



foreign trade

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COVER . . . This Kashmiri craftsman working on a hand-made rug is practising a cottage craft that dates back to the 15th century. In the past two years, North American sales of Indian rugs and carpets have soared, bringing India badly needed dollars. (See story on page two.)

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India: Dollars Underfoot

Featured in the extensive displays of the Government of India at the coming Trade Fair in Toronto will be handmade Indian carpets and rugs. Here is the story of this industry.

BOMBAY—Carpets, rugs and druggets, largely handmade in thousands of India's cottage homes, are finding a ready market in dollar countries. In 1951-52, Canada imported Indian floor coverings to a value of \$1.34 million, and the United States to a value of \$1.33 million. This represented a 100 per cent gain in sales to both countries, compared with the previous year.

Postwar Sales Soar

Since the war, Indian-made carpets have chalked up phenomenal sales increases in many countries. In 1942-43, exports of carpets were valued at Rs.3,035,000 (about \$608 thousand). By 1946, value of carpet exports had risen to Rs.47,500,000 (about \$9,500,000). Unfortunately, at this point numerous fly-by-night exporters entered the trade and large quantities of floor coverings of unsuitable quality, dyes or designs were sold abroad. For a time this gave Indian floor coverings a bad name in foreign markets and sales declined in 1949-50 to about half the 1946-47 figure.

At this point the Indian Standards Institution came to the rescue by introducing standards for export. Unscrupulous traders were gradually eliminated and exports of Indian carpets again rose—to an all-time high in 1951-52 of Rs.58,846,979/- (\$11.7 million).

The United Kingdom remains by far the largest single customer for Indian carpets and rugs. The following table shows exports by countries:

Exports of Carpets and Rugs			
(twelve months, April to March)			
	1949-50	1950-51 (in rupees)	1951-52
To United Kingdom	23,858,184	45,462,249	38,523,851
“ Canada	4,068,282	3,385,279	6,720,554
“ U.S.	1,946,825	3,203,826	6,664,805
“ Australia	444,920	31,475	2,494,287
“ other countries	2,754,474	2,148,365	4,443,482
Total	33,072,685	55,631,194	58,846,979

Carpet manufacturing is primarily a cottage industry. The dealers secure mill-spun or hand-spun woollen yarn, dye it in their factories, and then issue the yarn to the artisans, together with jute twine, cotton yarn and the pattern (usually called the “Talim”) on a graph paper. The artisan then manufactures the carpet in his cottage with the help of his family, including his children. The finished carpet is returned to the dealer, who generally pays the artisan Rs.3 to Rs.5 per yard (about 60 cents to \$1.00).

The quality of a carpet depends on the number of knots per square inch. Indian carpets woven at various centres range from coarse quality, containing 3 x 3 equals 9 knots to the square inch, to the finest containing 20 x 20 equals 400 knots to the square inch.

Pulled wools are largely used for the preparation of ordinary carpets and some better types are made from imported foreign yarns. Local wool-growing areas include the Punjab, Rajasthan and Madhya Bharat, and Bikaner wool is considered superior for carpet-making. Tibetan raw wools reaching Kalimpong in West Bengal by mule caravans are spun into yarn on hand spindles, dyed with extracts from barks and fruits, and then woven into carpets of Tibetan design.

Previously vegetable dyes were generally used but today aniline dyes are taking their place. Many of the larger producers have their own dyeing units attached to their workshops and there the yarn is dyed before being distributed to the affiliated cottage workers. Many smaller units are not well maintained and dyes vary considerably. Moreover, part-time manufacturers from the agricultural community use non-standard dyes or purchase dyed yarn from small merchants who do not use standard dyes.

Leading Carpet Centres

The industry is primarily located at Mirzapur and Bhadohi in Uttar Pradesh, Ellore and Musalipattam districts in Madras State, Amritsar district in Punjab, Srinagar in Kashmir and Kalimpong in West Bengal.

Mirzapur and Bhadohi are the most important centres with about 30 firms, including three European-owned ones, engaged in the carpet business. With a single exception, none of these firms manufactures carpets although most of them do their own dyeing, finishing and embossing. These areas account for approximately 50 per cent of the total Indian export trade in carpets and the three European firms are responsible for about half of this.

Srinagar in Kashmir is best-known for its colourful floral designs in carpets and for the "Numbdas" pressed wool rugs. Ellore and Musalipattam have a wide reputation for pile carpets of Persian design and druggets of modern design, and in Mysore there are two large and five small factories using 250 looms for drugget weaving.

Wide Variation in Quality

Because the making of carpets in India is essentially a cottage industry, there is a wide variation in quality of materials, dyes and designs. Buyers should specify the types required and outline the sizes, knots per square inch, quality of wool, dyes, cotton backing (jute backing is frequently used on cheaper types) percentage of admixture of goat's hair or other materials. Samples of colours and combinations of colours offered should be checked carefully, because those used locally may not suit overseas tastes. Similarly design is important. Many are copied from old Persian designs and others, created especially to appeal to foreign buyers, are supplied by carpet dealers abroad.

—BRUCE I. RANKIN

Commercial Secretary for Canada

United Kingdom

The Import Pattern in '52

Imports into Britain fell by £433 million last year, with non-sterling countries bearing the brunt; purchases from the sterling area rose by £37 million.

LONDON—The pattern of the United Kingdom's import trade in 1952 bears the imprint of the intensified import restrictions which were imposed late in 1951 and enlarged in 1952. These measures were reinforced by downward production trends and by lower material prices. As a result, the value of imports, as compared with 1951, fell by £433 million to £3,481 million. This reduction concealed an actual increase of £37 million in imports from the sterling area. The loss experienced by non-sterling countries was £470 million, of which one-third was borne by OEEC countries and one-tenth by dollar countries. The volume of imports in 1952 is estimated at 9 per cent below 1951.

Raw Materials

Raw materials, representing 40 per cent of total imports, declined by 18 per cent in 1952. The main reductions were in raw cotton, raw wool, lumber, wood pulp, rubber, flax, hemp and jute. In textile materials and rubber, the contraction was caused by slackness in demand; imports of many other items were restricted by regulations.

Food, drink and tobacco, which constitute 35 per cent of imports, were 6 per cent lower in value in 1952. The heaviest falls were in tobacco, dairy produce, feeding stuffs, and fresh fruit and vegetables.

In the fully manufactured goods division, the value of imports declined by 4 per cent. Purchases from abroad of such commodities as oils and fats, paper and cardboard, textiles, chemicals, leather manufactures, etc., were deliberately restricted, but higher imports of machinery, iron and steel manufactures and non-ferrous metal manufactures, required for the rearmament program, partially counterbalanced these reductions.

Cotton and Wool

The fall in the price of raw cotton did not affect imports until the middle of the year, so that the sharp drop from £258.7 million in 1951 to £128.3 million in 1952 denotes a shrinkage in the physical volume of supplies.

Raw wool imports (£177.2 million) cost 35 per cent less than in 1951 but the quantity delivered was 38 per cent greater. Arrivals of raw jute (£13.7 million) and of raw hemp (also £13.7 million) both



—U.K. Information Office.

British wool buyers examine fleeces with a critical eye before attending the auction sales. Last year, U.K. imports of raw wool were 38 per cent greater but cost, at £177.2 million, 35 per cent less than in 1951.

decreased in value by 20 per cent and this was accompanied in each case by lower quantities. Flax imports (£8.6 million) fell by 20 per cent, but the quantities were higher.

Lower rubber prices in 1952 were reflected in the fall of 35 per cent in the value of crude rubber imports (£103.3 million). The quantity also fell.

Hide and skin imports (£40.5 million) dropped 41 per cent, side by side with a contraction in volume. Within the group, raw fur skins (other than rabbit), valued at £19.6 million, declined by 13 per cent. The weight of these pelts, which are mainly destined for re-export, declined by 7 per cent.

The Oils Group

The group "seeds and nuts for oil, fats, resins and gums" was one of the few which registered an increase in 1952, with imports (£406.4 million) up by 15 per cent. Imports of linseed oil, unrefined palm oil, sunflower seed oil, tung oil, and cottonseed oil fell substantially. This same tendency was apparent in fish oils. By contrast, the value of crude petroleum bought in 1952 (£238.9 million) went up by 5 per cent. This was required to feed the new refineries. Sterling area sources of supply were developed noticeably during the year.

The value of 1952 imports of iron ore and scrap (£73.5 million), expanded by nearly 60 per cent and this was translated directly into a larger steel production. In addition, the United Kingdom imported 2.4 million tons of finished iron and steel worth £126 million—nearly three times as much as in 1951. The biggest tonnage (579 thousand tons) came from the United States, but Canada provided 175 thousand tons.

There was a more modest rise of 18 per cent in purchases overseas of non-ferrous ores and scrap (£92.6 million) and of 24 per cent in non-ferrous metals and manufactures (£207.4 million). The only items which showed important reductions were lead and tin; imports of aluminum, copper, nickel, silicon and zinc increased.

Fully-Manufactured Goods

The outstanding features of the import trade in fully-manufactured products were the compulsory cuts in non-essentials and the planned increase in imports of machinery.

Imports of cotton were reduced by 36 per cent to £40.5 million. Woollen imports, which in 1951 cost £30.3 million, dropped to £8.5 million, and the value of silk and artificial silk products in 1952 (£9 million) was only about one-third the '51 total. Manufactures of jute, hemp and flax (£24.4 million) were scaled down by 44 per cent and apparel (£8 million) by 25 per cent.

In the "chemicals, drugs, dyes and colours" classification, imports fell by 35 per cent to £42 million, and the value of leather brought in declined to £12.8 million, as compared with £24.6 million in 1951.

The same story can be told of pottery and glassware, imports of which fell by 45 per cent to £5.1 million; oils and fats, by 34 per cent to £103 million; paper and cardboard by 48 per cent to £43.9 million; plastic materials by 22 per cent to £6.1 million, and toys by 45 per cent to £795 thousand.

In machinery, the position was reversed. Imports in 1952 (£108.6 million) were almost double those of 1951 (£54.9 million). Of this, the United States supplied the bulk (£45 million) followed by Germany (£24 million). More than half the imports consisted of machine tools, the value of which alone (£59 million) was nearly four times the 1951 figure.

—R. P. BOWER

Commercial Counsellor for Canada

HOLSTEINS FETCH TOP PRICES

Two Canadian bulls brought \$9,000 each in the sales ring recently, when the Romandale Holstein herd at King, Ontario, was auctioned off. One bull, Revelation, went to a Buenos Aires buyer who also purchased five other head, including the top female for \$3,600; the other was brought by a Pennsylvania bidder. The \$9,000 represented the highest individual price since the fall of 1951 and the general average price of \$784 the highest at a Holstein dispersal sale since 1950. Three head went to a Colombian cattle raiser, two to a Mexican and three to an American. Canadian buyers included the Essex Cattle Breeding Association which paid \$3,000 for a year-old son of Revelation. The 64 head sold realized a total of \$50,225.

Cuba

Sugar Keys the Economy

. . . and the lower prices for this important crop, the surplus on hand, and the restrictions on production make this a difficult year for Cuba.

HAVANA—A sugar surplus of more than two million long tons,* restricted sugar production in 1953, and lower sugar prices have caused a minor slump in Cuba's economy. Although conditions are far from depressed, the country faces a difficult year. The sugar industry is Cuba's largest employer, and the effect that lower sugar earnings will have on the economy is clear when we realize that the industry's income for 1953 is estimated at only \$480 million, compared with \$660 million in 1952.

Exports and Imports Drop

Lower sugar prices, as a further example, resulted in a 12 per cent drop in the value of exports for the first ten months of 1952—\$593 million compared with \$677 million in 1951. This trend is said to be continuing. In addition, the volume of sugar exports dropped from 5,281,088 long tons in 1951 to 4,859,984 long tons in 1952.

Imports for the first eight months of 1952 dropped by only 5 per cent to a total of \$423 million as against \$444 million in 1951.

Canada's trade with Cuba has increased steadily since the end of the war. The major part of this year's rise came from Canadian wheat exports to the new Cuban flour mill. Exports to Cuba in 1952 amounted to over \$24 million as compared with \$20,423,930 in 1951. The principal items were wheat flour, wheat, newsprint, dried salted codfish, brewer's malt, copper wire, machinery and parts, and seed potatoes.

Cuban exports to Canada showed an appreciable gain in 1952—\$18.6 million as against \$8.3 million for 1951. Sugar was the principal product exported to Canada, but shipments of tire cord and rayon staple fibre were also sizable.

Report on Agriculture

Sugar—Satisfactory weather conditions and the large area under cultivation could have meant a sugar crop surpassing last year's all-time record. However, the Government's desire to maintain world prices led them to restrict this year's crop to five million Spanish long tons. Because of this restriction and the lack of substantial new plantings this year, the 1954 crop will probably total only 5½ million tons—even if no restrictions are enforced in that year.

* One Spanish long ton=approximately 2,271 English lb.

Rice—Rice growing is the most interesting feature of the Cuban agricultural economy today. Production for the 1952-1953 crop year is estimated at 1.8 million quintals (one quintal equals 101 lb.) as against 1½ million quintals for the 1951-52 crop year. The high prices for rice and Cuba's per capita consumption of 112 lb. a year make this the fastest growing industry in the country. A further production increase of about 40 per cent is estimated for the 1953-54 crop year.

Tobacco—The tobacco crop appears to be of a higher quality than last year's. The harvest is now in progress and, although acreage under cultivation is about the same, the yield may be 10 to 20 per cent greater than last year's 75 million pounds.

Pineapples—Pineapple production will be down from last year. The industry appears to be suffering a decline because of the low prices on the United States market, the biggest outlet for the fruit in all forms.

Citrus—The citrus crop will be somewhat lower than the previous year because of unsatisfactory growing conditions.

Cattle—A recent census of the cattle industry shows a steadily decreasing number of beef cattle on the range, although the dairy business is thriving. With the ceiling price to the grower of 13½ cents per 100 lb. there is no supplementary feeding of beef cattle to maintain a year-round supply for the consumer. Because of this, the supply of beef is always seriously short during the dry season, which is now under way. Last year, meat was imported under subsidy to sell at local ceiling prices, but similar action is unlikely this year. As a result there will be a grave shortage of meat of any kind between the first of March and the end of June.

Business Conditions

There has been little industrial development during the past six months. However, an American automobile company recently opened a plant to undertake some assembly operations.

Government revenues have been most satisfactory during the past six months, but some reversal in this trend is expected because of decreasing exports and imports and the generally lower level of the entire economy. More money was in circulation than during the previous year and bank loans set a record. Bank clearings for 1952 hit an all-time record of \$4.7 billion, compared with \$4.1 billion in 1951. Bank collections are slow and accounts receivable are too high in many cases, but most inventories are at manageable levels.

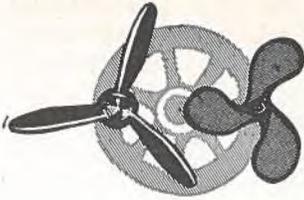
Private construction has recovered slightly from its slump but is still low; public works continue to dwindle from lack of funds.

The Future

Cuba faces a most difficult period of adjustment to a lower key, but at the present time the situation is well in hand. Business has responded to the warning signals and, because caution has been exercised, is in a reasonably strong position. The key to the whole situation is, of course, the price of sugar. The success or failure of an international sugar agreement this year will have a major impact on the economy.

—A. W. EVANS

Commercial Secretary for Canada



TRANSPORTATION NOTES

The Swedish Transport Industries

STOCKHOLM—The transport industries have an important place in Sweden's economic life. Road and rail transport employ some 284 thousand workers, 8.3 per cent of the population, and consume 15 per cent of the solid and liquid fuel and about 7 per cent of the electric power output. Value of passenger and goods traffic reaches about 3,500 million kronor a year, with the railways accounting for 25 per cent of this and motor traffic for 65 per cent.

Railways and Rolling Stock

The first railway in Sweden, for goods traffic, was opened in 1850, using imported rolling stock. By 1877, however, Swedish industry was able to supply all the needs of the state railways. Electrification of the railways began in 1868 and today most of the main lines are electrified. The length of railway in Sweden is estimated at 1.67 miles per 1,000 persons, compared, for instance, with 0.42 miles in Great Britain.

The principal manufactures of rolling stock are Kockums Mekaniska Verkstads AB, specializing in carriages; Nydqvist & Holm AB and AB Motala Verkstad, both specializing in engines, and the Swedish Railway Works Ltd., which manufactures about one-third of Sweden's rolling stock. The primary function of these firms is to supply the home market, but they export on a large scale and immediately after the war exports rose considerably. The principal markets for Swedish locomotives are Argentina, Brazil, Denmark, Finland, Iran, the Netherlands, Norway, Roumania, the U.S.S.R. and Turkey.

Rail Buses

Rail buses, run by both electric power and diesel engines, are replacing trains in increasing numbers, particularly on the smaller, non-electrified lines. This form of communication has improved transport to remote districts. The rail buses in use today have a maximum speed of 72 miles an hour and accommodate 53 seated and 40 standing passengers. They are all-welded, have a total weight of 17½ tons, and crash-proof reinforcements at both ends. Air-conditioning and heat and sound insulation make for comfortable travelling.

Most of the highways in Sweden are still gravel but they are well kept and bus travel has developed rapidly.

Despite keen foreign competition, the Swedish motor industry has succeeded in obtaining a good share of the domestic market; today practically the entire inland network of bus lines uses Swedish-built vehicles.

The four principal producers are Scania-Vabis, Volvo AB, Svenska Aeroplan AB and the Swedish Railway Works. Volvo private automobiles compete successfully with foreign makes on the home market and at the beginning of the year the plant opened a new assembly works. Svenska Aeroplan AB is primarily engaged in aircraft production and it was not until 1950 that its first private automobile, the SAAB 92, was introduced to the market. The combination of aircraft and automobile production is a new phase in Swedish industry and the company's models are distinguished by their aerodynamic design.

The Swedish Railway Works have recently introduced a new type of bus, the "Condor", which is eventually to be produced in series. Bus bodies of the "Condor" type can be exported in prefabricated parts.

Despite the problem of export prices and difficult foreign exchange conditions, Swedish cars are being sold in many parts of the world, particularly Africa and South America. The market in Asia is being developed and Japan has been discussing with Svenska Aeroplan AB both direct purchases and manufacturing under licence.

Motorcycles and Bicycles

The Swedes demand motorcycles not only soundly constructed but also striking in appearance. Prices are therefore fairly high and, if the same products are exported, this sometimes becomes a problem. The three main producers in this branch are Nymanbolagen AB, Huskvarna Vapenfabriks AB, and AB Cykelfabriken Monark. The latter firm has recently signed contracts for motorcycle parts to a value of four million kronor to be delivered to the Monark branch factory in São Paulo, Brazil. This represents the first extensive export of Swedish motorcycles.

It is estimated that every second person in Sweden is a cyclist and the market for bicycles booms. There is, however, a keen interest in exports, especially to South America. The Monark branch in São Paulo, which was opened in 1948 with two employees, now has a staff of 600 and a large new factory is being constructed. Sixty per cent of Brazil's bicycles are made by Monark and production may soon be stepped up to 70 thousand cycles. Recently branch factories have been established in Peru and Colombia.

Auxiliary motors for ordinary bicycles did not become popular in Sweden until last summer, and most of these motors are imported. The Nyman Company manufactures a chain-driven type in its factories abroad and may soon produce them in its Swedish plant. The Monark Works and Huskvarna Company are also planning to market auxiliary motors.

Underground Railway

An interesting feature of Swedish transport is the Stockholm Underground, two sections of which are now in use. When the remaining link is completed—probably within the next two years—the distance between the terminals will be twenty miles. The most difficult part of the construction was the tunnel under one of the fjords, made by building a rectangular dam over part of the channel. The entire channel cannot be dammed because it forms the outlet of Lake Malaren into the Baltic.

—F. W. FRASER

Commercial Counsellor for Canada

Iceland and Its Problems

A report on this small republic of 150 thousand people—and on its postwar progress.

THE POSTWAR YEARS have witnessed a great many changes in the Republic of Iceland. In an attempt to put its economy, badly depressed during the thirties, on a more sturdy permanent basis, Iceland has undertaken many important projects, including:

- Modernization of production and processing facilities for its principal export, fisheries products. The program covers building of fish-processing plants, canneries and quick-freezing plants, and also the purchase of modern ocean-going trawlers.

- Soil drainage schemes to help raise the cultivated area to about 165 thousand acres, and greater use of fertilizers to improve agricultural yields. About one-third of the population are farmers.

- Development of hydro-electric stations and a thermal station making use of the underground hot springs.

- House-building, particularly in the capital city of Reykjavik, where the majority of the houses have been built in the last ten years.

Postwar Expansion

Iceland is a member of the sterling area, though she retains complete control over the use of her dollar earnings. Originally most of the money for this development program came from sterling balances held in the United Kingdom, the result of food sales to Great Britain during the war. But by 1948, capital expansion had nearly come to a standstill because of the need for further credit and the falling-off in sales abroad.

At this point, ECA came to the rescue and, from April 1948 to the end of 1951, provided some \$27·8 million—a large sum when one remembers that Iceland's total exports in 1951 amounted to only \$45 million. Most of this money was spent on modernizing the fisheries and particularly the herring processing plants. Some of it financed imports of petroleum products for the trawler fleet and such things as fertilizers and some basic foodstuffs. A direct grant to EPU helped to reduce the unfavourable balance of trade.

When this aid ended in 1952, Iceland still had problems, particularly inflation and the chronic trade deficit. But production has increased and imports of coal, food products, and certain agricultural requirements will gradually decrease.

Normally fisheries account for 90 per cent of Iceland's exports and she finds markets for her fish largely in the United Kingdom, the United States, and Europe. Because of a dispute with the United Kingdom over

the extension of Iceland's territorial waters, which began in 1950 and is still continuing, the British market fell off considerably in 1952. By the end of the year the country had a large sterling deficit and the failure of the herring catch made things still more difficult.

Some of the fish excluded from the United Kingdom was salted and, in that form, sold to the United States. However, the prospect of repeating 1951's dollar surplus in 1952 was affected adversely by a general strike which began in early December and lasted for three weeks. In 1951, exports were valued at 726.6 million kronur (about \$43 million Canadian) and imports at 924 million (about \$57 million Canadian). For the first eleven months of 1952, imports from all sources reached about \$51 million.

Import Picture

With a population of only 150 thousand, Iceland cannot be considered a large market. Moreover, the country depends on its dollar earnings from the fish trade to buy commodities from the dollar area. Growing sales, especially of frozen fish, to the United States have helped this situation. Traditionally, the United Kingdom has supplied most of Iceland's imports but more trade is now going to the United States, which supplied about \$12 million worth of goods in 1952.

Last year Canada sold to Iceland goods totalling \$833 thousand, compared with about \$700 thousand in 1951 and \$847 thousand in 1950. Principal commodities sold to Iceland last year were wheat flour, cereals, paperboard, aluminum, copper, tires and tubes, and whisky. In return, Canada bought from Iceland about \$50 thousand worth of goods in 1952, compared with \$26 thousand in 1951. However, most of this increase represented non-recurring transactions.

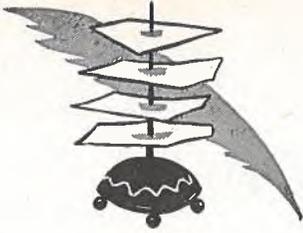
Her trade position has forced Iceland to set up an import licensing system. It includes a "free list" of essential goods which are exempt from import licence, and a "conditional free list" of less essential articles which may be imported free of government control by using 60 per cent of the dollar proceeds from exports of certain fishery products. All other goods require import licences. However, whether or not a licence is required, no goods may be imported unless payment has been made or the necessary exchange has been allocated by a private bank.

The following are included in the "free list" applicable to the dollar area: wheat and maize, flour of wheat, barley, oats and seamen's rubber boots.

The "conditional free list" includes: macaroni, canned vegetables, tomato sauce, typewriters and office machinery, woodworking machinery, domestic washing machines, refrigerators, radios, motor car engines and spares.

TOUR OF TERRITORY

E. M. Gosse, Canadian Government Trade Commissioner (Fisheries) in Kingston, Jamaica, is touring Haiti, the Dominican Republic and Puerto Rico during April. Businessmen interested in these areas are invited to write Mr. Gosse at Kingston.



GENERAL NOTES

FRANCE

Farm Loans—Since 1946 the French Government, through the Credit Agricole Mutuel, has been extending 2 per cent loans to potential farmers under 35 years of age who wish to establish themselves on their own land. During 1951 some 10,000 farmers were assisted in this way. To increase its financial backing, the Credit Agricole has now been authorized to issue bonds of 7, 11 or 15 years' duration at a rate of 5.5 per cent.

As in other years, short-term loans will be made to farmers to cover seeding expenses. Loans will be granted to a maximum of 20 thousand francs per hectare for grain and 50 thousand francs per hectare for sugar beets—Paris, March 18.

MEXICO

Textile Export Duties Suspended—All export duties on textiles and clothing manufactured in Mexico were suspended by presidential agreement on March 3. The textile industry is understood to be severely depressed, with very large stocks on hand—Mexico, D.F., March 13.

PHILIPPINES

Foreign Trade Declines—Total foreign trade of the Philippines for 1952 amounted to 1,557 million pesos, 13 per cent below the 1951 total of 1,790 million pesos. Imports, accounting for 54.7 per cent of the total trade, were valued at 852 million pesos as against 959 million pesos in the previous year, a decline of 11 per cent. Exports were valued at 705 million pesos and were 15 per cent below the 1951 total of 831 million pesos. The unfavourable balance of trade for 1952 totalled 147 million pesos, as compared with 127 million pesos in 1951. The United States and Japan accounted for 76.7 per cent of Philippine foreign trade—Manila, March 20.

SOUTH AFRICA

Trade Balance Improved—The Union's trade balance with foreign countries improved considerably during last January. Compared with January 1952, imports decreased by £6.4 million; exports increased by about £2.26 million. Imports exceeded exports by £12,833,600 in January 1952, but by only £4,167,110 during January 1953—Johannesburg, March 16.

South Africa

Steel Production Rises Sharply

. . . but imports of steel and iron and their manufactures are still needed. Coastal region industries offer the best sales opportunities for interested Canadian exporters.

JOHANNESBURG—If South African steel mills claim credit for establishing secondary industry in this country, their claims have a solid foundation. Once almost totally dependent upon imports of consumer durable goods, railway equipment, engineering equipment, mining equipment, etc., South Africa now manufactures these products itself from its own steel. On the other hand, local manufacturers might well boast that their vitality has given the steel industry its *raison d'être*—last year they used one million tons of South African steel. Nobody, however, is too concerned about this chicken and egg dilemma. The Union's steel and secondary industries are booming and each complements the other.

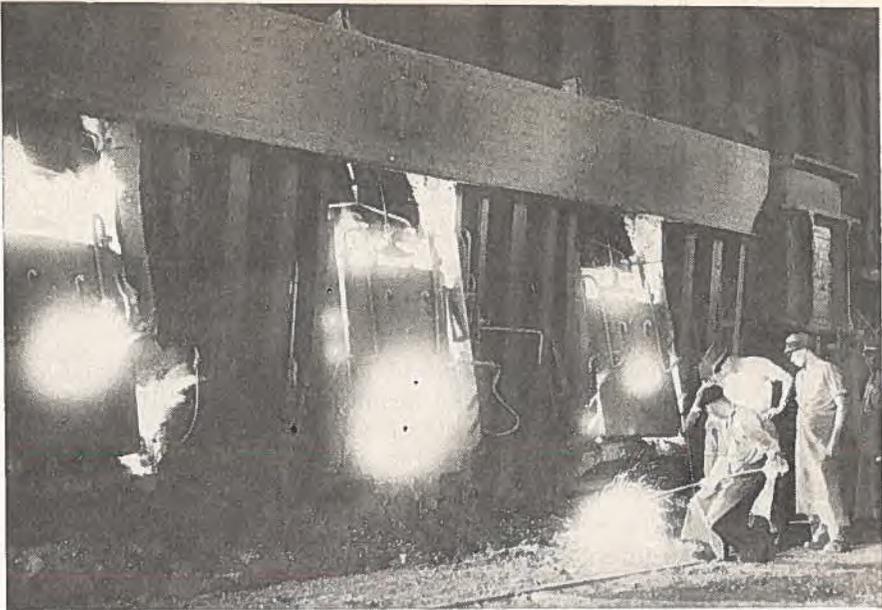
ISCOR Leads the Field

Straddling two miles of veldt on the road from Johannesburg to Pretoria is the major plant of the South African Iron and Steel Industrial Corporation, Goliath of South African steel. ISCOR was established by Act of Parliament in 1928 as a semi-public utility corporation and went into operation six years later. The capacity of the original mill was 180 thousand tons of primary steel a year; during World War II this was raised to 575 thousand tons. Recently the corporation opened a new plant at Vanderbijl Park, 35 miles south of Johannesburg. Current output of the two works is about seven times the combined capacities of all other steel producers in the Union. ISCOR is producing approximately 900 thousand tons of finished steel a year and fills more than 56 per cent of the country's requirements for raw and semi-finished steel.

With the exception of zinc and tin, which must be imported, all raw materials for ISCOR's production are obtained locally. ISCOR steel is fed into South African industries at a comparatively low cost. It is estimated that last year the average price of domestic steel was £32 per ton lower than that of imported. The price differential is estimated to have saved the Union £32 million, and more than double that amount in foreign exchange.

Will Imports Continue?

In the face of such domestic competition, what future is there in South Africa for overseas steel suppliers? South Africa is still a market, although a changed one. Outpacing the spectacular climb in steel production, the index for secondary industry in South Africa has



Workers are pictured taking a "bath sample" at ISCOR's melting plant near Pretoria. Leading producer in South Africa's steel industry, the company turns out 1.3 million tons of ingots a year in this plant alone.

risen from 100 in 1939 to 500 today. Even though South African steel furnaces burned brightly all last year, local manufacturers spent £20,-121,000 on imported iron and steel. The table gives the breakdown.

Type	Value
Tin-coated plate and sheet	£4,800,000
Bars and rods	3,700,000
Wire	2,600,000
Plain and polished sheet	2,300,000
Pipe	1,600,000
Plain steel plate	1,500,000
Angles and channels	1,100,000
Screws, bolts, nuts	1,000,000
Drill steel	606,000

Industries scattered along the coastal regions of South Africa have always imported the bulk of their steel requirements. ISCOR is now expected to make a strong bid for this business, but high rail charges and the chronic shortage of boxcars will favour overseas suppliers. Canadian steel mills in a position to export should concentrate their sales efforts in these areas.

Recently the South African Railways placed a £3 million order in the United States for heavy gauge rails, and there are indications that additional orders will have to be placed overseas to augment deliveries from domestic mills. The metal box industry in South Africa, biggest consumer of tinplate, will require an estimated 80 thousand tons of tinplate in the coming year. Of this amount ISCOR is expected to produce 32 thousand tons; the rest will be imported. In all probability South Africa will also import fair quantities of beams, angles, channels and other structural shapes because all sizes are not made locally.

—HOWARD E. CAMPBELL

Assistant Canadian Government Trade Commissioner

France

Incentives for the Exporter

To boost sales of French goods in overseas markets, the French Government is taking steps to lower the manufacturing costs of exports.

PARIS—New measures designed to lower the production costs of many French exports and to make them more competitive in world markets were recently introduced. Confronted with falling sales abroad and the exhaustion of EPU credits, the French Government has been concentrating on ways and means of remedying the situation. Here are the latest steps to be taken in the export drive:

- Rebates on internal taxes on wages, an important element in the manufacturers' costs, have been extended and simplified.
- Rebates on production taxes and the sales tax on goods exported have also been extended.
- Credit facilities for exports have been increased and the cost of such services lowered.

Rebate on Wage Taxes

Under the French system, the taxes on wages form an important element of production costs. These taxes are now fully refunded on a number of goods exported, but the amount of the refund, and the number of goods to which it applies, has been progressively extended in recent years. (See *Foreign Trade* of August 23, 1952—"Encouraging the French Exporter".)

The principal burden on the wage structure is the taxes collected for social security. These are largely paid by the manufacturer and, with a fiscal tax on salaries, amount to over 38 per cent of the total wage bill. The new regulations provide for a total rebate on these taxes every three months, instead of the previous six months. This rebate, however, does not apply to all exports; a fairly extensive list of exemptions receive no drawback on quantities exported.

The new regulation extends the right of rebate to some 24 additional categories, principally industrial chemicals, fertilizers, and some metals (beryllium and tantalum).

The items still not entitled to any rebate on exports number about 360—largely food products, chemicals, rubber, skins, raw materials for papermaking, most metals, automobiles and railway equipment.

Taxes on Production

Taxes on production amount to slightly over 15 per cent of the sale value, to which is added a sales tax of 1.05 per cent. Generally these taxes are also refunded when the goods are exported, but the amount of

rebate varies with the goods (slightly over half in some cases, and one-third in others). The items not entitled to rebate on the social security or fiscal tax on salaries do not receive any rebate on the production and sales tax.

A short list of items, however, are exempt from the taxes on salaries, but receive no rebate on the sales and production taxes. The new regulation adds about ten classes to this list (chemicals, fibres and fine hair from furs) but deletes about 14 (some fine papermaking pulps, paper and cardboard and miscellaneous items). Special export rebates are also established for meats and meat products and for wines.

The method of calculating the rebates is simplified under the new measures and repayment will be made each month instead of every six months. The number of items receiving the higher rebate (actually $\frac{8}{15}$ th of the taxes paid, but now calculated at 8.72 per cent of the invoice value) has been increased by some fifty. These favoured items include dry salt codfish, canned fish, cocoa and its preparations, pharmaceutical products, perfumes, cigarette paper, electrical machinery, and aviation equipment.

The third step in this export drive is a policy directive of the Bank of France which provides exporters with increased and cheaper credit facilities. Export paper that, for over a year, has been discounted for three months, will now be accepted for a six-month period. In addition, the cost of this accommodation has been reduced from 4 to $3\frac{1}{2}$ per cent.

—R. G. C. SMITH
Commercial Counsellor for Canada

THE U.K. BUDGET

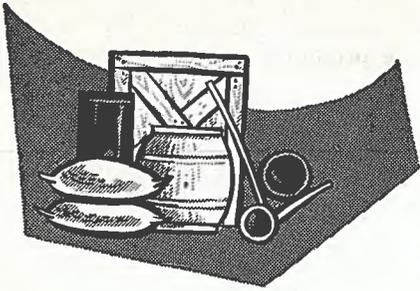
Highlights in the U.K. budget, announced by the Chancellor of the Exchequer in the British House of Commons on April 14, which may interest Canadian exporters are summarized in a cablegram from the Office of the High Commissioner for Canada in London, as follows:

- Reductions, effective immediately, in purchase tax rates, including those on motor vehicles from $66\frac{2}{3}$ per cent to 50 per cent; on fur garments, from 100 per cent to 75 per cent; on refrigerators, washing machines, and vacuum cleaners, from $66\frac{2}{3}$ per cent to 50 per cent; on carpets, linoleum, and sewing machines, from $33\frac{1}{3}$ per cent to 25 per cent.

- No change in "D" allowances (these allowances reduce the value on which purchase tax is levied on goods of a type formerly included in the Utility Schemes).

- Removal of customs duties on mechanical lighter components.

- Income tax lowered and initial allowances for industrial buildings, plant and machinery restored. The excess profits levy is to end on January 1, 1954.



COMMODITY NOTES

BRAZIL

Carnauba Wax—Carnauba wax exports, which represented 4.3 per cent of Brazil's overall exports in 1941, fell to less than 1 per cent in 1952. Figures for January-September show that only 6,311 tons, valued at Cr.\$189 million, were exported during this period, against 7,611 tons valued at Cr\$252 million in the same period of 1951. Prices in New York have risen as a result of smaller stocks—Rio de Janeiro, March 25.

GUATEMALA

Mahogany—The Government of Guatemala will provide the financial backing for "Petensa", a new enterprise to cut and market mahogany from the jungles of the Peten. The 200-kilometre, narrow-gauge railroad will cost an estimated \$3 million, and the rolling stock, communications and sawmills, \$1 million. A model lumber town is also planned—Guatemala City, March 18.

MEXICO

Sugar—The 1952-53 sugar harvest, begun in December, will yield a total of 725 thousand metric tons of sugar, according to latest calculations. The value of sugar production in Mexico rose from 286 million pesos in 1946 to 737 million last year, and it will increase to approximately 774 million pesos this year—Mexico, D.F., March 13.

NETHERLANDS

Tea—Average tea prices quoted at Amsterdam auctions in 1952, compared with the previous year, fell by nearly 36 Dutch cents to 1.67½ guilders per half kg. The average price for Java tea in 1952 was 1.69 guilders per half kg. and for Sumatra tea was 1.63½ guilders per half kg.

Total auction offerings in 1952 comprised 71,769 chests of Java tea (103,981 chests in 1951), and 28,604 chests of Sumatra tea (26,593). Total volume was 5,087,873 kg. (6,521,952).

Holland's total tea imports in 1952 amounted to 17,454,729 kg. Nearly 11 million kg. of this came from Java and Sumatra, and over six million kg. from India and Ceylon. Imported Chinese tea totalled

261,000 kg. The value of tea supplies imported in 1952 amounted to 61.1 million guilders compared with 68.4 million guilders the previous year.

The next Amsterdam tea auction will be held on March 12 when offers are expected to comprise 4,528 chests of Java tea and 1,230 chests of Sumatra tea—The Hague, March 10.

PORTUGAL

Tobacco Leaf—Portugal's imports of tobacco leaf for 1952 amounted to 4,850,000 kilograms, valued at Can.\$3,816,000, as compared with 4,754,000 kilograms, valued at approximately Can.\$3,588,000, in 1951. The chief suppliers were: U.S., 3,519,000 kilograms; Greece, 610,000 kilograms; Portuguese Overseas Provinces (chiefly Angola and Mozambique), 412,000 kilograms, and Algeria, 152,000 kilograms—Lisbon, March 12.

SOUTH AFRICA

Minerals—The total value of mineral sales in the Union rose by more than £6.5 million (15 per cent) last year to the record figure of £48.7 million. The outstanding increases were £3.2 million for copper, and £2.1 million for asbestos fibres, of which chrysotile fibre yielded £1.2 million more than in 1951. Coal, tin, iron ore, and all asbestos fibres achieved record sales volumes and copper, tin, chrome, iron and manganese ores, and the asbestos fibres reached new peaks for value.

The biggest revenue producer last year was the coal industry—£14,639,899 from sales of 30,037,616 tons. Although the industry sold 1.3 million more tons last year than in 1951, the value of sales was slightly lower than the record figure of £14,796,921, from sales of 28,664,578 tons, in 1950—Johannesburg, March 16.

SWEDEN

Pork—Britain will buy about 6,000 tons of pork from Sweden during 1953. This is the first sale to the U.K. since 1940—Stockholm, March 18.

UNITED STATES

Polarized Spectacles—The tremendous boom of three-dimensional movies in the U.S. has provided a windfall for a small Ohio firm. This company is one of the two firms in the U.S. with the essential basic patents to polarize glass and plastic successfully. Now that practically all studios in Hollywood are swinging over to three-way films, the demand for polarized spectacles has jumped from practically zero to tens of millions in the space of a few months. As a new pair of cardboard and polarized spectacles is issued with each ticket bought at the theatre, it is estimated that each three-dimensional picture produced will require from ten to twelve million pairs—Detroit, March 29.

U.K. Relaxes Import Restrictions

Here are details on the extent and effect of recent changes in the U.K. import policy.

LONDON—The President of the Board of Trade announced on March 23, 1953, the relaxation of import restrictions on a wide range of goods from Western Europe, other OEEC countries, and a number of other Middle Eastern, Far Eastern and South American countries. The value of imports affected, consisting mainly of foodstuffs and manufactures, amounts to approximately £32 million a year.

These relaxations will raise from 44 to 58 the percentage of U.K. imports on private account from Western Europe free from quantitative restrictions. These percentages are calculated on the basis of trade in 1948 and compare with the minimum standard of 75 per cent set by the OEEC for countries not in balance of payments difficulties, and with the figure of 90 per cent achieved by the United Kingdom before the restrictions were imposed in November 1951.

Action Explained

The President of the Board of Trade said: "In making these relaxations, we have had regard to what is of traditional importance in our trade with Europe, and in particular to measures helpful to France and Italy whose trade has been most affected by the restrictions which the United Kingdom has been obliged to apply. While the United Kingdom position in the European Payments Union has shown some improvement in recent months, we are still in serious overall deficit with the Union . . . But it is of great importance to this country to maintain at the highest possible level our trade with Europe and to increase the openings for our exports". (The United Kingdom has a deficit of £200 million with the Union, in addition to a gold payment of £100 million.)

Goods Affected

As of March 24th, the following are the most important items to be restored to Open General Licence:

- Manufactures—textile yarns and piece goods, carpets, furniture, footwear, gloves, matches, plate and sheet glass, roofing tiles, hat hoods, food-preparing and processing machinery, rough marble, raw cork and cork manufactures.

- Foodstuffs—unrationed cheese, lentils and butter beans, olive oil, tomato puree and juice, glacé cherries, peaches, apricots, pineapples, tangerines, clementines, mandarines. .

- Quotas for the second half of 1953 (period beginning July 1st) have been increased as follows: edible nuts to £3.25 million; essential oils to £2 million; canned fish to £500,000; canned tomatoes to £3.9 million for period up to June 30th, 1954; glassware to £420,000; drugs to £410,000.

Open General Licence goods may be imported without separate licences if they are consigned from and originate in Western European and certain other foreign countries.

The principal foreign countries covered by the licence are:

- OEEC countries and their dependencies—Austria, Belgium, Denmark, France, Greece, Italy, Luxembourg, Netherlands, Norway, Portugal, Sweden, Switzerland, Trieste, Turkey, Western Germany.

- Other countries—Afghanistan, Anglo-Egyptian Sudan, Andorra, Bhutan, Brazil, Chile, China, Ethiopia, Finland, Formosa, Indonesia, Israel, Lebanon, Paraguay, Peru, Saudi Arabia, Siam, Spain, Syria, Uruguay, Yemen, Yugoslavia.

The foreign travel allowance was raised at the same time from £25 to £40 for adults, and from £15 to £30 for children, effective immediately. The travel year is November 1st to October 31st. This should represent an important contribution to the tourist earnings of Western Europe.

—R. CAMPBELL SMITH
Commercial Secretary for Canada



TRADE COMMISSIONERS ON TOUR

TO familiarize themselves with conditions in this country and the special requirements of businessmen, Canadian Trade Commissioners return to Canada periodically. Exporters and importers are invited to discuss with the Trade Commissioner the markets and sources of supply in his territory.

M. T. Stewart, Commercial Counsellor for Canada in Mexico City, begins the second part of his Canadian tour in Windsor and Walkerville on May 4. His itinerary will be:

Windsor-Walkerville—May 4
Chatham—May 5
Sarnia—May 6
London—May 7
Kitchener—May 8
Preston-Guelph—May 9
Brantford—May 11
Welland—May 12

St. Catharines—May 13
Hamilton—May 14-15
Ottawa—May 18-22
Toronto—May 25-June 6
Montreal—June 8-20
Quebec—June 22
Saint John—June 25-26
Halifax—June 29-30

Businessmen may get in touch with Mr. Stewart through the Board of Trade in Chatham, Guelph, Montreal, Quebec, Saint John and Halifax; the Chamber of Commerce in Windsor, Sarnia, London, Kitchener, Preston, Brantford, Welland, St. Catharines and Hamilton; the Canadian Manufacturers Association in Toronto, and the Department of Trade and Commerce in Ottawa.

TRADE AND TARIFF REGULATIONS

INDIA'S IMPORT POLICY

NEW DELHI—The Government of India has announced the issue of Open General Licence 29, which supersedes Open General Licence 24, expiring on March 31, 1953. This new Open General Licence permits the import of a list of goods from any country with the exception of South Africa. It is valid for shipments made up to and including September 30, 1953, without any grace period whatsoever, provided the goods are shipped on through consignment to India.

Articles included under the new Open General Licence of interest to Canadian exporters are:

- Ferro-chrome
- Copper, wrought
- Copper scrap
- Lead ingot, pig and lead scrap
- Zinc or spelter, unwrought
- Nickel alloys and nickel chrome alloys
- Brass, bronze and similar alloys unwrought and in the form of ingot and scrap
- Copper, unwrought
- Nickel, including nickel scrap
- Monel metal
- Tungsten metal powder and other tungsten products
- Molybdenum metal powder and molybdenum wire
- Iron and steel buffers for locomotives, wagons and carriages
- Locomotive pistons, rods and motion parts
- Copper electrodes and rod, foil, wire and strip
- German silver, including nickel silver and scraps thereof
- Aluminium wire rods having a purity of 99.5 per cent or more (for the manufacture of electrical conductors)
- Zinc electrodes
- Electrodes and rods, foil, wire and strip made of brass, bronze and other similar alloys for gas welding and brazing.
- Cadmium, cobalt, manganese, magnesium, bismuth, tungsten, molybdenum, silicon, chromium, vanadium, and other virgin non-ferrous metals not otherwise specified and manufactures thereof. This also includes monel metal manufactures, dental silver alloy in 1 and 5 oz. packing, aluminium alloy items containing not more than 97 per cent aluminium in the form of plates, sheets, circles, strips, rods, bars, tubes, sections, wires and rivets, aluminium, lead-winged glazing bars and magnesium powder, also electrodes, rods, foil, wire and strip for gas welding and brazing but excluding non-ferrous semi-manufactures and alloys.
- Roller bearings
- Taper bearings
- Electrical generators
- Synthetic graphite and amorphous carbon electrodes
- Flexible metallic tubes designed as part of a transmission system
- Paper-insulated power cables
- High tension insulators
- Electric carbons
- Refractory cement whose alumina content is above 35 per cent
- Selenium
- Calcium carbide
- Wood and timber
- Wood pulp
- Newsprint other than coloured newsprint
- Hosiery needles
- Spare parts for agriculture tractors and for tractor-drawn agricultural implements

Agricultural implements, tractor-drawn only
Power-driven agricultural machinery, excluding tractors, rotary hoes and rotary tillers
Asbestos, raw

Simultaneous with the announcement of the new Open General Licence No. 29, the Government of India announced in a Public Notice of March 16 the import licensing policy on some 29 items formerly under Open General Licence but not included under Open General Licence No. 29. Such goods are now subject to individual import licence. Those which are permitted importation from the dollar area are: fabricated iron and steel sheets for the construction of coal tubs; fabricated galvanized iron sheets for roofing railway wagons; aluminum in any crude form, including ingots, bars, blocks, slabs, billets, shots, pellets; non-ferrous semi-manufactures and alloys; thin-walled bearings as parts for diesel engines; the following drugs—calcium glucono galacto gluconate; chlorbutol, ephedrine and its salts, nicotinic acid, sulfadiazine and sulfapyridine; fluxes for gas welding, melting and refining metals; sodium nitrate; potassium chloride; rock phosphate; rotary hoes and rotary tillers.

—RICHARD GREW

Commercial Counsellor for Canada

BERMUDA

Imports of Canadian Sewing Machines—The Bermuda Supplies Commission advised importers on March 10 that sewing machines may now be imported from Canada and the United States.

Before March 10, sewing machines were included in the list of goods for which licences are not being issued for imports from dollar countries. Their importation continues subject to the licensing requirement.

Imports of Canadian Potatoes—The Bermuda Supplies Commission advised importers on March 22 that imports of potatoes into the colony from Canada and the United States will not be permitted after April 1, 1953.

GREECE

Drachma Devalued—Greece has devalued the drachma to thirty thousand to one United States dollar. The former rate was fifteen thousand drachmae to one dollar. At the same time, however, Greece abolished its contribution taxes on foreign exchange which varied according to commodity. As a result of these taxes, the effective rate of exchange on many imports has been higher than 15 thousand drachmae to one dollar.

In view of the devaluation, Canadian exporters would be well advised to confirm their contracts with Greek importers before making shipment to that country even if a letter of credit has been opened.

It is expected that the Greek import policy will also be revised. Further details of the new measures should be available shortly—Athens, April 10.

IRELAND

Import Controls—By two quota orders issued under the Control of Imports Acts, 1934 and 1937, the Government of the Republic of Ireland has announced the following additional quotas and quota periods:

Certain laminated springs: £1,000, as against a similar amount for the previous six-month period. The new quota extends from April 1 to September 30, 1953.

Spark plugs: 5,000 articles; quota unchanged from previous six-month period. The new quota extends from May 1 to October 31, 1953—Dublin, March 18.

SOUTH AFRICA

Textile Import Control Relaxed—The South African Minister of Economic Affairs has authorized the issue of Letters of Authority to merchant importers of consumer goods for imports of textile piece goods from dollar countries. These Letters of Authority will be valid for the types of piece goods which are at present freely admitted from non-dollar countries. (Since early in 1952 no exchange was made available for the purchase of textile piece goods from dollar sources.)

The Letters of Authority will be equal in value to 10 per cent of the f.o.b. cost of the individual firms' imports from all sources in 1948, for sale to the public for purposes other than industrial use.

In order to avoid hardships, firms who did not import textile piece goods in 1948 for sale to the public, but who have since become genuine importers thereof, will receive consideration. In such cases, the authorities will consider applications based on imports during the years 1950, 1951 and 1952.

UNITED STATES

Tariff Commission Hearing on Mustard Seeds—A public hearing has been ordered by the United States Tariff Commission (to be held in the Hearing Room, Tariff Commission Building, Eighth and E Streets N.W., Washington), beginning at 10 a.m. on May 18, in the investigation with respect to mustard seeds instituted on February 12, 1953, under section 7 (the "Escape Clause") of the Trade Agreements Extension Act of 1951.

This hearing is being held to determine if mustard seeds are, as a result of customs treatment reflecting concessions granted on such products in the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Anyone wishing to appear, give evidence and be heard at the public hearing should file a request in writing with the Secretary, United States Tariff Commission, Washington 25, D.C., in advance of the date of the hearing—Washington, April 2.

Foreign Trade Service Abroad

This list shows the countries included in the territories of Canadian Trade Commissioner offices abroad and the post responsible for the promotion of Canadian trade in each.

Country	Post Responsible
Aden	Cairo
Afghanistan	Karachi
Alaska	San Francisco
Algeria	Paris
Angola	Leopoldville
Argentina	Buenos Aires
Australia	Sydney and Melbourne
Austria	Berne
Azores	Lisbon
Bahamas	Kingston
Bahrein	Cairo
Balearic Islands	Madrid
Barbados	Port-of-Spain
Belgian Congo	Leopoldville
Belgium	Brussels
Bermuda	New York
Bolivia	Lima
Brazil	Rio de Janeiro and São Paulo
British Cameroons	London
British Guiana	Port-of-Spain
British Honduras	Kingston
British Togoland	London
Brunei	Singapore
Burma	Bombay
Canal Zone, Panama	Guatemala
Canary Islands	Madrid
Cape Verde Islands	Lisbon
Cayman Islands	Kingston
Ceylon	Colombo
Chile	Santiago
China	Hong Kong
Colombia	Bogotá
Costa Rica	Guatemala
Cuba	Havana
Curaçao	Caracas
Cyprus	Cairo
Czechoslovakia	Berne
Denmark	Oslo
Dominican Republic	Ciudad Trujillo
Dutch Guiana	Port-of-Spain
Ecuador	Bogotá
Egypt	Cairo
England	London and Liverpool
Eritrea	Cairo
Ethiopia	Cairo
Falkland Islands	Buenos Aires
Fiji	Wellington
Finland	Stockholm
Formosa	(See Taiwan)
France	Paris
French North and West Africa	Paris

Country	Post Responsible
French Equatorial Africa.....	Leopoldville
French Guiana	Port-of-Spain
French West Indies	Port-of-Spain
Gambia	London
Germany	Bonn
Gibraltar	Madrid
Goa	Bombay
Gold Coast	London
Greece	Athens
Greenland	Oslo
Guatemala	Guatemala
Guiana (British, Dutch, French)	Port-of-Spain
Haiti	Ciudad Trujillo
Hawaii	San Francisco
Honduras	Guatemala
Hong Kong	Hong Kong
Iceland	London
India	New Delhi and Bombay
Indo-China	Hong Kong
Indonesia	Singapore
Iran	Karachi
Iraq	Beirut
Ireland, Republic of	Dublin
Ireland, Northern	Belfast
Israel	Athens
Italy	Rome
Jamaica	Kingston
Japan	Tokyo
Jordan	Cairo
Kenya	Johannesburg
Korea	Tokyo
Kuwait	Cairo
Lebanon	Beirut
Leeward Islands	Port-of Spain
Liberia	New York
Libya	Rome
Liechtenstein	Berne
Luxembourg	Brussels
Macao	Hong Kong
Madagascar	Cape Town
Madeira	Lisbon
Malaya	Singapore
Malta	Rome
Mauritius	Cape Town
Mexico	Mexico
Morocco, French	Paris
Morocco, Spanish	Madrid
Mozambique	Johannesburg
Netherlands	The Hague
Netherlands Antilles	Caracas
Netherlands Guiana	Port-of-Spain
New Guinea	Sydney
New Zealand	Wellington
Nicaragua	Guatemala
Nigeria	London
North Borneo	Singapore
Northern Ireland	Belfast

Country	Post Responsible
Northern Rhodesia	Johannesburg
Norway	Oslo
Nyasaland	Johannesburg
Oman	Cairo
Pakistan	Karachi
Panama	Guatemala
Paraguay	Buenos Aires
Persia	(See Iran)
Peru	Lima
Philippines	Manila
Portugal	Lisbon
Portuguese East Africa	Johannesburg
Portuguese Guinea	Lisbon
Puerto Rico	Ciudad Trujillo
Qatar	Cairo
Rio Muni	Madrid
Rio de Oro	Madrid
Ruanda Urundi	Leopoldville
El Salvador	Guatemala
Sarawak	Singapore
Saudi Arabia	Cairo
Scotland	London
Siam	(See Thailand)
Sierra Leone	London
Singapore	Singapore
Somaliland	Cairo
South Africa, Union of	Johannesburg and Cape Town
South-West Africa	Cape Town
Southern Rhodesia	Johannesburg
Spain	Madrid
Sudan	Cairo
Surinam	(See Netherlands Guiana)
Sweden	Stockholm
Switzerland	Berne
Syria	Beirut
Taiwan	Hong Kong
Tanganyika	Johannesburg
Tangier	Madrid
Thailand	Singapore
Tobago	Port-of-Spain
Trieste	Rome
Trinidad	Port-of-Spain
Tunisia	Paris
Turks and Caicos Islands	Kingston
Turkey	Athens
Uganda	Johannesburg
United States	Boston, Chicago, Detroit, Los Angeles, New Orleans, New York, San Francisco, Washington
United Kingdom	London and Liverpool
Uruguay	Buenos Aires
Venezuela	Caracas
Wales	Liverpool
Western Samoa	Wellington
Windward Islands	Port-of-Spain
Yemen	Cairo
Yugoslavia	Rome
Zanzibar	Johannesburg

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 1.0162.

Country	Unit	Type of Exchange	Canadian dollar equiv. April 9	Notes (See below)
Argentina	Peso	Preferential buying .....	.1312	
		Basic buying .....	.1968	(1)
		Preferential selling .....	.1968	
		Basic selling .....	.1312	
		Free .....	.0708	
Austria	Schilling .....	.....	.04606	
Australia	Pound .....	.....	2.2180	
Belgium-Luxembourg & Belgian Dependencies ...	Franc .....	.....	.01962	
Bolivia	Boliviano	Official .....	.01640	tax 5% (1)
		Differential .....	.00979	tax 3% (2)
British West Indies	Dollar .....	.....	.5776	(3)
	Pound .....	.....	2.7725	(4)
	Dollar	Brit. Honduras .....	.6931	
Brazil	Cruzeiro	Official .....	.05319	tax 8% (2)
		Free .....	.02218	
		.....	.2079	
Burma	Kyat .....	.....	.2079	
Ceylon	Rupee .....	.....	.03169	(1)
Chile	Peso	Official .....	.01638	
		Commercial .....	.00894	
		Free .....	.3936	tax 3% (2)
		Basic .....	.4260	
Colombia	Peso	Coffee buying .....	.4260	
		Official .....	.1757	
		Free .....	.1484	*March 16
Costa Rica	Colon .....	.....	.9841	tax 2%
Cuba	Peso .....	.....	.01968	
Czechoslovakia	Koruna .....	.....	.1425	
Denmark	Krone .....	.....	.9841	
Dominican Republic	Peso .....	.....	.06561	(6)
Ecuador	Sucre	Official .....	.05695	
		Free	2.8258	
Egypt	Pound .....	.....	2.4977	
Fiji	Pound .....	.....	.00428	
Finland	Markka .....	.....	.00281	
France	Franc .....	.....	.00563	
French Africa	Franc .....	.....	.01548	
French Pacific	Franc .....	.....	.2343	
Germany	D Mark .....	.....	.000066	
Greece	Drachma .....	.....	.9841	
Guatemala	Quetzal .....	.....	.1968	
Haiti	Gourde .....	.....	.4920	
Honduras	Lempira .....	.....	.1652	*March 27
Hong Kong	Dollar	Free .....	.06042	
Iceland	Krona	Official .....	.04655	
		Special buying .....	.03767	
		Special selling .....	.2079	
		.....	.08632	(7)
India	Rupee	Dollar certificate .....	.00186	*March 16
Indonesia	Rupiah .....	.....	

* Latest available quotation date.