foreign trade

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COVER . . . These oilfield workers at Talara, Peru, are stabbing in a new fishtail bit. Under new legislation designed to attract foreign capital, exploitation of the country's oil resources is being carried out with new vigour. (See story on page 7.)
—Photo by Standard Oil Co. (N.J.)

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The Netherlands' Financial Recovery

The past year has seen the Netherlands make remarkable progress towards financial stability. Here is the story of how it was achieved—and a look at the problems that remain.

THE HAGUE—Throughout 1952 the financial strength of the Netherlands steadily increased. Less than two months before the year's end reserves of gold and foreign exchange stood at a postwar high of 3,553 million guilders.* In July 1951, by contrast, these reserves had reached the dangerous low of 894 million guilders. Thus within fourteen months over 2,600 million guilders were added to the reserves.

Although it is difficult to set any exact minimum or danger point for reserve holdings, most observers agree that, under present circumstances, anything less than 2·5 billion guilders would be courting trouble. With reserves of over one billion guilders above the hypothetical danger level, the Netherlands should face the future with more confidence than a year ago.

In addition, the country now has a total credit of $294 million with the European Payments Union. In fact, it has been recording substantial monthly surpluses with EPU since the turning point in recovery was reached in August 1951. During the first half of 1952 exports rose substantially. This, combined with a sharp decrease in imports, meant that 93 per cent of Dutch imports were covered by exports in the first seven months of 1952, compared with 77 per cent by the year 1951.

Factors in Improvement

Many factors have contributed to this financial improvement. Some observers believe the gains were achieved largely as a result of government measures. Others credit it to a fortunate combination of internal and external economic circumstances.

The improvement has permitted a slight easing of rigid currency controls. Temporary freeing of capital accounts held in the Netherlands by non-residents and increased Dutch tourist and emigrant allowances are the three recent measures which reflect the new economic strength. The present amount of dollar currency that Netherlands emigrants can take to Canada represents a 15 per cent increase over the former allotment. In addition, Netherlanders moving to Canada can now make capital transfers of $2,300. Although none of the relaxations of Netherlands currency controls is by any means startling, together they indicate a trend in the right direction.

In spite of all this, Holland's dollar position remains extremely difficult and there is little hope of Canadian exporters increasing dollar sales to the Dutch. To see why, we must examine the background.

* One guilder=25·57 cents Canadian.

Postwar Holland has been beset with many difficulties. Reconstruction of extensive war damage, the loss of her far eastern colonies, and the pressure of an ever-increasing population are the chief problems with which this country must wrestle. The long-term economic outlook is still far from bright though the nation has made remarkable progress since the war. Direct financial help from Canada and the United States has played a leading role in the rehabilitation of Dutch industry which, on the whole, is much more efficient than prewar.

Just before the Korean war the Netherlands balance of payments had improved to the point where equilibrium appeared in sight. However, the scramble for raw materials, greatly increased consumption, and creeping inflation which followed on the outbreak of the Korean war wiped out the gains. The deficit in the total balance of payments increased from 984 million guilders in 1949 to 1,362 million in 1950, or nearly 40 per cent. This deterioration continued during the first seven months of 1951 and the deficit with EPU mounted. In July 1951 total gold and foreign exchange holdings by the Netherlands Bank dropped to the alarming low of 894 million guilders.

Monetary Measures Taken

The measures taken by the Netherlands Government to restore financial stability were in no way revolutionary. The bank rate, which had been raised with little effect in September 1950 from 2½ to 3 per cent, was further increased to 4 per cent for bills of exchange and 4½ per cent for promissory notes. Operated with the help of commercial banks, these monetary restrictions were introduced to check the expansion of stocks and to reduce bank loans for internal investment.

These Dutch cheeses are soaking in brine tanks to form a natural rind, before being stored for curing. Netherlands' exports in 1952, among which cheese ranks high, helped the country to decrease its dollar deficit.

—Netherlands Information Bureau

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Higher taxation and reduced subsidies helped to lower consumption. Business profits were taxed more heavily and the sales tax on luxury goods was increased. Food subsidies, which had been running at about 450 million guilders a year, were cut to 175 million. This brought an immediate price rise of up to 20 per cent for some commodities. The annual rate of house building was reduced from 50 thousand to 40 thousand units. In what was probably a unique arrangement, the labour unions agreed that a 5 per cent wage increase should cover only one-half of the rise in prices which inevitably followed the Government's new measures. In fact, the wage level lagged behind prices by about 7 per cent.

The only increase in physical controls over trade was a reduction from 65 to 60 per cent of "liberalized" trade with other Marshall Aid countries. On March 1, 1952, the average percentage of "liberalized" trade was restored to 75 per cent.

Assessing the Gains

Throughout 1952 the Netherlands continued to show monthly surpluses with EPU and on October 1, 1952, had accumulated a total EPU credit of over $294 million. She also achieved notable surpluses with Argentina, France and—most striking of all—with the sterling area. Although the trading deficit with Belgium has gone down considerably, Dutch indebtedness to West Germany has been increasing.

Remembering the many external factors which influence the Netherlands' prosperity, it would be rash to assume that the country has achieved economic stability. The loss of export markets or an increase in the prices of imported raw materials could soon alter the picture.

In analyzing the Netherlands' strengthened financial position it is fairly easy to single out the principal factors, but difficult to measure the degree to which any one factor or combination of factors has been responsible.

The Government's economic policy, outlined above, has probably been the greatest single influence in the marked increase in foreign exchange holdings. With the introduction of these government measures Holland's terms of trade began to show marked improvement. World commodity prices, which had soared with the outbreak of the Korean War, continued to fall.

The volume of exports, which has been steadily increasing since World War II, achieved a record during the recovery period. On the other hand, Holland's imports were greatly reduced. The degree to which the value of exports covered imports during the first seven months of 1952 averaged 92 per cent, compared with 77 per cent for the year 1951.

Dollar Problem Remains

Notwithstanding the general improvement in the Netherlands balance of payments and reserve holdings, the dollar problem remains unsolved. During the period July 1951 to June 1952 the Netherlands' dollar deficit totalled about $180 million. Exports to dollar countries have increased fivefold over the past five years. In 1947, dollar exports totalled $26·5 million, compared with $120·1 million in 1951. During this period, however, Canadian and American dollar aid helped Holland to decrease her dollar deficit. As direct American economic aid nears an end, the

Netherlands must continue to restrict dollar imports to essential items. A return to international currency convertibility might ease the dollar problem, but would be unlikely to solve it completely. At the moment it seems likely that Canadian exporters will continue to see purchases of less essential products restricted by the Netherlands because of currency difficulties.

Most observers exercise extreme caution in interpreting Holland's improved financial status. Delayed defence expenditures, the problem of domestic unemployment, and the instability of external conditions (both in the supply of raw materials and in the export markets) could soon wipe out the advances made. In the meantime, production continues high and, provided that external influences do not upset the present trend, 1952's high level of economic activity should continue through 1953.

—W. G. Pybus
Assistant Commercial Secretary for Canada

Britain Renews the Export Drive

To balance U.K. trading accounts and create a surplus to help develop backward areas of the Commonwealth, British exporters are pushing dollar sales, with government encouragement.

LONDON—The determination of the United Kingdom to play its part in the economic rehabilitation of the sterling area is typified by the efforts made over the past twelve months to achieve a balance in the country's overseas trading accounts. These efforts have been largely successful. The volume of exports in 1952 will prove to be about 50 per cent larger than in 1938. Earnings from these exports, plus a rigid control of imports, have helped to produce the current balance.

The Chancellor of the Exchequer has recently pointed out that, commendable as the recent performance has been, exports must be still further increased. Only in this way can import restrictions be relaxed and a surplus created out of which the United Kingdom can assist in financing the development of the more backward parts of the Commonwealth.

Meeting Competition

In the latest OEEC report, the United Kingdom revealed its intention to reach an overall balance of payments surplus of £300-350 million in 1953-54. To achieve this, the value of exports will have to be increased by 20 per cent over 1951.

How to obtain larger exports in the face of steadily fiercer competition from Germany and Japan is the problem that must be solved. Talks have been held with representatives of industry, commerce and the trade unions in the search for a solution. Further meetings are planned in the near future to study such aspects of a renewed export drive as incentive schemes, credit in export markets, the dangers of barter arrangements, the effect of taxation on exports, and so on.

Flexibility Needed

Postwar experience has shown the need for flexibility in British exports. Certain industries once important in the export picture are now of less consequence. New products have replaced the old. Exports of coal are today insignificant, but exports of aircraft, refrigerators and a wide range of engineering products, electrical goods and chemicals have become important. The Chancellor of the Exchequer recently drew attention to the contribution made to exports by industries that did not even exist in the U.K. before the war. He mentioned such products as nylons, penicillin, prefabricated buildings, radar, and combine harvesters.

The success of any export drive will depend to a large extent on the ability of U.K. industry to direct its resources into fields where overseas prospects exist. The opportunities for earning dollars by the sale of advanced British types of aircraft to the United States and Canada have been lessened to some extent by the inability of the U.K. aircraft industry to produce the planes fast enough.

Aids to Dollar Exports

The special importance of increased dollar exports remains, and there are a number of devices to encourage exporters to go after dollar markets.

For example, one of the important considerations in determining whether or not permission shall be given to erect new plant or extend existing capacity is the dollar-earning potential of the project. In raw materials it is possible, where controls exist, to show some discrimination in favour of manufactures to be exported to dollar areas. Where the end use of certain raw materials is controlled, relaxations are sometimes allowed for dollar exports. In addition, applications for imports which will contribute to increased dollar earnings receive favourable consideration. For example, sales of furs and fur garments to the dollar area entitle the exporter to a dollar "import quota" for raw skins, to the value of the raw skin content equivalent.

Under the Export Credit Guarantee Department's "Dollar Drive" policies, particular facilities are offered to exporters to dollar areas. These provide for a very wide range of trade risks and are based on a determination to find solutions to individual as well as general problems.

In addition to these "official" stimulants to dollar exports, there is a widespread determination on the part of enlightened firms to develop sales in dollar markets, not only because of a belief in the ultimate possibilities for profit, but because of an inherent patriotism which recognizes the contribution that success in this field will make to the general prosperity and welfare of the United Kingdom itself.

—R. P. Bower
Commercial Counsellor for Canada

Oil Boom for Peru?

Recently Peru passed a new petroleum law, designed to attract foreign capital to help develop its huge oil potential. Canadian companies are showing some interest.

LIMA—The program of the present government of Peru has laid stress on the elimination of obstacles which block or delay progress in the Republic. Recognizing that the money needed for the immediate development of the petroleum industry was beyond the capacity of government capital to raise, the Government decided to allow private capital, both domestic and foreign, to exploit the oil resources.

New Law Framed

Legislation designed to protect national interests and, at the same time, make investment attractive to foreign companies was under consideration for a long time. The result was the new Petroleum Law of March 1952, modelled basically on the Venezuelan pattern, to encourage foreign participation in the development of Peru's petroleum resources.

Those interested can apply for concessions of two types—exploration and exploitation—at reasonable cost. Exploration concessions may be converted at any time into exploitation concessions. One-half the area under the exploration lease then reverts to the State as a national reserve. Where applications for concessions overlap, exploitation concessions have a prior claim. Where exploitation concessions overlap, if the companies cannot come to an agreement the land overlapped goes up for auction among the applicants.

The new law offers highly favourable conditions for developing the Amazon basin east of the Andes. A graduated system of income tax rebates, a 50 per cent reduction in import duties on equipment brought in (to continue for thirty years) and a substantial depletion allowance are the means used. However, higher transportation costs will make development work there more expensive and the cost of transporting oil out will also be considerable. It is expected that the Sechura desert, chief oil area in the coastal region, will, because of its better location, be developed earlier and more intensively than the mountain or eastern oil areas.

Concessions Applied for

Under the law, Peruvian companies have special advantages. Five Peruvian companies filed preferential applications for exploration concessions. Four of these are located in the Sechura desert area of northern

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Peru and one in eastern Peru in the Ucayali River region. They cover altogether an area of 256 thousand hectares.* Following the national preferential registration period, foreign companies could apply for concessions, beginning October 27th, for rights to areas for a 40-year period. To date nine foreign companies—including three Canadian, four U.S., one Argentine and one U.S.-Argentine—have filed applications for 155 exploration and 29 exploitation concessions in eastern Peru. Concessions applied for in the coast area total 2,545,000 hectares and in eastern Peru 1,278,000 hectares. Guarantee deposits filed with the applications amounted to Soles 22,941,000.†

Canadian Interests

Three companies in which Canadians have an interest have filed applications for 477 thousand hectares, 397 thousand hectares and 463 thousand hectares, respectively. Undoubtedly there will be some overlapping in certain areas. It is expected that the official allocation of rights will require from three to six months; after that, extensive development work by the companies will begin.

For many years there has been little new exploitation of Peru's huge oil potential. Now large-scale foreign capital investment, attracted by the favourable conditions created by the new law, is expected to foster development that will make Peru a major oil-producing country.

An English translation of the new Petroleum Law can be obtained, on loan, from the Director of the Trade Commissioner Service, Ottawa.

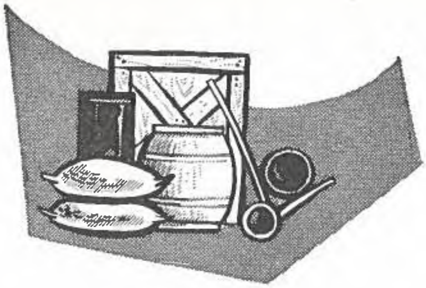
—Harry J. Horne
Acting Commercial Secretary for Canada

* One hectare=2·471 acres.
† One Peruvian sol=6·2 cents Canadian, approx.

MANILA GOES INTERNATIONAL

Historic Luneta Park, Manila, will be the scene of the Philippines' first International Fair, from February 1 to April 30. Using the motif "Philippines Progress Across the Centuries", the various displays will illustrate what the islands have achieved in cultural, social, economic and political development. They will also give visitors some idea of the great resources waiting to be harnessed and of the industrial and tourist potential of the country.

The Philippine Government and the various provinces and cities will have displays in the National Section; the International Section will feature exhibits by many participating countries. Some 40 local manufacturers, exporters and importers have taken space already in the Commercial and Industrial Section. The Cultural Section will specialize in exhibitions of fine art, music, drama, etc., arranged both by the Philippines and by other participating countries.



COMMODITY NOTES

AUSTRALIA

Gold—Amendments to taxation laws made in the 1951-52 Budget brought an increase in gold exports, making this one of Australia's main mineral exports. These amendments permit gold producers to sell newly mined gold on overseas markets for industrial purposes.

Total exports during the quarter ending March 31, 1952, were 177,123 fine ounces in the form of ingots, dust and bars, valued at £3,028,987. Main buyer was Switzerland, whose purchases totalled 138,949 fine ounces worth £2,377,466—Sydney, December 16.

CHILE

Locomotives—Ten locomotives for the State Railways will arrive in a Japanese vessel early in January, it is reported. A further ten will come on the same vessel a little later on—Santiago, December 15.

Antibiotics—All antibiotics will be imported through the Public Hospitals and Social Assistance Board for direct sale to chemists, it has been decided. An appreciable reduction in prices to the public should result—Santiago, December 6.

ITALY

Fiat 1900—To complete its line and compete with the larger motor cars produced in France and the United Kingdom, the Fiat Motor Company has just released the Fiat 1900. With an engine of 1,900 cubic centimetres capacity, four cylinders, five speed gears and a hydraulic joint, this car is both powerful and modern in design, with a guaranteed top speed of 135 kilometres an hour. The car will be sold in Italy at Lire 1,750,000 for the standard type and Lire 2,150,000 for the "special"—Rome, December 18.

MEXICO

Coffee—The 1951-52 coffee crop was reliably estimated at 60 thousand metric tons and the crop in 1952-53 at 70,800 metric tons. Exports in 1951 totalled 51,905 tons; exports from the September 1952 harvest were 48,818 tons. Following the September 1953 crop, exports are expected to reach 55,800 metric tons.

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Sales abroad in 1951 were valued at 534·9 million pesos, 9·8 per cent of total Mexican exports and 26·3 per cent of agricultural exports. Domestic consumption, which was 21,945 metric tons in 1948, sank to 12 thousand tons in 1952 and was not expected to exceed 15 thousand tons in 1953, despite the increased population—Mexico, D.F., December 30.

PAKISTAN

Dredgers—The largest of the fleet of 36 dredgers ordered for East Pakistan was launched at Amsterdam, Netherlands, on November 29. This dredger is 216 feet long, has a beam of 45 feet and a draft of seven feet, and is designed to dredge to a depth of 24 feet with an output of 75 thousand cubic feet of silt or sand per hour discharged through a pipeline three feet six inches in diameter for a horizontal distance of 1,200 feet. The spoil can also be discharged 160 feet along a gradient over a bank 20 feet in height. The dredger has twin propelling screws and four forward cutters of 200 B.H.P. each. The two main engines for propelling the vessel are of 850 I.H.P. each at 300 R.I.M. These dredgers will be used in East Bengal to maintain a network of navigable channels connecting trade centres with the remotest villages and the major ports of Chalna and Chittagong—Karachi, December 10.

SOUTH AFRICA

Minerals—According to official figures, the value of copper, asbestos and diamonds exported from South Africa during the first nine months of 1952 increased sharply compared with the same period in 1951.

Bar and blister copper exports were valued at more than £8 million during the first nine months of this year, in comparison with £4,823,409 during the same period of 1951. The value of asbestos exports during the nine months ended September 30 rose from £4,917,081 in 1951 to £6,920,316 in 1952. Diamond exports during the first nine months of this year were valued at £21,031,008, an increase of £1,600,000 over the 1951 period—Johannesburg, December 15.

SPANISH GUINEA

Cocoa—This season's cocoa crop in Spanish Guinea is estimated at 15 thousand metric tons, according to an official report. The greatest percentage of the crop comes from the island of Fernando Poo—Madrid, December 16.

WEST GERMANY

Automobiles—Automobile shipments via the harbour of Hamburg in the first week of October were the highest in 1952. They included 246 delivery vans to Canada, 87 tractors to Argentina, and 73 automobiles to Colombia, Sweden and Finland. In October, automobile shipments were cleared through Hamburg to Sweden, Indonesia, Costa Rica, South Africa, Paraguay, and Syria—Bonn, December 10.

South Africa Fights Soil Erosion

"Save the Soil" campaign launched by the National Veld Trust seeks to impress farmers with urgent need for conservation.

JOHANNESBURG—On the heels of one of the worst droughts in the history of South Africa, the National Veld Trust, a non-profit organization, has launched a "save the soil" campaign designed to rouse South Africans to the menace of widespread soil erosion. The campaign opened last year with a fund-raising drive that ran from September 1 through November. Using the Green Cross as its symbol, the National Veld Trust is publicizing soil conservation and will use the funds raised in the recent drive to encourage soil conservation practices on individual South African farms.

Canadian Wheat Sales Affected

The success or failure of the "save the soil" campaign will determine how much Canadian wheat South Africa buys in the years to come. At the moment, local farmers can produce three-quarters of the Union's annual requirements. The remainder, some six million bushels, has to be imported. During 1951 Canada supplied almost all of this at a cost of $10,879,370 to the South African Treasury.

The National Veld Trust drive is the outcome of increasing anxiety over soil conditions in the Union's important farming areas. Historically, the South African farmer's troubles have been ascribed to droughts which dry up the country periodically. In most of South Africa rain falls only during the summer and only one-third of the country gets 25 inches of rain a year, the minimum needed for successful crop production. Authorities estimate that it is unlikely that more than 15 per cent of the total land area can ever be cultivated; the rest is too arid, stony or mountainous.

Although experts recognize the limited agricultural potentialities of the Union's soil, recent studies indicate poor soil conditions have been made worse by unscientific farming methods. In his report for 1951 the Secretary for Agriculture said, "Under the pressure of continuous crop production, the soils in the intensive farming areas show an alarming decline of fertility and collapse in structure".

In the country's early days, a small population lived on large expanses of land and farmed sparingly. With the development of urban life in the Union and its demands on the farmer, land was cut up into smaller units and worked continuously. Assuming that soil fertility was stable, the farmer's concern was to produce cash crops. This he did, but at the same time he was depleting the soil by straight cropping without rotations, by removing grain without replacing manure or without including grass crops periodically for building up soil structure. As the soil deteriorated, erosion increased. When the country experienced

Long years of straight cropping without rotation and without enriching depleted soil is rapidly changing this South African field of maize into a sandy waste. The National Veld Trust is working to prevent such erosion.

a drought, marginal land and steep slopes that had been indiscriminately ploughed became powdered dust. When the rains came, torrents raged over mountain catchment areas and valleys that had been repeatedly overcultivated and overstocked. Instead of being retained where it fell, the rain rushed to deposit its silt in the nearest river.

Inexorably, the water table of South Africa has been lowered. Streams that formerly ran all year round are now dry in the dry season and raging floods when it rains. Droughts formerly regarded as relatively insignificant now assume the proportions of a major disaster. As a result, soil erosion is so serious it is considered a threat to the nation. Authorities estimate that water erosion alone strips South Africa's vital grain belt of 40 million tons of topsoil, and that a total of 300 million tons of the country's soil is washed into the sea every year. Recently the Prime Minister, Dr. D. F. Malan, said, "In our ignorance and carelessness, we have, in the course of the last 50 years, grossly overtaxed and maltreated the nation's soil, and in many parts, even destroyed it. The western desert is gradually encroaching on the eastern plateau. Fires have scorched the sponges of our mountain ranges. The once waving grasslands of the Highveld now lie bare and red and millions of tons of precious topsoil are washed to the oceans annually". The Prime Minister urged full support of the National Veld Trust campaign.

Since its inception in 1944 the National Veld Trust, which was formed by a handful of prominent South Africans, has been devoted to promoting soil conservation. One of the first acts of the group was to prepare a Model Soil Conservation Bill along the lines of the Roosevelt Standard State Soil Conservation Law of 1937 which helped to solve soil erosion problems in the United States. The National Veld Trust Bill was adopted in the Union Parliament and became law as the Soil Conservation Act of 1946.

To put the Soil Conservation Act into effect, a new division was formed in the Department of Agriculture. But it soon became apparent that it would take more than government action to halt the appalling loss of soil each year. The Minister of Agriculture stressed the magnitude of the problem when he said, "If we could, within the next five years, devote £150 million to the development and protection of our soil and water resources, we would at the end of that time still not have the needed stability and security. There would be the contours, the fences, the stormwater drains and the dams. But these mechanical emergency measures are but a small part of the 60 major soil conservation practices recognized by science. To apply them all needs the understanding and active co-operation of the individual husbandman, whether he be operating a peasant plot in the Transkei or a great mechanized farm in the Eastern Transvaal".

—HOWARD E. CAMPBELL
Assistant Canadian Government Trade Commissioner

TV Production Reaches New High

WASHINGTON—During the first ten months of 1952, the production of television receivers in the United States reached an all-time high of 4,394,708 sets. In October alone 724,117 sets were made, 75 per cent above October 1951. Production of radio sets was 772,346. Thus for the first time production of TV sets almost equalled production of radios. The ten months' TV output was well over 50 per cent of the radio production of 7,461,881 sets during the same January-October 1952 period.

Production figures for the five years 1947-1951 show the phenomenal growth of this new industry.

	1947	1948	1949	1950	1951
Table model	116,315	646,509	1,792,691	2,941,560	2,275,901
Console	37,039	179,181	989,220	3,820,060	2,774,859
Phono-combination	25,217	149,310	218,089	702,180	334,038
Total	178,571	975,000	3,000,000	7,463,800	5,384,798

Over the five years, output of TV sets totalled 17,002,169, compared with 75,117,262 radio receivers. The relative importance of the television industry is shown by the fact that manufacturers' value of television receivers exceeded that of radio by almost three to two—$3,166,986,300 for television, as compared with $2,175,936,597 for radio.

Of interest too is the fact that console and consolette television production during the five-year period increased from 20·74 to 51·53 per cent. This was largely at the expense of table models, which represented 65·14 per cent of the production in 1947 but only 42·27 per cent in 1951. This trend seems to be continuing.

Precise statistics showing the five-year trend from small screen to large screen TV receivers do not seem to be available. Probably in the earlier years adequate records were not maintained. In 1951, however, the production of sets by size of screen was:

15 inches and smaller	254,289
16, 17 and 18 inches	3,977,212
19, 20 and 21 inches	913,206
22-inch and over	25,423

—John H. English
Commercial Counsellor for Canada

Afghanistan's "In-Transit" Trade

KARACHI—Afghanistan's in-transit trade through Pakistan during the first nine months of 1952 reached a new high of Rs.140·7 million, compared with Rs.116·7 million for the same period in 1951.

Exports from Afghanistan to foreign countries, as recorded by the Collector of Customs at Lahore and Karachi, Pakistan, rose to Rs.82·5 million in the first nine months of 1952 as against Rs.68 million during the corresponding period last year. Imports into the country, both for private and government account, also showed an appreciable rise—to Rs.58·2 million compared with Rs.48·7 million in the corresponding period last year.

The largest share of Afghanistan's exports—about Rs.7·7 million a month—passed through the port of Karachi. Last year the average was Rs.7·1 million a month for the first nine months.

Principal exports to foreign countries were:

Category	Value
Raw hides and skins	Rs. 49·4 million
Fruits and vegetables	15·8 "
Raw cotton	7·7 "
Raw wool	5·6 "
Wool manufactures	2 "

These five categories cover 98 per cent of the total exported goods in transit through Pakistan.

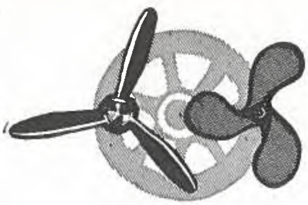
The principal imports into Afghanistan were:

Category	Value
Cotton piece goods	Rs. 14·4 million
Green tea	4·3 "
Sugar	3 "
Machinery and millwork	2·2 "
Rubber manufactures	2·1 "

These categories cover 65 per cent of total imports, valued at Rs.40·1 million.

Other significant items were rayon piece goods (Rs.1·8 million); petrol (Rs.1·4 million); other mineral oils (Rs.1·3 million); silk manufactures (Rs.1·3 million); and vehicles (Rs.1·1 million). These constituted 17 per cent of the total imported goods for private account in transit through Pakistan.

—A. P. Bissonnet
Commercial Secretary for Canada



TRANSPORTATION NOTES

The World's Second Shipbuilder

TOKYO, JAPAN—Japan's shipbuilding industry has emerged from the postwar doldrums to become the second most important in the world. In the second quarter of 1952, Japanese construction exceeded that of the United States by a scant margin. Britain, however, continues to lead with a two-million-ton construction program.

Something of a record was established when the Hitachi Shipbuilding and Engineering Company launched three ocean-going vessels on three successive December days, at three different Hitachi dockyards. The three ships were rated at $17\frac{3}{4}$, $15\frac{3}{4}$, and 15 knots, with a deadweight tonnage of 10,450, 7,600, and 20 thousand respectively.

In the same month, the Uraga Dock Company launched a 20 thousand-ton oil tanker for the Tanker Transport Corporation of Panama, and the Shimizu shipyard of the Nippon Steel Tube Company launched a similar vessel, also for a Panamanian shipowner, which is expected to be completed by early May. Both these tankers were constructed to the highest class of Lloyd's Register. On December 17, Hirami Shipbuilding Company launched a 28 thousand-ton tanker, the largest ever built in Japan, purchased by the Iino Kaiun Company, at Aioi Bay, Hyogo Prefecture. The M.S. *Santos Maru* (10,700 tons deadweight) made her maiden voyage on December 27. She is operated by the Osaka Shosen Kaisha Line on the first postwar regular passenger-cargo service to South Africa and South America.

Construction Figures

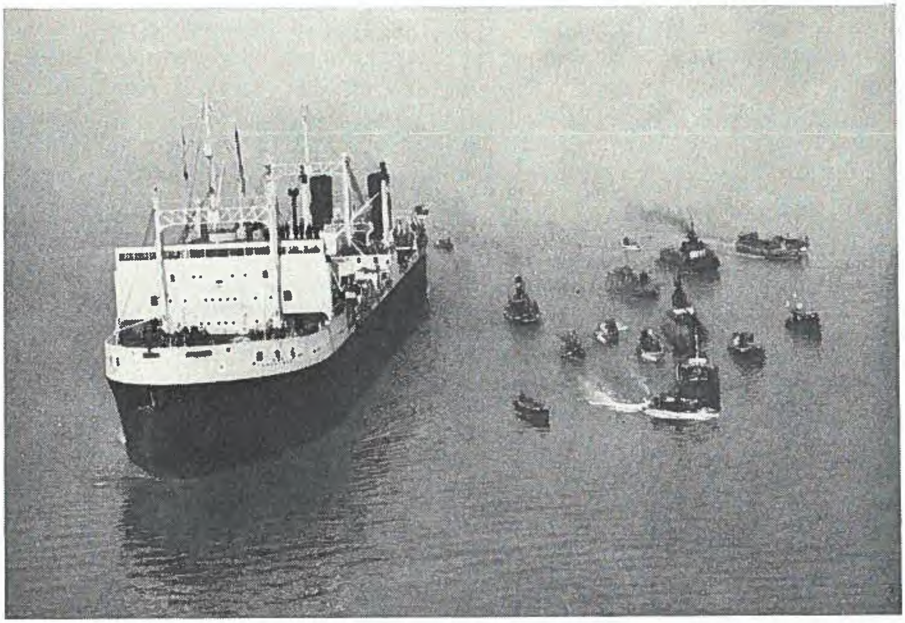
According to Lloyd's *Shipping Register,* vessels under construction during the third quarter of 1952 totalled 2,062,000 gross tons in the United Kingdom, 603 thousand gross tons in Japan, and 600 thousand tons in the United States. In October the Japanese tonnage of ships under construction rose to over 625 thousand gross tons, although the number of ships fell to 121. At the end of the year, Nippon dock workers were busily engaged on 57 ships of 5,000 tons or larger, totalling 582 thousand gross tons. When vessels below 5,000 tons are included, the total rises to about 700 thousand gross tons, a postwar high. Of the 57 ships exceeding 5,000 tons, 60 per cent were tankers totalling 351,350 tons. The others were freighters, with the exception of one ship completed as a freighter-passenger steamer. Nineteen of the 24 tankers being constructed in December were for foreign owners.

Meanwhile, the Japanese Government, naturally interested in this vital industry, is preparing to lend every aid. In mid-December a bill called the "Ocean-Going Ships Construction Loan Interest Subsidizing Law Bill" was approved. Under this law the Government intends to help shipbuilders pay the interest on loans from Tokyo banks as one means of expanding the nation's merchant fleet and undertaking new construction for export. For the next fiscal year, beginning April 1, 1953, a new iron and steel price adjustment system is planned. Under it, shipbuilders will be supplied with steel plate at prices corresponding to the international level, i.e., cheaper than the prevailing domestic rates.

Building Program

Japan's shipbuilding program for the coming fiscal year calls for the construction of 500 thousand tons, of which two-fifths will be for export. There is a current report that Japanese shipyards will build 22 war vessels for the Brazilian Navy, including six submarines, but clear sailing for the industry as a whole is by no means assured. The contentious international problem of Japan's excess building capacity, which has been the subject of a number of reports and missions, is expected to re-emerge. Last year's record construction boom which put this issue into relative obscurity is expected to end.

—R. F. Renwick
Assistant Commercial Secretary for Canada



The Japanese whaling fleet, headed by the "Tonan Maru" seen in this picture, left Osaka early in December for the Antarctic. Altogether, the fleet is expected to catch some 850 whales.

Report on Surinam

Surinam has been increasing its purchases of Canadian products; despite some import restrictions, provides an attractive market, especially for farm machinery, flour, fish.

PORT-OF-SPAIN—Equal treatment for imports from all countries is the key to current import policies in Surinam (Netherlands Guiana). This sparsely populated Dutch possession is a net earner of dollars in its trade with both Canada and the United States. For most commodities brought in—including nearly all manufactured goods and most of the traditional Canadian exports to Surinam—import licences are being granted freely. A few come under import quota. This means that, irrespective of the country of origin, import licences are granted on a quota basis. Products in this category of interest to Canadian exporters include leather footwear; other kinds of footwear, such as imitation leather shoes, canvas shoes, etc. (excluding rubber-soled shoes for sports use only); men's and women's clothing; furniture; fireworks.

Some commodities of a type already being produced in Surinam are prohibited entry. No import licences or currency permits will be granted for them, no matter what their origin. These products include fresh and frozen meat, honey, macaroni and vermicelli, bran, dressed and undressed lumber, railway ties, shingles, shavings, platinum, gold and silver ware, and matches.

Surinam depends on indirect controls to hold down its imports to a manageable level. Among the methods it uses are restrictions on bank credit and a high interest rate on bank loans. Before an import licence is granted, the importer must show proof of a purchase contract and must make a deposit equivalent to 15 per cent of the invoice value.

Traditional Imports

Surinam does not have any preferential tariffs and all countries receive the same tariff treatment. Its 200 thousand people depend on imports for most of the food and manufactured goods they use. The total value of imports has increased steadily, reaching 45·9 million Surinam florins in 1951, more than six times the prewar figure. There seems to be ample scope for increasing Canadian sales in this market. Canada's share, although still less than 3 per cent of total imports, has shown an encouraging rise in the past few years. The principal suppliers in 1951 were: the United States, with 38 per cent of imports; the Netherlands, 28·4 per cent; Caribbean area, 10·3 per cent (chiefly oil from Trinidad); the United Kingdom, 6·9 per cent; Germany, 3·2 per cent; Canada, 2·8 per cent and Belgium, 2·4 per cent.

Flour and fish, Canada's traditional exports to Surinam, may soon be surpassed by machinery if current trends continue. In 1951, sales of Canadian machinery to this market totalled $72,758. For the first eight months of 1952 this figure jumped to $279,182. The most spectacular increase was in sales of farm machinery—from $67,783 to $221,265.

In 1951 flour was the principal Canadian export to Surinam, with sales totalling $358,678. Fish (dried, salted, smoked and canned) stood next at $157,919. Cotton manufactures and machinery each accounted for about half this amount. Medicinal preparations, explosives, linseed and flaxseed oil, and rubber manufactures were next in importance. And more than 120 other commodities were included in the total for the year of $934,045.

Bauxite Exports Aid Recovery

Until bauxite began to enter world trade, the Surinam economy developed slowly. In its early days the country enjoyed prosperity based on large exports of cotton, sugar, coffee and cocoa, grown by slave labour on large estates. But with the freeing of the slaves in 1863 the estates were broken up into small land-holdings and production and exports dwindled. Surinam is rather remote from major trade routes and markets and the growth of competition in the Far East has contributed to its difficulties. For nearly a hundred years the country has suffered from chronic budget deficits and an excess of imports over exports.

Bauxite was discovered in Surinam in 1922. Today, following a sharp wartime increase in production, output has reached 2½ million tons per year and is expected soon to reach three million tons. Most of this bauxite goes to the United States. The bauxite mining industry accounts for 80 per cent of Surinam's exports, supplies a third of government revenues, and provides a major prop for the prosperity of the country. In so doing, however, it gives rise to a one-sided economy which the smaller export trade in lumber, plywood, balata, rice, coffee, citrus fruits and coconuts is insufficient to correct.

Ten Year Development Program

The Netherlands Government, with the Surinam Government, is now considering a ten-year, $50 million development program designed to balance and strengthen the country's economy. The International Bank for Reconstruction and Development is taking part in the planning and may be called on to assist with the financing.

The most striking feature of this program—the proposal to process Surinam bauxite into aluminum ingot—is still in the discussion stage. The development would include a major hydro-electric scheme on the Surinam River to be known as the Brokopondo project. A special mission from the International Bank for Reconstruction and Development, in commenting on this in May 1952, pointed out that the first step should be to interest an aluminum-producing company in erecting the necessary plant. The Government would build the hydro-electric generating facilities and sell power on a long-term contract to the producing company.

The Ten Year Program also includes agricultural developments which may require the import of agricultural machinery and purebred cattle. It is proposed initially to recondition a minimum of 13 thousand hectares of old plantation land now lying fallow and to open up a minimum of 19 thousand hectares* of new land in the northern lowlands. The Wageningen project entails the clearing, draining, and irrigation of 15 thousand hectares of land to be divided into 210 large farms under Dutch management for the highly mechanized cultivation of rice and soya beans. A

* One hectare=2·471 acres.

rice-processing plant and a powerhouse will also be built. Funds have been allocated for agricultural research, the extension of agricultural credit, cattle breeding and the establishment of fish farms.

Other features include the building of roads and canals and improvements to the harbour of Paramaribo, the capital. Under a forestry scheme, large timber stands would be opened up by the construction of roads and waterways. Private investment in the wood products industry would be encouraged by an allocation of Program funds.

The Surinam Government is considering several steps to encourage private capital from abroad to invest in the country. One such step is the granting of income tax exemption and favourable rates of depreciation to suitable enterprises. In addition, it has been suggested that the mining concession policy should be revised if the known deposits of kaolin, iron ore, mica, platinum and copper are to be exploited.

—Roger R. Parlour
Acting Canadian Government Trade Commissioner

Japan's Coal Shortage

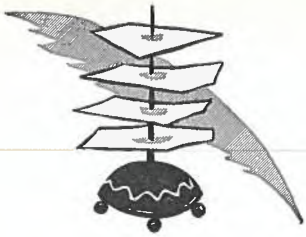
TOKYO—The Japanese Government has approved the import of more than 500 thousand tons of coal to meet the present serious shortage caused by the coal miners' strike, which has been in progress for more than eight weeks. The shortage has already brought the rationing of gas for domestic and industrial use and, in addition, a 30 per cent reduction in railroad services from December 11th. The steel industry is also feeling the pinch because it depends to a considerable degree on domestic coal. Even if the miners' strike is settled within a few days, Japanese industry will need substantial tonnages of imported coking and gas coal.

The United States is expected to supply 130 thousand tons of coking coal for the steel industry, 120 thousand tons of bituminous coal for the gas industry and 20 thousand tons for the glass industry. Coal probably will be imported from Taiwan and India while the present shortage lasts. Japanese coal importers are seeking additional sources for bituminous coal but there has been no official indication of purchases from countries other than the United States, Taiwan and India. Should the coal strike continue, it is probable that the country will buy bituminous coal from all competitive sources of supply.

The coal strike coincides with the electric workers' strike and a so-called "Law-Abiding Strike" by the National Railway Workers Union. The railway workers are refusing to work overtime and intend to adhere scrupulously to operation and safety regulations.

Apart from the inconvenience caused to domestic consumers, the series of strikes, if prolonged, will drastically affect industrial output. The strikers have as their objective wage increases and year-end bonuses.

—J. C. Britton
Commercial Secretary for Canada



GENERAL NOTES

AUSTRALIA

Unemployment Rises—The number of unemployed in Australia in September was the highest since May 1949. There were 27,806 receiving unemployment benefits—2,929 more than in August and more than double the July total of 13,680. The main industries affected were manufacturing, building and construction, and transport and communications. Total number of men employed was 1,870,900 in September, a drop of 10,900 compared with August. The number of women was 665,900, a drop of 2,100, chiefly in factories and commerce—Sydney, December 17.

CHILE

Cellulose and Newsprint Plants—Installation of a cellulose factory with an annual production capacity of 47,500 tons and of a newsprint plant with a capacity of 45 thousand tons is being studied. Both of these factories will be in the Concepción district. The estimated cost is $20 million, already solicited as a loan from the International Bank, and 300 million Chilean pesos—Santiago, December 10.

Hungarian Trade Mission Expected—A Hungarian Trade Mission will be arriving in Chile shortly to begin negotiations for active trade with Chile. This will be the first commercial delegation to visit Chile from any country beyond the Iron Curtain since diplomatic relations with the Soviet were broken off—Santiago, December 11.

CUBA

German Industry—The Cuban Government has granted the request of a local firm to hold a so-called Industrial Fair to show various types of machinery manufactured in West Germany. The exhibits, valued at an estimated $1½ million, will include construction machinery, diesel motors, pumps, agricultural equipment, rice harvesting machinery, machinery for the food industry, trucks, tractors, automobiles, mobile cranes, locomotives, refrigerated cars and other products of West German industry. Only one unit of each item will be allowed entry. The Fair will be open for 18 months and duties and taxes will be collected on items sold or remaining in the country after this period. Proceeds from sales made at the Fair will be deposited in a special bank account, 70 per cent of which, after deduction of freight, handling and storage charges, will be earmarked for the purchase of molasses, sugar, tobacco and other Cuban articles and products—Havana, December 12.

EAST GERMANY

Private Enterprise Declines—During recent years, the share of private industries in Soviet Zone production has continually decreased. In 1951 the share of private enterprise in total production amounted only to one-quarter; in 1949, one-third of all products still originated from private undertakings. Companies manufacturing capital goods have been most affected by nationalization because of the important place they hold in the reparations and re-armament policy. Undertakings at present remaining under private ownership comprise mainly small businesses which operate on a small profit margin. The Soviet influence in Eastern Germany is being strengthened by a Five Year Plan which provides for further elimination of private industries. Under it, only 5 per cent of the total production of the Soviet Zone will remain in private hands by 1955—Bonn, December 23.

THAILAND

Rubber Production Program—With the assistance of FAO, the Thai Government has embarked on a program to raise the quality of rubber produced and improve marketing facilities. The plan has two aspects: a short-term program of modernizing machinery and techniques, and a long-range objective of replanting with high-yielding types. The rubber industry, located in South Thailand on the Malay Peninsula, has been handicapped because of small-scale operations and ownership, and low-grade production. World demand now is for high-grade types which require efficient processing, grading and packing—Singapore, December 5.

WEST GERMANY

Tourist Trade—Income from the tourist trade in the Federal Republic of Germany is expected to total 400 million D marks in 1952, as compared with 275 million D marks for 1951. Germany's share of the international tourist trade is still comparatively small and strong efforts are being made to increase it. Numerous organizations have been established to promote vacations inside Germany for workers and other employees. In 1950, 11·2 million tourists were registered, spending a total of 36·9 million days on vacation. In 1951, 14·3 million tourists spent approximately 47·3 million days in Germany and 1·5 million of these were foreigners, an increase of 50 per cent. On the basis of these estimates the prewar level of tourist income appears to have been achieved. The capacity of German hotels at present is approximately 360 thousand beds, as compared with 186 thousand immediately after the war and 485 thousand prewar—Bonn, December 23.

Brazil's Free Exchange Bill

EFFECTIVE February 21, 1953, an official free exchange market for certain transactions will be created in Brazil. This action follows the signature by President Vargas of a free exchange bill.

The fundamental provisions of the new bill are:

1. The official exchange rate based on the par value of the cruzeiro according to the International Monetary Fund regulations (currently 5·3 cents Canadian) is to apply to the following:

(*a*) Ordinary export and import transactions, including freight, insurance, and banking charges;

(*b*) Government services, including those of companies in which a majority of the voting stock is government-owned;

(*c*) Loans, credits and financing of undoubted interest to the Brazilian economy, obtained abroad and registered with the Council of the Superintendency of Currency and Credit;

(*d*) Remittance of profits on foreign capital registered with the Council of the Superintendency of Currency and Credit in those cases where they are considered of special interest to the Brazilian economy because they are intended for:

(i) projects for developing regions under unfavourable climatic conditions or under-developed areas,

(ii) the installation or development of public utility services in the power, communications or transportation fields provided they conform with the rates fixed by the Government.

Foreign Exchange Transfers

Article 5 covers the transfers of foreign exchange at the official rate in payment of interest and profits on capital invested in Brazil mentioned in Article 1. Under clause (*c*) interest is limited to 8 per cent of the registered capital, and under clause (*d*) earnings are limited to 10 per cent of registered capital. All other profits will be transferred at the free rate so that the dollar yields will be based on the value of the free cruzeiro for those investments.

All transactions not included in the above provisions will be carried out at the free exchange rate except on recommendation of the Council of Superintendency of Currency and Credit in cases of exceptional gravity.

The following transactions are listed as illustrations of cases in which the free rate will normally apply:

(I) The export of national products complying with the following conditions:

(*a*) Those which do not amount separately to more than 4 per cent of the average annual value of Brazilian exports, (excluding the exportation of products already acquired by the Government) and (*b*) Which cannot, because of their cost structure, be exported at competitive world market prices if sold at the official exchange rate.

(II) The import of goods which are not specifically licensed for payment at the official rate. By this provision Brazilians should be able to import consumer goods at the free rate which have been prohibited import under the recent stringent licensing policy, provided they are willing to pay the difference in cruzeiros between the official and free rates.

Although Brazil has enjoyed extraordinarily favourable terms of trade in the post-Korean period chiefly because of continuing high world coffee prices, the backlog of commercial debts grew alarmingly until stringent import licensing was adopted in 1952.

Solutions Suggested

Various solutions to this trade imbalance other than the establishment of a free exchange market had been advocated by financial authorities and importers and exporters during the past year. In November, 1952, the Director of the Export-Import Department (CEXIM) of the Bank of Brazil had stated that the reinstatement of barter trade was contemplated, but the new free exchange bill now expressly rules out barter transactions. Another measure suggested chiefly to restore confidence in the value of the cruzeiro was the reinstitution of the "conta grafica system" under which the Brazilian Government would assume the risk between the time of making cruzeiro deposits and the closing of the foreign exchange for payment of imports. This need is, of course, eliminated by the definite establishment of a free rate for certain approved transactions and the firm decision to maintain the official rate established by the par value of the cruzeiro.

The Canadian balance of trade with Brazil has been remarkably favourable in spite of the exchange situation. For eight months of 1952, imports from Brazil totalled $30,078,000. Canadian exports to Brazil reached $65,528,000 in October and $71,562,000 in November, maintaining Brazil's position as the sixth largest market for Canadian exports in world trade and largest Latin American market in 1952.

TRANSPORTATION

The Transportation and Communications Division of the Department of Trade and Commerce will be glad to supply shippers and others interested with information on water, rail, air and road transport services to and from Canada.

The Division has compiled a list of the principal Canadian trade routes and of the steamship companies maintaining services on them. To obtain this list and any further help with international transportation problems, write to the Director, Transportation and Communications Division, Department of Trade and Commerce, Ottawa.

TRADE AND TARIFF REGULATIONS

INDIA

Import Control Policy—The usual half-yearly announcement on the changes in India's import control policy was made by the Government of India on December 31, 1952. Certain procedural changes in the rules and regulations to be observed by importers, published in the *Import Trade Control Handbook 1952,* have also been effected.

In formulating the new policy for the six-month period January to June 1953, the Government of India states that full account has been taken of the views expressed at the meeting of the Import Advisory Council held on December 3, 1952, and that the numerous suggestions received from the trade and from industry have been considered. Over a large field, a stable policy has been maintained and the quotas in force during 1952 have been repeated. Open General Licence No. 24 which was issued on June 16, 1952, remains valid up to March 31, 1953.

Some improvement in the foreign exchange position has made possible a liberalization of the provision for raw materials and machinery, and other essential items, such as drugs and medicines, milk food, etc. Though most relaxations affect imports from soft currency countries, imports will now be permitted from dollar countries of certain commodities for which licences were not being issued under the program announced last June. Included in this category are the following (the quotas shown for imports from dollar and/or soft currency sources are based on half of the importer's best year's imports): lightning arresters and fuse cut-outs, 100 per cent; dyes derived from coal-tar and coal-tar derivatives used in any dyeing process, 75 per cent; powdered milk containing not less than 18 per cent cream intended for infant feeding, 20 per cent; cauliflower seeds, 100 per cent; canned fish, 20 per cent; car polish, 20 per cent; hardware, ironmongery and tools, unspecified kinds, excluding machine tools and agricultural implements, 20 per cent; accounting and statistical type machines, 100 per cent; rough blanks for lenses, 100 per cent. For drugs and medicines, the quota has been increased from 50 per cent to 75 per cent; for motor vehicle parts from 75 per cent to 100 per cent; and for parts of printing and lithographic machines and accessories, from 50 per cent to 100 per cent.

Import restrictions have been tightened, on the ground of improvement in internal availability, in only a few cases. These include brake fluid for cars, giant and other tires and tubes (other than tractor type), and vulcanized fibre in rods and tubes, none of which will be licensable from the dollar area.

The import policy for a few items has been held over for announcement as soon as the full assessment of all the factors involved has been made—Bombay, January 14.

UNITED STATES

Import Controls on Dairy Products—The United States Department of Agriculture has announced the following changes in the import controls on dairy products, to be effective as of December 30:

- Establishment of import restrictions on dried whole milk, dried buttermilk, and dried cream.
- Removal of import restrictions on casein and on processed cheeses made from Edam or Gouda cheese.
- An increase of 500,000 pounds in the basic annual quotas for Blue Mold cheese.

The new restrictions establish import quotas for the period from December 30, 1952, to March 31, 1953, of 6,500,000 pounds of dried whole milk, of 2,150,000 pounds of dried buttermilk, and of 35,000 pounds of dried cream.

These items are in addition to the following commodities the imports of which have been prohibited or limited under authority of Section 104 of the Defense Production Act: cheese such as Cheddar, Edam and Gouda, processed cheeses made from Cheddar or Blue Mold, and Italian varieties made from cow's milk; butter; buttermilk; malted milk compounds; nonfat dry milk solids; flaxseed; linseed oil; peanuts ;peanut oil, and rice—Washington, January 8.

Tariff Commission Hearing—A public hearing has been ordered by the United States Tariff Commission to be held in the Hearing Room, Tariff Commission Building, Washington, beginning at 10 a.m. on January 27, 1953, in the investigation with respect to pregnant mares' urine and estrogenic substances obtained or derived therefrom, under Section 7 of the Trade Agreements Extension Act of 1951.

Those wishing to appear, to produce evidence, and to be heard at the public hearing should file their request in writing with the Secretary, United States Tariff Commission, Washington 25, D.C., in advance of the date of the hearing—Washington, January 6.

(Section 7 of the Trade Agreements Extension Act of 1951 requires the U.S. Tariff Commission to make an investigation, upon application of an American industry, to determine whether any product upon which a concession has been granted under a trade agreement is being imported in such quantities as to cause serious injury to the American industry—Editor.)

Data for Exporters

The International Trade Relations Branch of the Department of Trade and Commerce has prepared bulletins covering shipping documents and customs regulations of the following countries: Austria, Belgium, Belgian Congo, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, Egypt, Finland, France, Western Germany, Greece, Guatemala, Haiti, Iceland, Indonesia, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela.

If you wish copies, write to the Branch. Data on other countries will be compiled from time to time and will be added to this list.

Foreign Commercial Representatives in Canada

ARGENTINA
Ottawa—Economic Attache, Embassy of Argentina, 193 Sparks Street.
Montreal—Consul General of Argentina, 1111 Beaver Hall Hill.

AUSTRALIA
Ottawa—Australian Government Trade Commissioner, 100 Sparks Street.
Vancouver—Australian Government Trade Commissioner, 643 Hornby Street.

AUSTRIA
Ottawa—Charge d'Affaires a.i., Legation of Austria, 136 Queen Street.
Montreal—Austrian Trade Delegate, 1507 Crescent Street.

BELGIUM
Montreal—Consul General of Belgium, 709 Sun Life Building.

BOLIVIA
Montreal—Consul General of Bolivia, 5612 Canterbury Avenue.

BRAZIL
Montreal—Commercial Attache, Brazilian Government Trade Bureau, Room 302, 400 St. James Street West.

BRITISH GUIANA
Montreal—Trade Commissioner for British Guiana, 37 Board of Trade Bldg.

BRITISH WEST INDIES and THE BAHAMAS
Montreal—Trade Commissioner for the British West Indies and The Bahamas, 37 Board of Trade Bldg.

CHILE
Montreal—Consul General of Chile, 1410 Stanley Street.

CHINA
Ottawa—Commercial Attache, Embassy of the Republic of China, 201 Wurtemburg St.
Vancouver—Consul General of China, 510 Hastings Street West.

COLOMBIA
Montreal—Consul General of Colombia, 3757 Wilson Avenue, Notre Dame de Grace.
Vancouver—Consul of Colombia, 550 Beatty Street.

COSTA RICA
Montreal—Consul General of Costa Rica, 434 Elm Avenue, Westmount.

CUBA
Ottawa—Commercial Attache, Embassy of Cuba, 400 Holland Ave.

CZECHOSLOVAKIA
Montreal—Commercial Attache of Czechoslovakia, 1255 Phillips Sq.

DENMARK
Ottawa—Commercial Counsellor, Royal Danish Legation, 451 Daly Ave.
Montreal—Consul, Royal Danish Consulate, Room 815, Keefer Building, 1440 St. Catherine Street West.

DOMINICAN REPUBLIC
Ottawa—Consul General of the Dominican Republic, 105 Cameron Avenue.
Montreal—Consul General of the Dominican Republic, Apt. 4, 3201 Forest Hill Ave.

ECUADOR
Montreal—Consul General of Ecuador, 59 Belvedere Road, Westmount.

EGYPT
Ottawa—Consul, Royal Egyptian Consulate General, Room 616, Chateau Laurier.

EL SALVADOR
Montreal—Consul General of El Salvador, Apt. 14, 1452 Bishop Street.

FINLAND
Ottawa—Second Secretary, Legation of Finland, 140 Wellington Street.

FRANCE
Ottawa—Commerical Attache, Embassy of France, 464 Wilbrod Street.
Montreal—Commercial Attache of France, 610 St. James St. West.
Toronto—Commercial Attache of France, 185 Bay Street.

GERMANY
Ottawa—First Secretary (Commercial Affairs), Embassy of the Federal Republic of Germany, 580 Chapel Street.
Montreal—Consul of the Federal Republic of Germany, 1529 McGregor Street.

GREECE
Ottawa—Commercial Attache, Royal Greek Embassy, Suite 110, Chateau Laurier.

GUATEMALA
Montreal—Consul General of Guatemala, 401 Metcalfe Ave., Westmount.

HAITI
Montreal—Consul of Haiti, 1405 Bishop Street.

HONDURAS
Montreal—Consul General of Honduras, Suite 2, 1448 Sherbrooke Street West.

INDIA
Ottawa—Second Secretary, Office of High Commissioner for India, 200 MacLaren St.

IRELAND
Ottawa—Secretary, Embassy of Ireland, 140 Wellington Street.

ISRAEL
Montreal—Consul General of Israel, Bank of Montreal Bldg., 1260 University Street.

ITALY
Ottawa—Commercial Attache, Embassy of Italy, 133 Sparks Street.

JAPAN
Ottawa—First Secretary (Commercial), Embassy of Japan, Room 701, Metcalfe Bldg.

LEBANON
Ottawa—Consul General of Lebanon, 199 Wurtemburg Street.
LUXEMBOURG
Montreal—Consul General of Luxembourg, 4832 Western Avenue.
MEXICO
Montreal—Consul General of Mexico, Room 506, Castle Bldg.
MONACO
Montreal—Consul of Monaco, 5 St. James Street East.
NETHERLANDS
Ottawa—Commercial Counsellor, Embassy of the Netherlands, 168 Laurier Ave. East.
NEW ZEALAND
Montreal—New Zealand Trade Commissioner, Room 609, Sun Life Building.
NORWAY
Ottawa—Secretary, Norwegian Legation, 140 Wellington Street.
Montreal—Vice-Consul of Norway, 1410 Stanley Street.
PAKISTAN
Ottawa—Commercial Attache to the Pakistan High Commissioner, 499 Wilbrod St.
PERU
Ottawa—Secretary, Embassy of Peru, 539 Island Park Drive.
POLAND
Ottawa—Acting Commercial Attache of the Polish Legation, 183 Carling Ave.
PORTUGAL
Montreal—Consul General of Portugal, 1499 Bishop Street.
SPAIN
Montreal—Consul of Spain, Commercial Office, 451 Mount Pleasant Ave.
SWEDEN
Ottawa—Attache, Royal Legation of Sweden, 720 Manor Road, Rockcliffe Park.
Montreal—Commercial Secretary, Royal Consulate General of Sweden, 1511 Bishop St.
SWITZERLAND
Ottawa—Secretary, Swiss Legation, 5 Marlborough Avenue.
Montreal—Consul General of Switzerland, 1572 McGregor Street.
Toronto—Consul of Switzerland, 159 Bay Street.
Vancouver—Acting Consul of Switzerland, 402 West Pender Street.
Winnipeg—Acting Consul of Switzerland, 210 Mitchell-Copp Bldg., 334 Portage Avenue.
THAILAND
Toronto—Consul of Thailand, 200 Bay Street.
Vancouver—Consul of Thailand, 5416 Marguerite Street.
UNION OF SOUTH AFRICA
Ottawa—Commercial Secretary, Office of the High Commissioner for the Union of South Africa, 15 Sussex Street.
UNION OF SOVIET SOCIALIST REPUBLICS
Ottawa—Representative of the Commercial Counsellor, Embassy of the USSR, 285 Charlotte Street.
UNITED KINGDOM
Ottawa—United Kingdom Senior Trade Commissioner and Economic Adviser to the High Commissioner, 56 Sparks Street.
Edmonton—United Kingdom Trade Commissioner for Alberta, 10053 Jasper Avenue.
Montreal—United Kingdom Trade Commissioner for Quebec, United Kingdom Trade Commissioner for the Maritimes and Newfoundland, 1111 Beaver Hall Hill.
Toronto—United Kingdom Trade Commissioner for Ontario, 67 Yonge St.
Vancouver—United Kingdom Trade Commissioner for British Columbia, 850 West Hastings Street.
Winnipeg—United Kingdom Trade Commissioner for Manitoba and Saskatchewan, 403 Royal Bank Building.
UNITED STATES
Ottawa—Commercial Attache, Embassy of the United States, 100 Wellington St.
Calgary—Vice-Consul of the United States, Toronto General Trusts Bldg.
Edmonton—Consul of the United States, 214 Empire Block.
Halifax—Consul General of the United States, Bank of Nova Scotia Bldg.
Hamilton—Consul of the United States, 42 James Street South.
Montreal—Consul General of the United States, 1410 Stanley Street.
Niagara Falls—Consul of the United States, Newman Hill, Falls Street.
Quebec—Consul of the United States, 65 St. Ann Street.
Regina—Consul of the United States, 22-23 Government Insurance Bldg.
Saint John—Consul of the United States, 204 Union Street.
St. John's—Consul General of the United States, Commercial Chambers Bldg., 197-199 Water Street.
Toronto—Consul General of the United States, 302 Bay Street.
Vancouver—Consul General of the United States, 355 Burrard Street.
Victoria—Consul of the United States, 805 Government Street.
Windsor—Consul of the United States, Guaranty Trust Bldg.
Winnipeg—Consul General of the United States, 402 Tribune Bldg.
URUGUAY
Ottawa—Charge d'Affaires a.i., Legation of Uruguay, 36 Marlborough Avenue.
VENEZUELA
Montreal—Consul General of Venezuela, 2052 St. Catherine Street West.
YUGOSLAVIA
Ottawa—Embassy of the Federal People's Republic of Yugoslavia, 17 Blackburn Avenue.

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 1·0296.

Country	*Unit*	*Type of Exchange*	*Canadian dollar equiv. Jan. 8*	*Notes (See below)*
Argentina	Peso	Preferential buying	·1295	
		Basic buying	·1942	(1)
		Preferential selling	·1942	
		Basic selling	·1295	
		Free	·0699	
Austria	Schilling		·0455	
Australia	Pound		2·1830	
Belgium-Luxembourg & Belgian Dependencies	Franc		·01935	
Bolivia	Boliviano	Official	·01619	tax 5% (1)
		Differential	·00966	tax 3% (2)
British West Indies	Dollar		·5685	(3)
	Pound		2·7287	(4)
	Dollar	Brit. Honduras	·6822	
Brazil	Cruzeiro		·0525	tax 8% (2)
Burma	Kyat		·2047	
Ceylon	Rupee		·2047	
Chile	Peso	Official	·03128	(1)
		Commercial	·01617	
		Free	·00830	
Colombia	Peso	Basic	·3885	tax 3% (2)
		Coffee buying	·4249	
Costa Rica	Colon	Official	·1734	(5)
		Free	·1454	*Oct. 31
Cuba	Peso		·9712	tax 2%
Czechoslovakia	Koruna		·0194	
Denmark	Krone		·1406	
Dominican Republic	Peso		·9712	
Ecuador	Sucre	Official	·06474	(6)
		Free	·05604	
Egypt	Pound		2·7890	
Fiji	Pound		2·4583	
Finland	Markka		·00422	
France	Franc		·00278	
French Africa	Franc		·00555	
French Pacific	Franc		·01527	
Germany	D Mark		·2312	
Greece	Drachma		·000065	
Guatemala	Quetzal		·9712	
Haiti	Gourde		·1942	
Honduras	Lempira		·4856	
Hong Kong	Dollar	Free	·1611	*Dec. 31
Iceland	Krona	Official	·05964	
		Special buying	·04586	
		Special selling	·03726	
India	Rupee		·2047	
Indonesia	Rupiah	Basic	·08520	
		With Surcharge I	·04260	(7)
		With Surcharge II	·02840	
		Dollar certificate	·00185	*Nov. 17

* Latest available quotation date.