this, Australia's international reserves could fall by A\$150 million to A\$1,225 million at the end of June 1967. This is still considered a reasonable total and should not result in action to restrict imports in the near future.

Trade with Canada

Canadian exports to Australia in 1966 declined to \$117.4 million from the 1965 total of \$140.3 million. This stemmed largely from the general falling off in Australian business activity which resulted in fewer motor vehicles being imported from Canada, plus smaller purchases of steel. Two additional factors were reduced shipments of plastic and synthetic rubber following increased local production and the completion of orders for Canadian aircraft. With the expected renewal of business expansion in Australia, our traditional exports to this market should improve this year and be supplemented by new orders in hand for

TABLE II
LEADING CANADIAN EXPORTS
TO AUSTRALIA

	1964	1965	1966
	(millions of Can.\$)		
Automobiles, trucks and parts	21.2	23.5	16.6
Newsprint	20.5	19.4	19.0
Lumber Douglas fir	8.0	8.7	7.8
Asbestos groups 4-9	5.0	6.1	6.2
Aircraft complete	14.7	6.2	2.2
Sheet and strip steel	3.9	5.5	2.9
Wood pulp, sulphate	2.8	4.7	4.2
Sulphur, crude or refined n.e.s.	2.5	4.1	5.4
Plastic and synthetic rubber not shaped n.e.s	8.1	3.1	1.5
Plastic film and sheet	1.8	1.9	2.2
Nickel anodes, cathodes, ingots, rods	1.7	1.7	.9
Office machines and parts n.e.s.	.2	1.5	.7
Pipes and tubes, iron and steel	.8	1.3	.2
Other exports	54.6	52.6	47.6
Total exports	145.8	140.3	117.4

power boilers, electronic equipment, machinery, aircraft, sulphur and potash.

Australia's exports to Canada increased in 1966, rising to \$59.6 million compared with \$45 million in 1965. Leading Canadian purchases from Australia were raw sugar, raisins, wool tops, lamb, mutton, beef and canned fruit. The first shipments of alumina from Australia to Canada will probably be made this year.

A significant feature of Canada's trade with Australia is the high percentage of manufactured goods in our exports to this country. In recent years some 48 per cent of our exports have been in this form, compared with the Canadian average to all markets of approximately 20 per cent. This has been largely due to the exchange between Canada and Australia of British preferential tariffs, which give wider margins of preference on manufactured goods than on raw and semi-processed industrial materials. Many manufactured consumer goods are subject to most-favoured-nation duties of 45 to 60 per cent and preferential duties of 25 to 35 per cent. This leaves the margin of preference at about 25 per cent, which gives Canadian and other Commonwealth suppliers an important competitive advantage. To qualify for the preferential rates, exports from Canada must, in most cases, have a Canadian content of at least 75 per cent.

Market Prospects

Although the Australian economy is recovering slowly from the depressed period of 1965 and 1966, most observers agree that there is no cause for alarm and conditions should improve steadily as the year progresses. The longer-term future is also bright, with much expected from the mining sector. Exports of iron ore should rise rapidly in the near future and experts forecast that the annual export of iron ore to Japan will reach 7.5 million tons by 1973. Important new nickel deposits in Western Australia have been located this year, plus phosphate in Queensland. Gas discoveries in the Gippsland Basin seem sufficient to supply Melbourne's current and future needs. There are also good prospects that gas reserves will be large enough to warrant transporting to the Sydney-Port Kembla-Newcastle industrial complex. (See article

"Australia Finds More Oil and Natural Gas" on page 13.)

There have been important developments in bauxite, alumina and aluminum in recent months. The expansion of the Gladstone, Queensland, alumina refinery capacity to 900,000 tons a year from the initial 600,000 tons is now proceeding. By 1969 the new Alcan smelter at Kurri Kurri, New South Wales, will be producing between 30,000 and 40,000 tons of metal to bring total Australian aluminum smelting capacity to between 142,000 and 152,000 tons of metal.

The expanding Australian economy offers many opportunities to Canadian exporters prepared to meet the existing strong competition and to be flexible in their approach to this market. Although there are immediate prospects for selling a wide range of manufactured products, including consumer goods, the official policy of the Australian Government is to foster local production to the maximum extent. New lines exported here which show promise are usually produced domestically within a very few years, and frequently joint venture arrangements should be developed if the exporter wishes to remain in the Australian market.

Recent inquiries received by our trade offices in Australia have included a wide variety of department store goods, electronic equipment, indoor and outdoor lighting fixtures, mining machinery, food specialties, chemicals, fresh, frozen and smoked fish, canned salmon, textiles, wood pulp and surgical supplies.

Canadian exporters not already established in this market are urged to consider opportunities in Australia. They should consult Department of Trade and Commerce officials in Ottawa or write to the Canadian trade offices in Sydney and Melbourne. ●

The Post Office Says . . .

Letters from Canada to Japan by surface mail frequently carry insufficient postage, an annoyance to the Japanese addressee who must pay double the amount of the deficient postage. The surface mail letter rate from Canada to Japan is 10 cents for the first ounce and 6 cents for each additional ounce.

Selling Food Products in Australia

Self-serve packages, convenience foods, continental specialties, canned meats—these are all invading the Australian market. So are Canadian exporters—and they are making sales.

SELECTED CANADIAN FOOD EXPORTS TO AUSTRALIA

	1966	1965	1964	1963
	6 months			
	(Canadian dollars)			
Canned hams	25,000	18,387	32,725	12,228
Cheese, cheddar	n.a.	—	1,804	1,806
Cheese, n.e.s.	n.a.	3,155	—	813
Bakery products	n.a.	1,619	4,051	n.l.
Breakfast cereal foods	1,000	190	3,276	4,560
Cereal products	4,000	1,249	2,176	716
Blueberries, frozen	n.a.	n.l.	n.l.	—
Fruits & berries, frozen	n.a.	1,650	1,650	3,350
Cherries, canned	2,000	5,940	5,371	3,084
Jams, jellies, preserves (canned)	1,000	1,049	1,831	2,554
Fruit pie filling, canned	2,000	9,358	9,648	3,628
Fruits & products, canned	n.a.	3,983	5,616	4,187
Frozen Vegetables				
Beans, green & wax	n.a.	5,587	752	n.l.
Corn	n.a.	1,545	—	3,945
Peas	n.a.	6,618	12,135	n.l.
Potato products	61,000	409,662	98,015	14,597
Vegetables	3,000	26,383	3,122	—
Canned Vegetables				
Beans, green and wax	n.a.	4,037	2,666	1,244
Corn	n.a.	1,245	2,790	1,720
Peas	n.a.	3,696	—	62
Vegetables & vegetable juices	1,000	2,210	1,834	1,943
Pickles and relishes	31,000	147,799	100,552	128,459
Sauces, dressing & spreads	1,000	1,244	2,234	925
Maple syrup	n.a.	2,253	1,120	1,666
Chocolate confectionery	8,000	7,415	—	—
Instant coffee	54,000	154,378	335,344	464,638
Spices, spice herbs, etc.	n.a.	1,266	1,056	—
Tomato soup, canned	n.a.	3,000	—	—
Soups, soup mixes, bases	7,000	10,630	505	11,558
Pre-cooked frozen fish and shellfish	94,000	19,728	—	n.l.
Pre-cooked frozen dinners and preparations	59,000	7,785	—	n.l.
Gelatine, edible	n.a.	1,788	3,079	6,920
Sausage casings	266,000	596,743	487,281	633,354
Materials for food preparations	20,000	26,413	1,055	2,914
Soya bean oil, cake and meal	45,000	652,691	—	n.l.
Dog and cat food, complete	75,000	14,928	—	n.l.

n.l.: Not listed separately

—: No figures given (assume nil exports)

n.a.: Not yet available

Source: Dominion Bureau of Statistics

DAVID SCHULMAN,
*Assistant Commercial Secretary,
Sydney.*

AUSTRALIA'S food-buying habits are changing. The increased pace of development and the rise in food expenditures are creating new and interesting markets for imports as well as local production. With a per capita food consumption of some \$278, the country's annual food bill is expected to rise from \$2.6 billion in 1959/60 to \$3.4 billion by 1969/70. Current estimates indicate that this represents about one-quarter of total consumer spending. Changes in the composition of the population have played a significant part, both in the increased spending and in the changing buying habits. New marketing techniques, improved merchandising, and more sophisticated advertising have also affected eating customs.

The Market

Australia's population of approximately 11.5 million is expected to pass 12.5 million by 1971 and will comprise some 3.75 million household units, a rise from the 2.8 million recorded in the June 1961 census. Part of the projected increase will be due to immigration, but the greater portion results from the fact that the children born during and after World War II are now approaching the marriage age. Although less than 2.5 per cent of the population is of non-British stock, this small percentage has created an increasing demand for delicatessen products and European-style specialty products.

Retailing Trends

The pattern of Australian food retailing is changing, with more and more supermarkets being established.

**SELECTED AUSTRALIAN
FOOD IMPORTS**

July 1-June 30
1965-66 1964-65 1963-64
(Can. \$'000)

Preserved meat, canned ham	43	89	91
Cheeses, processed, spreads, etc.	445	392	304
Cheeses, cheddar	318	256	262
Cheeses, blue	320	445	384
Pastry, cakes, etc.	40	n.c.	n.c.
Biscuits	1,355	1,167	995
Frozen vegetables	1,910	1,830	1,650
Dried or dehydrated vegetables	1,080	690	605
Pickles and chutney	69	81	131
Gherkins	157	246	201
Canned vegetables	985	1,245	672
Other vegetable preparations	35	1,150	29
Canned fruit, cherries	69	391	365
Jams and jellies	219	987	o.c.
Instant coffee	535	1,167	1,390
Chewing gum and chewing gum confectionery	366	268	187
Chocolate (slabs, blocks, bars)	1,075	1,185	1,560
Other chocolate confectionery	248	234	284

n.c.: No separate classifications for this product

o.c.: Included in another similar but general category

Source: Australian Commonwealth Bureau of Census and Statistics, converted to Canadian dollars.

The demand is increasing for the type of product, package, and advertising that lends itself to this new type of retailing. Eight out of ten Australians live in the cities. The major metropolitan areas of Sydney and Melbourne represent about 40 per cent of Australian consumers and provide about half the purchasing power. Within these two centres and in Brisbane (650,000), Adelaide (608,000), and Perth (457,000), the trend is to suburban concentrations and to the concept of the shopping centre.

Because of this, and because of the need for convenience foods, packaging has a strong influence in establishing sales. A recent survey indicated that in self-service stores, only 27.7 per cent of purchases were

specifically planned and general planning and impulse buying accounted for 72.3 per cent! Once the product has been launched, the competitive effort becomes the conversion of "triers" into regular users.

There is a marked swing towards frozen vegetables and pre-cooked foods. Another trend is the development of national brands and in some instances the extension of an international brand—Bird's Eye and Campbell's, for example. Although the packers procure supplies locally, they will also buy in bulk from abroad to supplement the local crop when there is a shortage. A well-connected agent in the food trade is often aware of forthcoming needs and the availability of supplies. As a result, he is generally in a position to secure many offers of "spot" sales in an area where continuing sales might be difficult.

Selling Processed Vegetables

There are opportunities for selling bulk supplies of frozen potato products, peas, corn, broccoli, spinach, and asparagus. Purchasers are usually packers of national brands or distributors who will service institutional customers. In most cases, the exporter will be competing against a U.S. source of supply.

Frozen french fried potatoes are currently selling at between 17 and 18 cents per pound, free into store, and broccoli is landing at about 23½ cents per pound. Recently an Australian agent secured orders for some 27 tons of frozen kernel corn on behalf of his Canadian principals because of his connections with and close attention to the market.

In the field of consumer packs, these same vegetables would also find an attractive market, if they are partly prepared. Frozen vegetables in a butter sauce or in a cheese sauce or a mixture would arouse some interest.

Canned vegetables present only limited import opportunities. The Australian still prefers his vegetables fresh or at least fresh frozen. The canned variety is therefore limited in scope. It is difficult to assess imports in this area because in local statistics they have been gathered under a general heading. Indications are, however, that vegetables such as asparagus or beetroot, especially if prepared to some degree, could achieve a measure of success. Cut wax beans could also

be of interest but prices must be extremely competitive.

There are a number of canned preparations on the market, some vegetables alone, some vegetable and meat combinations (stews, etc.). One or two Canadian labels are available in this field and have achieved satisfactory results.

Frozen or Canned Fruit

Australia is one of the world's great fruit producers and there is little opportunity to sell frozen or canned fruit to this country. There are, however, limited opportunities in fruit and fruit products where there is little or no Australian production. A popular item is Canadian canned cherries. Berry fruits have market possibilities. Raspberries are known but not generally on the market in large quantities. Blueberries are available in minimal quantities only, and could find an attractive market as frozen berries for dessert and cooking, for pie fillings and for general cooking. Blueberry puree is also bought for use as bulk in other preparations.

Other Foods

Another area where the convenience foods are gaining acceptance is the frozen and pre-cooked field. A Canadian brand of frozen cake has had good sales success, but now two large Australian firms are planning production. One has already launched its product and the other will enter the market in about a year. Nevertheless, the Canadian product will have an advantage for some time because of its lead-time and because it has had a chance to establish itself as a brand name. The same is generally true of the specialty goods fields.

Pre-cooked, "heat'n serve" type foods are beginning to appear. There are two avenues of opportunity here—first as the supplier of the product and second as a bulk supplier of the ingredients to the local producer. Pizzas, for example, have never been as popular as in North America, but inquiries are now being made about the frozen type found in Canadian stores. Similar interest is developing for some of the other preparations, such as Spanish rice, tortillas and ravioli.

Because of the strong continental influence during the last few years, the market for delicatessen foods and



Changing food-buying habits brought on by increased Australian development are creating new markets for both imported and locally grown foods. Here succulent pineapples are harvested at Gympie, Queensland.

continental specialties has expanded considerably. There is a lively interest in pickles and smoked salmon. Although the market is extremely competitive for smoked salmon sides and slices, there are some opportunities for the paste and the smoked tidbits in oil for use as hors d'oeuvres or savouries. Party snacks might also create some interest among importers, things like pretzel sticks, fried pork and bacon rinds, and pizza bits—anything that can be easily spilled into a dish to accompany drinks.

In addition to extensive confectionery production and substantial exports, Australia imported over \$1.4 million worth in 1964/65 and over \$1 million in the two preceding years. Most of the chocolate forms of confectionery come from Britain and Europe but there would be some opportunity for a medium to high priced, but prestige and quality line, to establish itself here. The main problem is shipping because the long storage period in transit through various climates could affect the appearance and quality of the product. Biscuits are also popular but the situation is somewhat parallel to confectionery. Imports for 1964/65 exceeded \$1.1 million and were over \$850,000 in the two preceding years. By far the largest supplier was Britain,

with other European countries providing much of the rest.

Canned meat products, especially canned hams and pork, canned chicken, and some canned meat preparations have achieved good sales here. Australian import regulations particularly favour Canada as a source of supply both from the tariff point of view and the Department of Agriculture regulations. All exports must be accompanied, however, by an approved cooking certificate.

How to Sell

The prime requisite for selling any imported food product in Australia is top quality. With packaged foods, the second requirement is good package and label design. Much of the success of Canadian foods in this market has been largely due to these two factors. Finally, the price must be competitive but because there is such a broad spectrum of foods, there is some leeway. Only when foods are specifically comparable, say canned cut wax beans, does price become decisive. Australians are loyal to a brand name which has given satisfaction.

Once the product is established, sales will continue as long as the quality is maintained and despite minor fluctuations in price. For a new

brand, it may be necessary to make concessions in order to launch the product. This may take the form of lower prices or larger volume discounts on the first orders. Alternatively, there could be participation in or subsidization of an advertising campaign.

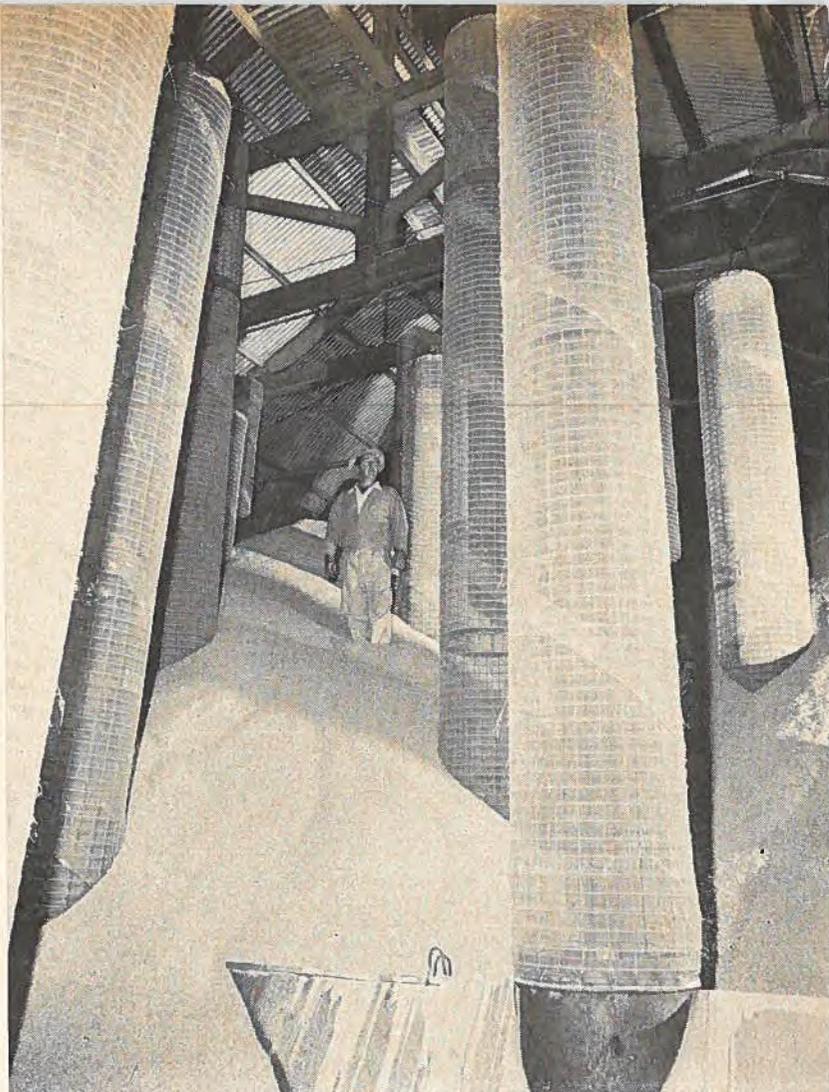
With exports of bulk foods, the situation is substantially different. Naturally, quality is the prime concern. It is here, however, that price is a major factor. Quotations must be as low as possible. Generally, the competition will be from the United States.

A further problem is shipping—both schedules and rates. The recent rise in shipping rates will create a higher landed cost. Careful planning is required to take advantage of seasonal schedules, concessional rates, charters, or any other advantages which may present themselves.

In addition to shipping, distance creates a problem in communication. An airmail letter from Eastern Canada to Australia takes six days and from the West Coast four days. It is essential that correspondence be prompt and regular; this will help build a feeling of confidence in the importer. Promised shipping dates must be adhered to because a missed sailing date could mean a delay of several weeks, as well as landing the product at a time when local supplies may be in season.

Many Australian importers have expressed interest in representing Canadian food exporters and a number of food companies have indicated an interest in a Canadian source of supply. The offices of the Trade Commissioner Service in Sydney and Melbourne would be pleased to assist you in locating a suitable representative ●

Australian Agriculture:



This Australian rice storage shed keeps grain at a controlled moisture level.

Production and Exports

Australia's agricultural exports should reach nearly A\$2 billion in 1966/67, as recovery from drought continues. Canada provides good market for Australian farm products; sells processed foods there.

J. E. G. GIBSON, *Assistant Commercial Secretary, Canberra*

AUSTRALIAN primary producers are back in business in a big way. After two years of crippling drought in most agricultural regions of the country, rain fell in the latter half of 1966 in central and eastern areas. The rains continued into early 1967 and by February the drought was declared

over in all but a few small and scattered areas.

The gross value of farm production in 1966-67 is estimated at A\$3,592 million, nearly 10 per cent above 1965-66 and more than 4 per cent higher than the previous record set in 1964-65. Most of the gain is due to the bumper wheat crop, valued at over A\$600 million. Wool and milk production are expected to show a small increase but meat will be down slightly. Because of lower world prices, the 20 per cent increase in sugar output will result in only a small rise in its value.

The volume of exports of farm products in 1966-67 is expected to reach the 1964-65 level: that is to say, nearly 8 per cent more than in 1965-66 but below the record of 1963-64. There will be more wheat and sugar available for export as a result of larger crops. Wool exports are not expected to rise significantly. Meat exports will decline (especially beef) but exports of dairy products (particularly butter, cheese and dried milk) will go up sharply. The value of exports of farm products in 1966-67 is expected to be A\$1,939 million, nearly 5 per cent higher than in 1965-66 but about A\$200 million below the record year 1963-64. Not only is there more wheat available for export but prices are higher. Larger exports of dairy products will also bring in more revenue.

Grain Crops Good

The 1966-67 wheat harvest has just been completed and the crop is expected to be about 450 million bushels, an all-time record, with value in excess of A\$600 million. Wheat will provide at least 17 per cent of the total gross value of farm production in Australia this year. Excellent weather conditions, combined with a tremendous increase in acreage, accounted for the record harvest. Exports of wheat and flour in the 1966-67 fiscal year are expected to exceed 250 million bushels and be worth over A\$370 million. The acreage sown to wheat in the coming season will probably be at least 10 per cent more than last year.

Coarse grains have recovered well from the drought. Barley production in 1966-67 is estimated at 53 million bushels, 25 per cent over the previous year. Approximately 2.3 million acres were sown to barley in all parts of Australia last year and good weather resulted in an average yield of 22.4 bushels per acre. Barley exports are expected to increase to 18 million bushels this year, nearly double last year's total.

The 3.9 million acres sown to oats last year produced approximately 70 million bushels, 17 per cent up on the previous year. The yield per acre was 18 bushels. Exports are expected to hit 20 million bushels this year, a 70 per cent increase over the previous year. Rice production from the 72,500 acres planted is expected to be a

record 196,750 tons. Of this, some 82,000 tons valued at A\$10.5 million will be exported in 1967. Maize production is estimated at 8 million bushels and sorghum at 11.8 million bushels, a substantial increase over the previous year.

Wool Prices High

The 1966-67 wool clip has been estimated at 1,712 million pounds on the greasy basis. Although prices in the middle of 1966 were the highest ever, they fell off considerably in the succeeding months and by the year's end were down 11 per cent. Nonetheless, in the July to November period exports of wool and sheep skins, valued at A\$348.3 million, were 10 per cent up on the same period of 1965. Larger sales were made to Japan, Italy, France, Belgium and the U.S.S.R.; sales to the United States, Britain and West Germany declined. An increase in the price of wool is forecast for the early part of 1967 and it is hoped that it may eventually go as high as 50 cents per pound.

Drought Affects Meat Output

Production of all meats in the year ended June 1966 was 1,639,600 tons, down 4.2 per cent from the previous year. Beef and veal production fell by 84,000 tons and lamb by 17,000. This was to some extent offset by 16,000 tons more mutton and 13,000 tons more pigmeat. Exports of all meats for the same period reached 376.5 million tons, slightly less than in the previous year. Sales to the United States and Japan increased but exports to Western European countries fell off. The drought seriously affected the livestock industry. A census in March 1966 showed that cattle numbers had fallen to 17.9 million head, nearly 10 per cent lower than in 1964. The industry is gradually recovering but it will be some time before it is completely back on its feet. Meat exports remain third in the Australian agricultural export list.

Dairy Products

During the year ended June 1966, 1.5 billion gallons of whole milk were produced, slightly less than in the previous year. Of this, 62.2 per cent went into butter, 6.6 per cent into cheese, and 6.2 per cent into pre-

served milk products. Fluid milk for domestic purposes took 23 per cent. The Australian average yield per cow is about 470 gallons a year, but in some herds it may be more than double this figure.

Butter production in 1965-66 was 205,476 tons, up 1.5 per cent from the preceding year, and an estimated 41.4 per cent went for export. Britain takes 82 per cent of Australia's butter exports.

Cheese production in 1965-66 was 58,042 tons, down 5.5 per cent from the preceding year. About 43.6 per cent of Australia's cheese production is exported; in recent years Britain has taken just over a third of it.

Powdered milk production during the past year increased by 6.5 per cent to 183 million pounds. Australian exports of dried or powdered skim milk in 1965-66 were 42 million pounds, full cream powdered milk 20 million, and casein 43 million.

Fresh and Dried Fruit

The 1966-67 apple crop is expected to be a record 20 million bushels. The crop in Tasmania, the main producing state, will be some 7.5 million bushels, in spite of the recent disastrous fires there. Pear production will be about 5.9 million bushels, slightly less than last year. The main export markets for Australian apples and pears are Britain and Western Europe which take 9 million bushels of apples and pears.

Production of canned fruits in 1967 should equal last year's record 10 million cases. Canned peaches make up 45 per cent; pears account for 30 per cent. Britain is the principal overseas market for canned fruits and last year took 4.4 million cases; European markets took 1.2 million. Sales to Canada last year totalled approximately 700,000 cases.

Dried fruit production fell by between 10 and 15 per cent last year to 87,645 tons. The bulk of this was 70,207 tons of sultanas but 10,065 tons of raisins and 7,283 tons of currants were also produced. The two most important export markets for Australian dried fruits are Canada and Britain.

The drought had some effect on citrus fruit production. During the current season it is expected to be about 5.2 million bushels; oranges account for 4.6 million.

Australia Tackles

Sugar production during the current season is estimated at 2.3 million tons, an 18 per cent increase over the previous record year. Of this, approximately 1.7 million tons will be exported and sold at depressed world prices.

Wine production in Australia during 1966 was estimated at 33.2 million gallons, down 13 per cent from 1965.

Cotton production continues to increase and the 1966 crop totalled over 90,000 bales of high quality cotton. A 12 per cent increase is expected this year. If this rate of increase continues for the next three years, Australia will be self-sufficient in raw cotton by 1970.

LEADING AUSTRALIAN AGRICULTURAL EXPORTS TO CANADA 1965-66

	A\$'000
Lamb and mutton	7,145
Raw cane sugar	6,040
Sultanas	5,281
Wool	1,738
Canned peaches	1,486
Beef, frozen	1,169
Beef or veal, canned	1,147
Wine and brandy	1,124
Sausage casings	938
Canned pears	900
Pineapples	776
Currants	582
Canned fruit salad	490
Canned fruit, other	448
Seeded raisins	424
Canned apricots	331
Dried apricots	111

What Canada Sells

Although agricultural products bulk large in Australia's exports to Canada (see Table I), Canada's sales in this area do not go beyond limited amounts of processed foods and specialty items. Foremost among these are frozen potato products, worth Can.\$410,000 in 1965, and pickles and relishes which are running at Can.\$150,000 a year. Most supermarkets in Australia carry canned fruits such as cherries and blueberries from Canada as well as frozen fruits and vegetables and there will continue to be a limited market for Canadian specialty or gourmet foods. The Commercial Counsellor for Canada at Sydney or Melbourne will be glad to help you assess the probable market for your product. ●

The size of the country, its geographical isolation, and need to move its exports over long distances make efficient transportation services vitally important to the Australian economy.

JOHN D. TENNANT, *Assistant Commercial Secretary, Melbourne.*

TWO BASIC GEOGRAPHICAL FACTS—Australia's isolation from its major trading partners and the size of the country itself—make its transportation industry a crucial one. In fact, an estimated 11 per cent of the gross national expenditure, Can. \$2.1 billion, is spent annually on transportation services.

Australia is a major world trader—the world's twelfth largest—and virtually all its imports and exports have to be carried by sea over considerable distances.

In 1964/65 Australian imports totalled 27.6 million tons and exports 22.4 million tons. The comparable seaborne Canadian totals for 1964 were somewhat greater, 83.5 million and 47.6 million tons.

Primary exports, as well as imports of industrial raw materials, are particularly dependent on adequate and efficient transportation. Significantly, 85 per cent of Australia's exports consist of primary agricultural and mineral products, including wool, sugar, meat, wheat, dried and canned fruits, dairy products, non-ferrous metals, coal and beach sands. Among major industrial raw material imports are oil, phosphate rock, sulphur, timber and paper pulp.

Britain is still Australia's major trade partner but it has declined in importance in postwar years in favour of Japan and South East Asia generally, as well as the United States. Similarly, British and British Commonwealth registered ships represented almost 58 per cent of the net tonnage of ships which entered Australian ports from overseas in 1956-57, but this proportion had declined to 45 per cent by 1962/63. (See Table I).

The Australian Government estimates the annual freight bill on Australian imports and exports at Can. \$720 million, a large portion of which goes to overseas interests. The

Government has expressed concern, pointing out that the bill for freight on imports alone is greater than returns from wheat, the second largest export earner, exports of which were worth Can. \$320 million in 1965/66.

Australian Shipping Fleet

Some 150 ships of more than 200 gross tons each (with an aggregate of 750,000 gross tons) make up the Australian trading fleet. They are largely oriented to domestic and coastal shipping.

Only 17 Australian-owned ships are currently engaged in overseas trade, mostly to the Pacific Islands and New Zealand. Their registered tonnage represents only 0.7 per cent of the total tonnage entered from overseas. Overseas vessels of 22 million net tons made 3,750 visits to Australia last year.

The largest Australian shipowner, with about 26 per cent of total gross merchant fleet tonnage, is the government-owned Australia National Line.

Australia-Britain Conference

Despite changing patterns of trade, Australia's principal overseas trade link is with Britain and Europe through the Suez Canal. All shipping companies trading regularly on this route—some 23 (14 British-based)

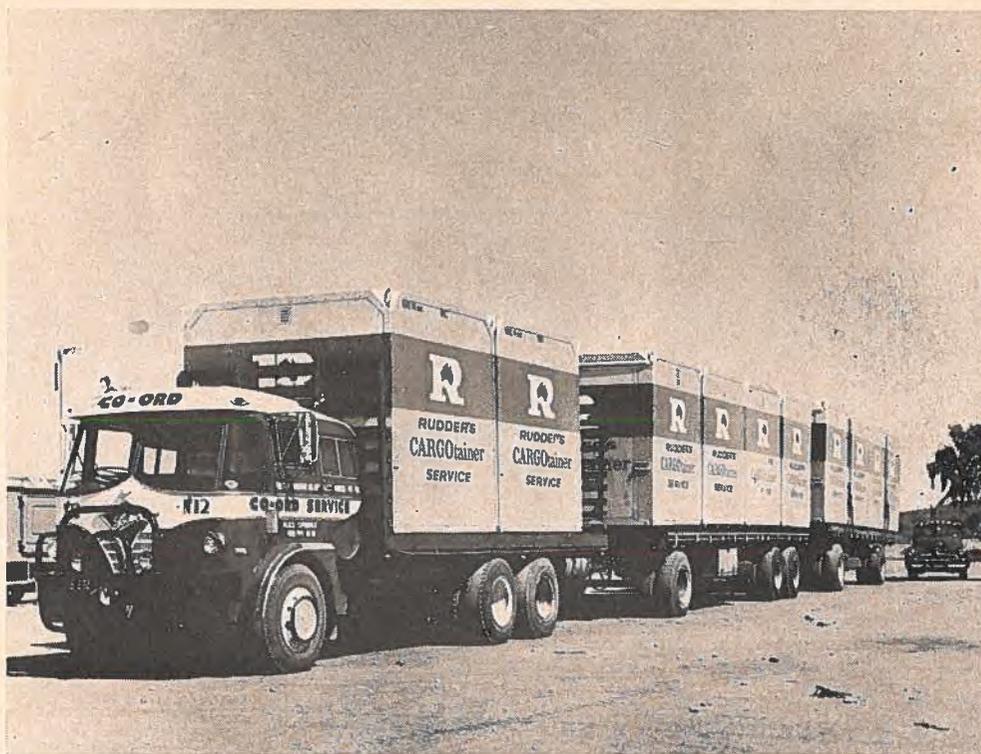
TABLE I

	1965-66 Australian Exports to:	1965-66 Australian Imports from:
	(per cent of total value)	
Britain	20	26
Japan	16	9
United States	10	24
Germany	3	6
New Zealand	6	2
Canada	2	4
Others	43	29

FOREIGN TRADE

Its Transportation Problems

Freight road trains, pictured here, operate over long distances in Australia's Northern Territory, connecting industrial areas with the railway terminus.



are members of the Australia-Britain and Europe Conference.

Conference rates are controlled by negotiations between the Oversea Shipping Representatives Association (OSRA) representing the shipping companies, and the Federal Exporters' Oversea Transport Committee (FEOTC) speaking for Australian exporters. Freight rate changes implemented by the two groups are directly based on a survey of all the conference shipowners' costs, undertaken by a group of independent accountants in London.

Late last year, in a major effort to contain rising freight rates which exporters said were seriously endangering the competitiveness of certain important Australian primary exports, the shipping representatives and the FEOTC agreed to rationalize service on the Australian coast. Under the rationalization plan, all conference vessels are programmed to match anticipated shipments, thereby reducing

the number of ports at which any one ship calls.

The need for action of this sort was shown by a government survey which revealed that the average ship in the Britain-Australia trade made little more than two round voyages in an operating year. Five months were spent in ports and over three of these in Australian ports. A new survey released recently reported that in four months of operation, rationalization had reduced the number of calls at Australian ports by one third.

Early 1967 saw the establishment of an Australia-East Coast Canada Conference and now Conference arrangements cover shipping services to and from both Canadian coasts.

Unitization Coming

Containerization and other forms of unitization—in use for several years on the Australian coast—are expected over the next two years to gain wide acceptance in overseas trade. In fact,

some authorities are now estimating that by 1971, Australian shippers will have a weekly service to Britain and the Continent using special containerized vessels. Overseas container ships have already visited the Australian coast and extensive experiments have been made with varied cargoes.

Two major British-based consortia have announced their intention to implement container service on major routes. One group, Overseas Containers Limited (OCL), comprises P. and O., Furness Withy, Blue Funnel and British and Commonwealth Shipping; the other, Associated Container Transportation (ACT), was formed by William Thompson, Blue Star, Cunard (Port Line), Ellerman and Harrison.

Overseas Containers Limited placed orders early this year for six 27,000-ton ships, and expects to begin services to Britain and the Continent in early 1969. According to OCL, these six vessels will have the capacity to handle 30 per cent of Australia's non-

bulk seaborne trade with Britain and Europe.

Other carriers, including Matson which now operates extensive container services between Hawaii and the United States, have let it be known that they will move into wider use of containers in the foreseeable future. Several port authorities have announced major programs to provide suitable facilities.

Ports and Stevedoring

Australia's principal ports are associated with capital cities or industrial centres, as indicated in Table II, which lists the 15 largest ports. Most of the harbours are managed by individual trusts or boards, appointed by the Government or elected by interested parties.

TABLE II
AUSTRALIA'S LARGEST PORTS

	Cargo Capacity (tons)
Sydney (including Botany Bay), New South Wales	13,892,000
Melbourne, Victoria	9,935,000
Fremantle (including Kwinana), Western Australia	8,403,000
Geelong, Victoria	7,284,000
Port Kembla, New South Wales	7,076,000
Newcastle, New South Wales	6,661,000
Whyalla, South Australia	4,716,000
Brisbane, Queensland	3,069,000
Port Adelaide, South Australia	2,920,000
Port Stanvac, Queensland	1,769,000
Yampi, Western Australia	1,374,000
Hobart, Tasmania	1,246,000
Port Pirie, South Australia	1,087,000
Gladstone, Queensland	961,000
Townsville, Queensland	823,000

Special ports have just been completed in Western Australia to handle the large shipments of iron ore for Japan. The size of contracts concluded in the last two years assures that these ports—Dampier and Port Hedland—will soon rank among the country's largest.

Stevedoring operations at ports are the responsibility of the Australian Stevedoring Industry Authority, a Federal Government body which represents both trade unions and management. A series of disputes in major ports in late 1965 led the Federal Government to withdraw from labour unions the right to recruit new water-

side labour and this is now also the responsibility of the Authority.

Rail Transport

Australia's major railway systems cover 25,000 miles and are all government-owned. Each of the six state governments operates its own separate system. The federally-owned Commonwealth Railways bridges the 1,200-mile gap between the Western Australian and the South Australian networks, and also acts as the arm which extends the South Australian system into central and northern Australia.

Three track gauges are in use and the lack of a standard gauge throughout Australia has in the past been a major barrier to the development of an efficient national railway network. However, significant steps towards linking individual state systems have been taken in the past seven years and through services between major cities in adjoining states will soon be complete.

Rail standardization already undertaken appears to be a major reason why the railways now have a better share of the total ton-mile traffic. Although Australian rail freight, expressed on a ton-mile basis, is only one eighth of the Canadian total, rail freight now ranks second to coastal shipping; it passed road transportation in the past three years.

Road Transport

Road transportation, which on a straight tonnage basis still carries 75 per cent of Australia's freight, is becoming less of a factor in longer haul traffic. Its role as a short-haul carrier is being confirmed by its integration with sea and rail facilities for longer distances. Roll-on, roll-off ships are particularly well suited to traffic between Tasmania and mainland Australia, and piggyback services, in conjunction with the Commonwealth Railways, cover the barren, sparsely populated distances between South Australia and Western Australia.

Intra-state road transport is regulated by state governments, either by special taxes or by permits. These regulations usually permit a central government authority to take into account the availability of competing services by state-owned railways.

On the other hand, interstate road freight, under federal jurisdiction, is

generally free from controls other than those provided for the public safety.

Total national expenditure on roads has increased over 30 per cent in the past four years, and now stands at Can.\$500 million. This compares favourably on a per capita basis with the Canadian figure.

A major federal government supported program has pushed the development of "Beef Roads" through difficult, arid areas of northern and western Australia. This has allowed road transport to eliminate many of the long overland cattle drives which in the past adversely affected the condition of cattle arriving at slaughterhouses along the coast. The program, of course, has given new importance to major ports in the north, such as Darwin and Wyndham.

Transportation continues to be a major challenge to Australia—a country whose size, location and trading patterns have always placed special emphasis on the need for innovation, efficiency, co-operation and special government policy.

Modern coastal shipping services, rail standardization, the rationalization of overseas shipping services, and the introduction of containerized vessels to overseas shipping all represent successful responses to this challenge. ●

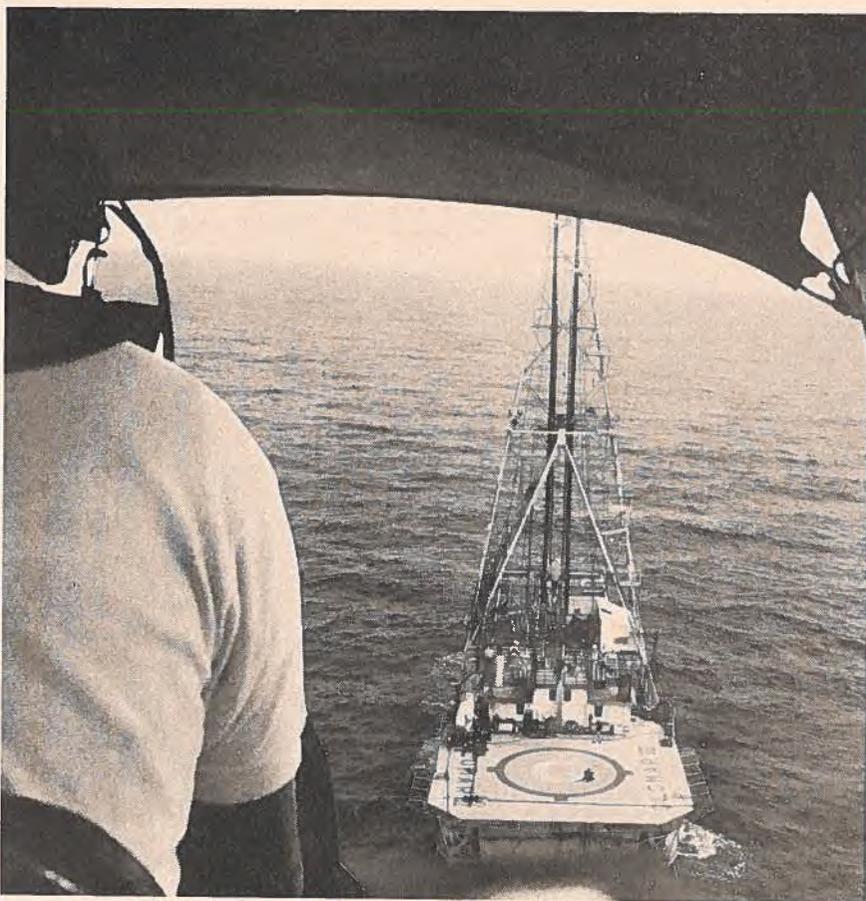
Fish Flour for the Hungry?

DID you ever hear of fish flour? Fish flour, (or fish protein concentrate), is a high protein content food that the Fisheries Research Board of Canada has developed. Essentially it is made from dehydrated and defatted fish muscle, or whole fish normally discarded at sea, such as skate or dogfish.

Because of its protein content and because it can be stored for many months without refrigeration, fish flour, experts feel, could help alleviate world hunger. Nutritionists estimate that only about 600 million of the world's two billion people get enough proteins. Most of these undernourished people live in Asia, the Near East, the Far East, Africa and Latin America. For those living on a vegetable diet, about a teaspoonful a day of fish flour or fish protein concentrate would provide the proteins they need so badly. ●

Australia Finds More Oil and Natural Gas

New gas and oil discoveries "down under" will enable Australia to supply more and more of its own requirements. Transport over long distances and high production costs pose a problem that currently is being solved by subsidies and quotas.



An aerial view of the offshore oil-drilling rig Glomar III, at work in the Gippsland Basin, between the states of Victoria and Tasmania. It weighs 5,600 tons.

H. A. GILBERT, *Commercial Counsellor, Melbourne.*

W. G. ROBERTS, *Assistant Commercial Secretary, Sydney.*

RECENT DISCOVERIES of both oil and natural gas in Australia have proved most promising, in contrast to the disappointing results of earlier oil exploration which led observers to doubt whether oil would be found in commercial quantities. Experts believe that a large part of the Australian market will be supplied from indigenous sources in the next few years, but much exploratory work still remains to be done.

Search for Oil

The turning point in the long search for oil was the Rough Range (Western Australia) discovery in 1953. Success was short-lived, however, and further wells drilled in the vicinity proved dry. Then in 1957 the Australian Government introduced the Petroleum Search Subsidy Act under which the Government would share in the costs of approved exploration. Up to September 30, 1966, a total of A\$57.8 million (Can.\$48 million) had been paid or committed under the subsidy scheme.

At the present time, there are two oilfields in commercial production. One is at Moonie and began production in 1964, and the other at Alton, which began in 1966, both in Queensland. Their current production of 10,000 barrels per day, about 2.5 per cent of Australia's requirements, is fed into the Moonie-Brisbane pipeline. A third oilfield on Barrow Island in Western Australia is expected to begin production on a commercial scale in mid-1967 and by 1968 to be producing 20,000 barrels a day. Recent discoveries in the Gippsland Basin (in the offshore area between the states of Victoria and Tasmania) hold even greater promise. Current estimates

put eventual production at about 100,000 barrels per day, but many exploratory holes will have to be drilled before more accurate estimates can be made.

Would it make economic sense for Australia to depend largely on domestic resources instead of oil imported from the Middle East and Indonesia? Evidence available today and the amount of subsidy required to produce oil at home suggest that self-sufficiency would be costly. The Australian Tariff Board conducted a public inquiry in 1965 to determine how Australian crude oil should be priced, bearing in mind the Government's desire to encourage the search for oil and the need to offer incentives to exploration companies. The Tariff Board recommended, and the Government accepted, a formula for pricing oil based on the average f.o.b. prices, freight rates, wharfage and landing charges of the principal crudes imported, and a quality differential between imported and domestic oil. An additional margin was granted as an incentive to exploration. The resulting price for Moonie crude was A\$3.50 a barrel (Can.\$2.90) delivered to Bris-

bane, a price considerably higher than that of imported crude.

To assure a market for the Australian oil, refining companies were allocated a quota based on their imports of feedstocks and refined products under certain tariff classifications. An oil company failing to take up its quota would be penalized by having to pay increased duty on its imports.

Home Market Growing Fast

In ten years, Australia's consumption of petroleum products has more than doubled to reach 4,611 million gallons in 1965/66. Gasoline accounted for 1,740 million gallons of this and furnace fuel (excluding refinery fuel) for nearly 1,140 million gallons. Australians buy 150 gallons a year of gasoline per head of population—not surprising when you realize that in 1966 there were approximately 2.9 million cars and station wagons, 870,000 commercial vehicles, and 68,000 motorcycles registered in the country, making Australia fourth in automobiles per head of population, after the United States, Canada and New Zealand.

Demand for petroleum products has been largely met by importing crude oil and refining it locally. In 1965/66 the f.o.b. value of Australian imports of crude oil and petroleum products amounted to more than A\$249 million. (See Table I.)

Australia's ten refineries had a total primary processing capacity in 1966 of 503,000 barrels per day (22.67 million tons per year) and met approximately 90 per cent of Australia's requirements of petroleum products. Exports of petroleum products during 1965/66, however, were 60 per cent less than in the record year of 1962/63. The drop is attributed partly to new refineries coming into production in long-established Australian markets for petroleum products. (Details of production, consumption and exports in 1965/66 are given in Table II.)

The chances of further discoveries look promising, particularly in offshore areas, as more experience is gained throughout the world in this type of search. Probably five or even seven offshore rigs will be operating in Australian waters by late 1967. Should further large-scale discoveries

TABLE II
AUSTRALIAN PRODUCTION, CONSUMPTION AND EXPORTS
OF PETROLEUM PRODUCTS 1965/66

Product	Production	Consumption (thousand gallons)	Exports	AUSTRALIAN IMPORTS OF CRUDE OIL AND PETROLEUM PRODUCTS	
				1964-65	1965-66
Aviation gasoline	13,304	29,589	2,482	22,157	20,536
Motor gasoline	1,524,325	1,740,483	14,133	210,074	194,103
Aviation turbine fuel	122,239	141,346	17,722	41,462	48,796
Lighting kerosene	37,625	46,720	3,335	18,799	9,726
Heating oil	36,180	36,313	.....	6,631	9,211
Power kerosene	21,030	27,952	99	40,040	48,917
Automotive distillate	494,400	442,715	43,549	11,474	8,763
Industrial diesel fuel	228,290	258,738	4,270	Furnace fuel and other heavy oils	24,514 11,215
Furnace fuel (excluding refinery fuel)	1,279,245	1,139,941	134,366	Lubricants	32,639 17,657
Refinery fuel	411,360	411,360	.....	Bitumen	44 4,090
Lubricants	.....	76,590	16,248	Other products	25,929 110,946
Lubricating oil base stock	64,895	.....	.....	Total products	433,763 483,960
Bitumen	86,152	86,761	.....	Crude oil, enriched crude oil and other feedstock	4,129,519 4,370,369
Solvents	31,592	.....	.....	Total	4,563,282 4,854,329
Industrial and white spirits	.....	30,500	.....	f.o.b. value	(Can.\$ million)
Liquefied petroleum gas	55,080	(n.a.)	.....		202 208
Refinery gas (f.o.e.)	30,534	(n.a.)	.....	
Other products	40,777	141,871	6,957		
Total	4,477,028	4,610,879	243,161		
Crude oil input	4,496,916				
f.o.b. value (Can.\$ million)			17.4		

of oil be made, some downward adjustment in the price of Australian crude seems likely; otherwise consumers will be faced with rising prices for petroleum products. A solution to this problem is becoming urgent because the present pricing policy comes to an end in 1970.

Developing Natural Gas

During the search for oil over the last 70 years, natural gas has been discovered in several widespread locations. The most recent was off the Gippsland coast of Victoria, which is relatively close to the important Melbourne market. Two other natural gas fields now receiving attention are the Gidgealpa-Moomba fields of South Australia and the Roma fields of Queensland.

In late 1966 the South Australian Gas Company signed a 20-year contract for natural gas supply with the Gidgealpa-Moomba producers. The company at present supplies Adelaide consumers with manufactured gas; before it can deliver natural gas, an A\$35 million (Can.\$28 million) 500-mile pipeline will have to be built. Finance for the pipeline will be provided by a combination of semi-government borrowings by the South Australian State Government and federal loans.

In Queensland, an A\$11 million, 280-mile pipeline is proposed to carry natural gas from the Roma fields to customers in Brisbane. U.S. and Australian interests are expected to build and operate the pipeline; major customers in Brisbane will be the proposed fertilizer plant and the South Brisbane Gas and Light Co. Ltd.

Late in 1966, agreement was reached on the price of natural gas between Victoria Gas and Fuel Corporation, the main distributor in Melbourne, and the Gippsland producers. The price was related to the volume of gas used; the starting price was set at three cents per therm at the delivery point onshore in the initial years of the 20-year contract. The gas will be transmitted to Melbourne by a 130-mile pipeline costing between A\$16 and A\$20 million (Can.\$13.3 to \$16.7 million) to be built and operated by the Victorian Pipeline Commission, a Victorian Government body.

New South Wales would like to obtain supplies of natural gas from the Gippsland field too. A plan for an A\$47.5 million (Can.\$39.6 million) 535-mile pipeline to Sydney has been prepared and the route selected. It will be built when producers can guarantee supply at prices which would make it economically attractive. The Australian Gas Light Co., the principal manufacturer and distributor of town gas in Sydney, a city of 2.5 million, is studying converting industrial and domestic gas appliances from manufactured to natural gas. Canadian gas appliance manufacturers may find it difficult to sell new appliances to manufactured-gas users, but as gas becomes more popular the market will grow.

The offshore discoveries in the Gippsland Basin have raised the problem of ownership. No decision has yet been reached on whether the Federal or State Governments own gas and oil fields outside the three-mile limit. Meanwhile, Federal and State authorities have agreed to share royalties on the basis of 7 per cent to the State (Victoria) and 4 per cent to the Federal Government, thus clearing the way for natural gas production from offshore fields.

The other major obstacle is the absence of legislation covering interstate gas transmission. Most authorities in the industry are confident that it will be surmounted soon. Those who dare to look far into the future visualize a pipeline system providing almost nationwide service. Industrialists are confident that money for the pipelines can be found and that skills are available to do the job.

Natural gas is considered a new energy source for Australia and present plans concentrate on its use as a fuel. In the future, it may become an important raw material for petrochemical plants and the production of fertilizers, depending on the size of reserves. However, as with oil, further exploratory work remains to be done to establish accurate estimates of natural gas reserves.

Selling Equipment to Australia

Up to the present time, most of the equipment required in exploration and the production of oil and gas has been supplied by the U.S. or, to a

lesser extent, by Japan and Canada. However, since the extension of exploration in the last year or so, more of the materials are being produced locally—for example, two offshore drilling vessels are being built in Whyalla in South Australia. This does not preclude the chance of selling Canadian products, because not all the industry's requirements can be met locally. The rate of expansion of the Australian oil and natural gas industry will have an important bearing on the volume of equipment which must be obtained overseas. The Commercial Counsellor for Canada at Sydney (P.O. Box 3952 GPO, AMP Building, 21st Floor, Circular Quay, Sydney) or in Melbourne (Mobil Centre, 2 City Road, South Melbourne S.C.4) will be pleased to help you assess the market for your product. ●

IDA Makes Loan to Pakistan

THE International Development Association has approved a credit to Pakistan equivalent to U.S.\$25 million to finance the import of industrial materials for specified industries. Industries selected for assistance are steel and non-ferrous castings, steel construction, electrical equipment, diesel engines, and tubewell and pumping equipment. The credit will enable the 115 companies concerned to increase their production by one-third.

Pakistan's economy has shown signs of improvement recently, as indicated by an encouraging 30 per cent increase in GNP from 1960 to 1965. Manufacturing, with a 10 per cent annual increase, is the leading growth sector of the economy. Higher savings have enabled domestic sources to provide 65 per cent of the development outlays for the Second Five Year Plan (1959/60 to 1964/65).

Production facilities are in general under-utilized because of lack of foreign exchange to purchase needed raw materials. The credit will allow greater use of existing productive capacity and will also encourage some industries to look towards export markets.

The selected industries estimate their import needs to be U.S.\$31 million for 1966/67. The Pakistan Government will provide the additional funds for imports not covered by the IDA credit. ●

Fisheries Exports

Break All Records

Production in Brief

- In 1966, the Canadian catch of seafish and shellfish reached 2.47 billion pounds, a 7 per cent rise from 2.31 billion in 1965.

- Landed value of the catch was \$153 million, nearly 8 per cent more than the \$142 million of 1965.

- Marketed value exceeded \$300 million.

Atlantic Fisheries

- The Atlantic catch of 1.91 billion pounds was worth \$94.47 million—up in quantity, but slightly lower in value. (In 1965, 1.68 billion worth \$94.85 million.)

- Bigger catches of herring, flounder and sole, haddock, ocean perch, Greenland halibut or turbot, hake, mackerel, and salmon.

- Smaller catches of cod, pollock, alewives, swordfish, lobsters, scallops, and squid.

- Cod fishery led in value at \$24.65 million for 561 million pounds (\$23.64 million for 575 million pounds in 1965). Newfoundland's catch was 345 million.

- Lobsters ranked second in value at \$20.8 million for 37.2 million pounds (\$26.6 million for 40.5 million in 1965).

Pacific Fisheries

- Pacific fishermen landed 559.2 million pounds in 1966, down 10.6 per cent from 626.2 million in 1965.

- Salmon catch was 70 per cent up from 90.2 million pounds to 153.3 million in 1966, because of an exceptional run of pink and good sockeye and chum catches.

- Herring catch at 305.8 million pounds was down 31 per cent.

- Record value of halibut catch was \$11.3 million, although quantity was down from 33 million pounds in 1965 to 31.5 million in 1966.

- Increasing catch of groundfish, particularly gray cod, flounders and sole.

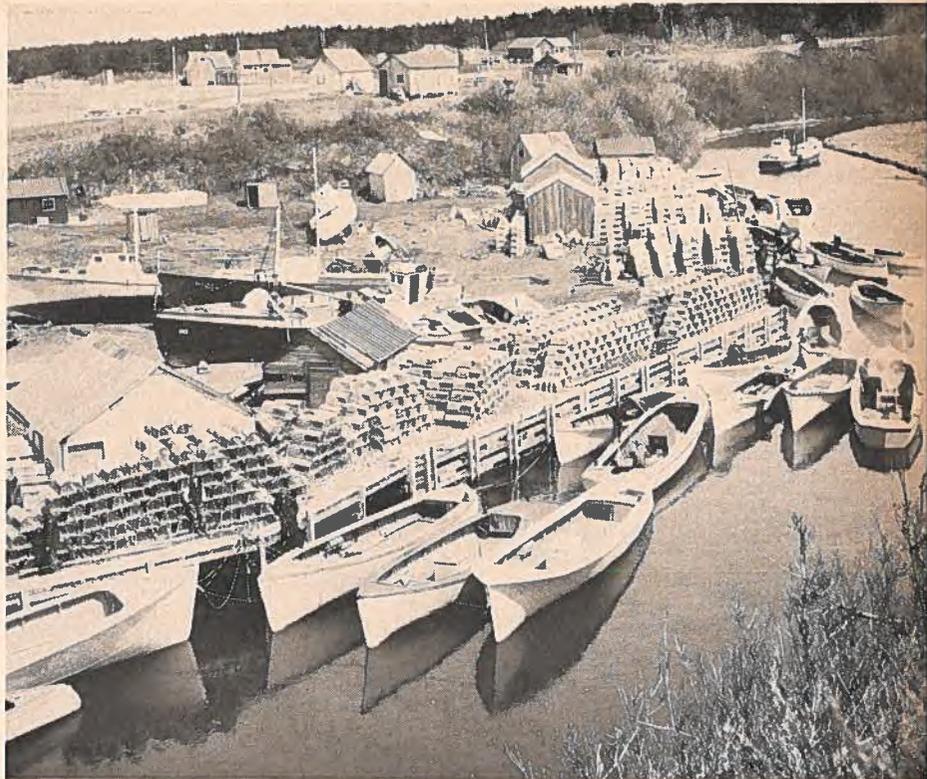
Inland Fisheries

- In 1965, catch of 120 million pounds was worth \$13 million (110 million in 1964 had a landed value of \$12.7 million).

- Ontario was the leading producer, followed by Manitoba, Saskatchewan, Alberta, Northwest Territories, Quebec and New Brunswick.

- The main species caught were whitefish, yellow pickerel, perch, pike, sauger, trout and smelt.

With export earnings now close to a quarter of a billion dollars, the Canadian fisheries industry continues to expand. New products, new techniques are the main reasons.



Lobster pots are piled up on a Nova Scotia wharf, ready for the season's opening.

T. R. KINSELLA, *Assistant Director (Fisheries), Agriculture and Fisheries Branch.*

THE VALUE of Canadian fisheries exports set a new record in 1966 for the fifth consecutive year. Exports in 1966 were worth \$219.1 million, about 3 per cent more than in 1965, and were shipped to markets in 76 countries.

Exports of fresh or frozen, whole or dressed seafood totalled 181.7 million pounds worth \$34.6 million, compared with 151.4 million pounds worth \$30 million in 1965. Fresh and frozen Atlantic and Pacific salmon did particularly well. Fresh and frozen seafood and freshwater fillets, smoked fish, and canned fish all made gains. However, Canada exported less of other fish products, namely, fresh or frozen, whole or dressed freshwater fish; frozen seafood blocks; salted groundfish; pickled and dry-salted fish; molluscs and crustaceans; fish and whale meals; and marine oils.

Fresh and Frozen Fish

The year 1966 opened with a strong demand for fresh and frozen fish generally. During the first part of

the year, prices in the United States for frozen fish blocks to be used in the manufacture of fish sticks and portions climbed to a record high. As a result, exporters from many countries tried to increase sales in this market. (Canada's competitors are Iceland, Greenland, Denmark, Norway, Poland, West Germany, South Africa, Britain, Argentina, France (St. Pierre and Miquelon), Japan, Switzerland, Belgium and the Netherlands.) The United States market weakened about mid-year and c.i.f. prices to wholesalers tumbled from 29 cents per pound to about 21 cents in December. Among the reasons were the relaxation of the Roman Catholic rules of abstinence, larger European production, and the tight money policy in the United States. Importers who had previously contracted in advance for their requirements began to buy on a day-to-day basis.

The Icelandic-Soviet Trade Agreement helped to stabilize the market. In 1966, Iceland delivered to the

U.S.S.R. 12,000 metric tons of frozen fillets, 5,000 tons of whole frozen fish and 5,000 tons of frozen herring. The 1967 Agreement calls for the delivery of between 12,000 and 15,000 tons of frozen fillets, 5,000 tons of whole frozen fish and 5,000 tons of frozen herring.

The consensus in the trade is that 1967 will be a better year for fish in the U.S. market. The reasons given are that meat prices remain high, the U.S. population is growing at the rate of three million a year, exporting countries are quality-conscious, and the low cholesterol in fish makes a good selling point. Families who used to eat fish as a penance will now eat it for pleasure.

● *Fresh and Frozen Ocean Perch and Groundfish Fillets and Blocks (cod and related species)* — The United States in 1966 imported 315 million pounds (295 million in 1965), more than ever before, and Canada again supplied over half.

TABLE I
CANADIAN EXPORTS OF FISHERIES PRODUCTS BY FORMS

	1962	1963	1964	1965	1966
	(millions of Can.\$)				
All Fish Products	156.62	172.13	202.61	212.92	219.11
Of which:					
Fresh or frozen	103.12	108.67	126.25	146.01	149.37
Whole or dressed	37.70	37.50	41.50	44.24	48.48
Fillets	40.59	43.95	52.86	65.13	69.07
Shellfish (in shell & meat)	24.83	27.22	31.89	36.64	31.82
Cured	21.35	25.59	25.53	23.44	23.94
Smoked	1.38	1.65	1.74	1.98	2.43
Bloaters and kippers	0.90	1.16	1.18	1.12	1.44
All other	0.48	0.49	0.56	0.86	0.99
Salted and dried	17.57	21.27	21.17	18.24	18.37
Cod	14.67	17.94	17.77	15.72	15.77
All other	2.90	3.33	3.40	2.52	2.60
Pickled	2.40	2.67	2.62	3.22	3.14
Herring	1.52	1.66	1.66	1.86	1.92
All other	0.88	1.01	0.96	1.36	1.22
Canned Fish and Shellfish	21.90	25.63	34.60	27.24	28.51
Salmon	15.53	19.21	25.83	18.65	18.62
Sardines	2.61	3.52	4.96	4.75	5.50
Lobster	2.54	1.79	2.70	2.49	2.59
All other	1.22	1.11	1.11	1.35	1.80
Miscellaneous	10.25	12.24	16.23	16.23	17.29
Meal	6.51	7.68	8.85	9.34	9.42
Oil	0.54	1.07	3.01	1.93	0.80
All other	3.20	3.49	4.37	4.96	7.07

Canada, in fact, provided 180 million pounds (177.7 million in 1965) and was also the leading supplier of fresh and frozen cod fillets, with 26 million pounds out of the 41 million pounds imported into the United States from all sources. Iceland came second with a million pounds, followed by Denmark and Norway.

● *Fresh and Frozen Haddock, Hake, Pollock and Cusk*—Imports into the United States from all sources totalled 26.1 million pounds (20.7 million in 1965). Canada supplied 18.5 million pounds of this, Iceland 4.1 million, Denmark 1.7 and Norway 1.4 million.

● *Ocean Perch or Redfish Fillets*—The United States imported 41.6 million pounds, of which Canada supplied 37.6 million, West Germany 2.9 million and Iceland nearly 700,000. The year before, Canada supplied 22 million pounds out of a total of 25.7 million.

For the first time since the United States started to import frozen fish

blocks or slabs, the quantity bought was less than in the previous year; imports were down by 8.2 million pounds to 206.6 million. Canada was the main source of supply with 98 million pounds (119.8 million in 1965), followed by Iceland 37.9 million (47.1 million in 1965), Greenland 18.7 million (11.5 million in 1965), Denmark 16.1 million (10.7 million in 1965), Norway 11.9 million (11.4 million in 1965), Poland 9.7 million (1.3 million in 1965), West Germany 4.6 million (4.2 million in 1965), South Africa 3.3 million (688,000 pounds in 1965). These frozen blocks or slabs were shipped to 50 firms in the United States which produced 81.3 million pounds of fish sticks and 146.6 million pounds of fish portions in 1966, compared with 82.5 million pounds of sticks and 140.5 million pounds of portions in 1965. High tariffs on these particular products make it difficult for Canadian processors to compete in the United States, but Canada continues to be the leading supplier of frozen blocks. Most

of the U.S. processors buying them are in the Atlantic Coast States, but there are some inland, in the Gulf States and on the Pacific coast.

Britain is also an important market for Canadian frozen cod blocks and slabs. Shipments from Canada in 1966 reached 6.98 million pounds, worth \$1.5 million (3.97 million pounds valued at \$833,000 in 1965). Britain imported 69 million pounds of quick-frozen fish from all sources in 1965, double the quantity imported in 1960. Figures for Britain's 1966 imports are expected to be similar.

● *Atlantic and Pacific Fresh and Frozen Salmon*—There was a substantial increase in exports of fresh and frozen, whole or dressed salmon in 1966. Sales of Atlantic salmon almost doubled to reach 2.3 million pounds, worth \$2.1 million (1.3 million pounds worth \$1.1 million in 1965). Exports of fresh and frozen Pacific salmon rose by almost 4 million pounds to 22.2 million worth \$15.1 million (18.4 million worth \$12 million in 1965). Frozen, whole or dressed coho salmon was the leading variety at 12.4 million pounds worth \$8 million (8.9 million pounds worth \$5.7 million in 1965). Britain, France, the United States and the Netherlands were the most important markets but coho salmon was exported also to 18 other countries.

● *Atlantic and Pacific Halibut*—Exports of fresh or frozen, whole or dressed Atlantic halibut were up by a million pounds to 3.8 million pounds worth \$1.9 million (2.7 million worth \$1.5 million in 1965). Exports of fresh and frozen Pacific halibut, on the other hand, fell to 16.6 million pounds valued at \$6.8 million from 19.8 million pounds worth \$7.3 million in 1965. The United States and Britain were the major outlets.

Salted Fish

Exports of Canadian salted groundfish (cod and related species) were 70.5 million pounds in 1966, down from the 74.6 million shipped to foreign markets in the previous year but, at \$18.4 million, worth slightly more. This should be compared with the figures for previous years—93.6 million pounds worth \$21.2 million in 1964 and 106.4 million worth \$21.3 million in 1963. The gradual shift

TABLE II
CANADIAN EXPORTS OF FISHERIES PRODUCTS BY COUNTRIES

	1962		1963		1964		1965		1966	
	\$'000	Per cent	$'000	Per cent	$'000	Per cent	$'000	Per cent	$'000	Per cent
All Areas	156,621	100.0	172,126	100.0	202,611	100.0	212,927	100.0	219,110	100.0
United States	114,303	73.0	115,879	67.3	130,880	64.6	149,686	70.3	150,647	68.7
Total Europe	22,710	14.5	32,761	19.0	46,548	23.0	39,412	18.5	41,536	19.0
Britain	14,126	9.0	17,104	9.9	26,867	13.3	21,393	10.0	21,384	9.8
Belgium and Luxemburg	1,603	1.0	2,400	1.4	2,941	1.5	2,488	1.2	2,452	1.1
France	2,027	1.3	3,947	2.3	5,049	2.5	4,028	1.9	6,250	2.9
West Germany	675	0.5	709	0.4	1,276	0.6	1,607	0.7	1,712	0.8
Italy	1,404	0.9	1,973	1.1	1,460	0.7	1,239	0.6	1,083	0.5
Netherlands	824	0.5	1,027	0.6	1,866	0.9	1,640	0.8	1,841	0.8
Portugal	41	—	1,835	1.1	2,298	1.1	1,750	0.8	680	0.3
Spain	609	0.4	1,145	0.7	1,098	0.6	1,497	0.7	887	0.4
Other	1,401	0.9	2,621	1.5	3,693	1.8	3,770	1.8	5,247	2.4
Total British Caribbean	9,483	6.0	10,166	5.9	11,318	5.6	11,192	5.3	12,682	5.8
Jamaica	5,263	3.3	5,693	3.3	6,275	3.1	5,858	2.7	7,420	3.4
Trinidad and Tobago	1,256	0.8	1,407	0.8	1,558	0.8	1,635	0.8	1,719	0.8
Leeward & Windward Islands	1,204	0.8	1,338	0.8	1,436	0.7	1,550	0.7	1,572	0.7
Barbados	540	0.3	586	0.3	728	0.3	809	0.4	657	0.3
Guyana (British Guiana)	949	0.6	883	0.5	996	0.5	1,004	0.5	975	0.4
Other	271	0.2	259	0.2	325	0.2	336	0.2	339	0.2
Total non-British Caribbean	6,993	4.5	7,385	4.3	7,303	3.6	6,176	2.9	7,321	3.3
Puerto Rico	2,984	1.9	3,341	2.0	1,393	0.7	2,455	1.2	3,340	1.5
Dominican Republic	2,472	1.6	2,792	1.6	3,605	1.8	2,387	1.1	2,556	1.2
Haiti	550	0.4	573	0.3	523	0.5	524	0.2	499	0.2
Cuba	308	0.2	—	—	949	0.5	—	—	—	—
Panama	137	0.1	52	—	180	0.1	122	0.1	202	0.1
Other	542	0.3	627	0.4	653	0.3	688	0.3	724	0.3
Total Commonwealth countries	25,832	16.5	31,100	18.1	42,990	21.2	37,609	17.7	38,423	17.5
Britain	14,126	9.0	17,104	9.9	26,867	13.3	21,393	10.0	21,384	9.8
British Caribbean	9,483	6.0	10,166	5.9	11,318	5.6	11,192	5.3	12,682	5.8
Australia	1,293	0.8	2,039	1.2	2,513	1.2	2,497	1.2	2,232	1.0
New Zealand	511	0.3	1,062	0.6	1,124	0.5	1,273	0.6	1,032	0.5
Other	419	0.3	729	0.4	1,168	0.6	1,254	0.6	1,093	0.5
Total all other countries	909	0.6	2,105	1.3	1,757	0.9	1,437	0.6	2,567	1.2
Brazil	76	0.1	161	0.1	619	0.3	11	—	266	0.1
Other	833	0.5	1,944	1.2	1,138	0.6	1,426	0.6	2,301	1.1

from salted cod to frozen fillets and blocks continued throughout 1966. Exporters enjoyed a firm market because there was little carryover of stocks in the major producing countries or the markets from the previous season. Jamaica was still the most important outlet and Puerto Rico, Trinidad, the United States, Portugal and Spain were major purchasers.

The high cost of exchange limited sales in Brazil and the Cuban market was closed entirely because of the shortage of exchange. Price ceilings imposed by the Jamaican authorities in 1963 were still in effect.

Shipments of hard dried light salted cod (43 per cent moisture or less) were down to 11.7 million lb. worth \$3.2 million (16.9 million worth \$4.4 million in 1965). Puerto Rico, Jamaica, Spain, the United States, Italy and Portugal were the main markets. However, exports of heavy salted cod (43 per cent moisture or less) at 30 million pounds worth \$7.4 million were up (25.9 million worth \$6 million in 1965). Jamaica was the main market, followed by Puerto Rico, Trinidad, Leeward and Windward Islands, Portugal and Barbados.

Canada sold wet salt cod to Spain, Norway, Greece and the United States. A larger quantity of boneless salt cod was exported in 1966, some 8.2 million pounds valued at \$3 million compared with 7.8 million worth \$2.8 million in the previous year. The bulk of it went to the United States, Puerto Rico, Bermuda, Trinidad and the Dominican Republic.

The quantity of salted scale fish (pollock, hake and cusk) exported in 1966 was 10 million pounds worth \$2.5 million, slightly less in quantity but slightly more in value than in 1965. The Dominican Republic, Guy-

ana (formerly British Guiana), Leeward and Windward Islands, Puerto Rico and Surinam were important markets.

Smoked and Pickled Fish

Exports of pickled alewives, pickled split herring, pickled fillets of herring, and mild-cured salmon were higher. Canada exported less vinegar-cured herring and pickled mackerel in both fillet and split forms. The quantity of hard-cured smoked herring bloaters and boneless herring bloaters was larger. The principal markets were the Dominican Republic and Haiti.

Canned Fish

Export sales of canned fish in 1966 were higher in both quantity and value and amounted to 47.8 million pounds worth \$25.9 million (45.5 million pounds worth \$24.7 million in the previous year). The major type was canned salmon, with pink and sockeye showing substantial gains. Exports of canned sardines reached an all-time high in volume and in value. Shipments of canned herring and canned lobster were also higher.

● *Canned Salmon*—Total Canadian canned salmon production in 1966 was 1.8 million cases of 48 pounds each compared with 914,000 cases in 1965. The varieties packed and the number of cases in each of the two years are given in Table III.

TABLE III
CANADIAN SALMON PACK

	1965	1966
	(cases of 48 pounds)	
Sockeye	245,798	407,067
Springs	18,891	14,548
Steelheads	843	2,478
Bluebacks	21,300	21,143
Coho	273,984	260,276
Pinks	287,925	950,555
Chums	65,216	160,436
Total	913,957	1,816,503

The 1966 pack in the United States at 4.3 million cases (3.6 million cases in 1965) was considerably larger because of bigger packs of the pink and chum species. In 1965 the Japanese pack was 1.8 million cases and the Soviet pack 202,000 cases but 1966 figures have not yet been released; they are expected to be a little higher.

The value of Canadian exports of all species of canned salmon in 1966

reached 25.5 million pounds valued at \$18.62 million (26.4 million pounds worth \$18.65 million in the previous year). Canned pink salmon led the other species in quantity and value, followed by sockeye and coho. The principal market for Canadian canned salmon was Britain. Other important outlets were Belgium, Australia, New Zealand, Ireland, France, Netherlands, Italy, South Africa, Trinidad, Denmark, Venezuela, Barbados, and Netherlands Antilles.

There were no restrictions on imports of canned fish into Australia. Imports into New Zealand are under global licence. There has been no change in South Africa, where a quota system governs imports of canned fish.

● *Canned sardines*—The pack in 1966 totalled 1.2 million cases of 20 pounds each and exceeded the previous highest output of 1.1 million cases in 1965. A strong demand in the 38 traditional markets led to all-time record exports by quantity and value. Shipments reached 15.9 million pounds worth \$5.5 million (14.4 million worth \$4.7 million in 1965). The principal markets were Jamaica, Dominican Republic, British Guiana (now Guyana), Australia, the United States, Barbados, Leeward and Windward Islands, South Africa, Britain, Panama, Austria, New Zealand, Surinam, and Fiji.

● *Other canned fish and shellfish*—Canada also exported in 1966 herring, kippered snacks, chicken haddie or flaked fish, lobster, crab, mackerel and clams.

Molluscs and Crustaceans

Shipments of molluscs and crustaceans during 1966 were lower at 41 million pounds worth \$34.5 million (43.6 million valued at \$39.2 million in 1965).

● *Lobster*—Shipments of lobster in the shell, fresh or frozen, during 1966 were valued at \$15.2 million, \$2 million less than in the previous year. The major markets were the United States, Britain, France, Netherlands, Belgium, West Germany, and Switzerland. Fresh or frozen lobster meat sales totalled \$6.9 million (\$8.6 million in 1965), and were mainly to the United States although Britain also purchased substantial quantities. Canned lobster exports were worth \$2.6 million in

1966 (\$2.5 million in the previous year). The United States, Britain, West Germany, Sweden, Netherlands, Belgium, and Denmark were the main buyers.

● *Scallops*—Landings of scallops dropped to 18.3 million pounds with a landed value of \$7.5 million (19.7 million worth \$10.8 million in 1965). Exports totalled \$8.8 million and went chiefly to the United States and France but West Germany, Britain, and Bermuda took smaller quantities.

There was less Atlantic squid exported but more Atlantic clams and oysters, more Pacific crabs and clams but less Pacific oysters and shrimps.

Fisheries Byproducts

The output of Pacific herring meal fell sharply to 27,181 tons from 40,129 tons in 1965. The production of Pacific herring oil fell to 3.1 million imperial gallons from 4.5 million in the previous year. However, the reverse was the case in the Atlantic fishery where herring meal production reached 27,500 tons (12,800 tons in 1965) and herring oil output rose to 1.7 million gallons from 781,000. Exports of herring meal from both coasts totalled 73.4 million pounds worth \$6.9 million (80.2 million valued at \$6.6 million in 1965). Industrial herring oil shipments in 1966 amounted to 790,000 pounds worth \$76,000 (7.6 million worth \$759,000 in the previous year). Almost all of the herring meal and oil exported went to the United States and Britain. The over-all production of Atlantic Coast groundfish meal and oil was about the same in 1966 as in 1965: fish meal 41,594 tons (42,794 tons), fish body oil 269,052 gallons (213,791 gallons), and fish liver oil 447,730 gallons (493,694 gallons). Britain and the United States were the principal export markets.

An important new development in the fisheries byproducts field was the United States authorities approval of fish protein concentrate or fish flour made from whole fish (hake) for human use. This may help to convince potential overseas purchasers. The concentrate is a virtually odourless, tasteless powder, white to light tan in colour. It contains over 80 per cent animal protein and several nutritionally beneficial minerals. Pilot plants for the production of fish pro-

tein concentrate or fish flour are under consideration in Canada. There is no commercial demand at present but in the longer term, fish protein concentrate could make a major contribution to feeding people in developing countries.

Promoting Fish Sales

The Department of Trade and Commerce, in co-operation with the federal and provincial fisheries departments and the trade across Canada, began in 1962 a systematic examination of fisheries production and markets in the principal producing and consuming countries of the world.

As part of this program, Canadian Fisheries Reconnaissance Missions visited New Zealand and Australia in 1966 and recently toured Austria, Czechoslovakia, Rumania, Hungary, and Yugoslavia. On the spot examinations in 1966 were also made in Hawaii, Ceylon, Singapore, Malaysia, India, Britain, and France. Trade Commissioners round the world report periodically on fisheries production and potential consumption in their respective areas; this information is used by the federal and provincial government fisheries officials and the Canadian fisheries industry.

A new venture in 1966 was the fisheries display at the International

Food Fair in Paris. Some 40 Canadian exporters of fisheries products exhibited and samples of various species of freshwater fish were cooked by an expert chef at the display and sampled by potential French importers. Some Canadian fisheries exporters also displayed their products in British, West German, and United States food fairs.

At the annual meeting of the Fisheries Council of Canada, which is being convened in Montreal from May 7 to 10 this year, officials of the Department of Trade and Commerce will take part in panel discussions dealing with exports of fisheries products.

trade fairs



Canadian-made Auto Parts at SAE

PRACTICALITY TOUCHED WITH GLAMOUR was the keynote to Canada's auto-parts display at the 1967 Society of Automotive Engineers in Detroit last January. Primarily designed as a meeting-place for prospective buyers, the 2,000-square-foot exhibit was reported an immediate success.

Featured was a wide range of Canadian-made automotive parts, each an example of first-class workmanship, providing visual evidence of the trade's strong forward movement in design and use.

Gold-painted tires, luminous blue and green tail-pipes, and green wheel assemblies provided a touch of glamour, backed by colourful factory equipment illustrating facilities producing automotive parts in Canada.

Wall maps in two conference lounges pinpointed the proximity of parts manufacturers in Southern Ontario and Quebec to the auto industry in Detroit and northern U.S. states.

Basically a technical and educational show, SAE attracted 25,900 visitors this year, said to be an increase of 15 per cent over last year.

Pre-show promotion activities included distribution of 11,000 *Canadian Auto Parts* source booklets to U.S. automotive personnel. The result was additional advance-show interest from several U.S. auto-manufacturers.

Over 155 Canadian companies participated in the show, sponsored by the Department of Trade and Commerce and the Canadian Automotive Parts Manufacturers' Association, which visitors described as, "... a panoramic view of Canada's expanding auto-parts industry".

Eskimo Art in Duesseldorf

PROMOTING THE SALE of Canadian consumer and industrial goods abroad is one aspect of a Trade Commissioner's duties. Promotion of traditional Canadiana can be another facet. This was true last November, when a selection of Eskimo art was exhibited in Duesseldorf covering both commercial and cultural export interests.

Exporting Canadian art is not new. However, up to November of last year, only occasional sales of Eskimo art had been made outside Canada, the United States, and Britain. This began to change in October 1965, when Canadian Arctic Producers was organized by the Department of Indian Affairs and Northern Development and the Co-operative Union of Canada as a marketing outlet for Eskimo arts and crafts from Cape Dorset, Baffin Island. In 1966, with sufficient staff



The exquisite artistry of Canadian Eskimo carvings is the centre of this animated conversation by G. D. Valentine, Canadian Consul in Duesseldorf, and Frau Anna Horn, TECTA Galerie, before an exhibition of Eskimo crafts.

and a wide selection of products, CAP was ready to enter the continental European market on a commercial basis.

Alma Houston, a resident of Cape Dorset for many years, took the first step. She contacted the Consumer Goods Division of the Department of Trade and Commerce and received advice on how to export these unique products.

Next she planned a tour of certain European areas. Then she wrote to appropriate Trade Commissioners and sent selections of carvings to many posts. Finally she went to Europe, where plans were concluded for exhibitions in eight different European countries.

By taking with her information, on the latest collection of 80 stone-cut lithographs, stencils, and fabrics, Mrs. Houston was able to discuss prices, discounts, shipping, publicity, etc. Through Trade Commissioners and other contacts, she was also able to talk to numerous interested galleries and decide which to use for her exhibition.

Duesseldorf was selected for the first display in 1966. This city was chosen because of its large and well-to-do population. The local Trade Commissioner was ready to handle any last-minute details. TECTA Galerie in Duesseldorf offered the best facilities. Arrangements were made, therefore, to ship another collection of prints which, with carvings already received, made a fine display.

The exhibition was held for two months, beginning in November 1966. The timing was perfect because the

Christmas selling season was approaching. Richard P. Bower, Canadian Ambassador to Germany, officially opened the exhibition with a reception. Over 200 prominent guests attended, among them many leading Ruhr businessmen, art critics and collectors.

During the reception, a 20-minute National Film Board film in German, entitled *Kenojuak*, outlined the primitive methods used by Eskimo artists. Guests at the reception were so impressed that orders worth more than Can.\$500 were taken.

Almost all the sculptures and 20 per cent of the prints exhibited were sold during the two months display for a total of Can.\$1,500.

Galleries in Munich and Hamburg have expressed interest in a similar exhibition, so that other shows might be arranged for these areas.

The four-pronged attack by Canadian Arctic Producers, TECTA Galerie in Duesseldorf, the Department of Trade and Commerce, and the Canadian Consulate General in Duesseldorf proved to be the right combination when promoting a new Canadian export to Germany. Eskimo artists from the North were also happily introduced to German art circles.

"Der Eskimo-Look kommt in Mode" (The Eskimo look is coming into fashion) is indeed true of West Germany.

—G. D. VALENTINE, *Consul, Duesseldorf.*

Canada's Giftware Marches on Boston

CANADA'S BOOMING GIFTWARE INDUSTRY recorded a resounding "first" at the Boston Gift Show, March 5 to 8. As the first foreign entry in this important fair, Canada's quality gifts and souvenirs generated a healthy reaction from its neighbour to the south.

Orders taken at the show amounted to \$20,000. Business for the rest of the year is estimated at \$80,000. Buyers attending the show found a diversified array of products—something new and different, traditional and contemporary in design and materials.

Items included a wide selection of traditional handicrafts from Canadian Indian and Eskimo craftsmen—soapstone and wood carvings, prints, sealskin souvenirs and clothes, and Ookpik, the lovable little northern owl.

A strong display of handblown crystal, ceramics, expertly molded pottery, and fine jewellery in rosewood and glowing semi-precious stones was also shown. Hand-woven materials in Canadian tartans and heather-hued tweeds were among a fine collection of specialty goods. All found a ready market.

The 15 Canadian exhibitors included one representing six companies and several of these will be showing

giftware at the New York Gift Show, August 13 to 18. Here again, Canada will be the first foreign entry in an all-American show.

The Hard Sell for Hardware

BRITAIN'S International Hardware Trades Fair celebrated 1967 by moving to a new location—the Grand Hall at Olympia in London. Canada was right there too with prime space on the balcony and products from 65 Canadian hardware manufacturers. This was Canada's fourth year in the fair and in this period exports of Canadian hardware-store items to Britain have soared from less than \$100,000 in 1963 to well over \$2 million in 1966.

The 1967 Canadian exhibit was designed around a model self-service hardware store stocked with Canadian lines. This store, which has proved immensely popular with British trade in the past two years, was expanded by 50 per cent this year. Nine Canadian companies rounded out the display with a collection of exhibits including locks, metal self-sticking letters, camping stoves and lanterns, builders' hardware, housewares, ironing board covers, weather stripping, soldering irons, garden furniture, and kitchen ventilators.

Over 900 copies of a colour brochure entitled *Hardware that Sells Itself* were mailed to the British hardware firms before the show opened and a further 1,500 were passed out during the week at Olympia. Visitors to the Canadian stand also received maple leaf pins and a small screwdriver gift set marked "Look to Canada for Quality Hardware". A reception was held at Macdonald House, Canada's trade centre in London, where Canadian exhibitors met in an informal atmosphere with agents, distributors, retailers, the trade press, and others associated with the British hardware trades.

Particular attention was given to welcoming visitors from the Continent. This year close to 300 brochures and reception invitations were sent to Trade Commissioner offices in 18 countries for transmission to buyers who might be coming to London. As a result, foreign buyers from all of these countries visited the Canadian stand. Several exhibitors reported new arrangements on the Continent and as far away as Australia.

As the show closed, final results were again encouraging. Although the number of inquiries recorded on the Canadian stand fell below last year's, almost \$60,000 worth of orders were taken during the week. Potential new business for 1967 was estimated by the exhibitors at over \$700,000. A number of agents and distributors were either appointed or are now being investigated in Britain, Ireland, Western Europe, and elsewhere.

—M. R. BELL,

Assistant Commercial Secretary, London.

APRIL 29, 1967

Canadian Success at NSGA

A LAST MINUTE change from McCormick Place in Chicago to Navy Pier because of fire worked to the advantage of 19 Canadian exhibitors at the National Sporting Goods Association Convention, February 5 to 9.

Reports from participating companies show that goods worth \$147,000 were sold at the show. Further business is estimated at \$1.5 million from extensive exposure in one of the world's largest sporting goods market.

This was the tenth consecutive year that the Department of Trade and Commerce has sponsored an exhibit at this show, open only to sporting goods dealers, manufacturers and representatives.

Canadian goods displayed included precision-made ammunition and rifles for hunting and target shooting, archery equipment, outboard motors, athletic and sports footwear, hockey sticks, toboggans and sleighs, and camping equipment.



These two world famous hockey players are happily displaying some of the Canadian-made hockey equipment shown at the recent National Sporting Goods Association Convention in Chicago. Left is Pierre Pilote, national all-star defenceman. Right, Bobby Hull, goal scoring champion. Both are now playing for the Chicago Black Hawks. Behind Hull and Pilote is a display of popular Canadian archery equipment.

Swiss Hotels: a Vital Industry

Swiss hoteliers are maintaining their reputation for hospitality and service and making a vital contribution to the economy of the country. They are keeping up with the times too.

SHIRLEY G. MACDONALD, *Commercial Counsellor, Berne.*

THE SWISS INN OR HOTEL has for centuries been a symbol of comfort, quality and reasonable prices to the traveller, from the pilgrim or pedlar of the Middle Ages to the young "milord" on the Grand Tour in Renaissance or Victorian days. The hotel industry has also been economically important to the Swiss economy.

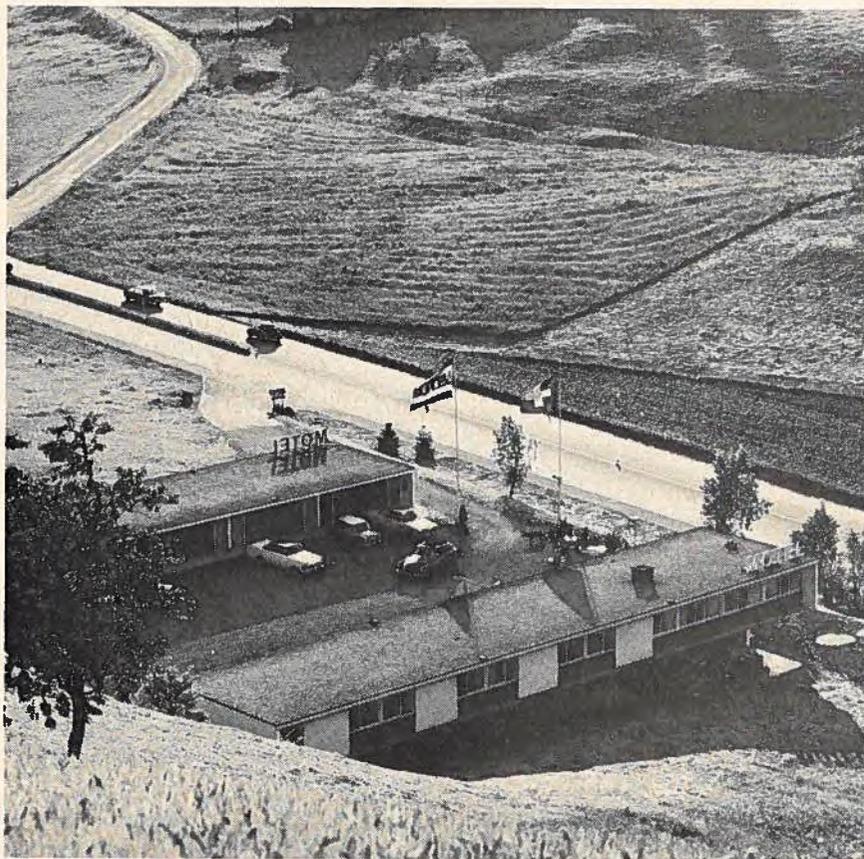
Throughout the present century (perhaps stimulated by the first Cook's Tour of a hundred years ago or

Whympfer's ascent of the Matterhorn) the Swiss have given more and more thought to the improvement of hotel and tourist facilities, not only as temporary stopping-places for travellers passing through the country, but particularly to provide, even in the most inaccessible places, a good bed for a night or longer. At no time has this development been more marked than in the past decade of the affluent society.

The hotel industry is vital to Switzerland not only because of the number of persons it employs (from 40,000 to 70,000 according to the month), but also in the contribution it makes to the Swiss balance of payments. With a chronic unfavourable balance of trade, earnings from invisible operations loom large in the over-all picture. Tourism has helped to lower the deficit on the balance of trade by 35.5 per cent in 1962, 51 per cent in 1965, and about the same in 1966. The high proportion in the last two years is, however, mainly the result of the substantial narrowing of the gap between imports and exports as a result of restrictive measures taken to dampen down the boom in the Swiss economy.

Where They Come from

The development in the hotel trade during the decade 1955/1965 has shown some interesting trends. The number of guests at hotel and health establishments increased in that period by 17.7 per cent and visitors from abroad by 53.8 per cent. The over-all average for all guests in 1965 was 3.39 days (excluding health establishments). Foreign guests are more numerous in hotels than Swiss, accounting for 60 per cent of nights spent and 65 per cent of travellers in 1965. Germany is the principal source of these visitors; more than a quarter of the



—Swiss National Tourist Office

Yes, this is a motel of the type familiar in North America and it is in Switzerland. The growing number of visitors with their own or rented automobiles motoring through Europe is increasing the demand for rooms in motels or in motor hotels.

total nights spent in 1965 were by Germans. Visitors from France, the British Isles, the United States, Belgium and Luxembourg and Canada (with year by year increases) made up most of the remainder. However, in the last ten years, with wider and more intensive publicity campaigns by Swiss tourist and hotel organizations, carriers, etc., in other parts of the world, the number of visitors from countries outside Europe, especially Japan and Israel, has gone up appreciably. This is also true, though at a slower rate, of visitors from India, Pakistan, Brazil and Argentina.

Camps, Chalets Popular

Hotels and health establishments account, of course, for only a part of the tourist trade. A large number of camping sites, holiday apartments and chalets—the number has increased rapidly in recent years—account for an increasingly important portion of the tourists visiting this country.

There are no statistics on the various categories of the tourist industry, but merchants are well aware of the increasing importance of each. Thus out of a total of 3.7 million nights (estimated) spent in camps during 1964 and even more in 1965, 2.2 million were probably accounted for by visitors from abroad.

Advertising Switzerland

The travel campaigns carried out in recent years by many countries previously less well-known as established tourist areas and farther afield have led to the relative stabilization from 1962 on of the number of nights spent by visitors in hotels and health establishments in Switzerland (approximately 30 million in the former and 2.5 million in the latter). Con-



—Swiss National Tourist Office

Thousands of tourists go every year to the Bernese Oberland and stay at inns or hotels with the distinctive architecture of the one shown above, in Wilderswill. In past decade, foreign visitors to Switzerland have more than doubled.

sequently, the Swiss National Tourist Office has increased its publicity campaigns to attract visitors. This Office—which derives most of its resources from state subsidies, the Federal Railways, the Post Office and its own commercial activities—maintains a network of agencies in Europe and some countries overseas, including an active one in New York, to encourage tour-

TABLE I

NUMBER OF HOTEL NIGHTS SPENT BY SWISS AND FOREIGN GUESTS*

	1955	1957	1959	1961	1963	1965
Total	20.58	22.97	24.83	28.49	29.10	29.44
Swiss guests	9.62	10.26	10.52	11.59	11.79	11.55
Foreign guests	10.96	12.71	14.31	16.90	17.31	17.89
of which:						
Germany	2.32	2.90	3.73	4.48	4.62	4.67
France	1.86	2.29	2.19	2.86	3.17	3.26
British Isles	2.06	2.33	2.65	2.97	2.82	2.77
United States	1.09	1.08	1.29	1.44	1.45	1.58
Italy	0.69	0.82	0.90	1.11	1.16	1.13

* Health establishments excluded.

ists to come to Switzerland. The limited financial means at its disposal, however, (about \$3 million a year) inhibits large-scale advertising.

The reduction of foreign currency allowances for British tourists going abroad and the resulting decline in their number since this regulation went into force has illustrated how economic conditions in other countries affect the Swiss tourist industry. This in turn affects the over-all Swiss economy because earnings from the tourist trade are so vital.

Hotel Occupancy Varies

In the decade 1955/1965, the proportion of occupancy of all hotel beds (excluding those in health establishments) reached its highest level in 1961 and 1962 with 50 per cent, and its lowest in 1955 and 1958 with 43.9 per cent. The percentages naturally vary from region to region, but it is noticeable that the large cities consistently show a higher than average rate, an occupancy percentage of from 60 to 80 per cent. This is because, to an important extent, numerous congresses and exhibitions are held in these cities and all organizations in Switzerland make strenuous efforts, not only within the country but particularly abroad, to induce international congresses and international exhibitions to choose Switzerland for their conventions and exhibitions.

Hotel, Catering Exhibits

The hotel and catering industry also holds international exhibitions. The first International Catering and Hotel Exhibition took place in 1965, and the second will be held in Basel November 22-28, 1967. A number of Canadian manufacturers are expressing keen interest in participating in this. The advances made in this comparatively new sector of Canadian industry have resulted in an interest in exporting and a consciousness of the impact of Swiss-trained hotel and catering personnel and Swiss equipment on North American establishments. In the equipment field, many are seeking not only to equal but also to improve upon what the Swiss themselves produce.

Tourist Preferences

Some changes have taken place in the tourist preferences for various

regions of Switzerland. For example, the Canton of Grisons, the beautiful Engadine country, advanced between 1955 and 1965 from third to first place in number of nights spent by visitors. The Lake of Geneva region (Geneva itself, Lausanne and Montreux), despite the large number of private as well as public international organizations with headquarters there, fell from first to second place. Ticino, the Italian-speaking Canton, the only one south of the Alps Massive and which enjoys a comparatively sunny climate, has improved its position considerably.

Average vs. Luxury Hotels

If the number of nights spent by visitors in hotels and health establishments are tabulated according to minimum price categories, it is the places with average prices which are the most popular: in 1964 they accounted for 48 per cent of nights spent. Those in the higher-priced categories, with a share of 34 per cent of nights spent, had a bed occupancy of 65 per cent; this is much higher than average and shows travellers tend to prefer the more luxurious hotels. Standards demanded also vary with the nationality of the tourist. Generally speaking, the Swiss are satisfied with more simple accommodation than foreign visitors are, particularly those from Italy, Scandinavia, the United States and Canada, who look for establishments in the upper categories.

Building Trends

To meet the growing demand for these establishments, a number of deluxe and first class hotels have been built in the more attractive or populous areas of Switzerland and others are under construction or planned. At the same time, the popularity of the motel or motor-hotel throughout the U.S. and Canada and the steadily increasing number of visitors with their own or rented motor cars has led to construction of establishments of this type. Furthermore, the popularity of the chalet type of accommodation, not only in the winter ski resorts but also in those areas where the beauties of nature in summer are attracting more and more visitors, has meant that more chalets are being built or are planned for the time when restrictions on building, generally effective in Switzerland in these past several years, are relaxed.

Switzerland regards the tourist industry as an important element of its economy and, despite manpower shortages, the hotels and restaurants continue to turn out not only a large number of young well-trained Swiss hoteliers but also numbers of foreigners, including Canadians, who come here for this training.

The hotel and catering industry of this country strives to meet the standards of excellence that are epitomized in the Swiss watch. Visitors to many establishments in Canada have long known and experienced this Swiss flavour. It will be particularly evident in Montreal this year, both in some of the city's hotels and especially in the several catering establishments in the Swiss Pavilion at Expo 67. ●

Electric Power Expansion in Chile

THE WORLD BANK has approved a loan equivalent to \$60 million for the expansion of electric power in Chile. The loan will finance part of the foreign exchange costs of a \$186 million project to be carried out by Empresa Nacional de Electricidad, S.A. (ENDESA), to meet the country's power requirements.

ENDESA, owned by a government agency, supplies power in bulk to private or mixed companies, some of which are ENDESA's own subsidiaries. These companies in turn distribute power at various locations throughout the country.

The Bank loan will finance part of the cost of the El Toro hydroelectric plant, located at Lake Laja, about 300 miles south of Santiago, with an installed capacity of 400,000 kilowatts. The scheme being assisted by the loan also includes civil works for the Alto Poleurg division to increase the flow of water into Lake Laja, thus enabling more energy to be produced both by El Toro and the existing Abancio plant; the latter will also be modified. In addition, the loan will assist the construction of double-circuit, high-voltage transmission lines with a total length of 440 miles to interconnect the El Toro plant with the Concepcion and Santiago areas; expansion of existing transmission and distribution system; additional equipment for the Rapel hydroelectric plant; imported equipment for ENDESA's new office building, and consulting services. ●

Italy Moves Forward Again

Canadian exporters should aim to increase their stake in the Italian market now and be prepared to face tough competition ahead.



The beautiful beach at Viareggio, on the Gulf of Genoa, attracts Italians and foreign visitors alike.

A. B. BRODIE, *Consul General and Trade Commissioner, Milan.*

C. D. MILLER, *Assistant Commercial Secretary, Rome.*

A BRISK UPSWING in business activity was the most striking feature of the Italian economy in 1966. Today Italian businessmen are more optimistic than at any time in the past three years—despite last November's floods which inundated large areas of agricultural land, destroyed art treasures in Venice and Florence, and did over Can.\$2.3 billion worth of damage.

Industrial production increased by 11.9 per cent in 1966. Steel output, at 12.4 million metric tons for the first eleven months, was 7.9 per cent better than in 1965 and car and truck production reached a record 1,365,890

units of which 393,569 (20 per cent more than in 1965) were exported. Many other industries increased production to meet the demand for consumer and capital goods at home and in export markets, including development projects in Africa and India. The building industry, however, did not share in the general improvement.

Twenty-five million tourists visited Italy in the first ten months of 1966 (about the same as in the whole of 1965) and brought with them over Can.\$1.4 billion. Emigrants' remittances also made an important contribution. At a time when European

countries were finding it more difficult to achieve surpluses on current account, Italy at the end of November 1966 had a surplus on current account of Can.\$1.4 billion which, after allowing for capital movements, will mean an over-all balance of some Can.\$760 million.

Trade with Canada

Italo-Canadian trade in 1966 again set a record. Our exports to Italy went up by a third to Can.\$122 million and at the same time we imported Can.\$90 million worth of goods. Canada's exports to Italy, in fact, have doubled in the last two years. From 1964's somewhat disappointing figure of Can.\$62 million, they climbed in 1965 to Can.\$93 million and to an

estimated Can.\$122 million in 1966. What is more, we should achieve an even greater volume of trade in 1967. This remarkable growth has made Italy one of our major markets, ranking ninth in order of importance.

Each year, more Canadian exporters sell to Italy and new products are added to the list of Canadian-made items which Italians use. Grain and metals and minerals together made up about 41 per cent of our exports to that country in 1965, forest products a further 17 per cent, and rolled and shaped metals 11 per cent. Table I gives some indication of the broad scope of our exports.

Until quite recently, Italy sent to Canada a comparatively small amount of goods each year but the growth of business contacts between the two countries and the influence of our own Italian-speaking communities have made Canada one of Italy's fastest-expanding markets. Among our imports are cheese, office machinery, shoes, knitwear and wine (see Table II).

Prospects Are Bright

Although 1966 established a new high for our exports to Italy, 1967 should be even better. The Italian Institute for Foreign Trade forecasts that Italy's total imports will rise 16 per cent over 1966, a prediction which will cheer Canadian exporters. Italy's exports will rise by 10 per cent this year, if all goes well in leading world markets. It is already one of the world's main traders and the volume of international transactions is steadily growing. Last year, foreign trade totalled more than Can.\$17 billion and the rate at which it is expanding compares favourably with other leading industrial countries. The 18 per cent increase in imports last year was second only to the United States and there were not many countries which could match its 13 per cent rise in exports.

Almost half of Italy's exports in 1966 went to its EEC partners and they supplied a third of imports. The EEC share of Italian foreign trade has increased slightly since 1965 when it accounted for 40 per cent of exports and 31 per cent of imports. EFTA countries purchased 16.1 per cent of Italy's exports last year and supplied 12.5 per cent of its imports. Italy's main suppliers are (in order of im-

portance) West Germany, the United States, France and Britain; the main export markets are West Germany, France, the United States and Switzerland. Italy's major exports are machinery, textiles and clothing, chemicals and agricultural products.

Basis for Expansion

The Italian economy has become considerably stronger during the past twelve months. Almost all major industrial sectors improved, with the chemical industry's 17 per cent increase in production leading the way. The index of industrial production

(1953=100) topped 300 for the first time—the September index of 303.1 was 12.9 per cent higher than for the same month a year earlier and the increase in production for the whole year was about 11.9 per cent. This year promises to be even better; certainly the factors being cited by businessmen, economists and bankers look impressive. Demand is up both at home and abroad, especially for consumer goods, and orderbooks are well filled in the manufacturing sector. Imports of raw materials and semifinished goods are rising, ready for an upward surge in production.

TABLE I
SOME MAJOR CANADIAN EXPORTS TO ITALY

	1965	1966		1965	1966
	9 mos.			9 mos.	
	(Can.\$ 000's)			(Can.\$ 000's)	
Cattle, purebred	1,526	1,556	Wood pulp, bleached sulphate	3,401	4,146
Cod, light—salted	529	15	Wood pulp, sulphate, semi-bleached	687	1,528
Milk powder	1,689	871	Wood pulp, sulphite, unbleached strong	1,976	1,055
Dairy products, n.e.s.	956	—	Wood pulp, mechanical unbleached	2,009	233
Barley	7,282	12,772	Liner board	1,609	2,165
Oats	1,238	—	Plastic and synthetic rubber not shaped, n.e.s.	1,451	1,562
Durum wheat	365	2,382	Aluminum, pigs, ingots, shots, slabs	6,206	2,778
Wheat except seed, n.e.s.	11,204	12,086	Zinc blocks, pigs, slabs	1,477	867
Cattle hides and skins	564	420	Aircraft assemblies, equipment, parts	1,742	374
Rapeseed	5,737	6,390	Navigation instruments, apparatus, parts	3,139	4,233
Pulpwood	3,018	1,197	Card punch, sorting, tabulating, computers	1,214	472
Iron ore	6,796	10,323			
Aluminum and aluminum alloy scrap	4,424	3,665			
Lead ore	1,218	—			
Nickel in oxide	743	1,067			
Asbestos	2,071	1,820			
Lumber, Douglas fir	1,101	1,829			
Lumber, hcmlock	700	623			

Source: Dominion Bureau of Statistics

TABLE II
SOME MAJOR CANADIAN IMPORTS FROM ITALY

	1965	1966		1965	1966
	9 mos.			9 mos.	
	(Can.\$ 000's)			(Can.\$ 000's)	
Cheese	2,467	1,626	Tractors, parts and attachments	1,364	1,264
Cherries in liquid, not canned	1,312	729	Closed sedans new	1,136	1,734
Tomato paste	803	251	Motorcycles, sidecars and parts	701	844
Tomatoes canned, n.e.s.	1,035	151	Adding and calculating machines	3,343	5,224
Grape wines, still	2,333	705	Suits and dresses, knitted	1,953	1,888
Nylon yarn	3,545	703	Sweaters and cardigans, wool, knitted	2,373	1,347
Rayon mixture broad woven fabric, n.e.s.	1,354	907	Boots and shoes	4,417	3,959
Vinyl chloride resins	1,054	342	Prefabricated structures and parts, n.e.s.	1,065	4,436
Concrete reinforcing bars, carbon steel	3,264	11			
Colourless sheet glass	1,347	651			

Source: Dominion Bureau of Statistics

In the previous two years, the level of future business activity was threatened by a decline in private investment in plant, equipment and construction. The year 1966 saw a reversal of this alarming trend and total national investment was about 9 per cent higher than in the year before. The building sector did not share in this revival and because it constitutes an important part of Italian business, its failure to recover acts as a drag on the rate of expansion. Nevertheless, the Italian GNP was up more than 5 per cent in real terms in 1966 and now amounts to Can.\$65 billion (compared with our GNP of Can.\$57 billion). Over-all consumer demand has increased to the point where, with rising exports, it has raised the utilization of total productive capacity to 75 per cent, an improvement of 5 per cent over the previous year.

The stagnation which persists in the building industry is causing concern. Last year construction fell 25 per cent below the 1965 level—280,000 family housing units were built, no better than the 1958-60 figure and well below the peak of 433,000 units in 1963/64 when investment was Can.\$1.7 billion more. The impact on the labour market is striking, with a decrease of 70 million man-days and 185,000 fewer men employed than three years before. The situation is improving slowly and the number of building permits issued is on the increase, but opinions differ on how long the building crisis will last. Rome is particularly affected because construction is the leading employer there.

Prices and the cost of living were stable in 1966 until the last months of the year, when they began to show signs of rising. The wholesale and the consumer price indices both rose only 2 per cent. There may be more insistent demands for wage increases in 1967 and, if the building industry revives in the second half of the year and increases the demand for labour, the stage may be set for a wage-cost spiral similar to that which occurred in the early 1960's.

Despite some problem areas in the Italian economy, the general outlook for the next few years is bright. In 1967 the national income is expected to increase again by 5 per cent in real terms and, if Italy's main markets maintain reasonable stability, the current improvement in business should

continue for the next two or three years.

Opportunities for Canadians

What does Italy's prosperity mean to Canadian exporters? First, there will be a strong demand for metals, minerals, and all types of supplies for Italian factories. Second, Italy will take another step towards becoming a high-income society with incomes

more in keeping with those in the other EEC countries. This means more opportunities to sell the consumer goods an affluent society desires.

Canadian exporters will have to work hard to develop markets in Italy for their finished products. Competition is keen, but the results are worthwhile. Without a determined selling effort, even our present share of the market could dwindle away. ●

A Base on Grand Bahama

IN MARCH 1965, Phillips Cables Ltd. of Brockville, Ontario, made an important decision: it would enter the Caribbean market for electrical cables. The city of Freeport on Grand Bahama Island was chosen as a base of operations.

The choice was a good one because Freeport was booming. One casino was operating and another was being planned. Hotels were springing up like popcorn along the coral sands of the beaches and an expansion of the power system and telephone exchange was in the planning stages. This growth was sure to mean a need for electrical cables, and Phillips wanted "a piece of the action." Now, after more than a year of operation, the firm reports that the new base is entirely satisfactory. The future may be even brighter.

The whole Caribbean area is on the brink of an important business boom. At the northernmost tip, located on the main shipping lanes of the Western Atlantic, is Grand Bahama Island and the city of Freeport. Freeport is the centre of much of this new activity. In addition, it is a FREE PORT—where certain goods can be brought in in bond for reshipment to other parts of the Bahamas or the other island groups of the Caribbean. The harbour at the western end is one of the finest in the area.

In the words of the gambling fraternity who run the new casino, Freeport is "a natural" business location. It is situated just 90 miles east of the coast of Florida, well within the temperate zone, and enjoys year-round balmy sunshine tempered with refreshing breezes. It is readily accessible to the mainland by both sea and air. Planes from Canada land at the island air terminal less than four hours after take-off from Toronto.

Generally, with the people of the Caribbean a carefree attitude is to be expected. Not so on Grand Bahama Island. With a U.S. rocket and missile base at one end and Freeport at the

other, "laissez faire" has given way to a typical North American vitality. The island is bustling with a building boom and a real estate venture all rolled into one. On the hard limestone foundation, new buildings can be erected in weeks. As a result the city now holds 13,500 and is growing almost visibly.

Up to now, services in Freeport were not too essential. The island is blessed with fresh, clear water flowing in natural channels under the limestone rock. Electricity was generated on the island. Now, however, with the expansion and growth of the area, a power system and telephone system (with the necessary services) are being installed, and a community TV antenna system is already in operation. The various utilities work smoothly together under the guidance of the Port Authority. In effect, the Port Authority under Wallace Groves is the governing body of the Freeport area and all work is carried out under its direction. To have a wire and cable supply house on the island with the necessary cables available almost on call has no doubt assisted in the development of the area.

The Phillips warehouse (complete with Canadian sales manager and clerk) has provided this facility for the construction industry not only on Grand Bahama, but for Nassau and the other islands of the Bahamas chain. All Caribbean orders are filled from the warehouse unless a specially made cable is needed or the demand has not been great enough to warrant stocking the type. Freeport in particular has benefitted from this service.

Freeport has become, in effect, a base of operations for the company in the Caribbean. In this central spot, its sales manager is strategically located to cover all the Caribbean islands and surrounding countries, and deliveries can be made quickly and economically. The Caribbean venture thus has an important place in Phillips Cables' plans for the future. ●

The Ocean Freight Market

THE DOWNWARD TREND of tramp shipping rates in many major trades evident in the latter months of 1966 continued in the first quarter of 1967. Average rates, in general, were substantially below those in the same quarter a year ago. In the transatlantic grain trade, the decline in rates followed a sharp drop in European demand for grain imports. Rates in trades to Japan did not fall off to the same degree because of relatively heavy chartering in coal and scrap iron cargoes from the east coast of North America. Similarly, a tone of stability existed in grain rates to Japan

from the Pacific Coast where rates were maintained at close to the levels of the previous quarter. Time charter rates continued to decline, in keeping with the general trend of the market to lower rate levels.

The tanker rate for black oil from the Caribbean to United States North Atlantic ports was roughly INTA-scale minus 37½ per cent at the beginning of the quarter, dropped approximately 20 points in mid-February, and then climbed steadily to reach INTA-scale minus 47½ per cent at the end of the quarter.

CHARTER RATES—FIRST QUARTER 1967

The rates shown in Column A are in sterling or U.S. dollars with the Canadian dollar equivalent in Column B calculated at £ = \$3.02 and U.S.\$ = \$1.08. For comparison, the rates a year ago are shown in Column C with the Canadian dollar equivalent in Column D calculated at £ = \$3.01 and U.S.\$ = \$1.08.

TIME CHARTERS

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

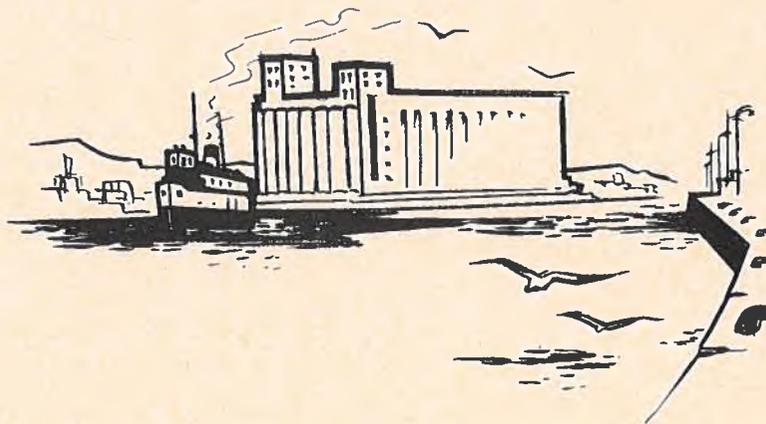
	1967		1966	
	First Quarter		First Quarter	
	A	B	C	D
	£ or U.S.\$	Can.\$	£ or U.S.\$	Can.\$
General Trading (approximately 6 months)				
Motorships 11,000-12,999 dwt. 13-14.9 knots	3.46	3.74	4.01	4.33
Motorships 13,000-14,999 dwt. 13-14.9 knots	3.25	3.51	4.19	4.53
Steamships 9,000-10,999 dwt. 9-10.9 knots	17s.2d	2.59	19s.2d	2.89

TRIP CHARTERS

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

	1967		1966	
	First Quarter		First Quarter	
	A	B	C	D
	£ or U.S.\$	Can.\$	£ or U.S.\$	Can.\$
Heavy Grain (per long ton)				
St. Lawrence to Britain	3.10	3.35	42s.10d	6.45
St. Lawrence to Italy	5.50	5.95	.....	.....
St. Lawrence to west coast of India	95s.0d	14.35	.....	.....
Great Lakes to Britain	62s.6d	9.44	74s.1d	11.15
Completing St. Lawrence	30s.0d	4.53	42s.6d	6.40
Great Lakes to Belgium/Holland	7.46	8.06	9.80	10.58
Completing St. Lawrence	3.08	3.33	5.25	5.67
Great Lakes to Japan	13.00	14.04	14.75	15.93
Completing St. Lawrence	8.75	9.45	11.63	12.56
Great Lakes to Denmark	9.50	10.26	12.43	13.42
Halifax/Saint John to Britain	25s.2d	3.80	.....	.....
Halifax/Saint John to west coast of India	78s.3d	11.82	91s.1d	13.71
British Columbia to Britain .....	.....	.....	9.23	9.97

	1967		1966	
	First Quarter		First Quarter	
	A £ or U.S.\$	B Can.\$	C £ or U.S.\$	D Can.\$
British Columbia to Belgium/Holland	5.25	5.67	7.72	8.34
British Columbia/North Pacific to Japan	7.20	7.76	8.38	9.05
British Columbia to the Philippines	7.75	8.37	9.24	9.98
British Columbia to Venezuela	6.85	7.40	.....	.....
British Columbia to Communist China	39s.0d	5.89	52s.6d	7.90
British Columbia to Italy	7.93	8.56	.....	.....
Coal (per long ton)				
Hampton Roads to Belgium/Holland .....	.....	.....	25s.11d	3.90
Hampton Roads to Japan	6.08	6.57	7.88	8.51
British Columbia to Japan	3.46	3.74	32s.6d	4.89
Sulphur (per long ton)				
British Columbia to east coast of India	10.00	10.80	.....	.....
British Columbia to Australia	56s.4d	8.51	.....	.....
British Columbia to Spain	9.37½	10.13	.....	.....
British Columbia to Taiwan	7.50	8.10	.....	.....
Flour (per long ton)				
British Columbia to India	108s.4d	16.36	.....	.....
Oilseeds (per long ton)				
British Columbia to Italy	8.33	9.00	14.50	15.66
British Columbia to Japan .....	.....	.....	8.88	9.59
Potash (per long ton)				
British Columbia to east coast of India	10.88	11.75	.....	.....
British Columbia to west coast of India	11.22	12.12	.....	.....
British Columbia to Brazil	9.75	10.53	.....	.....
Scrap Iron and Steel (per long ton)				
U.S. Atlantic to Japan	10.46	11.30	12.67	13.68
California to Japan	7.81	8.43	10.16	10.97
Great Lakes to Japan	10.89	11.76	.....	.....
Completing St. Lawrence	9.00	9.72	.....	.....
Oil Black (per long ton)				
Venezuela to Portland, Maine	1.26	1.36	2.02	2.18
Persian Gulf to Portland, Maine	3.64	3.93	4.71	5.09
Venezuela to Montreal	1.29	1.39	1.87	2.02



Foreign Exchange Rates

These nominal quotations may help exporters in checking prices, but they should consult their banks before making any firm commitments. When more than one rate is shown, the one to be used 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.

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

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

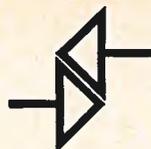
For conversion of column one to the U.S. dollar equivalent, multiply by .93 To convert column two, divide by .93.

Country and Currency	Value of		Country and Currency	Value of	
	Foreign currency unit in Canadian dollars at April 14	Canadian dollar in foreign currency units		Foreign currency unit in Canadian dollars at April 14	Canadian dollar in foreign currency units
Algeria Dinar	.2190	4.57	Dominican Republic Peso	1.083	.93
Argentina Peso (free)	.0031	322.58	Ecuador Sucre (official) (free)	.0601 .0547	16.67 18.35
Australia Dollar	1.21	.8333	El Salvador Colon	.4330	2.31
Austria Schilling	.0419	23.98	Fiji Pound	2.731	.37
Bahamas Dollar	1.061	.9470	Finland Markka	.3383	2.96
Belgium and Luxembourg Franc	.0218	46.25	France, Monaco, etc.³ Franc	.2190	4.57
Bermuda Pound	3.031	.33	Franco-African Republics⁴ Franc	.0044	227.79
Bolivia Peso	.0913	10.98	French Pacific⁵ Franc	.0121	82.64
Brazil Cruzeiro (official free)	.4006	2.50	Germany D Mark	.2724	3.68
Britain Pound	3.031	.33	Ghana New Cedi	1.516	.60
British Honduras Dollar	.7578	1.32	Greece Drachma	.0361	27.86
Burma Kyat	.2273	4.41	Guatemala Quetzal	1.083	.93
Ceylon Rupee	.2373	4.40	Guyana Dollar	.6315	1.58
Chile Escudo (bank rate) (free)	.2330 .2023	4.29 4.94	Haiti Gourde	.2165	4.63
Colombia Peso (intermediate)	.080	12.50	Honduras Lempira	.5413	1.84
Congo, Republic of¹ Franc	.0072	139.50	Hong Kong Dollar	.1894	5.30
Costa Rica Colon	.1634	6.14	Hungary Forint (official)	.0921	10.86
Cuba² Peso	.....	.....	Iceland Krona (official)	.0252	40.00
Czechoslovakia Koruna	.1503	6.67	India Rupee	.1439	6.87
Denmark Krone	.1567	6.39	Indonesia⁶ Rupiah	.....	.....

Country and Currency	Value of		Country and Currency	Value of	
	Foreign currency unit in Canadian dollars	Canadian dollar in foreign currency units		Foreign currency unit in Canadian dollars	Canadian dollar in foreign currency units
	at April 14			at April 14	
Iran			Philippines		
Rial	.0143	69.93	Peso (free)	.2766	3.61
Iraq			Poland		
Dinar	3.031	.33	Zloty (fixed basic rate)	.2706	3.69
Ireland			Portugal & Colonies⁷		
Pound	3.031	.33	Escudo	.0377	26.66
Israel			Saudi Arabia		
Pound	.3608	2.78	Ryal	.2066	4.84
Italy			Sierra Leone		
Lira	.0017	581.86	Leone	1.516	.66
Japan			South Africa		
Yen	.0030	335.37	Rand	1.516	.66
Kenya			Spain & Dependencies		
Shilling	.1402	7.13	Peseta	.0181	55.55
Lebanon			Sweden		
Pound (free)	.3507	2.85	Krona	.2101	4.79
Malaysia			Switzerland		
Dollar	.3536	2.83	Franc	.2502	4.00
Mexico			Syria		
Peso	.0866	11.61	Pound (free)	.2832	3.52
Morocco			Taiwan		
Dirham	.2165	4.62	New Taiwan Dollar (official)	.0233	42.92
Netherlands			Thailand¹		
Florin	.2996	3.33	Baht (free)	.0526	19.25
Netherlands Antilles			Tunisia		
Florin	.5740	1.75	Dinar	2.073	.48
New Zealand			Turkey		
Pound	3.020	.33	Lira	.1203	8.35
Nicaragua			United Arab Republic		
Cordoba	.1546	6.49	Pound (official)	2.490	.40
Nigeria			United States		
Pound	3.031	.33	Dollar	1.083	.93
Norway			Uruguay		
Krone	.1516	6.63	Peso (free)	.0126	79.36
Pakistan			Venezuela		
Rupee	.2273	4.41	Bolivar (official free)	.2410	4.16
Panama			West Indies		
Balboa	1.083	.92	Dollar ⁸	.6315	1.58
Paraguay			Pound ⁹	3.031	.33
Guarani (free)	.0087	116.27	Yugoslavia		
Peru			Dinar (official)	.0866	11.63
Sol (free)	.0404	24.94			

1. Additional rates are in effect.
2. There is no trading in Cuban pesos in U.S. or Canadian banks at present.
3. Franc is also used in French Guiana, Guadeloupe and Martinique.
4. Chad, Central African Republic, Congo, Dahomey, Gabon, Ivory Coast, Mali, Islamic Republic of Mauritania, Niger, Senegal, Upper Volta, Camerouns, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.
5. New Caledonia, New Hebrides, French Polynesia.
6. Because of the complexity of the Indonesian exchange rate system, it is impractical to quote a single representative rate for the rupiah.
7. Approximately same rate for Portuguese territories in Africa.
8. Barbados, Trinidad and Tobago, Leeward and Windward Islands.
9. Jamaica.

trade lines



From Chile

Chile's export markets to be studied

The International Trade section of GATT has offered to prepare for Chile a study of potential markets for selected Chilean exports to Asia and Africa. The Central Bank of Chile is preparing a list of exportable products, preferably manufactured—Santiago.

Chile produces less crude oil

The Chilean State oil monopoly, Empresa Nacional del Petroleo (ENAP) reports that its production of crude oil during 1966 was slightly less than in 1965: 1,976,000 cubic metres as against 2,020,000, a drop of 2 per cent. ENAP's plans for this year include the completion of the 700 kilometres of oil pipeline which will join the new refinery of Concepcion with that of Concon, with future extension to the south planned as far as Temuco. Exploratory drilling continues in the south central zone and in the province of Magallanes. The monopoly's interests in the petrochemical field include the building of a plant at Concepcion to produce 60,000 tons of ethylene each year, and studies are being carried out on the installation of a plant in Magallanes to produce derivatives of nitrogen (ammonia, urea and fertilizers) on a large scale—Santiago.

Chile looks for geothermal energy

A plan involving prospecting and the investigation and development of geothermal resources in the provinces of Tarapaca and Antofagasta has been approved. The project covers 42 months and is to be carried out by teams of experts from the United Nations and the Chilean Development Corporation (CORFO) at a cost of U.S.\$2.9 million. The UN Special Fund will contribute U.S.\$1.6 million—Santiago.

Chile and U.S.S.R. sign trade agreement

The agreement is made up of three parts: (1) A commercial agreement to boost trade between both countries with payments in convertible currencies and containing the most-favoured-nation clause.

(2) An agreement whereby the U.S.S.R. will supply Chile with machinery and equipment to a value of U.S.\$15 million, repayment to be over eight years.

With these funds the U.S.S.R. will acquire Chilean produce.

(3) A financial agreement whereby the U.S.S.R. establishes a credit of U.S.\$42 million and includes a technical assistance program; repayment terms will fluctuate between eight and 12 years. The U.S.S.R. will send experts and technicians to Chile to carry out plans drawn up by both countries and take charge of industrial plants, and Chilean technicians will go to the U.S.S.R. for training. The agreement also establishes that the Soviet Union will use the repayment quotas and interest to purchase Chilean traditional export products as well as manufactured goods—Santiago.

Chile adds sugar refinery

Industria Azucarera Nacional's fifth sugar refinery will be built in the south of Chile. It will begin operations in 1969 with a capacity of 1,000 tons of beet per day and later will expand to 2,000 tons. The total cost is U.S.\$5.8 million plus 22 million escudos. The Chilean Development Corporation (CORFO) is providing nearly half of the escudo contribution—Santiago.

From Germany

German beer-drinkers still thirsty

Beer consumption in West Germany went up by three million hectolitres (4.2 per cent) to 75.1 million hectolitres in 1966. Production was 76.1 million hectolitres (1,674 million gallons). Bottled beer sales rose by 5.5 per cent, draught beer by 1 per cent—Bad Godesberg.

German nuclear power generation to expand

More than a third of Germany's electric energy needs will be covered by nuclear power by 1980, according to the Federal Minister of Scientific Research. At present three reactors produce 300,000 kilowatts, but in the next 10 to 15 years planners hope to build up 30 to 50 nuclear centres capable of producing 25 to 30 million kilowatts. The cost of the expansion is estimated at between \$4 and \$5 billion. Exports of energy are unlikely because current estimates of 1980 needs are between 100 and 110 million kilowatts, or three times the total present generating capability—Hamburg.

Canadian plywood sells well in Germany

The recession in the German construction industry hit lumber sales which were down 9 per cent in the first nine months of 1966 to 2.6 million cubic metres (1.1 billion board feet). Plywood sales in the same period were up 31 per cent; Canada supplied 18,892 cubic metres (8 million board feet), a fraction more than Italy. Other suppliers face stiff competition from chipboard, but Douglas fir plywood sales are buoyant. Much of the Canadian lumber and plywood is used by the furniture industry which is not affected by the recession—Hamburg.

German hardware sales down

A smaller turnover of both building and furniture hardware has resulted in an estimated drop in sales of 10 per cent compared with 1965. Other hardware, however, did a little better; sales by chain stores rose 5 per cent. Prices in general rose 5 to 10 per cent—Hamburg.

Germany's EEC trade increasing

Germany's trade with the other five members of the European Economic Community is rising more sharply than its trade with the rest of the world. From 1958 to 1966 (January to November in each year) imports by West Germany and West Berlin from other EEC countries rose by 251.3 per cent, almost double the 135.5 per cent rise in German imports. Germany's exports to EEC partners, however, climbed less steeply: by 186.5 per cent compared with a 116.4 per cent rise in exports generally—Duesseldorf.

Germany buys more frozen fish

German housewives and restaurateurs are buying almost triple the amount of frozen fish (much of it prepared in floating factories on the high seas) they did five years ago. The industry sold 4,800 tons of frozen seafood in 1960 and fully 13,800 in 1965. Frozen fish accounted for 16 per cent of domestic fish sales in 1965, and probably did about 4 per cent better in 1966. Several new fishing vessels are equipped with apparatus to clean, deep-freeze and wrap the fresh catch—Duesseldorf.



More paper knowhow for Dutch firm

Punch-card carton and allied products made by Koninklijke Papierfabrieken Van Gelder Zonen of Amsterdam in co-operation with Crown Zellerbach Corporation of San Francisco are now producing a modest

profit. The joint venture is being extended; Crown Zellerbach will provide knowhow and technical assistance, but not capital—The Hague.

Prefab competition in Sweden

Sweden has been exporting its prefabricated timber houses successfully to West Germany and other countries in Europe and elsewhere. Its neighbours, however, also have plans for selling their houses in Sweden. Finnish houses attracted wide publicity when presented as part of the "Find Finland" campaign in Sweden in 1966 and one local authority placed an order for 140 houses, which is now in course of delivery in collaboration with SIAB (a large building contractor). Now Denmark is setting up model houses in conjunction with the annual "Household of Today" exhibition in Gothenburg. The Danes say they know that their prices are competitive and are confident that they can collaborate successfully with Swedish contractors—Stockholm.

Japan steel marks recovery

The steel industry, unable to operate at full capacity during the 1965 recession and subject at that time to production cutbacks, has now resumed its strong advance. Crude steel production in January 1967 hit an all-time high of 4.9 million metric tons. Production of pig iron, at 3.15 million metric tons, also achieved a record. Domestic demand is so strong that pig iron imports have risen. Although 1966 steel exports at 9.9 million metric tons were almost unchanged from the previous year, 1967 exports are expected to decline. This will result partly from the slowdown in sales to the United States which normally absorbs about 40 per cent of Japan's iron and steel exports. One market in which the Japanese have made headway is Communist China, which signed an order in March for U.S.\$4.6 million worth of rolled special steel products—Tokyo.

Trade Commissioners on Tour

In Territory

Austria—R. J. L. Berlet, Assistant Commercial Secretary in Vienna, will visit Bregenz, Innsbruck and Linz May 8-13.

Barbados—D. H. Clemons, Assistant Trade Commissioner in Port-of-Spain, Trinidad, will visit Barbados May 14-20.

Communist China—A. Blum, Assistant Trade Commissioner in Hong Kong, will visit the Canton Trade Fair May 9-15.

Marketing Data Sheet

URUGUAY

Area

72,180 square miles.

Climate

Average temperature in summer 70°F. Winter temperature (June to September) rarely below 35°F. Centigrade scale is used.

Population

Total population in 1963 2,600,000 of which 49.8 per cent males and 50.2 per cent females.

35 and over	1,078,600
25 to 34	387,900
15 to 24	399,300

Households

667,300 private residential dwellings.

Income

GNP estimated at Can.\$1.3 billion in 1963 and per capita income Can. \$540. Average hourly wage is about 50 cents, with relatively little difference between skilled and unskilled.

Motor Vehicles

Registrations 241,200.

Telephones

70 per 1,000 persons.

Radio and Television

Almost every household has radio and one out of four have TV receivers (525 lines per picture). There is one state-owned radio station and 52 private radio stations. In Montevideo, there is one state-owned TV station and 3 private TV stations.

Water Supply

Safe to drink.

Electric Power

50-cycle a.c. 220 volts. Three-phase system. There is a ground wire in the distribution system and a grounding conductor is required in the electrical cord attached to the appliance.

Coal

No local supply. Consumption is small.

Gas

Manufactured gas available but consumption declining. LPG available in bottles.

Petroleum Products

Government refinery has monopoly and distributes through both private and state-owned outlets. All lubricants are imported.

Weights and Measures

Metric system.

Screw Thread

Metric, North American SAE, UNC and UNF.

Standards

Official approval mandatory for electrical and bottled gas appliances.

Electrical: UTE (Administracion Nacional de Usinas y Telefonos del Estado)

Calle Paraguay 2431,
Montevideo.

Gas: ANCAP (Administracion Nacional de Combustibles, Alcohol y Portland)

Calle Agraciada esquina Paraguay,
Montevideo.



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One Canadian Manufacturer's remarkable export success story.

André Lachance, President of Chemico Pharmaceutical Company, Montreal, started in business in 1957, manufacturing Nilodor—a chemical that absorbs room odors with remarkable effect.

In 1961 Chemico took part in the Department's Regional Samples Show in Montreal. The first sale in a foreign market—to an Ohio chain of stores—totalled \$30.00. The sale convinced Mr. Lachance that his product had *Export Sales Potential. He got in touch with our senior Trade Commissioner in New York to check likely buyers in that area and found several were interested. He also wrote Trade Commissioners in a dozen countries.

Shortly after, a story about Nilodor appeared in the Department's export newspaper, "Canada Courier", which is circulated to over 80,000 businessmen throughout the world. From that one article, Mr. Lachance received 800 inquiries from poten-

tial distributors in 23 countries. Trade Commissioners abroad reported on those who seemed most likely to be suitable and Mr. Lachance soon had a dozen foreign representatives.

Today, Chemico Pharmaceutical has agents in 26 countries and Nilodor sales are in six figures—80% of this revenue coming from export markets.

Trade and Commerce officers at home and Trade Commissioners abroad worked with Mr. Lachance to develop Chemico's *Export Sales Potential into *Export Selling Power. The Company and the Department have formed an *Effective Sales Partnership.

This is only one of many export success stories from our files. Your products might enjoy similar success in export markets. Call Zenith 01967 today (or our regional office, if you live in a city where one exists) and find out about *your* ESP*.



**Export Sales Potential + Export Sales Partnership = Export Selling Power.*

**Department of Trade and Commerce
Government of Canada, Ottawa**

