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COVER . . . Split codfish is spread out to dry on the rocks of Grip Island, off the west coast of Norway. Herring and cod make up 90 per cent of the Norwegian fisheries; Brazil, Cuba and Spain are the main export markets for cod. (See story on page 8.)

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Trends in Export Trade

Though the United States and the Commonwealth countries continue to be Canada's main markets, our exports to third countries have doubled since 1950. Here is an analysis of this increase and some of the reasons behind it.

IN the past two years, Canadian exports to countries other than the Commonwealth and the United States have doubled. In October and November 1952 exports to third countries averaged nearly \$100 million a month and made up 27 per cent of Canadian exports. By contrast, shipments to the United Kingdom and other Commonwealth countries totalled \$65 million in October and \$81 million in November. These third-country exports for the year 1952 may reach \$970 million, or about 23 per cent of total exports.

The following table compares trade with the Commonwealth areas and trade with third countries from 1928 on.

Year	Total Exports		Commonwealth (\$ million)		Third Countries	
1928	\$1,399	100%	\$ 545	39%	\$312	22%
1935	725	"	378	52	87	12
1938	837	"	443	53	124	15
1946	2,312	"	905	39	520	22
1947	2,774	"	1,168	42	572	21
1948	3,075	"	1,033	34	542	18
1949	2,993	"	1,015	34	474	16
1950	3,118	"	655	21	442	14
1951	3,914	"	872	22	730	19
1952*	4,265	"	1,034	24	970	23

* Estimate.

It is interesting to note that in 1928, the peak year of Canadian export trade before the Second World War, third countries bought much the same percentage of Canadian exports as in 1952. The figures for 1946 and 1947 may perhaps be discounted because they represent the abnormal demand for reconstruction goods and food products which followed the end of the Second World War.

Geographic Distribution

The table below shows that, during the six months before the outbreak of the Korean War, the value of Canadian exports to countries other than the United States and Commonwealth was \$186 million. In the second half of 1950, this figure rose to \$240 million and for the year as a whole exports to these areas were valued at \$426 million.

Beginning in the first half of 1951, the export level rose progressively by half years from \$264 million to \$463 million in the last six months of 1951. It went up again to \$426 million in the first half of 1952 and to an estimated \$540 million in the six months ending December 1952. The

peak in a twelve-month period was reached in the year 1951-52, when the value of exports to these areas was \$990 million, a level which will be generally maintained during the calendar year 1952.

Canadian Exports to Third Countries
Half years Jan. 1950-Dec. 1952

	\$ Million					
	1950		1951		1952	
	I	II	I	II	I	II*
Total	185	240	264	463	426	543
Latin America...	61	82	80	128	148	132
Europe	80	123	115	252	192	308
Other Foreign...	45	35	69	83	86	103
Latin America						
Brazil	4.7	11.1	14.1	39.6	49.9	20.1
Chile	1.0	5.7	2.3	11.4	4.1	5.9
Cuba	7.9	10.1	9.3	11.1	13.6	8.4
Mexico	7.1	10.5	11.6	18.3	20.6	16.4
Panama	3.9	5.1	3.2	2.7	5.4	4.6
Peru	1.5	2.2	2.4	2.6	8.3	6.7
Venezuela	12.6	12.8	12.0	15.0	19.3	12.7
Europe						
Belgium-Lux. ...	20.2	46.1	33.4	61.0	40.8	59.2
France	9.7	8.7	13.4	33.1	30.9	24.1
Germany	3.4	5.4	8.6	28.4	17.6	72.4
Italy	4.8	10.7	15.4	33.3	25.9	18.1
Netherlands	5.1	3.5	4.6	21.5	12.6	27.4
Norway	7.2	11.7	11.7	20.5	20.0	18.0
Sweden	1.9	2.3	1.7	10.4	6.8	8.2
Yugoslavia	0.6	0.2	0.6	2.1	1.1	10.9
Other						
Egypt	2.8	1.1	0.7	1.7	2.1	9.8
Japan	11.5	9.0	35.7	37.3	41.3	43.7

* Estimates.

The areas concerned are Latin America, Europe and other foreign countries, chiefly Asiatic. Exports to Latin America, which in 1950 were \$143 million, are expected to reach about \$280 million in 1952. Sales to Europe, in 1950 \$203 million, may come close to \$500 million in the current year. Exports to other foreign countries, which were valued at \$80 million in 1950, may reach about \$190 million in 1952. The increase, therefore, in Canadian exports to third countries is not concentrated in any particular area nor, for the most part, in any single country. For example, in the Latin American group seven countries show substantial increases; in the European, eight countries. The only concentration is in Japan's share of exports among the other foreign countries group.

Commodity Distribution

There is less diversity in the commodity distribution of Canadian exports to these areas than in their geographic destinations. For instance, automobile exports chiefly account for the rise in exports to Latin America, although sales of wheat, electrical equipment, wood pulps, asbestos, fish, newsprint, ships, powdered milk and copper wire have also increased substantially in value.

The commodity distribution in the European and other foreign country areas is, however, largely influenced by the value of wheat shipments. In every European country, as well as Egypt and Japan, wheat is responsible for the chief increase in the export level. Pulp, copper, zinc, asbestos, chemicals, barley, nickel and aluminum have also contributed to raising the level of Canadian exports to these areas.

Continuance of the current large exports to these areas may depend largely on the rate at which automobile sales to Latin America can be maintained and on the wheat market in Europe and other countries.

Outlook for Wheat Sales

Canada has enjoyed the position of the most favoured wheat supplier in the world over the past three years because of climatic advantages. Australia and the Argentine have had a succession of poor crops in periods when the Canadian harvests have been good. The 1952 crop, in fact, was a record. Canada has thus been able to supply markets normally Australian, such as Egypt, or Argentinian, such as Italy, although Canadian wheat has had to meet the competition of American wheat in these countries.

This situation may continue in 1953 to a considerable degree. Argentina has had a much better crop than in previous years—three times as large as last year, when a near crop failure led to that country's becoming a net importer of wheat. In 1953, Argentina will re-enter the wheat market with a sizable export surplus. European production is larger, especially in France. The United States harvested a large crop in 1952 but because of fall drought, the 1953 crop may be much lower. The Australian harvest, on the other hand, though better than last year's, will still be insufficient for that country to meet the whole of her I.W.A. commitments. At present, world supply and carryover allowances are about 30 per cent above last year, but Canada has the largest comparative share of this increase. In addition, the higher grades of wheat make up a larger proportion of the Canadian crop than in 1951-52. Nevertheless the Canadian wheat crop may still be affected by developing drought conditions in the West.

Apart from this, the main factor limiting the volume of sales from the current wheat crop is that of obtaining the necessary shipping, storing and handling facilities to supply a world market eager for wheat. To a lesser degree, this is true of Canadian shipments of other grains, notably barley. The shortage of rice in the Far East, which is likely to persist, has created a strong demand for Canadian barley for use in the Japanese barley-processing industries. This grain, in treated form, is sold for human consumption to supplement the traditional staple, rice.

In these circumstances Canada's shipments of wheat and other grains both to Europe and the Far East are unlikely to decline significantly from the high levels of recent years. And in 1953 they may even increase.

Sales of Other Commodities

The maintenance of automobile shipments, chiefly to Latin America, depends very largely on orders placed in Canada on account of associated companies in the United States. At present it does not seem very likely that the companies concerned intend to withdraw these orders.

Chief among the other commodities which support the increase of Canadian exports to third countries are electrical equipment to South America and base metals to Europe. Demand for these goods and others—such as chemicals and newsprint—is unlikely to be reduced significantly in 1953. Pulp, on the other hand, are more vulnerable and there may be some reduction in the value of wood pulps which Canada is now shipping to Chile, Germany and France. Single-contract export items,

such as ships to Panama, cannot be forecast with accuracy. But as far as external factors for Canadian exports to these areas are concerned, the outlook for 1953 is good.

A further problem is whether these countries will be able to maintain the present level of their purchases in Canada in the light of their foreign exchange positions. In the second and third quarters of 1952, gold and dollar reserves of third countries increased substantially, reflecting primarily increased reserves of Continental Western Europe. This improvement has come about mainly as a result of larger net receipts from the United States. This suggests that the present financial position of these countries taken as a whole is not such as to preclude the maintenance of a high level of purchases from Canada. Individual countries may, of course, encounter difficulties. The largest markets in these areas, Germany and Japan, which are carrying relatively light defence burdens and whose economies are rapidly expanding, are unlikely to reduce Canadian imports significantly. For these two countries, and particularly for Germany, exports will probably be maintained at present levels and may even increase.

Continuing Influences

Almost all the commodities which Canada exports to third countries at present, with the exception of automobiles to South America, are not luxury goods, but basic foods and industrial materials. Such commodities would be least likely to be affected in any government program of import restrictions, because of their importance in the domestic economies of the countries concerned.

These considerations suggest that sales to third countries in 1953 are likely to be fairly well maintained. Most of the countries in Latin America, Europe and in the Far East will be able to pay for sufficient quantities of the goods that they receive from Canada to maintain the rate of imports in 1952. Possible losses sustained in some of these countries may be offset by gains made elsewhere. Certain commodities may not find so easy a market in 1953 as in 1952; others may be in stronger demand in the coming year. Canadian exports to these areas have been maintained by a combination of circumstances which is unlikely to disappear in 1953.

—ECONOMICS DIVISION

Department of Trade and Commerce

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.

South Africa Pushes Paper Production

Specialty paper output is leaping ahead, kraft paper production will soon be six times greater, and a newsprint mill is planned; Canadian paper sales will obviously be affected.

JOHANNESBURG—South Africa's paper industry is booming. Within the past two years specialty paper production has jumped from 40 to 90 tons a day—close to 60 per cent of the Union's requirements. In addition, the production of kraft paper will soon be boosted from 7,000 tons a year to over 40 thousand tons. And there is talk of manufacturing newsprint.

Largest contributor to the industry's production upswing is the recently expanded specialty paper plant of South African Pulp and Paper Industries. Located at Springs, 30 miles east of Johannesburg, this plant has more than doubled its output in the past year. Wood pulp used is made from locally-grown trees. Approximately 55 per cent of the wood fed into the plant's sulphate digesters is waste from wattle plantations; the remainder is made up of thinnings and sawmill-edgings from blue gum and pine plantations. The only imported raw materials used in making the printing and writing papers are dyes and rosin size.

New Kraft Paper Mill

For years the South African packaging industry has imported the bulk of its kraft paper requirements. The sole domestic supplier has been the Premier Paper Mills near Johannesburg whose production has averaged close to 7,000 tons annually. Now a new kraft paper mill is being erected at Mandeni in the coastal region of Natal. Beginning early in 1954, the new plant will produce 100 tons of unbleached wrapping paper a day, almost 80 per cent of the Union's requirements. The pulpwood needed in its operations will come from nearby pine and blue gum plantations. Because the plant is being built on a virgin site, a power station of 10,000 kw's and a model township are included in the plans. The project, which is backed by South African Pulp and Paper Industries, will cost over £3.5 million. The plant is being laid out in such a way that large-scale expansion can be undertaken at a later date for both kraft and white paper production.

Fifty miles north of Mandeni, in the heart of the sugar cane country, another kraft mill is being erected at Felixton, Natal. The owners of the new plant, Ngoye Paper Mills (Pty) Limited, hope to produce 4,000 tons of kraft liner a year from bagasse pulp supplied by the sugar mills. Production will start in April 1953, if the equipment for the plant arrives on schedule.

While the mill at Springs turns out its doubled production and the plants along the Natal coast go up, industrialists are studying the possibilities for establishing a £4 million newsprint mill at Sabie in the



—A. Roberts

Native workers wheel wet lapped pulp from storage to go into the fine paper-making machine at a mill near Springs, in the Transvaal. This specialty paper plant uses wood pulp made from local trees; has more than doubled its output of printing and writing papers in the last two years.

Eastern Transvaal. If the newsprint mill materializes, as tentatively planned by the Central Mining and Investment Corporation, it will be capable of producing 100 tons of newsprint a day. Drawing its raw materials from surrounding government pine plantations, the mill's production would supply half of the Union's newsprint requirements. With the help of technicians from a Canadian paper firm, a small experimental tonnage of newsprint was made from local wood pulp a few months ago and run off successfully in the press of a local newspaper. Whether enough risk capital can be found to finance the venture remains to be seen, but Central Mining officials feel that the funds will be raised within the next few years.

Significance for Canadian Mills

The expansion of South Africa's papermaking industry has obvious significance for Canadian mills. Although the demand for all types of paper has been increasing in the Union, domestic production is bound to reduce imports in the years ahead. In 1951 Canadian paper sales in this area amounted to \$5 million. Whether they can be maintained at this figure will depend on the ability of Canadian mills to gain a portion of the market now supplied by Scandinavian and United Kingdom producers.

—HOWARD E. CAMPBELL

Assistant Canadian Government Trade Commissioner

Norway's Fishing Industry

Nature provides ideal conditions in Norway's coastal and inland waters for herring, cod and many other types of fish. A ten-year development plan is on foot to modernize and enlarge this vital industry.

OSLO—Norway's coastal waters provide an abundant supply of marine food for many types of fish, the shallow waters above the continental plateau running out from the mainland are excellent fishing grounds, and the narrow waters between the numerous small islands and the deep fjords of the west coast serve as immense spawning grounds. Given these great natural advantages, the Norwegians have developed a profitable and important fishing industry.

According to the latest census, 68,442 Norwegians engage in fishing as their sole or chief occupation, and some 17 thousand others are employed as part-time fishermen. Many fishermen are also small farmers; others take shore work in the off seasons.

During World War II the Norwegian fishing fleet deteriorated but steps were taken to rebuild it, with government assistance, immediately afterwards. By 1949 the reconstruction was nearly complete. The fleet then consisted of 12,586 decked vessels, and several thousand open boats with or without motors. The average size of decked vessels is 40.6 feet. The Norwegian fishing fleet is thus composed of a large number of relatively small vessels, because most of the fishing is done close to the land. In 1950 only eleven trawlers of over 50 gross tons took part in any of the fisheries.

Herring and cod have always been the most important fish in these waters, but there are also plentiful stocks of saithe, haddock, ling, cusk, halibut and other fish.

Herring Fisheries

History shows that Norway's herring catches fluctuate widely. Good periods lasting 50 to 80 years have been interspersed with bad periods of some 30 to 60 years. The present good period began about 1885 and has, therefore, lasted some 67 years.

The herring fisheries are divided into Storsild, winter herring (large), fished extensively from January to April, and Vaarsild, spring herring. For commercial purposes, a date is set each year dividing the two. The price which the fishermen receive for winter herring is higher than for spring herring, but the dividing date has no effect on the prices of herring salted for export where quality is the deciding factor.

Two forms of tackle are now in general use in the herring fisheries, gill nets and purse seines. Gill net fishing is done with drift nets and bottom nets. Drift net fishing is used first each year and chains of from 30 to 50 nets are employed. Bottom nets are used (especially in the

southwest) as the herring approaches land to spawn. In season the fishing continues day and night. Of late years the practice has been for both drifters and bottom net boats to combine the two kinds of fishing. In 1949, 1,552 boats with some 10 thousand men on board were net fishing for herring.

Purse seine fishing for herring requires the use of rather larger vessels and these generally are about 80 to 120 feet in length with a crew of 15 to 20 men. The purse seine, which is from 170 to 200 fathoms in length, is set in a ring around the shoal by two motor dories. The seine is then pursed by motor power and the haul taken on board the mother ship. A cast of from 1,000 to 2,000 barrels is not infrequent using this method.

Types of Herring

Fat herring and small herring, which are forms of young winter herring, are fished during the summer and autumn. Much of this catch goes to the herring meal factories.

Between July and September some 200 of the larger Norwegian fishing vessels sail for Iceland to take part in the herring fisheries off that coast. The so-called Iceland herring is large and fat and the catch is either pickled or cured directly on board. Fishing is carried out with either purse seines or drift nets in the open sea.

Since 1946 there has also been a certain amount of trawling for herring in the North Sea and there are now some 70 to 80 vessels employed on this work between the months of July to October.

Sprats or Brisling may also be said to belong to the herring fisheries. They are caught in summer and autumn on the west and southwest coasts of Norway and a large percentage of the catch is canned. Stavanger is the centre of this industry.

The following table gives the herring fisheries' catches and their value in 1951:

	1951	
	Quantity (000's metric tons)	Value (millions of kroner)
Winter herring	888	144.6
Fat herring and small herring..	289.9	49.6
North Sea herring	1.3	0.5
Iceland herring	17.0	14.3
Sprat (Brisling)	9.0	8.7

Cod Fisheries

The cod caught off the coast of Norway fall into two main groups—the coastal cod which is found all year round, and the Arctic-Norwegian cod which migrates at regular intervals from the Barents Sea towards the Norwegian coast and which forms the basis of the large seasonal Norwegian cod fisheries.

In January and February the large masses of Arctic cod begin to penetrate into Norwegian waters. This migrating cod is then large and heavy with liver and spawning starts in March. Skrei (spawning cod) fishing begins out to sea off the coast of Finnmark as early as November, when boats of some 40-60 feet in length go out 80 or 90 miles to banks in the Barents Sea, using long-lines as tackle. Smaller boats are used to cover the banks closer to the mainland. This first phase of the annual "skrei" fisheries yields some 10 thousand tons of cod a year.

By January the cod has come farther south and many are taken with gill nets when they pass the banks off the coast. The majority of the cod

then swing into Vestfjorden to complete their spawning. They remain there until April, afterwards swimming out towards the Lofoten banks and thence northwards again.

The Lofoten cod fisheries are based upon this annual accumulation of cod in Vestfjorden. In recent years some 4,000 boats manned by about 20 to 25 thousand fishermen have been active in these fisheries. Decked motor-driven boats of approximately 40 feet in length are generally used because this fishing takes place close to land.

Some seasonal cod fishing also takes place farther south along the coast as far as the skrei penetrates. Coastal fishing for bank cod also continues throughout the whole year from north to south, usually with long-lines because the cod are rather scattered. In spring, Norwegian fishing vessels make their way to Iceland and the Faeroe Islands to catch cod and halibut. In summer they turn north to the Barents Sea and Spitzbergen. The coast of West Greenland is also an important summer fishing ground for cod. In such distant waters as the Barents Sea and Denmark Strait the catch is salted on board and transport ships are used to carry it to Norway. The 20 odd trawlers which Norway now owns play an important part in these summer cod fisheries.

The quantity and value of cod catches in 1951 were:

	1951	
	Quantity (000's metric tons)	Value (millions of kroner)
Skrei	149.8	75.9
Spring cod Finnmark	21.7	10.4
Bank cod	67.0	35.1
By-products of cod	35.3	31.7

Other Fisheries

Although herring and cod account for 90 per cent of the fisheries, there are many other types of fish caught in Norwegian waters. Of these, saithe is by far the most valuable. It is either eaten fresh in Norway, iced for export or converted to fishmeal. Saithe was one of the delicacies the Norwegian people were able to buy during the last war, its rather dry flesh apparently not being up to the German standards of taste.

Haddock is used for stockfish and filleting and for making fish balls and puddings. Most of the mackerel catch is consumed in the country, but nearly all halibut is exported. Gill net fishing for halibut has proved so successful that it is now regulated to protect the stock. Lobster and prawns (shrimps) are exported fresh and frozen, crab is canned extensively, ocean perch and catfish are used in the production of fillets, and fresh and frozen tuna is exported (in recent years to Italy). The increased catch of tuna during the summer of 1952 caused some debate about whether the canning of this fish, done on a small scale only, should be extended.

Exports

Annual catches fluctuate considerably and these variations react on the amounts of fish exported in any one year. This situation will inevitably continue, in spite of the present ten-year plan to modernize the fisheries and improve transportation to foreign markets. Following is a summary of the fish and fish products exported during the periods January to September, inclusive of the last two years. Each product shows the total amount exported for that period, together with the chief customer or customers and the amount taken by each.

	1951	1952
	(metric tons)	
Fresh and iced herring	61,151	49,720
West Germany	31,197	20,893
United Kingdom	15,919	12,490
Frozen herring	19,602	24,115
East Germany	4,735	7,099
West Germany	6,097	6,315
Fresh and iced fish (other than herring)	17,100	19,994
United Kingdom	12,149	10,073
Frozen fillets	9,263	9,512
United States	4,101	4,584
Austria	2,451	1,199
Israel .....	....	2,542
Whole frozen fish	8,111	8,962
East Germany	3,101	3,469
Italy	2,446	2,386
Dried fish	11,158	14,777
British West Africa	3,700	7,529
Italy	4,259	5,625
Codfish	30,543	39,680
Brazil	18,915	25,919
Cuba	3,552	4,785
Spain	2,360	4,051
Salted herring	50,006	59,191
U.S.S.R.	23,524	32,739
East Germany	11,641	12,135
Sweden	7,011	8,948
Salted fish (other than herring)	2,409	619
Italy	1,791	....
Belgium and Luxembourg .....	....	214
Canned fish	26,359	18,466
United States	7,281	7,419
United Kingdom	5,127	3,576
Herring and fishmeals	112,201	107,767
United Kingdom	64,229	24,914
United States	12,060	37,162
West Germany	10,847	20,793
Steamed medicinal codliver oil	4,699	3,102
United States	1,026	648
Holland	596	422
Poland .....	....	405
Other fish oils	17,333	11,160
West Germany	6,260	3,258
Sweden	1,487	1,282
Denmark	1,921	1,155
United Kingdom	1,214	980

Future Prospects

A strong movement is now under way to modernize and improve the Norwegian fisheries, especially in north Norway. On the advice and proposals of the Directorate of Fisheries, government grants have been made or are about to be made which, with extra capital subscribed by various municipalities, total about 13 million Norwegian kroner. This money is the first stage in the proposed ten-year development plan for the fisheries in north Norway. It is estimated that a further 144.5 million kroner will be needed to complete the development. The ten-year plan envisages not only the building of new and improved fishing vessels but also equipping existing ones with modern devices, building trade schools, processing plants, accommodation and water supplies. The plan also includes the building of a second scientific research vessel.

The Norwegian fishing industry appears to be expanding in both the annual tonnages caught and the turnover value of the landed catches.

—J. L. MUTTER

Commercial Secretary for Canada

If You Export to the United States . . .

LISTED below are publications of particular interest and value to Canadian exporters anxious to enter the United States market or to expand their business there. These are only a few of the titles collected in the December issue of the Office of International Trade's *Business Information Service*, World Trade Series No. 339. This may be obtained from the Publications Division, U.S. Department of Commerce, Washington 25, D.C., for 20 cents.

Market Research Sources

U.S. Department of Commerce, 1950. 261 pp., \$2.25.

A national inventory of available market research material. Sources of prepared data useful in measuring market potentials, setting sales quotas, selecting distribution channels, planning advertising campaigns, and analyzing present and future prospects.

Order from: Field Offices, Department of Commerce, or Superintendent of Documents, Washington 25, D.C.

Buying Power Index

Marketing Division, Hearst Magazines, Inc., 1948. 55 pp., \$5.00.

An index of 608 principal trading centres and consumer trading areas, according to their rank in sales potential.

Order from: Hearst Magazines, Inc., 57th St. at 8th. Ave., New York, N.Y.

How Manufacturers Reduce Their Distribution Costs

U.S. Department of Commerce, 1949. 151 pp., 35 cents.

Case studies and actual experiences of a selected group of manufacturers who have achieved substantial reductions in marketing costs through various methods.

Order from: Field Offices, Department of Commerce, or Superintendent of Documents, Washington 25, D.C.

Keys to Selling Department Stores

Fairchild Publications, Inc., 185 pp., \$3.00.

The status of department stores in today's distribution picture. How to interest top executives; how to get the co-operation of the store in promoting your wares; the growing importance of central buying and chain stores.

Order from: Fairchild Publications, Inc., 7 East 12th St., New York, N.Y.

Selling the United States Market

U.S. Department of Commerce, 1951. 211 pp., \$1.00.

A guide book for manufacturers and distributors, describing how to develop and market products in the U.S. Designed as a practical guide for new and small businesses seeking to learn something of the scope of the U.S. market and how goods and services are sold and distributed there.

Order from: Field Offices, Department of Commerce, or Superintendent of Documents, Washington 25, D.C.

Customs Information for Exporters to the United States

Bureau of Customs, U.S. Treasury Department, 1950. 93 pp., 25 cents.

Outlines of procedures and requirements for preparation of certified invoices for merchandise imported into the U.S., and how to facilitate these imports.

Order from: Superintendent of Documents, Washington 25, D.C.

Import Requirements of the United States Food, Drug and Cosmetic Act

Food and Drug Administration, Federal Security Agency, 1947. 55 pp., 20 cents.

Lists the principal requirements of food, drug and cosmetic laws, and some general provisions applicable to import of products coming under these laws. Also gives suggestions to foreign exporters and U.S. importers on how to expedite entries.

Order from: Superintendent of Documents, Washington 25, D.C.

Modern Export Packing

U.S. Department of Commerce, 1941-42. 530 pp., \$1.75.

A comprehensive manual describing the basic principles of packing export merchandise.

Order from: Field Offices, Department of Commerce, or Superintendent of Documents, Washington 25, D.C.

Chain Store Guide, 5 cents to \$1.00 and General Merchandise Edition

Chain Store Business Guide Inc. Annual. 217 pp., \$10.00.

Lists 1,449, 5 cents to \$1.00 and variety store chains, and 1,681 general merchandise chains, addresses of buying headquarters, numbers of stores operated by each, and names of buyers.

Order from: Chain Store Business Guide, Inc., 145 E. 32nd St., New York 16, N.Y.

Concerns in the Mid-Continental Area Interested in Importing Consumer Goods

International House, New Orleans, 1949. 14 pp., free.

Firms in the states of Alabama, Arizona, Colorado, Florida, Illinois, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska,

New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin, interested in importing consumer goods, listed alphabetically by states, and giving commodities handled.

Order from: International House, 607 Gravier, New Orleans, La.

Concerns in the Mid-Continental Area Interested in Importing Foodstuffs

International House, New Orleans. 5 pp., free.

Firms in the states of California, Illinois, Kentucky, Louisiana, Michigan, Minnesota, South Carolina, Tennessee, Texas and Wisconsin interested in importing foodstuffs, listed alphabetically by states and giving commodities handled.

Order from: International House, 607 Gravier, New Orleans, La.

Concerns in the Mid-Continental Area Interested in Importing Raw Materials and Allied Products

International House, New Orleans, 1951. 10 pp., free.

Firms in the states of Alabama, Arkansas, California, Florida, Georgia, Illinois, Indiana, Louisiana, Minnesota, Mississippi, Missouri, North Carolina, Oklahoma, Pennsylvania, Tennessee, Texas and Wisconsin, interested in importing raw materials and allied products, listed alphabetically by states and giving commodities handled.

Order from: International House, 607 Gravier, New Orleans, La.

Directory of United States Import Concerns, 1951 Edition

The Journal of Commerce. 112 pages, \$5.00.

This directory was compiled from actual ship manifests and edited by the *Journal's* staff. It lists import companies and individuals who have actually imported merchandise into the U.S. over the past two years, as reported in the weekly Import Bulletin listings. It contains more than 10 thousand names and addresses, taken from official records and broken down into the ten major import merchandise categories. Listings for each category are arranged alphabetically.

Order from: The Journal of Commerce, 63 Park Row, New York 15, N.Y.

Modern Packaging Encyclopaedia

Breskin Publishers, 1949. 950 pp., \$6.50 in U.S., \$11 abroad.

Includes a buyers' guide which lists suppliers of any type of package, material, equipment and service.

Order from: Breskin Publishers, 122 E. 22nd St., New York 17, N.Y.

—G. A. BROWNE

*Commercial Secretary for Canada
Washington, D.C.*

Report on IMC

Three committees of the International Materials Conference were dissolved in 1952, as supply of certain raw materials improved. Only four commodities now remain under allocation.

WASHINGTON—During 1952, the International Materials Conference reduced its activities as the free world position of a number of basic raw materials gradually improved. Committees of the Conference have just completed international allocation plans for the first quarter of 1953. These plans involve four commodities only—copper, molybdenum, nickel and sulphur. A year ago eight commodities were being allocated and another seven were under study by the committees concerned. Cobalt and tungsten were recently dropped from the international critical list.

Three committees recommended their own dissolution to member governments when it became apparent no further action was needed on the commodities assigned to them. These were:

- The Pulp-Paper Committee, which in 1951 and early 1952 studied the newsprint, dissolving and kraft wood pulp situations and which recommended several emergency allocations of newsprint only.

- The Cotton-Cotton Linters and Wool Committees which, since the beginning of the Conference in early 1951, had served mainly as study groups without taking formal action on the commodities under their jurisdiction.

Other committees during the year recommended no action on such items as lead and manganese, shortages of which threatened the free world immediately after the outbreak of the Korean war. Zinc allocations were also abandoned in mid-April.

Encouraging Results

Much of the IMC committee work in 1952 concerned implementation of their recommendations. For the most part, the studies showed that the levels of consumption agreed on in advance of production conformed to actual output during the period. The few small adjustments made in subsequent quarterly allocation plans were insignificant and indicated that most countries voluntarily conformed to IMC plans to a remarkable degree. The studies also showed that many smaller countries, whose supply of certain critical materials had been seriously jeopardized before the IMC was set up, received supplies which they would not otherwise have obtained. At the same time, the larger consuming countries got appropriate shares of the available supply—in terms of past consumption, increased production, and their current defence and other needs—of such materials as nickel, cobalt, tungsten, molybdenum, copper, zinc and sulphur.

Action by the IMC in 1952 concerned:

1. For sulphur—two half-yearly allocation programs;
2. For nickel, copper, tungsten, molybdenum, and copper—four quarterly programs;

3. For zinc—two quarterly programs, of which the second scheme was abandoned in mid-April.

It is expected that a balance between supply and demand of the free world for some of the items still under allocation will be achieved early in 1953. For example, copper and sulphur allocation plans could be dropped as a result of committee recommendations if no further and unforeseen short-term pressures on supply develop during the next few months. This would leave nickel and molybdenum as the last two items subject to IMC recommendations. Future defence and U.S. stockpiling needs of both, however, are likely to prolong the need for international action in these two items.

Canada is still represented on the four remaining commodity committees of the Conference and on the Central Group, the secretarial and budgeting unit of the Conference. During 1952, however, the Central Group became trustee of the disbanded committees which it could rapidly re-create with inter-governmental approval should the international materials situation again deteriorate seriously.

—S. V. ALLEN

Commercial Counsellor for Canada

New Zealand's Logging Program

WELLINGTON—In the latter part of the 19th century New Zealand adopted a plan of reforestation and afforestation and planting continued until 1916. Today, of the 17 million acres under forest, nearly a million are covered with planted exotic forests of insignis, penderosa and Corsican pine, and Douglas fir, which have attained or are about to attain maturity.

Wide-scale cutting will begin in the very near future. The state forests of exotic woods comprise some 454 thousand acres and all logging there will be done by the Department of Forestry. The first of these forests will come into production in conjunction with the Tasman Pulp and Paper Company's project at Murupara. Scene of operations will be a small corner of the Kaingaroa forest which occupies an area of approximately 350 thousand acres criss-crossed by some 600 miles of roadways. For the most part, slash-cut logging will be used but there will also be a fair percentage of selective cutting. A second project will shortly be coming to maturity in the South Island near Nelson, where some 40 thousand acres will be felled.

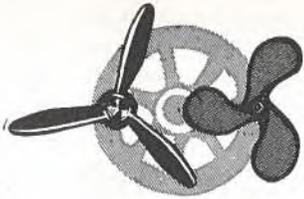
The forestation cycle in New Zealand is approximately 35 years for lumber stands and 20 for pulpwood. In this way, with reforestation commencing with the first logging, New Zealand will have a perpetual supply.

This new phase in New Zealand's forestry will mean the acquisition of great quantities of logging machinery and equipment of practically every type, with particular stress on chain saws, cable and wire rope with accessories, logging trailers, and arches and axes.

Canadian manufacturers of these and other types of logging equipment who are interested in this market should write to the Commercial Secretary for Canada, Wellington, N.Z.

—L. S. GLASS

Commercial Secretary for Canada



TRANSPORTATION NOTES

The South African Picture

JOHANNESBURG—The major land transport services of South Africa are provided by the State and are controlled by the Railway and Harbours Administration which employs approximately 102 thousand Europeans and 92 thousand persons of other nationalities. In addition to railways and harbours, the Administration operates road motor services and the South African Airways.

The railways cover some 13,500 route miles. The equipment consists of 2,400 steam and 220 electric engines, well over 74 thousand merchandise-carrying boxcars (representing a total carrying capacity of approximately 2.3 million tons) and some 5,600 passenger vehicles.

Road motor services function as feeder services to the railways over routes totalling 26,300 miles. The vehicles used include some 1,000 for passengers and goods and 700 trailers.

South African Airways have a fleet of 26 aircraft and provide trunk, regional and internal services. In partnership with BOAC, South African Airways operate the Springbok Service between the Union and the United Kingdom.

All the main harbours in the Union are controlled by the Railway Administration, which provides all harbour facilities and harbour craft.

This, in brief, is the overall setup of the transport system in South Africa. The railways constitute the principal, and by far the greatest, service of the Administration and provide the foundation for the entire economic structure. It goes without saying that the railways have played a vital part in the country's industrial development.

Any review of transportation in South Africa today must take into account the enormous increase since the war in all fields of production. The best illustration of the phenomenal industrial growth is a comparison of the volume of traffic carried by the railways just before the war with that since the war. During 1939 the railways transported 36 million tons of goods; the figures for the subsequent financial years, ending March 31, are as follows:

	Tons
1941	39,665,564
1942	40,522,350
1945	48,287,765
1946	48,205,806
1947	49,913,333
1948	52,614,456
1949	55,322,965
1950	58,671,684
1951	62,133,709
1952	65,169,772

Apart from this considerable overall increase from 1939 to 1952, there has also been a steep rise since 1948 in the annual rate of increase. Though the increase in volume of traffic between the years 1941 and 1942 was 22 per cent, the percentage increases since 1948 have been 5·4, 5·2, 6·1, 5·8 and 5 respectively.

—BLAIR BIRKETT

Canadian Government Trade Commissioner

AUSTRALIA

Shipping Board Makes Profit—A net profit of £408,569 has been made by the Commonwealth Shipping Line for the year ended March 31, 1952. For the nine months ended March 31, 1951, there was a loss of £534,143. The accumulated deficit since the line commenced operations in 1946 was £2,286,961 at March 31, 1952, when the Shipping Board controlled 32 Commonwealth-owned ships and seven chartered ships—Sydney, December 30.

CHILE

New German Steamship Services—Representatives of the Hamburg-Amerika Line and Norddeutscher Lloyd will, in combination, re-establish German shipping services to Chile via the Panama Canal with six vessels of 8,200 tons each. The first ship is scheduled to arrive in Valparaiso by the middle of February—Santiago, January 10.

Pacific Coast Maritime Service—A new Pacific Coast maritime service between Chile, Central America, Mexico, the United States and Canada has been announced by Compania de Navegacion Inter-oceanica. The port of arrival in Canada will be Vancouver. The new service, which appears to be sponsored by the Ministry of Economy, will begin during the latter half of January—Santiago, January 13.

COLOMBIA

Port Charges Raised—Commercial ships calling at Colombian ports now pay higher lighthouse and buoy charges. Provisions of decree No. 1883 of August 9, effective January 1, are as follows:

- All ships entering Colombian ports at any time of day or night will pay a fee of five pesos for each lighthouse or luminous buoy in port or in the approach to the port.
- All ships touching at Colombian ports with the exceptions here noted will pay for each ton of registry 10 centavos for each radiophare in port, 5 centavos a ton for each port beacon or lighthouse, and 2 centavos a ton for each coastal lighthouse passed en route.
- Colombian ships engaged in coastal trade pay only one-half these charges.
- Ships making courtesy calls and warships of friendly nations are exempt from these charges.

West Germany

Markets for Motor Vehicles

With production already exceeding prewar figures and with an urgent need to expand their foreign markets, German motor manufacturers are undertaking sales campaigns in many countries, including Canada.

BONN—The recent appearance of German passenger cars in Canada and in many other countries has brought considerable speculation, both in trade circles and on the part of potential owners, about the revival of the West German motor vehicle industry. Production figures for the first nine months of 1952 (315,354 vehicles of all types) should give competing industries in other countries food for thought, even if they have not yet felt the full impact of the German drive for foreign markets.

The slogan "export or die" fits Western Germany* perfectly and the German automobile industry is considered one of the main instruments of export success. From January to the end of September 1952, West Germany exported vehicles and parts to a value of 722 million D marks and imported 40.7 million D marks worth. This leaves an export surplus of approximately \$170 million, with the last quarter's figures still to come.

Regaining Prewar Place

In 1951, Germany came fifth in world production of automobiles (including passenger cars, trucks and buses) with 373,615 units. Canada's output totalled 413,345 units. If the rise in production continues, Germany may well regain her prewar position of the third largest producer, after the United States and the United Kingdom.

The automobile industry was seriously damaged by the war and it was not until 1949 that mass production was achieved. Before that, only the Volkswagen was produced on regular assembly lines.

The breakdown in transportation facilities, a ban on pleasure travel, and the extreme difficulty of obtaining rationed gasoline meant that German production efforts were largely concentrated on commercial vehicles during the years 1945 to 1948. Not until 1949 did the production of passenger cars exceed that of all other vehicles combined. Then, of the 29,945 passenger cars produced, 19,127 were made by Volkswagen. The only other major producers in 1948 were Daimler-Benz and Opel, with 4,608 and 6,088 respectively. Today production of passenger cars and station wagons continues to rise steadily but commercial vehicle production is relatively stagnant. This is partly because of the versatility of the station wagon which has undoubtedly encroached on the delivery

* This article makes no reference to the Eastern Zone of Germany because accurate statistics and other information are not available.

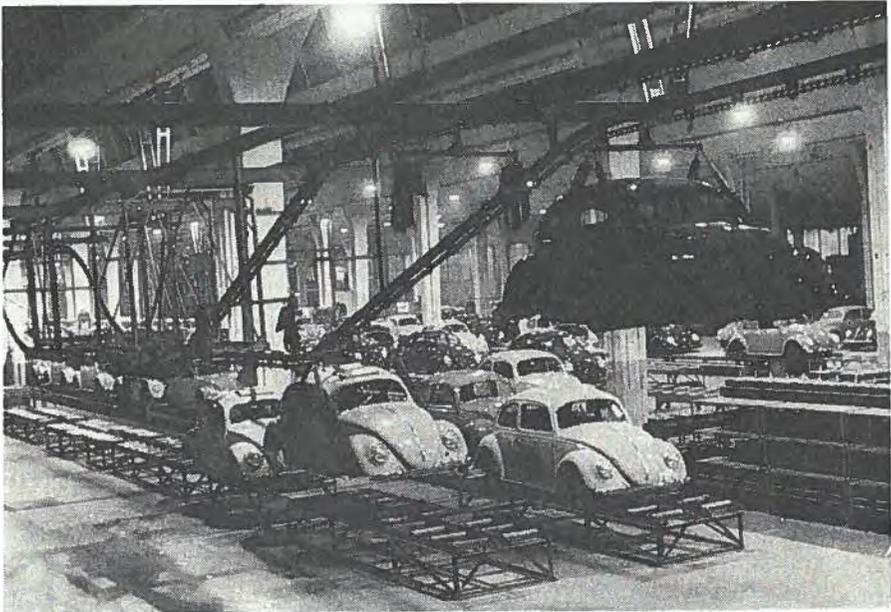
van market. Another reason is the slower replacement rate of commercial vehicles now that postwar demand has been partially filled.

Producing for Foreign Markets

The specific question arises—which German vehicles will probably provide the greatest competition in foreign markets generally accepted as being the preserve of a manufacturer or nation producing a certain type of automobile. Volkswagen seems to be the outstanding producer, with slightly more than one-third of the total output to its credit. Opel is next, with about two-thirds the production of Volkswagen. These two are followed by Daimler-Benz, Ford, and Auto-Union. Other producers trail badly behind. (Porsche might be considered as a long-term proposition.)

Of the top five it is fairly safe to eliminate both Opel and Ford as possible large contenders for all foreign markets. Opel is closely associated with General Motors and it is unlikely to expand to a point where it would compete with other General Motors associates, except in neighbouring countries considered traditional German markets. The Ford situation is somewhat similar, for, though the most recent model is modern in design and is very popular in the home market, it is not expected to compete seriously with other Ford subsidiaries in foreign markets. Auto-Union products, fairly well known in some parts of Europe, are unlikely to be a serious competitive threat for some time to come.

The remaining contenders for foreign markets are Volkswagen and Daimler-Benz. These two do not compete with each other. The Volkswagen is a small car comparable to the French Renault, the British Morris Minor, or the Italian Fiat, although slightly more substantial and higher-priced. The Daimler-Benz products, on the other hand, may be classed



—Tritschler
Automobiles on the assembly line at the Volkswagen plant in West Germany. Recently this company introduced an export model; is planning to increase its export sales by 50 per cent over 1951.

as medium and large-size cars. They are substantial and conservative in line and, in general, appeal to the upper middle class. Their strong points are the diesel motor available for the 170 D model and their reputation for reliability.

The Volkswagen drive for foreign markets is best illustrated by the recent introduction of a new export model. In external appearance the car remains the same, but various improvements have been made at no increase in price. The company plans to step up production to an average of 550 passenger cars a day in 1953 and to increase its export sales by 50 per cent over 1951. In 1950, exports of passenger cars by this firm totalled 27,888 and in 1951 were 32,035—approximately one-third of total production.

Sales to Europe

In its drive for overseas export markets the German automobile industry has been much handicapped by the loss of its prewar commercial contacts in foreign countries. For this reason, exports to European countries greatly exceed in volume and value exports to all others. Those European countries with the strongest economic ties with Germany—Belgium, The Netherlands, Switzerland and Sweden—have been and are expected to remain the largest purchasers.

Particularly noteworthy are rising Swiss purchases, a reflection of the gradual displacement of British manufacturers as the predominant suppliers. The Belgian figures also show a rise in sales, although this is not so marked as for Switzerland. Though these trends are most encouraging to the German manufacturers, the relative stagnation of the Swedish market and the decline in Dutch purchases have rather tended to offset the gains. Meanwhile exports of replacement parts, although growing, have not yet reached a high volume because most of the German vehicles in operation in these countries are relatively new.

Now that they have firmly re-established themselves in these key countries, the exporters are turning their attention to secondary areas, both to diversify their markets and to establish a wider reputation for servicing and serviceability. The latter will, it is felt, tend to help sales in the key countries. This action was taken after comparing the efforts required to increase sales in established markets with results of similar efforts expended elsewhere.

In Africa and Asia

In the African market the major importers, as might be expected, are the Union of South Africa, which has been importing approximately 50 per cent of the total for the entire continent; Egypt, which imported 848, 1,578 and 506 passenger vehicles in the years 1950, 1951 and the first half of 1952 respectively, and French Morocco, which imported 79, 1,608 and 1,102 vehicles in the same periods. The most remarkable feature is that importing areas on the African continent have increased from 11 in 1950 to 22 in 1951, and 20 are listed for the first half of 1952. The desired diversity has apparently been achieved there, but it remains to be seen whether the rift between the Arab world and the German Republic as the result of the German-Israeli agreement will work against extension of the foothold gained.

The Asian market for German vehicles has not developed as extensively as expected. The largest potential markets fall within the sterling area and British manufacturers are firmly established. Prospects for sales to China are not bright. The notable exceptions to these conditions are Japan, to a certain extent the Middle East, and Indonesia. Exports to Japan in 1951 totalled 71 vehicles and in the first half of 1952, about 60. Exporters feel that this market can be developed and, at the request of the Japanese, prominent German producers in 1951 visited Japan to open up and develop the market. Exports to Indonesia increased from two vehicles in 1950 to 460 in 1951. However, in the first half of 1952 this went down to 119. The Middle East has, until the recent dispute over German reparations to Israel, appeared to the Germans to be a familiar market which, although small, would provide a steady outlet.

Australia and New Zealand have been considered excellent, if limited, outlets for German vehicles. However, the continuing monetary difficulties of the sterling area have led to some scepticism about this market and the practicability of building up an extensive organization to sell products which the U.K. has in abundance and which might be considered, for the purpose of bilateral agreements, luxuries.

Selling to South America

South America stands next to Africa among the continents other than Europe which have imported German vehicles. The Germans have great hopes for sales there and have done considerable development work. The continuing shortage of dollars in most of the countries and the willingness of many of them to conclude trade and payments agreements with Germany combine to create ideal conditions for expansion of German exports. Moreover, the natural resources being developed in South America in many cases complement the German economy. It is thus considered a natural long-term outlet for German industrial products in general and for motor cars in particular.

The largest South American buyer has been Brazil, which imported 780 German passenger vehicles in 1950, 3,239 in 1951, and 1,305 in the first half of 1952. In the past few months difficulties have arisen in maintaining a balance in the German-Brazilian payments agreements. This has given proponents of a more aggressive South American export policy somewhat of a setback. It has been reported that the unbalance in this particular agreement reached \$80 million in Germany's favour earlier in the year, and that numerous German firms found it difficult to obtain payment for goods already delivered. Various devices have been used to balance the funds involved and this total has been considerably reduced. However, as much of the trade with South America is based on similar agreements, some have questioned the reliability of the market.

Vehicle exports to Argentina totalled 571 in 1950, 1,890 in 1951 and 472 in the first half of 1952. Sales to Uruguay equalled 408 in 1950, and 808 in 1951. Other countries are showing excellent promise.

Prospects in Canada

Partly because of the supposed instability of this Latin American market, attention is now being turned to the great, and as far as Germany is concerned, virtually untapped North American market.

The largest North American purchaser of German vehicles has been the United States. The U.S. imported more than half of the total exports to North and Central America. Mexico has also purchased a number of vehicles; however, total vehicle imports from Germany for the entire area have not been large and probably could be substantially increased. Until the second half of 1952, no German vehicles were shipped to Canada. However, as part of the campaign for the North American market, some Volkswagen were shown at the 1952 Canadian National Exhibition and, as a result of the orders obtained there, a fairly large shipment has recently gone forward. The Volkswagenwerke has established a Canadian subsidiary to set up a distribution and servicing system in Canada both for its passenger cars and for its delivery vans. By establishing itself in the Canadian market, it hopes to obtain the know-how for full-scale North American operation. It could then use its Canadian facilities to extend and increase its sales to the U.S. The view taken is that these activities must be on the basis of a long-term growth in the market and that, for a variety of reasons, it is easier to influence the Canadian buyer than his American counterpart in favour of the small European type of car.

A reflection of the position the German industry holds in European eyes is the scheduling of the Thirty-sixth International Automobile Exhibition for Frankfurt from March 19 to 29, 1953. This is the second time since the war that the Exhibition is to be held in Germany. At the last such exhibition, held in Frankfurt in 1951, there were 501 West German and 36 foreign exhibitors. Visitors totalled 600 thousand, of which 40 thousand were foreigners. The 1953 fair is expected to be an even greater success.

—W. JONES

Assistant Commercial Secretary for Canada

Detailed statistics on the production and export of motor vehicles in Western Germany may be obtained by writing to the Commodities Branch, Department of Trade and Commerce—The Editor.

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.

Pakistan

The Fisheries and the Future

The Government's interest in modernizing the fisheries is expected to help a vital but under-developed industry attain greater importance.

KARACHI—The recent announcement by the Pakistan Government that it will build a large new fisheries harbour at Karachi has aroused general interest in this country's fisheries.

Pakistan actually has rich fish resources in the waters of the Arabian Sea and Gulf of Oman on its west coast and in the Ganges Delta and Bay of Bengal on its east coast.

East Pakistan, with its large lakes and rivers, is also exceptionally rich in inland fisheries. Altogether, 95 per cent of the total area of Pakistani waters in which fishing can be developed are in East Pakistan.

The chief commercial varieties landed on the East Pakistan coast are what is locally known as "Bhetki"—mulletts, thread-fins, pomfrets, sharks, skates, and rays. On the west coast the commercial catches consist chiefly of mackerel, perch, Indian salmon, catfish, mullet, herring, anchovies, and crustaceans.

Economic Importance

The fisheries have great economic importance for Pakistan. In 1951 about 411·5 million pounds of fish, valued at Rs. 110·5 million, (approximately \$33·1 million) were landed in the country. During the same year, Pakistan exported fish and fishery products valued at Rs. 14·9 million (approximately \$4·4 million). Rupees 9 million (approximately \$270 thousand) was spent in importing fish and fish products, mostly fish oils, with or without vitamin content.

Fish plays an important part in the Pakistani diet. During 1951 consumption of fish reached 295·2 million pounds, of which 242·8 million pounds represent East Pakistan consumption. Rice and fish constitute the staple food of the East Pakistanis and no less than 90 per cent of the people eat fish regularly. They prefer it unsalted and sun-dried. Along most of the west coast of Pakistan fish is also popular, but in the interior of West Pakistan few people use it.

The present fishing industry in Pakistan is under-developed but it has latent possibilities. The fishermen know little about modern methods.



—U.N. Photo

Landing the morning's catch in a Pakistani harbour. Because fish abound in its waters and forms an important part of the people's diet, Pakistan is trying, with FAO aid, to develop new techniques of catching, processing and marketing fish.

Moreover, there are few proper facilities for handling, transporting, preserving and processing the fish—to say nothing of marketing it.

The export of large quantities from East Pakistan to Calcutta, despite the lack of fish in the interior of East Pakistan, is a direct result of the inadequacy of transportation and marketing facilities. This condition, inevitable at present, will probably continue until facilities improve.

During 1951, about 2.5 million pounds of shark liver were produced but none of it was processed for oil. However, it is reported that the Pakistan Government will establish plants to use these raw materials.

Planning for Tomorrow

Pakistan's fishery resources are capable of yielding a much greater harvest than they do today. To obtain the increase it will be necessary to improve present techniques, and bring about many changes in craft and other equipment. Fortunately, well-organized fisheries departments are formulating development schemes and some of them, such as the fisheries harbour at Karachi, are becoming a reality. It will need considerable capital investment to implement these schemes and it will have to come from sources other than the fishermen themselves, for they are not well off. It is hoped, however, that ways and means will be found to finance development of this important phase of Pakistan's economy.

—A. P. BISSONNET
Commercial Secretary for Canada



COMMODITY NOTES

AUSTRALIA

Coal—The first postwar shipment of New South Wales coal will leave Sydney next week for Japan, part of the 30-thousand-ton order placed by that country. The Joint Coal Board is trying to increase exports of New South Wales coal to the Far East as an outlet for the excess production—Sydney, January 6.

BRAZIL

Castor Seed—There is a strong demand for castor seed both from local factories and abroad but the harvest has now ended with very little in the hands of exporters. Oil factories, however, have sufficient stocks to last them until the end of the year. The United States is the largest buyer but France has entered the market lately, quoting higher prices. The f.o.b. price (bagged) was US\$210 per long ton at the end of October, compared with US\$170 on September 30. The mid-crop due in January is expected to be a bumper one, as climatic conditions have been favourable—Rio de Janeiro, January 6.

ITALY

Azote Fertilizer—Montecatini, the largest chemical organization in Italy, has begun to produce azote fertilizers at Novara, using methane gas as a basic raw material. This is the first factory in Italy to use this method. It will have an annual potential output of 35 thousand tons of azote and 450 thousand tons of ammonium sulphate, as well as a considerable production of various azote products for industry.

Another Montecatini plant, nearing completion at Ferrara, will also produce azote from methane gas but on a larger scale than that at Novara—Rome, January 18.

JAMAICA

Pineapple—The Governor of Jamaica, Sir Hugh Foote, officially opened the pineapple canning plant of the Pineapple Company of Jamaica on January 7. This plant is situated at Bog Walk, approximately 20 miles northwest of Kingston. It is equipped with the most modern machinery and has a capacity production of 500 thousand cases of pineapple a year. Approximately 100 persons will be

employed at the height of the canning season and 200 additional workers will probably be required to cultivate the 500 acres being cleared for the production of pineapple. The company intends to supply reliable local farmers with suckers to provide additional fruit for the canning plant—Kingston, January 8.

MEXICO

Sugar—Production of sugar from the 1952 cane crop will total 725 thousand metric tons, compared with 690 thousand metric tons last year, the National Union of Sugar Producers reports—Mexico, D.F., January 5.

Metals—Sales abroad of industrial and precious metals during the first ten months of 1952 indicate the healthy state of the mining industry. They were: copper, 32,961 metric tons (186·8 million pesos); lead, 168,111 metric tons (535·8 million pesos); zinc, 33,047 metric tons (121·2 million pesos); refined silver, 444 metric tons (104·5 million pesos); minted silver, 607 metric tons (121·4 million pesos).

This trade represented 26 per cent by value of the nation's exports in January-October—Mexico, D.F., January 5.

SCOTLAND

Steel—Scottish steelmakers have substantial contract books, and this is expected to continue because all the leading consumers are heavily booked. Shipyards have four years' work on hand, producers of power plant have at least ten years' contracts to fulfil, and wagon and locomotive builders have enough orders to keep them going for a couple of years—London, January 20.

SPAIN

Oranges—The orange crop now being harvested is officially estimated at 1·4 million tons, of which approximately one million tons will be available for export. The French market is expected to absorb about 220 thousand tons and Germany will take even more. The remainder will be shared by the United Kingdom, Spain's best orange customer, Scandinavia and Benelux. All these countries are traditional markets for Spanish oranges and last year bought 700 thousand tons—Madrid, January 10.

WEST GERMANY

Refrigerators—Production of refrigerators in West Germany increased from 7,600 tons in 1950 to 14,200 tons in 1951. Production for 1952 was expected to be about 20 thousand tons, an increase of about 40 per cent compared with the previous year. It is estimated that today 7 per cent of all households in West Germany have electric refrigerators, as compared with 80 per cent in the United States. Market prospects are therefore considered favourable for this year—Bonn, January 3.

United Kingdom

The High Cost of Housing

Supplying the still urgent demand for houses in the U.K. proves difficult because building costs continue to rise and productivity to fall.

LONDON—Two hundred and twenty-three thousand United Kingdom homes were completely destroyed by enemy action during the last war and 551 thousand others were severely damaged. Replacing these homes and building the additional ones needed—because of the expanding population, higher living standards, natural wastage of old buildings and the virtual cessation of house-building during wartime—has been a major problem in the U.K. since 1945.

Despite the many other demands on the country's labour supply and material resources, the energies of successive governments have been directed towards speeding up the building program. Subsidies are provided by the Ministry of Housing and the local authorities are encouraged to pursue a vigorous construction policy. But the economic difficulties of the country have dictated the limits of the program and prevented any lavish expenditure. However, with greater efficiency developed in the industry, a larger number of buildings should be produced with the available financial and material resources. It has been disappointing, therefore, to see building costs rising and productivity falling almost continuously since the war.

Building Figures

The number of permanent dwellings completed in England and Wales from the end of the war to December 31, 1951, was 902,524. At the end of 1951 there were 186,124 dwellings under construction and 74,991 approved or licensed, but not started.

To improve efficiency in the building industry the Minister of Health appointed in 1947 a Committee of Enquiry into the cost of house-building. This committee has recently produced its third report, a most disappointing one. It shows that the average brick-built, three-bedroom Council house completed in October 1951 cost £1,450 to build, compared with £1,321 for a similar type of house in October 1949 and £1,242 in October 1947. Land, site works, and professional fees added £240 (against £194 in 1949), bringing the total cost of £1,690 compared with £1,515 in 1949 and £1,400 in 1947. The cost of a local authority house, even in the best postwar year, was more than three times the cost of its counterpart in 1938.

Even more disturbing is the fall in the output of the labour force engaged in the industry. Output per man in 1949 was still 20 per cent lower than before the war; in 1947 it was 31 per cent below. There was no evidence of any further improvement in 1951, when five men were

needed to do the work of four before the war. A return to prewar productivity would enable the same number of workers to produce 25 per cent more houses and to save £100 on each house.

A system of incentive payments was devised some years ago to improve productivity, but it has not helped. In 1949, 50 per cent of houses were being built under incentive schemes but there seems no evidence of further progress in the spread of these bonusing arrangements.

Mechanization in the building industry is noticeably slow. Although 630 tons of material have to be moved in constructing a house weighing 130 tons, the average building worker has only half a horsepower of mechanical equipment at his disposal. This compares with three to four horsepower for farm workers.

Aside from getting more houses per manhour in the building trades, some contribution to lower costs has been made by adopting improved designs. There is still room for improvement here, and also in applying mass production techniques to those parts of houses which can be standardized. If savings of this latter type had not already been made, the 1951 figures would have been much worse. The estimated net increase of £129 in the building cost of the average 1951 house, compared with 1949, included: an increase of £40 in labour costs, £136 in materials costs and plant charges, and £16 in overhead charges and profit. A saving of £63 resulted from economies in design and specifications.

—R. P. BOWER
Commercial Counsellor for Canada

SOUTHERN RHODESIA

Import Control in 1953—The import control authorities of Southern Rhodesia have announced that the dollar import allocations for the year ending December 31, 1953, will amount to £3,900,000. This represents a reduction of over £1 million in dollar allocations from 1952 (£5,050,000). Categories of goods of importance to Canada showing reduced allocations are wheat, timber, kraft paper, and mining and industrial machinery. No provision is made for the purchase of wood pulp from dollar sources. The allocations for these goods for 1953 with previous period allocations in brackets are: wheat, £50 thousand (£198,972); timber, including plywood, £357,500 (£441 thousand); kraft paper, £32 thousand (£125 thousand); wood pulp, no allocation (£70 thousand); mining and industrial machinery, £475 thousand (£550 thousand). As import permits are issued on a half yearly basis, quotas for the first six months of 1953 will be approximately half of those given for the whole year.

Import permits when granted may be used for importations from the dollar area or from any other non-sterling country except Japan (sterling imports not subject to control). However, as separate allocations are made for imports from non-dollar and non-sterling areas, except Japan, it may be assumed that dollar allocations will be used to import chiefly from the dollar area.

A complete list of the various categories of goods giving dollar allocations may be obtained upon request from the International Trade Relations Branch, Department of Trade and Commerce—Editor.



GENERAL NOTES

AUSTRALIA

Trade Balance—Australia had a favourable trade balance of £39·9 million in October, compared with the September balance of £11·3 million. For the first four months of 1952-53 the favourable balance is £62·5 million, compared with a deficit of £166·8 million at the end of the first four months of the 1951-52 financial year. The improvement is the result of the Government's 50 per cent cut in imports imposed last March, and the start of the export season, with a fairly firm tone apparent at wool auctions. Meat and dairy produce exports also have played an important part in the improvement. Exports in October totalled £85·2 million, a rise of £31·3 million over the September figure, and £28·2 million more than in October 1951. Imports in October totalled £45·3 million. This was £2·7 million higher than in September, but £66 million less than in October 1951. If the export of primary products keeps on at the October rate, a good trade balance can be expected—Sydney, January 5.

IRELAND

Hydro-Electric Development—Contracts have been awarded to the Societe de Construction des Batignolles of Paris, France, for the building of dams, power stations and ancillary works for the River Lee hydro-electric development. The project involves flooding some 3,500 acres of land to form reservoirs for two power stations. The larger station will be located at Inishcarra, about nine miles from Cork, and the other about ten miles farther up the river. The former will have two generating sets of 15,000 kw. and 4,000 kw., and the latter one of 8,000 kw. capacity. Construction is expected to take about four years—Dublin, January 20.

ITALY

Copper Mine—An old copper mine at Funtana Raminosa on the Island of Sardinia, worked as far back as the days of the Phoenicians and during the Roman and Saracen period, is being re-opened after nearly 30 years. Previously it was operated by French interests for some 15 years. The entire plant has been renovated and radically changed. Research indicates that, with more modern ore extraction methods, it could become an important source of copper—Rome, January 2.

JAPAN

Banks Expand—The Bank of Tokyo will establish branch offices in Karachi and Calcutta. The Teikoku Bank intends to establish a branch in Bombay, the Fuji Bank a branch in Calcutta, and the Sumitome Bank also one in Karachi. The Sanwa Bank Limited and Hypothetic Bank of Japan have received authorization from the Government of Japan to open branches in Taipei—Tokyo, December 30.

Barter Trade with China—Japan plans to export 3,000 tons of tangles to Communist China in return for 6,000 tons of soybean cakes worth \$470 thousand. This is the first trade contract with China authorized by the Ministry of International Trade and Industry—Tokyo, December 30.

SOUTH AFRICA

Swiss Loan—South Africa has negotiated a new Swiss loan of some £2.5 million (gold francs 30 million). The credit is only a small part of the funds required for the elaborate program of government expenditures scheduled in 1953, but the loan indicates a reviving interest in the South African investment field by Swiss commercial banks. It may foreshadow a more favourable international appreciation of the prospects for a gold revaluation—Cape Town, January 3.

SOUTHERN RHODESIA

Record Crops—Record crops of maize, cotton and tobacco have been grown by European farmers in Southern Rhodesia during the past season. Final official estimates published by the Central African Statistical Office show 2,655,000 bags of maize, 11,840,000 lb. of cotton and 107,500,000 lb. of flue-cured tobacco.

Only once before has the European-grown maize crop exceeded two million bags. That was in the 1936-37 season when 2,039,000 bags were reaped from 277 thousand acres. In the 1951-52 season an estimated 374 thousand acres were planted. Previous highest figures for flue-cured tobacco production was 105,400,000 lb. in the 1948-50 season when 153 thousand acres were planted. Acreage for the 1951-52 season is officially estimated at 193 thousand acres, but the average yield per acre is down to 557 lb. compared with 691 lb. in the previous year.

The most dramatic development of all is in the expansion of the European-grown cotton crop, from 1,466,243 lb. in 1948-49 to an estimated 11,840,000 lb. in 1951-52. Acreage planted in these seasons was 3,749 and 37,000 respectively—Johannesburg, January 5.

UNITED STATES

New Paper Mill—Construction in Portsmouth, Ohio, of a \$30 million newsprint mill with a daily capacity of over 400 tons was recently announced. The mill is expected to begin producing, at about half its ultimate capacity, early in 1954. The raw material will be old newspapers and rags—Detroit, January 29.

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 1.03026.

Country	Unit	Type of Exchange	Canadian dollar equiv. Jan. 22	Notes (See below)
Argentina	Peso	Preferential buying .....	.1294	(1)
		Basic buying .....	.1941	
		Preferential selling .....	.1941	
		Basic selling .....	.1294	
		Free .....	.0699	
Austria	Schilling .....	.....	.04543	
Australia	Pound .....	.....	2.1860	
Belgium-Luxembourg & Belgian Dependencies ...	Franc .....	.....	.01940	
		.....	.01618	tax 5% (1)
Bolivia	Boliviano	Official .....	.00966	tax 3% (2)
		Differential .....	.5693	(3)
British West Indies	Dollar .....	.....	2.7325	(4)
	Pound .....	.....	.6831	
	Dollar	Brit. Honduras .....	.0525	tax 8% (2)
Brazil	Cruzeiro .....	.....	.2049	
Burma	Kyat .....	.....	.2049	
Ceylon	Rupee .....	.....	.03126	(1)
Chile	Peso	Official .....	.01616	
		Commercial .....	.00829	
		Free .....	.3882	tax 3% (2)
		Basic .....	.4231	
Colombia	Peso	Coffee buying .....	.1733	(5)
		Official .....	.1463	*Nov. 28
		Free .....	.9706	tax 2%
Cuba	Peso .....	.....	.01941	
Czechoslovakia ...	Koruna .....	.....	.1405	
Denmark	Krone .....	.....	.9706	
Dominican Republic	Peso .....	.....	.06471	(6)
		.....	.05611	
Ecuador	Sucre	Official	2.7872	
Egypt	Pound	Free	2.4617	
Fiji	Pound .....	.....	.00422	
Finland	Markka .....	.....	.00277	
France	Franc .....	.....	.00555	
French Africa ...	Franc .....	.....	.01526	
French Pacific ...	Franc .....	.....	.2311	
Germany	D Mark .....	.....	.000065	
Greece	Drachma .....	.....	.9706	
Guatemala	Quetzal .....	.....	.1941	
Haiti	Gourde .....	.....	.4853	
Honduras	Lempira .....	.....	.1609	*Jan. 9
Hong Kong	Dollar	Free .....	.05960	
Iceland	Krona	Official .....	.04583	
		Special buying .....	.03724	
		Special selling .....	.2049	
		.....	.08514	
India	Rupee	Basic .....	.04257	(7)
Indonesia	Rupiah	With Surcharge I .....	.02838	
		With Surcharge II .....	.00183	
		Dollar certificate .....	.00183	

* Latest available quotation date.