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OVER . . . Rio de Janeiro, where Canada's Goodwill Trade Mission, headed by the Hon. C. D. Howe, will begin, on January 7th, a series of neighbourly visits to nine Latin American countries. See story on page 2.

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The Mission and the Market

The departure of the Goodwill Trade Mission on January 5 focuses attention on the Latin American market. Here are facts on how and why it has grown—and what exporters can do to win a larger share of it.

ON January 5th a big RCAF C-5 will roar down the runway at Rockcliffe Airport, Ottawa, take off, and head south. On board will be a group of Canadian government officials and businessmen, headed by the Rt. Hon. C. D. Howe, Minister of Trade and Commerce. They are setting off on a Goodwill Trade Mission and, before they return some five weeks later, they will visit nine countries of Latin America and cover thousands of miles.

The Mission has no prescribed duties to carry out. It is not expected to sign trade treaties, negotiate tariff concessions, or even explore markets. It will be paying a series of friendly visits to some of our 150 million Latin American neighbours—neighbours who have also become good customers.

An Expanding Market

The departure of the Mission focuses attention on the expanding Latin American market for Canadian goods and the high hopes for its future. Back in 1946, when the former Minister of Trade and Commerce, Hon. J. A. MacKinnon, returned from a mission to Latin America, he prophesied that Canada's exports to the twenty republics would soon reach \$200 million a year. Many businessmen took this with a grain of salt. But in 1951 our exports to Latin America totalled \$208 million, twelve times the value of exports in 1938, just before the war disrupted all trading patterns. This year, sales will probably climb to \$275 million. To put it another way, in 1938 only two per cent of our exports went to Latin American countries; in 1952, about 6.4 per cent.

Why It Grew

The statistics show what has been accomplished; far more interesting are the factors that made this achievement possible. The sceptic sometimes stresses temporary conditions and hints that the market may peter out. But a close look at how and why trade with Latin America has grown gives grounds for confidence that we can hold and even increase our gains.

Canada's trade with Latin America goes back many decades. At the turn of the century (1901), the Department's annual report listed exports to the area (15 countries) at \$1.3 million. Throughout the succeeding years, newsprint, wheat flour, salt fish, agricultural machinery

and seed potatoes were the export staples. They still sell in Latin America, in increasing quantities, but other and newer products are gaining ground. Last year, 42 per cent of all Canadian exports of industrial machinery went to this area and nearly half of our electrical apparatus exports.

Sales to Latin America began to rise significantly in 1947. The reasons should be sought partly in Canada and partly in the countries themselves. The end of the war found the Latin Americans with money jingling in their pockets—and an urge to spend it. Many of their European suppliers were still getting shakily on their feet after a wartime battering. The eager customers turned to other sources—and Canadian exporters were alert to do business.

It could scarcely have come at a more opportune moment. Many of Canada's traditional Commonwealth and European markets were temporarily closed to her. New industrial plants, built in wartime, badly needed outlets for expanded production. Skim milk powder, for instance, had been turned out in quantity for the services; countries like Venezuela offered a peacetime market. The exporters' move into Latin American markets, and especially into those without currency or import restrictions, began. At first consumer goods figured largely in exports, especially in Argentina's 1947 buying. But soon trade turned more to foodstuffs and goods for long-term capital development.

Permanent Factors

If it had been based only on the shifting sands of pent-up demand and the temporary absence of some suppliers, this trade would have soon collapsed. Instead, exports to Latin America have climbed steadily from 1947 on. This indicates that the trade has a solid foundation—the tremendous economic expansion, especially in Mexico, Venezuela, Brazil, Cuba, Argentina, Chile, Colombia, all hurrying to take their place in an industrial age.

If You Want to Sell in Latin America . . .

- *Seek to know each market.*
- *Consult the Area Trade Officer, the Commodity Officers, and the International Trade Relations Branch of the Department of Trade and Commerce, who will suggest potential markets for your products, advise on special problems.*
- *Ask for a first-hand report from the Trade Commissioner on the sales prospects for your specific goods.*
- *Then tour the area yourself, making personal contacts with prospective customers and interviewing possible agents.*
- *Inform yourself on documentation requirements for shipping goods.*
- *Keep on cultivating the market.*
- *Remember, always remember, Latin Americans are as interested as you are in sound, profitable business.*

The past ten years have witnessed great industrial progress there. The population of Latin America is growing faster than in any other part of the world. That means more food—some imported, and larger crops raised with the help of agricultural machinery and chemical fertilizers. It means great irrigation projects and power plants. The cultivation of the land alone is inadequate to support so many people and new industries are being established to augment incomes. Money is being spent on power projects, on resources development, on highways. National income is rising; in Mexico, for instance, it has more than doubled in the last eleven years. Standards of living too are going up and this quickens the demand for consumer goods.

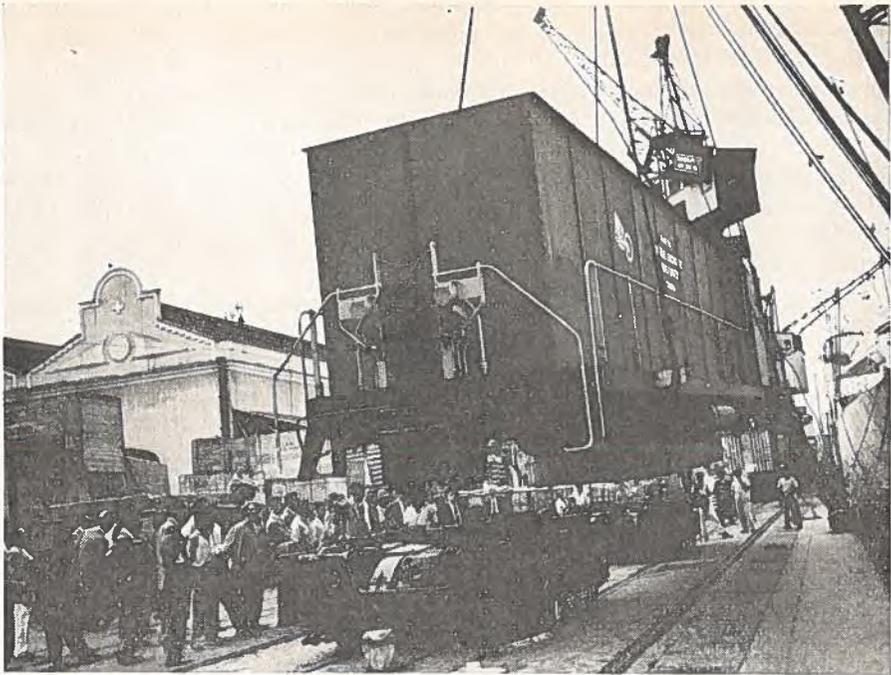
The ideal customer is the man who wants our goods and who can afford to pay for them. Many Latin American countries fit that description. They are eager to buy motor vehicles, plant machinery, newsprint, diesels, raw materials like aluminum and asbestos—all goods which Canada is eager to sell. And some of them sell such quantities of raw materials and foodstuffs to the United States and Canada that dollars are no problem. Venezuela is an outstanding example. Canada alone bought \$125 million worth of crude petroleum from Venezuela last year. We also bought \$42 million worth of coffee from Latin America in 1951.

A few of the Latin American countries—particularly Brazil, Argentina and Chile—find themselves temporarily in dollar difficulties, but this will probably not continue. And Brazil's situation points up the fact that Canada's trade with Latin America rests solidly upon essentials. In 1949, Brazil restricted imports from dollar countries to highly essential goods. The market for Canadian whisky, apples, codfish, and some other traditional items was closed temporarily. Yet in 1951 Canadian exports to Brazil reached \$53·7 million, 3·4 times the 1950 figure. Trucks and vehicles, wood pulp, iron and its products, agricultural machinery, ranked high among them. In part, this surge came from the expansion program of Brazilian Traction, a Canadian-incorporated company.

Flow of Trade

Trade between Canada and Latin America has a natural, easy flow because, in many ways, the two economies complement each other. Each produces essential raw materials and foodstuffs, but of different types. Canada buys 55 per cent of her crude oil imports from Venezuela for eastern Canada markets. This figure seems likely to stand even when Alberta oil output rises, because our consumption continues to grow. Seven-eighths of our coffee, 90 per cent of our bananas, 50 per cent of our tropical fibres, a good proportion of our sugar comes from Latin America. And in return we sell export staples like wheat and flour, newsprint, aluminum, farm machinery, electrical apparatus—things which we have long produced for export to the world.

Some temporary factors do influence this trade from year to year. In 1951 Brazil bought some \$6·2 million worth of wheat and this year the purchases are continuing because of the drought in neighbouring Argentina. Shortly after the war, sales of ships boosted our exports to Venezuela, Colombia and Argentina. But these and other factors do not outweigh the permanent and long-term nature of our trade, especially in our four largest markets—Brazil, Venezuela, Mexico and Cuba.



Brazil's big development program means a market for Canadian manufactured goods. This diesel locomotive being unloaded in Rio is one of 48 being made by a Montreal firm for the Central do Brasil Railroad. Fifteen of the locomotives are already in service; others will soon be shipped.

What happens to our trade when Latin America moves farther along the road to industrialization and turns out more manufactured goods? asks the pessimist. The answer, if experience so far serves, is that exports change in type but increase in volume. Brazil has begun to make newsprint. As a result, she buys from us less newsprint but more wood pulp. This year Cuba opened a new flour mill. Sales of Canadian wheat flour immediately fell off. But what we lost on the swings we gained on the roundabouts; sales of wheat went up. Canada can continue to supply most of the wheat for that mill.

Meeting Competition

The expansion of our trade with Latin America doesn't rest largely with the trade mission. Nor will the favouring factors—complementary economies, open markets, the needs of the customers—continue to guarantee easy selling. In the long run, increasing our share of the Latin American market (we ranked fifth in 1951 in the total trade there) is the job of the individual Canadian company, dealing with the individual Brazilian or Mexican or Cuban company.

Some authorities feel that, so far, it's been more a matter of Latin Americans buying than of Canadians selling. Alex Gray, past president of the Canadian Exporters' Association, remarked last spring that "Canadian exporters are missing the boat in South America". He went on to emphasize that, if sales are to grow, the exporter must do some energetic sales promotion. The coming Trade Mission will create more goodwill and open the way; the rest is up to business itself.

Every month competition becomes more strenuous. The United States has the lion's share of this market, with sales to Latin America at the rate of \$290 million a month. Other countries are very active. The United Kingdom has sent two trade missions to the area in the past six months alone. In the Speech from the Throne at the recent opening of the British Parliament, the Queen said: "Active measures will be taken to strengthen the long-standing ties of friendship and of mutual trade between the United Kingdom and the countries of Latin America". One step already taken is the extension of export credit guarantees to cover certain sales to that area.

Germany and Japan are working strenuously to recapture their former Latin American markets. German exports to the area leaped from \$3.2 million in 1948 to \$369.3 million in 1951. Japan's sales reached only \$6 million in 1949; in 1951, \$81 million. The Germans owe much of their success to the fact that they send out specially trained salesmen, thoroughly conversant with conditions and able to speak fluent Spanish. And German companies go to infinite trouble to satisfy the needs and even the whims of their Latin American customers.

Personal Visits Pay

Canadians do hold some aces in this game, which becomes highly competitive in Venezuela, Mexico, Brazil, Cuba, and Peru. Within the last 11 years, Latin American countries have come to know Canada as an important trading nation in its own right. During that time, additional trade agreements have been signed, so that today Canada exchanges most-favoured-nation treatment with all Latin American countries except Honduras.

But probably the best card is the goodwill which most Latin Americans feel towards Canadians. We have always been friends. They regard us as a relatively new country which has faced and is overcoming development problems with which they are still struggling. They turn to us partly because they want alternative sources for a large proportion of their needs. All this, says a man who has travelled extensively there, adds up to one all-important fact: "The Canadian businessman, if he is competitive in price and delivery, and if he is on the ground, will get the business".

If he is on the ground . . . that means personal sales promotion. The trade records show that it brings results. Here is one example. In 1949 a Canadian aircraft firm dispatched one of its new *Beaver* planes, flown by an experienced pilot, to Latin America. In the following months the pilot demonstrated the plane in every country in Latin America, before private airline executives, government officials, and Air Force officers. The result: orders for about 100 planes from Venezuela, Peru, Colombia, and Chile. Two months ago the press featured the arrival of eight of these planes in Santiago, after a two weeks' flight from Canada. They were the first instalment of an order placed by the Chilean Air Force.

The Latin Americans respond to these direct selling methods. Mr. Gray, who has practised what he preaches, urges companies to send down top men to pioneer these markets, men who can later implement any product changes that their new customers might suggest. There are few arguments against such visits. Excellent air and sea transportation

services make such journeys pleasant and not too time-consuming. Business contacts are, of course, made simpler if the executive speaks and understands Spanish. It is the "open sesame" in Latin America. But ignorance of the language affords no valid excuse for staying away; many Latin American businessmen do speak and understand English. Yet, with the way open before them, only about 250 Canadian businessmen visited Latin America in 1951.

The experience of one firm shows the value of personal contacts. This company had been, for some years, doing business by correspondence with several Latin American companies. Import and exchange controls imposed by certain countries began to cut down orders. Their first reaction was to pull out of the area altogether. Before taking the decision, however, the export manager came to see the Area Officer for Latin America at the Department of Trade and Commerce. The officer suggested that the exporter visit the area himself before deciding on a course of action. The advice was followed and, with only one-fifth of the trip over, the man had written enough business to justify it financially.

Help with the Job

If personal selling is impossible just now, ask some companies, how can we still win a share of this market? It is here that the Department of Trade and Commerce can help most. The Area Officer, the Commodity Officers, and the International Trade Relations Branch can advise on the sales outlook for various products and on problems or restrictions in certain countries. By writing to the Trade Commissioner stationed in the territories in which the exporter is interested, they can obtain an up-to-date report on the market for the product. Later, if business prospects warrant it, the Trade Commissioner can help to select a suitable agent.

In the last resort, selling in Latin America is still a matter for the individual businessman. At some point he should visit his market. And one visit alone will not do the job. One expert's recipe for success is: "Get into the market, build it, consolidate it—then watch it grow".

"Canada's share in the trade of Latin America," says a recent DBS report, "remains small . . . in spite of the fact that further expansion would strain neither the highly competitive markets nor the productive facilities of either party."

The Trade Mission, in the next few weeks, will open the way. From then on, it's up to Canadian business.

—O. MARY HILL
Editor, "Foreign Trade"

NOTE ON TIN

Canada's tin production in 1951 dropped more than 50 per cent in 1951 compared with 1950, reports the Department of Mines and Technical Surveys. The figures: 154 long tons, valued at \$493 thousand in 1951, compared with 356 long tons, valued at \$828 thousand, in 1950. The 154 long tons provided slightly over 3 per cent of Canadian requirements of tin. Over 80 per cent of the world's tin comes from British Malaya, Indonesia, Bolivia, Belgian Congo, Thailand, and Nigeria. Malaya has been able to keep up its tin output despite the continuing disorders.

Greece

Shaping an Economic Program

Easing of the balance of payments problem, reduction of interest rates, encouragement of foreign investment—these are among the objectives of the new Greek Government.

ATHENS—On November 16, a general election here brought to power the Greek Rally Party, headed by Field Marshal Papagos, with 239 seats out of a total of 300 in the Parliament.

One of the most immediate problems facing the new government is the international balance of payments. Greece had an overall deficit on current account of US\$170 million for the fiscal year ended June 30, 1952, including a dollar deficit of US\$106 million. United States aid has now been reduced to about \$80 million and may be cut further in the next fiscal year. At the same time, inflation is continuing and Greek exporters are finding their prices too high for them to compete effectively. The crux of this serious situation is low agricultural productivity, limited industrial development, and a rapidly increasing population. Field Marshal Papagos has pledged his government to face up to these realities and his efforts to find basic solutions will be watched carefully at home and abroad.

Economic Policies Take Shape

The new government will inherit a budget framed principally by the opposition. However, it is believed that Field Marshal Papagos will endorse and extend many of the measures incorporated in the budget submitted to Parliament last August. Most noteworthy of these is the economy drive to reduce administrative costs, subsidies, and grants for public works. At the same time, some improvements in the tax collection system are planned. Higher import taxes on less essential goods have just come into effect. If estimates of national income and tax yields are realized, the Government will have a surplus (approximately 913 milliards drachmae*) for the first time since the end of the war. Expenditures for imported military supplies and a few selected reconstruction projects will continue to be financed from United States aid. The new budget should have a deflationary effect.

Other important economic objectives were set out in a radio speech on December 6th by the key Minister of Co-ordination, Mr. Markezinis. Most significant among these is the effort that will be made to establish an atmosphere of confidence and stability in which business can operate. The Government hopes to play a less active role in the economy in future. It would be responsible for creating the conditions in which the

* 15,000 drachmae=US\$1.00.

interplay of free competition and private initiative could work to the advantage of the Greek people. This would be a fundamental change from the present highly controlled and rigid economy.

The Minister also announced that the nation's banking system would be revised and the present extremely high rate of interest reduced to stimulate business activity. Everyone realizes that indirect measures of this nature require time to prove their worth. In the meantime, Greece will undoubtedly continue to experience inflationary pressures and the trading difficulties resulting from a highly over-valued currency.

Foreign Trade Policy

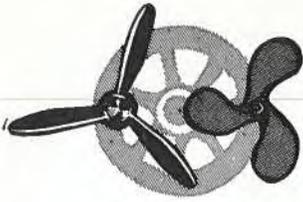
Further extensions to the import contribution law were announced just before the elections. This measure, which levies a tax ranging from 25 to 200 per cent on the foreign exchange for certain imports, is designed to provide a fund to subsidize slow-moving export items. This law originally covered \$30 million worth of less essential items and has now been increased to apply to \$58 million (or about 25 per cent) of the country's total imports. The new measure will undoubtedly limit further the import of items not provided for in the official import program. It will also make the Greek market even more difficult for Canadian exporters of consumer goods in the immediate future.

The Government hopes that the law will yield quick results in increasing the flow of over-priced export staples. However, there are indications in recent Greek statements to OEEC and to Mutual Security Agency officials that it is realized that expedients of this nature are not a fundamental solution to basic economic problems. Rather, official circles hope that Greece will be able to undertake a major reconstruction program aimed at increasing the output of export and import-replacing industries. This will be done after improving the climate for foreign investment through measures to better the economic situation.

A limited number of reconstruction and expansion projects are now being pressed forward. Most important of these are land reclamation schemes to increase land under cultivation by 59,700 hectares (1 hectare = 2½ acres) and irrigating another 40 thousand hectares. Two private firms are attempting to finance the development of local barytes and bauxite deposits, and plans have been announced for the construction of Greece's first small steel plant, using local stocks of scrap. However, the low level of per capita income (still below prewar) makes it impossible for this country to finance a major investment program from current savings.

In the past, the reluctance of Greek and foreign businessmen to invest their capital here has aggravated the situation. Not the least among the reasons for this has been the unsettled state of the country and it is already apparent that the strength and assured term of office of the new government has encouraged private capital. Several important international businessmen have since arrived in Greece and among the proposals advanced are the construction of an oil refinery and a sugar refinery. If the Government is successful in initiating a flow of private capital, it is probable that requests for continued reconstruction aid will be more favourably received by the United States and by international lending institutions.

—A. G. KNEWASSER
Assistant Commercial Secretary for Canada



TRANSPORTATION NOTES

AUSTRALIA

Railway Rehabilitation—The West Australian Government Railways is engaged in an extensive rehabilitation program designed to make good the deterioration suffered during the war years. In addition to new locomotives and rolling stock already acquired, equipment now being built in England for West Australia includes: 48 X-class, 1,150 h.p. diesel electric locomotives; 18 Y-class, 400 h.p. diesel electric locomotives for shunting and country branch-line services; three smaller diesel mechanical locomotives for jetty shunting; 24 VF-class, 138-ton heavy duty steam locomotives; 22 diesel mechanical rail cars for fast suburban and country services.

Modern equipment, such as centralized traffic control, will be installed, and the tracks are being strengthened to carry the heavier locomotives—Melbourne, December 14.

BRAZIL

Surtax on Rio Lifted—Foreign shipping companies have decided to lift the 15 per cent surtax on shipments to Rio, charged to cover additional operating costs resulting from port congestion—Rio de Janeiro, December 27.

Port Re-equipment—Two projects of the Joint Brazil-United States Economic Commission have been approved by President Vargas. The first covers the re-equipment of the Port of Santos and calls for a \$3,674,300 loan to construct warehouses and silos and to purchase freight-handling equipment. The second, coming under a general plan for port improvements, requires a \$26,809,350 loan to purchase dredges and auxiliary equipment to improve and enlarge Brazilian harbours—Rio de Janeiro, December 12.

CHILE

Reservation of Freights—The Minister of Economy has instructed the Foreign Trade Council that, in future, a minimum of 50 per cent of export freights must be reserved for the National Merchant Marine. This measure, which will have far-reaching effects, is to be considered immediately by the Council—Santiago, December 20.

Port Charges Increased—The Customs Board has decided to increase dock and lighterage dues by 35 per cent. This levy is necessary to meet increased salaries and wages for port employees and workmen—Santiago, December 20.

IRELAND

Transatlantic Air Service—A new transatlantic air service between Boston, New York and Shannon will begin in April 1953, subject to approval by the governments concerned. The service will be operated by Aer Linte, an Irish company formed in 1948. Aircraft and crews will be provided by an American company, Seaboard and Western Airlines Incorporated. The agreement between the two companies will continue until December 31, 1956. Douglas Skymasters with accommodation for 64 passengers will be used. A number of Super-Constellations are also on order and should be delivered in 1954.

Four to six round flights will be made each week during the summer. In winter, flights will take place on alternate days. Under the agreement, the Irish company will accept the profit or loss on the operation—Dublin, December 28.

ISRAEL

Grain Elevator for Haifa—Construction of the long-projected grain elevator, the first in Israel, with an initial capacity of 20 thousand tons and a handling capacity of 200 tons per hour, began recently and should be completed within 15 months. Grain in bulk will be loaded into and unloaded from the elevator, which will also be equipped for cleaning, disinfecting, weighing, packing, storing and distributing cereals. The new elevator should speed up the discharging of grain ships, and eliminate demurrage penalties which have drained the country's foreign exchange in the past—Athens, December 15.

PERU

Callao Port Authority Created—To relieve congestion and improve facilities and services at Callao is the aim of the recently formed Callao Port Authority. This port of entry for the city of Lima, the most important trading centre in Peru, has long needed such a re-organization.

The Port Authority is controlled jointly by the Government and private industry. The Technical Director for a three-year term is Colonel H. W. Quinn, who was a member of the investigating mission. The Authority, it is expected, will soon bring this important marine terminal up to a high standard of mechanization and efficiency—Lima, December 10.

SCOTLAND

Marshalling Yard Scheme—British Railways (Scottish Region) have announced that work will begin shortly on a new marshalling yard at Thornton, Fife. Cost is estimated at more than £750 thousand. The new yard will speed up the flow of coal to all parts of the country from the Fife coalfields, where big developments are taking place. Thornton is the focal point of the principal portion of the Fife coalfields, both in relation to the collieries, mines, and open-cast sites grouped around it, and to the layout of the main railway routes—London, December 15.

Ireland

Power for Farm and Industry

Electric power output is rising, new generating plants are operating, one-quarter of rural electrification plans have been completed, the Electricity Supply Board reports.

DUBLIN—Canadian aluminum and copper are playing a part in Ireland's growing electricity production which, according to the report of the Electricity Supply Board, totalled 1,029 million units for the year ended March 31, 1952. This represented an increase in output of 6.25 per cent, or 60 million units, over the previous year. Hydro stations contributed 456 million units and steam stations 573 million.

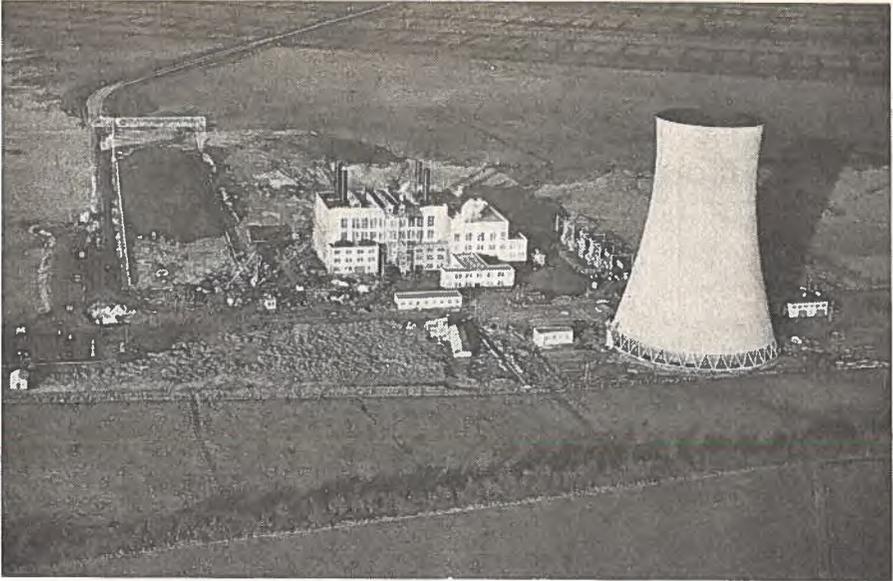
Plants placed in commission during the year were valued at £10,120,656, compared with £4,881,573 in the preceding year: aggregate capital investment to date is £45,785,000. Early in the year, the peat-fired station at Allenwood put its first generating set of 20 thousand kilowatts into operation. The second set should be working before the end of the year. The Allenwood station uses 180 thousand tons of peat a year. In terms of heating value, this is roughly equivalent to 100 thousand tons of coal and means a saving of about £250 thousand on the cost of imported coal.

Erne River Scheme

The new hydro-electric scheme on the River Erne, County Donegal, which cost £6 million, was opened early in October. It comprises two stations, one at Cliff and the other at Cathaleen's Falls. A generating set at Cliff has been in commission since August 1950. This set generates at 10 thousand volts and the power is then stepped up and fed into the national grid at 110 thousand volts. The installation of a second 10 thousand kilowatt set will begin early next year and it will probably come into operation in 1954.

The larger and more important of the two stations in the Erne scheme is at Cathaleen's Falls, with two generating sets of 22,500 kilowatts each. A third set is to be installed when the power load in the country requires it. Almost 250 miles of 110 k.v. transmission lines have been reticulated from Cathaleen's Falls to transformer stations at Carrick-on-Shannon, County Leitrim, Drogheda, County Louth and Fingles, County Dublin. Moreover, a 38 k.v. line has been constructed from Ballyshannon on the River Erne to supply County Donegal and part of Sligo.

The full output from the Erne scheme will not be available until works associated with water storage and regulation, to be carried out in conjunction with the Ministry of Finance for Northern Ireland, have been completed.



This peat-fired power station at Allenwood, County Kildare, is the largest of its type in Europe. It uses about 180 thousand tons of peat a year, most of which comes from the peat bog seen in the background.

About one-quarter of the Electricity Supply Board's Rural Electrification Scheme is now complete. During the year ended March 31, 1952, 49 areas (of approximately 25 square miles each) were electrified and 18,067 consumers supplied. This makes a total of 180 areas completed to date and 59,023 consumers connected since the inauguration of the scheme in 1946. Investment up to March 31, 1952, totalled £5,166,758.

The Board's plans for the next five years include two hydro stations on the River Lee of 27 thousand kilowatt capacity; the extension of the North Wall (Dublin) oil-fired station by 32 thousand kilowatts; a new coal or oil station of 90 thousand kilowatts at Ringsend, Dublin; a new 60 thousand kilowatt coal or oil station in Cork, and a new 40 thousand kilowatt peat-fired station at Ferbane, County Offaly. This program, when completed, will raise the Board's installed capacity to 609,500 kilowatts.

—GEORGE SHERA

Office of the Commercial Secretary for Canada

CIRCULAR CONSTRUCTION

A new type of apartment house is being built in Stockholm, Sweden. Circular in form, it will have three to four storeys, with ten apartments on each floor. The round outer walls, the architects say, occupy a smaller area, help to decrease the heating cost, and make for less waste space. In the interior, the circular outside walls will scarcely be noticed.

Hong Kong

The Cotton Industry Grows Up

Stimulated originally by Shanghai manufacturers anxious to spread their investments, the Colony's cotton industry now includes 23 new mills, producing largely for Eastern markets.

HONG KONG—Since 1948 the cotton textile industry here has made rapid strides and has won an important place. Today there are 23 new mills equipped with the most modern textile machinery and producing good quality yarns and piece goods. Efficient production facilities coupled with an abundant labour supply make these Hong Kong products competitive in world markets. Although Southeast Asia and the United Kingdom have been the chief customers, the industry is now looking to other areas for export opportunities.

Before 1948 there were no cotton spinning mills in the Colony. The few small weaving mills were equipped only with obsolete power or hand-operated looms. In many cases so-called weaving factories consisted of a few hand looms located in tenements or in the back rooms of cottages. The industry was both owned and operated by local Cantonese.

Switched from Shanghai

In 1948, however, because of the uncertainty and unrest in China, textile manufacturers in Shanghai diverted incoming shipments of textile machinery to Hong Kong as a means of spreading their investments. Additional quantities of equipment were also ordered for delivery to the Colony. Because the Cantonese were inexperienced in the operation of spinning machinery and modern power looms, a nucleus of skilled technicians was brought in from Shanghai. They remained in the Colony until local workers were trained to fill all requirements.

In three years, some 13 spinning mills were established. Seven of these mills have weaving sheds in conjunction with their spinning operations. The Shanghai businessmen established a further ten mills which are engaged in weaving only. Thus there are a total of 17 new weaving plants in the Colony. All of them are modern and efficiently laid out. Some are air-conditioned. About one-half of the equipment was imported from the United Kingdom; the remainder was purchased from the United States, Japan and Switzerland. Each unit of machinery is operated by its own electric motor, thus eliminating hazardous belts and overhead shafts. Good lighting and ventilating arrangements have been provided.

Altogether there are 198 thousand spindles. The number of spindles per spinning mill ranges from 37 thousand in the largest to 6,000 in the smallest; the average is 15 thousand. The bulk of the yarn spun is 20's

count but 10's, 32's and 40's are also produced. The spinning mills operate 24 hours per day and have an annual productive capacity, based on 20's count yarn, of 168 thousand bales of 400 pounds each.

The 17 new weaving sheds have a total of 2,969 modern power looms. In addition, the Colony has some 1,600 other power looms owned and operated by the Cantonese section of the industry. Most of the latter have been in operation for a number of years and are located in small plants, few of which have over 60 looms each. Many have only 20 or 30. An unknown number of hand-powered looms are operated in cottages. The total productive capacity of all looms, based on a 24-hour day and producing (say) a grey sheeting fabric 60 x 56 and 36 inches wide, is rated at some 100 million yards a year. Unlike the spinning mills, however, the weaving plants are not in continuous production. When there is a slackening in demand, many of the small ones close down completely and the larger ones reduce hours.

Working Conditions Good

Working conditions in the new spinning and weaving establishments are good. Wages range from HK\$4.00* to \$7.00 per day for both piece rate employees and those on daily wages. Supervisors and foremen earn from HK\$8.00 to \$11.00 per day. Free lodging for all employees is provided in dormitories at the mills and work clothing supplied. The companies partially defray the cost of food served in their canteens. Additional services include medical attendance, first aid, hospital accommodation and educational facilities.

The raw cotton for the industry is imported from a number of sources. About 50 per cent of the total annual requirements of approximately 250 thousand bales comes from Pakistan; the remainder is imported chiefly from East Africa (Uganda and Tanganyika), Egypt, Burma and Turkey. During the first nine months of 1952 imports amounted to 106 thousand bales of 400 pounds each, valued at HK\$132,266,112. It is advantageous for the industry to import raw cotton from British Empire sources so that the yarn and piece goods exported from the Colony to Commonwealth markets may have sufficient Empire content to qualify for preferential tariff treatment.

Exports Large

Between 70 and 80 per cent of the industry's production of yarns and piece goods is exported. Most of the yarn exported is 20's count. Chief sales outlets for cotton yarns are Formosa, Indonesia, Burma and Pakistan. Fabrics sold abroad are largely grey goods such as sheetings, jeans, ducks, drills and shirtings. Formosa, Indonesia, the Philippines, Malaya and the United Kingdom are the chief markets for piece goods. Exports of yarn and piece goods to China are not significant. At present the industry has sufficient orders to keep the spinning and weaving mills operating at capacity. Exports during the first nine months of 1952 amounted to 26,150,784 pounds of yarn valued at HK\$115,396,147 and 14,540,009 square yards of cloth valued at HK\$22,551,281.

* One Hong Kong dollar—approx. \$0.1515 Canadian.

Current export prices, f.o.b. Hong Kong, for good quality cotton yarns range from HK\$1,170 per 400-pound bale for 10's count, \$1,450 for 20's, \$1,800 for 32's to \$2,100 for 40's. Each bale contains 40 bundles of hanks and is wrapped in waterproof paper and burlap with steel binding. Three such bales comprise one shipping ton of 40 cubic feet. If the buyer prefers to have the yarn on cones, these are shipped in wooden cases containing 80 to 100 cones of 2 or 2½ pounds each. The cases measure 20 cubic feet and weigh 200 pounds and two cases equal one shipping ton. Shipping charges are higher when the yarn is exported on cones because of these cases. The additional cost of packing in wooden cases amounts to about HK\$100 per 400-pound lot.

Standard grey sheeting and shirting is usually exported in pieces 36 inches wide and 40 yards long. A typical price f.o.b. Hong Kong for such a piece 60 x 60, woven from 20's count yarn and weighing 12 pounds, is about HK\$50.00. Packed for export, there are 20 pieces per bale and eight bales constitute one shipping ton. The export price of standard grey jeans 89 x 50 is approximately HK\$50.00 per piece 30 inches wide, 40 yards long, of 20's count and weighing 12 pounds. Drill is usually sold in pieces 30 inches wide and 80 yards long. The price of a drill fabric 96 x 48 and weighing 17½ pounds per piece is currently about HK\$1.65 per yard, f.o.b. Hong Kong, packed in bales containing ten pieces each.

—M. B. BLACKWOOD

Assistant Canadian Government Trade Commissioner

How Louisiana Mines Sulphur

NEW ORLEANS—Down here in Louisiana, supplies of sulphur are steadily dwindling. This hard fact has spurred on mining engineers in their search for ways of recovering sulphur from deposits in difficult locations.

One of the most unusual methods has been worked out by the Freeport Sulphur Company. This company faced the problem of taking out sulphur at their Bay St. Elaine mine in the Louisiana marsh country. They solved this problem of underwater mining successfully—and added 100 thousand tons a year to their production of this vital material.

The Answer

Their answer to technical difficulties consisted of a \$2 million floating mining plant, two giant thermos bottles, and a completely new mining process using sea water.

The floating plant, built on a 200 x 40-foot barge, has the capacity to heat two million gallons of water to 325 degrees, to be pumped into six wells at a time. It generates its own electricity, using as fuel gas from the nearby gas wells. Two huge tugs towed and pushed it through bayous and canals to the mining site, where it was then tied to pilings.

The watery site, which provided no place to build the plant, did not offer any location to cool the liquid sulphur produced by the process. To



This floating mining plant, built on a barge, has solved the problem of taking out sulphur from a mine in the Louisiana marsh country. It was tied to pilings after being towed to the site by two huge tugs.

overcome this, two huge barges were built, each 224 x 39 feet, with a capacity of 1,000 tons of molten sulphur. These barges have insulated walls and are equipped with steam coils. They thus serve as thermos bottles to hold the sulphur in liquid form until it is unloaded at Port Sulphur, 75 miles away.

Still another problem had to be surmounted before plant operations could begin. The normal process for mining sulphur uses fresh water—but the nearest fresh water was 35 miles away. Sea water was right at hand, but its corrosive action on tubes, pipes and fittings had to be controlled before it could be used. Corrosion is caused by the action of the mineral combining with oxygen. One element had to be removed and the engineers found a cheap way of removing oxygen. The boilers, however, use distilled water over and over in a closed system and heat the salt water going into the sulphur by indirect exchangers.

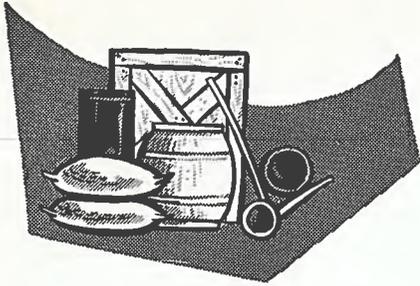
The whole process is now working well and adding materially to Louisiana's sulphur supplies.

—C. O. R. ROUSSEAU

Vice-Consul of Canada and Assistant Trade Commissioner

FIRST OIL WELLS

Over ninety years ago, in 1861, Canada's first oil well "blew in". That was at Petrolia, Ont., in a field which is still producing. Nowadays Canada's crude petroleum output (1951 figures) is over 48 million barrels a year, but about 96 per cent of this comes from Alberta wells. The Ontario fields, all in the southwestern part of the province, produced about 197 thousand barrels.



COMMODITY NOTES

ARGENTINA

Box Shooks—The Argentine Ministry of Industry and Commerce has announced that firms using box shooks for fruit packing must obtain their supplies from local factories. Wooden boxes may be imported only if the national industry cannot fill the demand. This is another measure to protect the local manufacturers from foreign competition—Buenos Aires, December 12.

BRAZIL

Hides and Skins—Brazil's exports of hides and skins during the first six months of 1952 were only 10,887 tons, compared with 34,489 tons in the same period last year. The decline results from high prices in the world market and the lack of interest on the part of British buyers, formerly Brazil's leading customers. Exports of hides and skins also suffered a sharp drop when barter trade was suspended—Rio de Janeiro, December 15.

CHILE

Gasoline—The first production of gasoline, 200 thousand litres, from the "Manantiales" oil fields has been stored in the tanks of the National Petroleum Company. Until a definite price is fixed, this will be sold at the same price as the imported product—Santiago, December 10.

GERMANY

Textiles—The Federal Association of the Textile Trade has announced that prices for textiles and shoes have declined 31 per cent since the Korean boom. However, the decline is not expected to continue. Textile production is steadily rising; in October, production of yarns amounted to 51,933 tons for 27 working days. In September 46,664 tons were produced in 26 working days. (The average production in 1951 was 45,916 tons.) The amount of yarn processed in October 1952 rose to 52,791 tons, compared with 48,191 tons in September and a monthly average of 42,849 tons during 1951—Bonn, December 10.

MOROCCO

Rice—Rice cultivation in Morocco is a recent development but appears capable of considerable expansion. At present it is localized in the Rharb region where the soil is suitable and water supplies good. This area could probably support 5,000 hectares of rice. Yields have been fairly satisfactory, averaging 35 to 40 quintals per hectare of "Paddy" rice, but better harvests can be expected because growers have followed French and Italian growing methods—Paris, December 15.

NETHERLANDS

Bacon—A new bacon contract has been concluded between the Netherlands and the United Kingdom to succeed the four-year agreement expiring on December 31, 1952. It provides for delivery of a maximum of 35 thousand long tons of bacon up to January 2, 1954, at 252/6 per 112 lb., f.o.b. Netherlands ports.

The new price is the same as agreed upon recently under the Anglo-Danish bacon agreement and represents a decrease of nearly 7½ per cent on the average price received under the old contract. This called for delivery of 25 thousand tons at 262/5 per 112 lb. and 10 thousand tons at 300/- per 112 lb., or an average of 272/6, during the period October 1, 1951-December 31, 1952, with prices for additional quantities to be negotiated—The Hague, December 12.

SOUTH AFRICA

Wheat—The first estimate of the 1951-52 wheat crop is 5,242,000 bags. Although less than half of last year's crop and nearly three million bags short of the eight thousand bags a year needed, the estimate is higher than many observers believed it would be. The 1950-51 crop in the Free State was 3,347,000 bags, but because of severe drought this year the current crop has shrunk to less than half of this figure. Production in the three main growing provinces, with last season's crop in brackets, is: Cape, 3,318,000 (3,472,000); Transvaal, 457,000 (877,000); Free State, 1,467,000 (3,347,000)—Johannesburg, December 18.

SWEDEN

Electric Resistance Material—A new type of electric resistance material which will withstand temperatures up to about 3,000°F. is reported to be ready for marketing by AB Kanthal, Halstahammar—Stockholm, December 9.

UNITED STATES

Granite Capacitors—The Rock of Ages Corporation of Barre, Vermont, is manufacturing from granite rock a minute capacitor for firms producing electronic devices. The capacitor is a small condenser used in radios, television sets and refrigerators. These cylindrical parts are being turned out at a rate of 2,000 a day. The manufacturers are erecting an addition to their plant and will eventually employ 750 workers—Boston, December 22.

United States

The Future of Controls

Average consumers have different opinions of the value of present price-wage controls; their fate will be decided at hearings early this year.

WASHINGTON—Opposition to the Office of Price Stabilization's price and wage controls program, led by U.S. business and industry, has recently had an assist from the Congress of Industrial Organizations. The annual report of the late president of the CIO, in mid-November 1952, urged the end of all wage controls. Mr. Murray declared that the price control program had been virtually abandoned and cautioned that there was the "danger of a deflationary tendency within the economy". The report pointed to soft markets in some parts of the economy and collapsing price and production controls.

Fate Decided Soon

The fate of the price-wage control program, administered by OPS under the U.S. Defence Production Act, now has the attention of the joint Senate-House Defence Production Committee. Full hearings on its continuation are expected to take place before the Senate and House Banking and Currency Committees during February and March. During these hearings an official recommendation will be made either to scrap or keep these controls after the expiry date of April 30, 1953.

However, as recently as December 12, 1952, the new president of the American Federation of Labour called for maintenance of price controls, an indication that the split in the average consumer ranks on this much-debated subject continues.

Effect on Family Budget

Commodities and services fully subject to OPS price ceilings made up approximately 43 per cent of the budget of the average family of four, OPS reported on October 14, 1952. Partial control is maintained over the prices of other food products which make up about 15 per cent of the family budget. Remaining items in the index have been freed chiefly by Congressional action, OPS itself voluntarily lifting only 7 per cent of those remaining. On October 15 the Consumers' Price Index stood at 190.9 (on a base of 1935-39 equals 100), a slight decline from August's 191.1.

In contrast to the Consumers' Price Index, the following analysis of the Bureau of Labor Statistics' Wholesale Index is of particular interest. It indicates the control status of individual commodities on November 26, 1952, and shows base value weights.

BLS Wholesale Price Index

Control status of individual commodities as of November 26, 1952,
showing base value weights

Group	(millions of dollars)						
	Total	E-A ¹	E-OPS ²	S ³	SCP ⁴	CP ⁵	C ⁶
Farm products	\$ 30,088·7	\$2,689·3	\$6,276·0	\$ 2,656·2	\$10,197·2	....	\$ 8,270·0
Processed foods	31,807·3	1,602·6	2,372·6	4,069·7	....	\$680·0	23,082·4
Textiles, apparel	19,770·7	....	....	14,416·1	....	....	5,354·6
Hides, skins, leather..	4,235·2	....	....	3,720·2	....	....	515·0
Fuel, power, lighting..	17,555·8	4,498·9	....	....	....	....	13,056·9
Chemicals and products	10,754·2	....	324·3	347·0	....	....	10,082·9
Rubber and rubber products	3,185·1	....	....	....	....	....	3,185·1
Lumber and wood products	5,363·3	....	....	....	....	....	5,363·3
Pulp, paper and allied products ...	6,961·0	....	....	....	....	....	6,961·0
Metals and metal products	23,814·4	....	16·1	....	....	....	23,798·3
Machinery	28,687·3	....	....	....	....	....	28,687·3
Furniture, other house- hold durables	7,862·0	....	152·9	1,680·5	....	....	6,028·6
Non-metallic minerals	2,789·8	....	....	....	....	....	2,789·8
Tobacco manufactures and bottled beverages	4,776·6	....	....	1,872·8	....	....	2,903·8
Miscellaneous	6,095·6	....	653·8	....	....	....	5,441·8
All commodities	203,747·0 2,193·3*	8,790·8	9,795·7	28,762·5	10,197·2	680·0	145,520·8
Grand total	205,940·3						
Relative importance ..	100·0	4·3	4·8	14·1	5·0	0·3	17·4

* Add to all commodities other than farm products and processed foods.

¹E-A —Exempted by the Defence Production Act.

²E-OPS—Exempted by action of Office of Price Stabilization.

³S —Suspended.

⁴SCP —Subject to control under the parity adjustment provision.

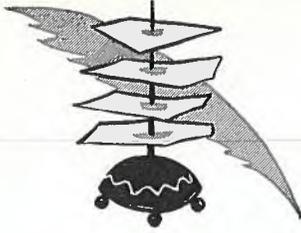
⁵CP —Commodities controlled under the parity adjustment provision.

⁶C —Controlled.

Since then additional changes (not yet statistically measured) have been made. Chief of them was the early December suspension of controls on men's and boys' apparel and accessories.

At present about 70 per cent of wholesale items are still under OPS ceiling price regulations. At mid-November it was estimated that about one-third of these items were at their ceilings, another third near their ceilings, and the remainder significantly below. The wholesale price index trend since mid '51 has been steadily and gradually declining—from the monthly average of 114·8 in 1951 to 110·2 on December 2, 1952.

—G. A. BROWNE
Commercial Secretary for Canada



GENERAL NOTES

BRAZIL

Krupp to Make Locomotives—The Industrial Development Commission has approved a project by the Friedrich Krupp Industries of Germany to install a plant in the State of São Paulo to make locomotives. Krupp plans to invest Cr\$100 million and the Commission approved its request for a number of exemptions to import basic materials and to facilitate immigration for German technicians. Brazil urgently needs railway equipment and the Commission has asked the Government to take immediate steps to carry out this project—São Paulo, December 13.

CHILE

Tractor Assembly—The Ministry of Economy is studying the proposal of an important German company for the establishment of a tractor assembly plant in Chile. Many of the tractor components could be manufactured from steel produced by the plant at Huachipato—Santiago, December 15.

CUBA

Export Totals—Cuban exports during the first six months of 1952 totalled \$392.7 million. This breaks down as: sugar and by-products, \$351.4 million; tobacco (leaf and manufactured), \$16.6 million; stones, earths and mineral products, \$10.4 million; metals and manufactures, \$1.3 million; forestry products, \$5.4 million; animals and animal products, \$2.2 million; food products, \$2.7 million; chemicals, pharmaceuticals and perfumery, \$317 thousand; miscellaneous, \$2.3 million. Renewed interest in Cuban minerals (manganese, nickel, iron, copper, chrome, etc.), gives this item third place among Cuban exports, following the country's staple export, sugar, and its distant second, tobacco—Havana, December 13.

GERMANY

New Uses for Natural Rubber—During recent meetings of the International Rubber Bureau at Frankfurt am Main, many new and proposed uses for natural rubber were discussed. A rubber exhibition designed to acquaint the German public with possible uses of natural rubber was held in Cologne. One of the more significant developments has been an increasing use of natural rubber compounds for

highway surfaces. Satisfactory results have been obtained from its experimental use on the highway from Hamburg to Lübeck and on several streets in Oberhausen and Stuttgart. Plans are being considered by the Federal Railway Association to equip the wheels of rolling stock with rubber surfacing. In agriculture, natural rubber for stall mats is thought to effect a considerable improvement in hygiene and economy—Bonn, December 10.

JAPAN

Long-term Credit Bank—The new Japan Long-Term Credit Bank began operations at the beginning of December. The bank, which was established under the Long-Term Credit Bank Law, is capitalized at Y5 billion. Applications for loans from Japanese power, shipbuilding, and iron and steel industries already exceed Y15 billion. Japanese banks have shown keen interest in the initial bond issues and the general public and the Finance Ministry are also expected to invest—Tokyo, December 10.

SOUTH AFRICA

Trade Declines—In the eight months to August 1952, the total trade of the Union was six per cent less than in the similar period of 1951. Imports declined by £18·6 million to £297·3 million and exports by £9·4 million to £218·1 million. During the first four months of the year, import arrivals against the 1951 quotas concealed the increasing rigours of the import control, and values and quantities were actually above those for the previous year. After the eight months, however, there was every indication that imports for the year would be reduced to the target of £406 million—Cape Town, December 10.

SWEDEN

Installations in India—A Swedish firm has been given the contract to install the ventilation plant at Tata Iron and Steel Company in India which, with 40 thousand employees, is said to be one of the largest iron works in the world—Stockholm, December 9.

UNITED KINGDOM

Imports and Exports—Imports into the United Kingdom in November were valued at £261·8 million, compared with £266·6 million in October. Total imports for the first eleven months of the year were £3,218 million, nearly £400 million less than in the same period in 1951.

U.K. exports in November amounted to £207·2 million, £11·6 million below October. There were, however, two working days less in November and actually the daily rate of exports in that month was two per cent higher than in October. Exports to North America declined to £24·4 million, from £28·6 million in October. The surplus of imports over total exports was £45·7 million, compared with £35·7 million in October—London, December 20.

Documentation for Europe

The following table lists the documents required for freight shipments to European countries, other than those in the Soviet orbit, and indicates briefly the main points to follow in preparing these documents. Further explanation is given in the notes following the table.

Unless otherwise indicated (in the notes), there are no requirements as to the form of the documents, the language, weights or measures, and no certification or consular legalization is required.

Abbreviations: C.I. = Consular Invoice; Com. I. = Commercial Invoice;
C.O. = Certificate of Origin; B.L. = Bill of Lading.

Country	Documents required	No. of copies	Notes (see below)
Austria.....	Com. I.....	2	9.
	B.L.....	1	
Belgium.....	Com. I.....	1	9. 3.14.
	B.L.....	1	
	C.O.....	1	
Denmark.....	Com. I.....	2	11. 13.14.
	B.L.....	1	
	C.O.....	2	
Finland.....	Com. I.....	2	3.14.
	B.L.....	2	
	C.O.....	1	
France.....	C.I.....	2	1.7.11.15. 2.14.15.
	B.L.....	1	
	C.O.....	3	
Germany (Western).....	Com. I.....	1	9. 3.14.
	B.L.....	1	
	C.O.....	1	
Greece.....	Com. I.....	4	2.5. 3.
	B.L.....	1	
	C.O.....	1	
Iceland.....	Com. I.....	2	6.9.
	B.L.....	2	
Italy.....	Com. I.....	3	5. 3.14.
	B.L.....	1	
	C.O.....	2	
Netherlands.....	Com. I.....	2	10.
	B.L.....	1	
Norway.....	Com. I.....	2	2.10.
	B.L.....	1	
Portugal.....	C.I.....	3	1.16. 1.14.
	Com. I.....	1	
	B.L.....	2	
	C.O.....	2	
Spain.....	Com. I.....	3	9. 1.8.
	B.L.....	1	
	C.O.....	4	

Country	Documents required	No. of copies	Notes (see below)
Sweden.....	Com. I.....	2	11.
	B.L.....	1	
Switzerland.....	Com. I.....	1	7.10.12.
	B.L.....	1	
	C.O.....	1	
Yugoslavia.....	Com. I.....	2	3.
	B.L.....	1	
	C.O.....	1	

NOTES:

1. Requires consular legalization.
2. Consular legalization may be required in certain cases.
3. Requires certification by a Chamber of Commerce or similar organization.
4. Must be in the language of the importing country.
5. If language of importing country is not used, a translation may be required at the discretion of the Customs.
6. Should be in English or accompanied by a translation into English.
7. Should be in French or both English and French.
8. Should be in French or Spanish, or a Spanish translation is required.
9. Weights and measures must be stated in metric units.
10. Standard Canadian weights and measures may be used, but the metric system is preferable.
11. Commercial invoice is required only for goods dutiable at ad valorem rates, but desirable for other goods as well.
12. Commercial invoice is not obligatory, but desirable to supply shipper with information required for Customs declaration.
13. Must be issued by competent Canadian authorities.
14. Certificate of origin only required in certain cases.
15. Combined form of certificate of origin and consular invoice, prepared by commercial stationers, is acceptable.
16. The consular invoice, known as "declaration of cargo," must be of a prescribed form obtainable from commercial stationers.

General Observations

The table above is intended merely as a guide to the kind of documents required by each country and the minimum number of such documents necessary for customs clearance. Exporters should bear in mind that additional copies may be required by their European customers or by the forwarders, banks, etc.

Most of the countries in Europe specify in detail the data that should be given in the shipping documents. Moreover, sanitary or other special certificates are required by many countries for such imports as animals, plants, foodstuffs, etc. These requirements are not dealt with in the above table. However, full details are given in the series of leaflets on Shipping Documents and Customs Regulations which may be obtained from the Foreign Tariffs Division for all the countries listed above except Portugal, Spain and Yugoslavia. Information on these three countries can also be furnished on request.

The documents required for shipments by parcel post or air cargo to European countries are generally similar to those for freight shipments. Any differences in the regulations are shown in the leaflets on shipping documents.

All European countries restrict imports of some or all items from the dollar area, including Canada. Canadian exporters would be well advised not to ship their goods until they are assured that an import licence, if required, has been obtained by the importer.

(For list of Foreign Commercial Representatives in Canada see "Foreign Trade" of November 8, 1952.)

TRADE AND TARIFF REGULATIONS

BARBADOS

Licence Expiry Date—A notice issued by the Controller of Supplies, Barbados, on December 4 informed importers as follows:

“Licences issued on the *General Allocations* for imports from Canada, U.S.A., and all other non-sterling sources will expire on 31st December, 1952, notwithstanding the date of expiry stated on the licences, and goods covered by such licences must be shipped by 31st December, 1952.

“Importers holding licences for *essential* foodstuffs which will not arrive before 31st December, 1952, must make application for the renewal of these licences before 31st December, 1952.

“The above does not apply to licences issued under the Trade Liberalization Plan under which licences will continue to be issued up to 31st December, 1952. Goods covered by such licences will be admitted up to 31st March, 1953, after which date these licences will be invalid.

“As from this date licences against *General Allocations* will only be issued if importers can guarantee that goods will be arriving before the 31st December, 1952.”

BELGIUM, NETHERLANDS, LUXEMBOURG

Tariff Suspensions Modified—Belgium, the Netherlands and Luxembourg have renewed for 1953 some of the suspensions and reductions in customs duties which have been maintained on a yearly basis since the common customs tariff for these countries came into force on January 1, 1948. On the other hand, some suspended rates have not been renewed and full rates on the goods concerned will be applied commencing January 1, 1953.

Duties will remain suspended on a number of items including canned salmon; sawn coniferous lumber not exceeding at any point 76·2 millimetres in thickness, 279·4 millimetres in width, or 7·01 metres in length; sawn lumber other than coniferous; Portland cement; acetone; and certain kinds of artificial silk yarns, fibres and waste.

Full customs duties will be payable on the following commodities (the suspended or reduced rates, and the full rates, effective January 1, 1953, are shown in parentheses): sawn coniferous lumber of larger dimensions than those indicated above (formerly suspended, now 10 per cent); newsprint (formerly 6 per cent, now 10 per cent); caustic soda (formerly 4 per cent, now 8 per cent); tinsplate (formerly suspended, now 4 per cent); and certain new jute bags for packing (formerly 10 per cent, now 18 per cent)—Brussels, December 18, 1952.

(Exporters may obtain information on individual items affected from the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa).

BERMUDA

Imports of Hams Permitted—The Bermuda Supplies Commission advised importers on November 24, 1952, that smoked, regular and picnic hams may be imported into the Colony from Canada and the United States on and after December 8, 1952.

BRITISH HONDURAS

Entry Tax—From November 21, 1952, the entry tax payable on imports into British Honduras, at the rate of one per cent of c.i.f. value with a minimum of ten cents per package, ceased to apply to beans and peas (whole and split); butter and lard and their substitutes; dholl; milk; and rice.

JAMAICA

Tonnage Tax—From November 27, 1952, this tax, levied on most imports into Jamaica, and whose basic rate is 6d. per package of 56 pounds or less, ceased to apply to all imports through the post. On October 9, 1952, a like exemption was granted in favour of articles forming part of the *bona fide* baggage of persons arriving in the Colony.

TRINIDAD

Import Quota Expiry Date—The Controller of Imports and Exports, Trinidad, has advised importers that all goods subject to import quotas which arrive in the Colony after December 31, 1952, or which are paid for after that date, will count against quotas for 1953, even though such goods were ordered against 1952 quotas.

Importers were also notified that, until further notice, no licences for articles other than foodstuffs would be issued on hard currency areas, except in special circumstances, for importation of goods in 1953.

This restriction does not apply to allocations under the Token Imports Scheme.

UNITED STATES

Restrictions on Canadian Hay Lifted—According to notice in the United States Federal Register of December 13, 1952, the United States has lifted the embargo on imports of Canadian hay produced east of Sault Ste. Marie, effective on the date of publication, December 13, 1952.

To qualify for entry the hay must be produced east of the 85th meridian, west longitude, and transported directly from that area to a United States port of entry located east of the 85th meridian, west longitude, without passing through any area of Canada west of that meridian.

Canadian exporters are advised to obtain the proper form of certification from authorized veterinary inspectors or seed and feed inspectors of the Canadian Department of Agriculture.

Department of Trade and Commerce

HEAD OFFICE DIRECTORY

This directory is intended as a useful reference for the business man who wishes to consult head office personnel on particular problems. Correspondence should be addressed to the heads of branches or divisions. Local government telephone numbers follow each name. (In Ottawa dial 9, followed by the local; when calling from out of town call the Government, 2-8211, and ask for the local only.)

No. 1 Building, 375 Wellington Street*

	Gov.	Local
<i>Minister: The Rt. Hon. C. D. Howe, P.C., M.P.</i>		3693
<i>Parliamentary Assistant: G. J. McIlraith, M.P.</i>		7042
<i>Deputy Minister: Wm. Frederick Bull</i>	6748-2326	
<i>Executive Assistant: H. A. Gilbert</i>		2380
<i>Trade Policy Adviser: H. R. Kemp</i>		5151
<i>Associate Deputy Minister: M. W. Sharp</i>	2888-5838	
<i>Economic Adviser: O. J. Firestone</i>		4176
<i>Assistant Deputy Minister: Oliver Master</i>		2421
<i>Comptroller-Secretary: Finlay Sim</i>		2262

ECONOMICS DIVISION

Director: V. J. Macklin 5658

TRADE COMMISSIONER SERVICE

Director: G. R. Heasman 2530
Assistant Director: H. W. Cheney 3058
Assistant Director: L. H. Ausman 6800

Area Trade Officers

Asia and Middle East: R. K. Thomson 8286
Commonwealth: A. B. Brodie 2144
Europe: K. Nyenhuis 5040
Latin America: A. Savard 7641

Western Representative: H. L. E. Priestman, 355 Burrard St., Vancouver.

Newfoundland Representative: Stott Bldg., St. John's, Newfoundland.

COMMODITIES BRANCH

Director: Denis Harvey 5417
Special Assistant: A. L. Neal 8269
Administrative Assistant: J. G. MacKinnon 6905

Export Division

Director: H. B. Scully (Acting) 6519
B.W.I. Trade Liberalization Plan: J. G. MacKinnon 6905-5670
Token Shipments to United Kingdom: A. E. Fortington 5680

Import Division

Director: C. F. McGinnis 7163
Export Controls in Other Countries: W. G. Hopkins 6552

Transportation and Communications Division

Director: G. S. Hall 6236
Assistant: H. A. Hadskis 2737
Traffic Section: J. H. Longfellow 7835

* Unless otherwise noted, all offices of the Department are in No. 1 Building.

Export and Import Permit Division

Chief: T. G. Hills	3640
<i>Processing Officers:</i>	
Food, Steel, Non-Ferrous Metals, All Strategic Materials: S. C. Cooke	6976
Textiles, Lumber and Products: K. A. Peaker	5508
Chemicals, Leather, Automobiles and Trucks and Parts: D. Alger	6963

Commodity Sections

(Export and Import)

Automotive, Agricultural and Construction Equipment	
Chief: H. B. Scully	6519
Automotive and Self-Propelled Construction Equipment: H. B. Scully	6519
Agricultural Machinery and Implements: G. C. Clarke	3873
Chemicals, Oils and Minerals	
Chief: S. G. Barkley	7601
Chemicals and Allied Products: S. G. Barkley	7601
Oils and Fats: R. T. Elworthy	5177
Non-Metallic Minerals: E. J. Bonkoff	5823
General Products	
Acting Chief: P. G. Jones	4160
Toys, Recreational Products, Musical Instruments: P. G. Jones ..	4160
Electrical Appliances, Sewing Machines: W. H. Grant	3209
Office, Hospital, Radio and Store Equipment: D. G. W. Douglas ..	6197
Handicrafts, Photographic Equipment, Jewellery: P. E. Jensen ..	5337
Plumbing, Heating and Hardware Products: G. W. Rahm	6958
Imported Foods	
E. B. Paget	4161
Machinery, Metals and Electrical Equipment	
Chief: E. C. Thorne	4082
Assistant to Chief: A. A. Dejausserand	5207
Non-Ferrous Metals: A. Tedford	5159
Miscellaneous Capital Goods: J. D. Moorman	7546
Textiles, Leather and Rubber	
Chief: G. R. Poley	3004
Fabrics: G. R. Poley	3004
Wearing Apparel: E. G. Gerridzen	5378
Fibres and Products: A. C. Fairweather	7815
Leather and Rubber Products: F. T. Carten	4966
Wood and Wood Products	
Chief: G. H. Rochester	4447
Lumber and Manufactured Wood Products: J. C. Dunn	4863
Logs and Lumber Products: R. Bonnar	5127
Paper: E. Clarke	6974
Pulp and Pulpwood: M. N. Murphy.....	5811

Export and Import Directories

Chief: G. L. Tighe	6681
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AGRICULTURE AND FISHERIES BRANCH

Director: G. R. Paterson	4301
Wheat and Grain Division: Assistant Director, G. N. Vogel.....	5830
Agricultural Products	
Plants and Plant Products: G. F. Clingan.....	7523
Livestock, Dairy and Poultry Products: K. L. Melvin.....	3172
Animal Products: A. J. Stanton.....	5859
Fish and Fish Products: T. R. Kinsella.....	7385

INTERNATIONAL TRADE RELATIONS BRANCH

<i>Director:</i> C. M. Isbister	4042
	2250
Foreign Tariffs Division	
<i>Director:</i> B. G. Barrow	2250
Assistant: H. V. Jarrett	5642
Australia, New Zealand, South Africa: E. J. McMeekin	8727
Europe: F. P. Weiser	5642
Latin America, France, Spain, Portugal: A. M. Baldwin	8727
United Kingdom, British West Indies, Asia: Miss H. K. Potter..	8469
United States: B. S. Shapiro	8469
Commercial Relations	
R. B. Nickson	7594
M. Schwarzmann	7594
W. Lavoie	6531

INFORMATION BRANCH

<i>Director:</i> H. Leslie Brown	2479-6394
Assistant Director: J. Fergus Grant	2186
Editor: Foreign Trade and Commerce Exterior: Miss O. Mary Hill	6588
Advertising: Roy A. Abrahamson	6435

TRANSLATION BRANCH

<i>Chief:</i> J. C. Letellier de St-Just	2760
Miss M. J. Bourque	2760
M. Roy	2760

INDUSTRIAL DEVELOPMENT DIVISION

<i>Director:</i> G. D. Mallory	3819
Assistant Director: B. R. Hayden	7886
Technical Officer: W. J. Moloughney	5909

CANADIAN GOVERNMENT EXHIBITION COMMISSION

479 Bank St.

<i>Director:</i> Glen Bannerman	3558
Assistant Director: F. P. Cosgrove	7818

EXPORT CREDITS INSURANCE CORPORATION

Birks Bldg., 107 Sparks St.

<i>General Manager:</i> H. T. Aitken	2-4828
Chief Credit Officer: A. W. Thomas	2-4828
Secretary: T. Chase-Casgrain	2-4828

DOMINION BUREAU OF STATISTICS

Parkdale Ave.

<i>Dominion Statistician:</i> Herbert Marshall	6371-2529
Assistant Dominion Statistician: J. T. Marshall	7695
Agriculture Division	
Director: C. V. Parker	4774
Census Division	
Director: O. A. Lemieux	2088
Education Division	5933
Information Services Division	7544
Canada Year Book and Canada Hand Book	
Director: J. E. Robbins	
Health and Welfare Division	
Director: F. F. Harris	6651
Industry and Merchandising Division	
Director: W. H. Losee	2125
International Trade Division	
Director: C. D. Blyth	8340
Labour and Prices Division	
Director: H. F. Greenway	7424
Public Finance and Transportation Division	
Director: J. H. Lowther	5396
Research and Development Division	
Director: S. A. Goldberg	3071
Special Surveys Division	
Director: A. B. McMorran	5570

STANDARDS BRANCH

West Block, Wellington St.

<i>Director:</i> R. W. MacLean	2132
Assistant Director (Electricity and Gas): E. F. Power	2956
Assistant Director (Weights and Measures): C. S. Phillips	2000
Assistant Director (Precious Metals Markings): W. L. Berry	7075

INTERNATIONAL ECONOMIC AND TECHNICAL CO-OPERATION DIVISION ("COLOMBO PLAN")

No. 4 Building, Lyon St.

<i>Administrator:</i> Nik Cavell	8495
Assistant Administrator: R. W. Rosenthal	8429
Technical Co-operation Service	
Chief: J. A. Macdonald	5542
Assistant Chief: J. T. Hobart	8662

Foreign Exchange Rates

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

Conversions into Canadian dollars have been made at cross rates with sterling or the United States dollar on the date shown.

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

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

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

For conversion to United States dollar equivalents multiply by 1.0309.

Country	Unit	Type of Exchange	Canadian dollar equiv. Dec. 23	Notes (See below)
Argentina	Peso	Preferential buying	.1293	(1)
		Basic buying	.1940	
		Preferential selling	.1940	
		Basic selling	.1293	
		Free	.0698	
Austria	Schilling		.0454	
Australia	Pound		2.1800	
Belgium-Luxembourg & Belgian Dependencies	Franc		.0193	
			.01617	tax 5% (1)
Bolivia	Boliviano	Official	.00965	tax 3% (2)
		Differential	.5677	(3)
British West Indies	Dollar		2.7250	(4)
			.6812	
Brazil	Cruzeiro		.0524	tax 8% (2)
Burma	Kyat		.2044	
Ceylon	Rupee		.2044	
Chile	Peso	Official	.03124	(1)
		Commercial	.01615	
		Free	.00795	
Colombia	Peso	Basic	.3880	tax 3% (2)
		Coffee Buying	.4243	
		Official	.1731	(5)
Costa Rica	Colon	Official	.1454	*Oct. 31
		Free	.9700	tax 2%
			.0194	
Cuba	Peso		.1404	
Czechoslovakia	Koruna		.9700	
Denmark	Krone		.06466	(6)
Dominican Republic	Peso		.05575	
Ecuador	Sucre	Official	2.7854	
Egypt	Pound	Free	2.4550	
Fiji	Pound		.00422	
Finland	Markka		.00277	
France	Franc		.00555	
French Africa	Franc		.01526	
French Pacific	Franc		.2310	
Germany	D Mark		.000065	
Greece	Drachma		.9700	
Guatemala	Quetzal		.1940	
Haiti	Gourde		.4850	
Honduras	Lempira		.1563	*Oct. 27
Hong Kong	Dollar	Free	.05956	
Iceland	Krona	Official	.04580	
		Special buying	.03722	
		Special selling	.2044	
			.08509	
India	Rupee		.04254	(7)
Indonesia	Rupiah	Basic	.02836	
		With Surcharge I	.00185	*Nov. 17
		With Surcharge II		
		Dollar certificate		

* Latest available quotation date.