



foreign trade

VOL. 13

OTTAWA, MAY 2, 1953

NO. 331

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COVER . . . Rolls of Canadian newsprint to feed the great newspaper presses are unloaded in the heart of Chicago. For a report on business conditions in the U.S. generally during the first few months of 1953, and on the Chicago area during 1952, turn to page two.

—Photo by Chicago Daily News

Published weekly by the Department of Trade and Commerce under the authority of the Right Hon. C. D. HOWE, Minister, and WM. FREDERICK BULL, Deputy Minister.

Please forward all subscriptions and orders to: The Queen's Printer, Government Printing Bureau, Ottawa.
Price: \$2.00 a year in Canada; \$3.50 abroad. Single copies: 10 cents each,

Material appearing in this magazine may be freely reprinted, preferably giving credit to "Foreign Trade."

U.S. Business . . . as Chicago Sees It

Despite some pessimism about the long-term business future, industrial output continues to rise, the steel industry is working at capacity, construction booming—Chicago reports.

CHICAGO—Although business activity continues at a record high, United States financial circles feel some concern about both long and short-term business trends. Business activity has climbed slowly since the turn of the year but some are doubtful whether the rise can be sustained.

Depleted Stocks Rebuilt

Specifically, certain businessmen believe that consumer purchases are not increasing enough to absorb the larger flow of goods and that inventories will accumulate, with a subsequent slowdown in orders. These views appear more prevalent among distributors of consumer durable goods, stemming from the fact that production of automobiles and electrical appliances, and particularly of television sets, increased considerably from the summer of 1952 and into March 1953. On the other hand, manufacturers of such products generally say that their lines are moving readily, that the heavy increase in inventories is scarcely more than sufficient to rebuild depleted stocks, and is actually needed to take care of the increased sales.

Since the beginning of the year, industrial output has risen by approximately 8 per cent above the corresponding period in 1952. The Federal Reserve Board's industrial production index in March reached 240 per cent of the 1935-39 average. The all-time high was 247 per cent, recorded in November 1943, when war output was at its peak. Retail sales continue to be good compared with those of a year ago, despite the more than seasonal post-Christmas slump.

Heavy Industry Prospers

The bellwether steel industry is still being subjected to insistent demands from anxious customers and there is rising optimism about the possibility of maintaining capacity operations well into the third quarter of the year and perhaps even longer. The automobile industry is in the forefront of the search for steel, but other durables producers, particularly appliance-makers, are close behind. Expensive conversion contracts are being extended beyond midyear and it is reported that increasing amounts of steel products are being purchased from abroad at premium prices—particularly cold-rolled sheets for vehicle bodies.

The automobile industry hopes to produce and sell more than five and a half million passenger cars and about one and a third million trucks this year and wants to place a maximum number of units in the hands of dealers before the seasonal spurt in purchasing begins. Makers expect



Chicago, once called "hog butcher to the world", continues to be the centre of a great meat-packing industry, though in the last two years the heavy goods industries have enjoyed the greatest prosperity.

to deliver 65 per cent of this year's output to dealers by the end of June. The production of passenger cars was 50 per cent higher in the first quarter than a year ago. The brisk pace of activity has created a critical shortage of labour in automobile-producing centres.

Construction Continues High

Activity in the construction industry is also continuing at high levels, with a smaller than usual decline from last year's summer and fall peaks. Construction expenditures during the first two months of the year totalled \$4.5 billion, 6 per cent above the same period of 1952, though only 1 per cent higher in physical volume. The most recent figures, however, show a decline in the letting of public contracts, reflecting the Administration's policy of re-examining proposed construction projects as part of its economy drive.

A very mild winter in most sections of the country may partly account for the rise in home-building. Another factor is the ending of credit controls. Moreover, the liberalization of Federal Housing Administration and Veterans' Administration mortgage terms may have acted as minor stimulants to the housing market. For instance, the number of residential building permits issued in the Chicago metropolitan area during February was 20 per cent higher than in the same month of 1952.

By Executive Order on February 6, all wage and salary controls were eliminated. In contrast to the supply of many types of goods, the supply of civilian workers has not increased appreciably in the past two years. Recent months have witnessed the tightest labour market since World War II.

Although labour is not a commodity, the size of pay cheques is obviously influenced by supply and demand. Many wage boosts were prevented or delayed during the control period, despite wide publicity given to certain breaches in the dike. Now important union contracts are coming up for review and attempts are being made to re-open agreements with one or more years to run. Some firms operating non-union shops are already raising wages to compete more successfully for workers.

Employment Lower

Employment has been lower in the past several months because of the seasonal decline in farm and construction activity during the winter and the laying-off of temporary help which was employed by stores and the post office during the Christmas rush. Unemployment has not increased correspondingly, however, because many of these temporary workers (housewives, students, etc.) withdrew from the labour force. In February, national unemployment totalled 1·8 million, 500 thousand more than in October but 300 thousand less than in February 1952.

The labour market continues very tight and unemployment as a proportion of non-agricultural employment ranged from 1·7 per cent in Michigan and Indiana to 2·4 per cent in Iowa in mid-February, as compared with a national average of 3·1 per cent. Michigan shows the most spectacular change in the employment situation from the early months of last year; it has shifted from a labour surplus to a shortage area.

Effects of Price Decontrol

Decontrol has not materially affected prices during the past two months. Coffee, cigarettes, and a few industrial commodities such as copper and sulphur have posted increases, but the effect on the over-all price level has been minor. Wholesale price indices rose slightly in February and early March, but the total gain has been less than 1 per cent. It is definitely too early to judge the full effects of decontrol.

The Chicago Area

Estimates compiled by the Industrial Department of the Chicago Association of Commerce and Industry place the value of manufactured products turned out in the Chicago metropolitan area last year at approximately \$16·1 billion. (This compares with the \$16·3 billion worth of products turned out by Canada's manufacturing industries in 1951.) In 1952 Chicago's industrial community, which in recent years has been in the habit of breaking one record after another, did not quite maintain its impressive expansion. However, this fact was not considered a cause for pessimism. Chicago's industry, already trained to accommodate tremendous military and civilian demands, had rolled up so many new production records in 1951 that just staying abreast of its remarkable total output was a major accomplishment. In a word, 1952 saw Chicago riding high on a plateau of record production, employment and prosperity.

As in the previous year, it was the city's heavy goods industries—benefiting from both military and industrial demand—which enjoyed the greatest prosperity. Machinery producers in the Chicago area turned out about \$3·5 billion worth of goods, an increase of about \$300 million over 1951. Meanwhile the output of fabricated metals increased during

the year by about \$60 million, transportation equipment by about \$80 million, and petroleum and coal products by about \$20 million. Most other major lines of industry either held their own or, in value and output, tended slightly downward.

Construction in the Chicago area, both residential and industrial, remained exceptionally high throughout 1952. Though forecasts were that home-building would slacken materially, the area actually achieved the second largest volume of residential building in its history. Announced plant investments dropped during the year, but many of the record plant expansions announced during the previous year were actually carried out in 1952, making it one of the banner plant expansion years for Chicago.

The Outlook

Recent reports indicate that business conditions in the Chicago area in 1953 are following the national trend. Department and chain store companies, many of which have their national headquarters here, report sales 10 per cent ahead of 1952 in the three weeks ended March 14, but about the same as 1952 in the first eight weeks of the year. Manufacturers feel optimistic about future prospects and, in most cases, their plants have been working at capacity. The labour market is tight and the volume of construction considerably ahead of the same period in 1952. However, although business in general is holding at record high levels, in recent weeks there has been some pessimism. Several quarters feel apparent anxiety over the degree of inflation and are making forecasts of a recession before the end of the year, perhaps on the scale of that in 1949.

—DOUGLAS S. COLE
Consul General of Canada

—R. V. N. GORDON
Vice-Consul of Canada and Assistant Trade Commissioner

PROBLEM IN PACATAS

It is not often that the Bank of Canada is stumped on a foreign exchange problem. This week, however, the Department of National Revenue had to estimate duty on a shipment from Macau, and wanted to know the value of the local currency. The Bank didn't know and phoned the Asia Desk of the Department of Trade and Commerce. It took quite a lot of searching to come up with the right answer, but we finally got it.

Macau is a tiny Portuguese colony on the mainland of China about 40 miles from Hong Kong, noted for gambling and the freest gold market in the Far East. Normally its trade passes through Hong Kong and direct shipments are unusual.

P.S. The medium of exchange is the Pacata and its value is tied to that of the Hong Kong dollar, worth about Can.\$0.17.

Argentina and Uruguay

Markets for Seed Potatoes

Canadian seed potatoes, shut out of the Argentine market for the past two years, may sell there again this season; Uruguay will buy a smaller quantity than in 1952, at a lower price.

BUENOS AIRES—With continued favourable weather for the Rosario crop, Argentina should have a total potato production of about 1·2 million metric tons, 2·5 per cent above last year. This would mean an adequate supply for home consumption and a small surplus for export.

The early and semi-early crops, both larger than last season, have been harvested and gone into consumption. The semi-late or the main crop—about 75 per cent of the national production—is centred around Balcarce and includes the irrigated districts of Mendoza and Rio Negro. This crop is now being harvested and the Balcarce zone is expected to yield over 700 thousand tons, or about 12 million sacks. The late crop, mainly Rosario's second crop, is not harvested until May-June and much depends on the weather conditions over the next few months. However, the condition of the crop continues favourable.

The total acreage planted for 1952-53 is slightly above last year's 173 thousand hectares. Yields are reported to be generally higher this year, averaging about eight tons per hectare in Balcarce. As the annual domestic requirements are about one million tons, the domestic market will be adequately supplied for the remainder of the season or until October.

The good crop of potatoes is the result of favourable growing conditions throughout the season. Last year, Argentina had poor yields mainly because of drought and the potato crop totalled 959,720 tons, which was less than home requirements.

Prices Higher in '52

Entries of home-grown table stock in the National Potato Market in Buenos Aires during 1952 were 3·98 million sacks, nearly one million less than in 1951. The 1950 figure was 5·46 million sacks.

As a result of the reduced supplies, record price levels were maintained throughout the year. The average monthly wholesale prices were from ·50 pesos to ·92 pesos per kilo. This compares with the average of ·22 pesos for 1951, ·33 pesos in 1950 and ·44 in 1949. The low prices in 1951 was the result of a record crop of 1·5 million tons, or over-production in that year.

During the first quarter of 1953 average wholesale prices at the National Market were from .56 to .72 pesos per kilo and are expected to edge downwards as larger quantities of the Balcarce crop come on the market.

Imports

During the last quarter of 1952, Argentina imported 195,812 crates and sacks of table potatoes from Italy and Denmark and 21,815 sacks of seed potatoes from Denmark. No seed potatoes were imported from Canada for the 1952-53 crop plantings because of the acute shortage of dollar exchange. In 1951, no seed or table potatoes were imported from any source.

Outlook for Sales

Domestic prices will be lower than last year because of abundant supplies, and therefore producers will not be enthusiastic about buying high-priced seed. However, Argentina needs imported seed this season to serve as foundation stock. Imports of the popular varieties, Katahdin and White Rose, have been limited in recent years so that now much of the stock should be renewed. Imported seed requirements are calculated to be about 200 thousand crates of Katahdin, 30,000 of White Rose, and perhaps smaller quantities of some of the newer varieties.

If Argentina purchases this year, the business will be handled by the Argentine Trade Promotion Institute (I.A.P.I.), an official government entity, on a call for tenders, the method used in recent years. It is expected that tenders will include prices for packing in both crates and sacks, the latter for shipment in refrigerated space, both on a c. & f. basis. There is no particular demand for the small-size grade because it is customary to cut the seed and producers prefer the two grades packed together.

The quantity that will be purchased will depend on Argentina's dollar exchange position later in the year and on the amount of dollars that the Central Bank can allocate for this purpose. But the exchange position will improve this year and the prospects for the sale of seed potatoes are more hopeful than at any time in the last two years.

Uruguay

THE POTATO SITUATION in Uruguay this year is much the same as last and the country will be short of both table and seed potatoes. Last year a large part of the summer crop—planted with imported seed—was lost because of drought and, as a consequence, seed for planting the winter crop ran short. In January of this year, the country had too much rain, with heavy losses to early plantings; in February rain hampered operations so that growers could not plant their intended acreage. In 1952 Uruguay imported about 47 thousand tons of table potatoes from soft currency countries, mainly the Netherlands, Denmark and Spain, and will probably have to import a similar quantity this year.

Imports of Canadian seed are for planting the summer crop in January-February, which is intended primarily to supply seed for the winter crop planted during August-September. The loss of the summer crop not only represents to the producer the loss of his investment in imported seed, but reduces the supply of domestic seed for the next crop and creates a shortage of table stock. However, despite the short crops, the National Food Council has held the ceiling price of home-grown and imported table potatoes at .19 pesos per kilo (5½ cents per lb.) to the consumer since 1949.

Outlook for Sales

Uruguay will be in the market for seed potatoes this fall but for a smaller quantity than last year and at a lower price. Last season the Official Seed Service purchased approximately 155 thousand 100-lb. sacks of Canadian seed potatoes at US\$5.70 per sack landed in Montevideo. This was the highest price Uruguay had ever paid for seed potatoes and represented an expenditure close to one million dollars. The quality of the seed, however, was excellent and all cargoes arrived in perfect condition.

Because of unfavourable weather for planting and, to some extent, high prices, the Official Seed Service could not sell all the seed imported and disposed of about 12 thousand sacks as table stock at a loss of 2.60 pesos per sack.

The Katahdin continues to be the popular variety for Uruguay and the Pontiac is favoured in several zones. The Kennebec gives favourable yields under most Uruguayan conditions but is said to be inferior in keeping qualities to the Katahdin. The demand for White Rose seed is limited to a few thousand sacks for planting in the south to supply domestic seed for a small zone in the north of the country. Depending on the price of imported seed and the availability of dollar exchange, the Official Seed Service expects to purchase up to 130 thousand sacks of certified seed potatoes this season. This quantity will probably be made up in the proportion of 60,000 Katahdin, 40,000 Pontiac, 20,000 Kennebec and 2,000 White Rose.

The purchase will be made by the Official Seed Service on a call for tenders, following the practice in recent years. It is preferable that the exporter submit his tender through his broker or representative to ensure that it is legally in order and that it will be admitted. The date for tenders is the first fortnight of September.

—W. B. McCULLOUGH

Agricultural Secretary for Canada

VISIT TO COPENHAGEN

J. L. Mutter, Commercial Secretary for Canada in Oslo, will visit Copenhagen for several days beginning May 7. Businessmen interested in this area are invited to get in touch with Mr. Mutter at his Oslo office.

Canada's Trade with Britain

- *Canadian sales to the U.K. up 22 per cent in '52.*
- *British sales to Canada in '52 down 15 per cent.*
- *New factors are now influencing trade outlook.*

LONDON—Last year, for the third time since the war, Canada was the United Kingdom's leading source of supply. The landed value of Canadian imports reached £319 million, an increase of 22 per cent over 1951 and a peacetime record. Next in order came the United States and Australia.

Canadian shipments represented 9·3 per cent of all Britain's imports, compared with 8 per cent in 1938. Back in 1947, the Canadian share reached 13 per cent but this gradually dropped to a low of 7 per cent in 1951. Thus, in terms of value, Canada last year regained its prewar position and outranked the United States, which supplied 9 per cent of all imports compared with 13 per cent in 1938.

Obviously, Canada is retaining her hold on this market but her exports have changed in three ways, as contrasted with prewar years.

- The aggregate value of Canadian exports to Britain has risen from \$411 million in 1938 to \$746 million—a substantial increase even in 1938 values.
- Postwar dollar shortages have drastically reduced imports of non-priority foodstuffs, manufactured or consumer goods.
- About 37 per cent of Canadian exports went to the United Kingdom in 1938, but only 17 per cent in 1952; the other 20 per cent has been diverted to the United States (14 per cent) and to other countries (6 per cent).

The Big Increases

Wheat and flour; wood products, pulp and paper; ores, concentrates and metals—these are the three pillars of Canada's export trade with the United Kingdom—and the last group is growing rapidly in importance.

Wheat and flour made up nearly one-third of Canada's shipments in 1952, a somewhat higher proportion than in the previous year, and rose in value from £87 million to £102 million. Other major increases were:

Commodity	% Increase over 1951	Value
Softwood	20	£43 million
Aluminum	75	36 "
Wood pulp	12	16 "
Zinc	50	12·6 "
Pitprops	300	7 "
Ferro-chrome and ferro-silicon	100	7 "
Tobacco	60	7 "
Newsprint	98	6 "
Non-ferrous ores and scrap	20	6 "
Pig iron, steel and steel scrap .....	...	6 "
Asbestos	40	3·4 "

Flaxseed, linseed oil, synthetic rubber, hardwood, paperboard, machinery and radio equipment showed lesser increases. On the other hand, exports of certain chemicals, cheese, apples, canned fish, barley, zinc ores and concentrates, hides and skins, rubber boots and shoes, needles and washing machines declined.

A special feature of this year's trade was the shipment of 32 thousand tons of Canadian beef and veal. This was supplied under a switch deal with New Zealand whereby meat barred from the United States following the outbreak of foot and mouth disease in Canada was shipped to Great Britain and paid for from the proceeds of an equivalent quantity of New Zealand meat sold to the United States.

Token Imports

Imports from Canada under the Token Import Scheme fell off in 1952. This scheme has been in operation since 1946 and under it a selected list of goods, supplied from Canada and the United States during the period 1936-38, are admitted.

Token import quotas, which stood at 40 per cent in 1951, were reduced to 30 per cent at the beginning of 1952. In addition to this over-all reduction, however, a number of quotas were not taken up because of uncompetitive prices and other marketing factors. The net result was a drop in the volume of less essential consumer goods supplied to this country which represent a carryover from the days of unrestricted trade. The three governments concerned are continuously examining this scheme to make it as effective as possible in keeping up the British market for goods which have a traditional place in Anglo-Canadian trade.

Exports to Canada Fall

Canadian purchases from the United Kingdom in 1952 dropped from \$421 million to \$360 million, or about 15 per cent. Textile imports were cut by a third; passenger and commercial vehicles were down 15 per cent, and other metal and engineering products (including tractors, steel pipe, and communications equipment) were up. The best performance was in the machinery group which increased its sales by 25 per cent, with machine tools, electrical and textile machinery making a particularly good showing.

The Trade Outlook

Last year was noteworthy for the wide range of commodities removed either wholly or partially from government control. Those of particular interest to Canada included timber products, lead, zinc, linseed and linseed oil, ferro-alloys and chemical fertilizers.

In February the Government announced the ending, in August 1953, of rationing of and price controls on cereals, flour and feeding-stuffs. (Details of import controls and the handling of imports by private trade will be found on page 22 of this issue.) Three of the major Canadian exports—timber, cereals and flour—will thus be selling under radically different conditions following many years of bulk purchasing. The effectiveness of Canadian export promotion and price competition will now have a greater influence on sales. Flour millers who wish to re-establish their outlets in this country will have to consider making on-the-spot investigations.

With lead, zinc, linseed and linseed oil, ferro-alloys and chemical fertilizers, the decontrol, though important, has less direct bearing on prospective sales in Britain.

The Chancellor of the Exchequer recently announced that gold and dollar reserves have passed the \$2,000 million mark and intimated that the general improvement in the country's internal finances would permit some easing of import restrictions. This was followed by a decision to relax restrictions on imports of foods and manufactured goods from Europe and some other soft-currency countries during the second half of 1953. Simultaneously the Chancellor announced a three-point campaign for raising productivity in British industry and made a vigorous plea for an intensified export drive.

Liberalizing Imports

In the export field, there has been a halt in the downward trend in some of the major commodities such as textiles. At the same time, shortages of certain raw materials which have been holding up exports have been relieved and deliveries of machinery and equipment have improved. This should mean greater overseas sales, although there are some reservations about machine tools in the light of the easing-up of general defence production.

Britain does not expect any economic miracles this year. Whatever improvement there is will probably be reflected in the further liberalizing of trade with OEEC countries rather than with the dollar area. The decontrol measures on timber products and cereals adopted by the British authorities over the last 15 months, however, should bring some benefits to Canadian traders.

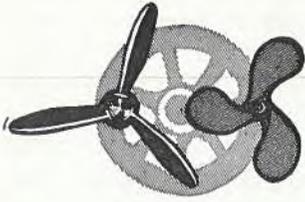
—R. CAMPBELL SMITH

Commercial Secretary for Canada

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.



TRANSPORTATION NOTES

CANADA

Canada-East Coast of South America—Lampport and Holt Line Company, Ltd., which is currently operating a regular monthly service from United States North Atlantic ports to the east coast of South America, is expanding its service to include eastern Canadian ports. The first ship in this service will be the *Sallust* which was scheduled to depart from Montreal on April 22, arriving at the various South American ports on the following dates: Rio de Janeiro—May 22, Santos—May 24, Montevideo—May 27, Buenos Aires—May 29. Following this departure, monthly sailings will be maintained between Montreal (summer) and West Saint John (winter) and Bahia, Rio de Janeiro, Santos, Montevideo and Buenos Aires. General cargo will be carried aboard all vessels and certain vessels have reefer space. Canadian Pacific Steamships Limited has been appointed the Canadian agent.

Great Lakes and the United Kingdom—The Canada-United Kingdom Line Limited (Canuk Line) announced it has extended its trans-Atlantic service between Canada and the United Kingdom into the Great Lakes, effective with the opening of navigation on the St. Lawrence and Great Lakes. A fortnightly service is to be maintained with fast modern motor vessels between London-Liverpool and Toronto, Hamilton and Sarnia. Calls will also be made at smaller Great Lakes ports when there is sufficient cargo. March Shipping Agency Ltd., Montreal, are general agents for the Canuk Line.

Rates on Mixed Carload Lots—A new formula covering the application of class rates to commodities shipped in mixed carload lots was announced recently by the Canadian Freight Association. Under this formula, Canadian rail and water carriers will, on shipments moving within Canada only, apply respective carload class rates authorized in the Canadian freight classification on the actual weight of each article included in a mixed carload shipment. The mixed carload will be subject to the highest of the minimum weights applicable to any of the articles in the car. If there is a deficiency in the minimum weight for the carload, it will be charged at the lowest carload class rate applying to any commodity in the mixed carload—Montreal, April 13.

INDIA

Bombay Harbour Improvements—A scheme to modernize installations in the Port of Bombay has recently been announced by the Port Trust Authorities. The first of 34 electric cranes already ordered for Ballard Pier and Alexandra Dock are scheduled to be installed by the end of this year or early 1954. The plan includes an entrance lock for the Prince's and Victoria docks and widening of the communication passage between them, closing of the existing entrance gates, and lengthening of jetty berths in Victoria dock.

The scheme, estimated to cost a minimum of Rs.45 million (\$9 million) will permit the docks, which at present have a total of 50 berths, to take deep draft cargo vessels. Other projects being considered include: construction of bull noses for a new drydock, further harbour rail facilities, and construction of an oil terminal in natural deep waters to handle the requirements of two oil refineries soon to be erected on the outskirts of the city—Bombay, April 10.

NORWAY

Shipbuilding—During 1952 Norwegian shipyards delivered 44 ships totalling 103 thousand gross tons (approximately 150 thousand tons dead weight), as compared with 47 ships totalling 73 thousand gross tons (100 thousand tons dead weight) in 1951. At the beginning of the year Norwegian shipyards had contracts for 110 ships of a total gross tonnage of 665,200, of which 55 are tankers totalling 513,500 gross tons. These figures are considerably higher than those recorded for tonnage under construction on July 1, 1952—Oslo, April 20.

PHILIPPINES

Convair Liners—The Philippine Air Lines has announced the purchase of six Convair Liner 340's. The Convairs will be used for both the domestic service and the Far East regional operations of the Philippine Air Lines—Manila, April 15.

UNITED STATES

Windsor-Detroit Traffic—The first official transportation link between Canada and Detroit was established in 1798 when a licence was granted to a John Askin to operate a ferry across the Detroit River. Today, by bridge and tunnel, millions of vehicles and persons cross the river each year. Last year over 16 million persons made the crossing between Windsor and Detroit and in the past ten years the vehicle traffic has tripled, as these figures show:

Year	Bridge	Tunnel	Total
1943	486,472	907,658	1,394,130
1949	1,811,840	2,462,069	4,273,909
1951	2,062,163	2,634,990	4,697,153
1952	2,249,850	2,469,158	4,719,008

The increase in truck traffic by both bridge and tunnel points up the growing amount of U.S. and Canadian exports carried by trucks making use of these arteries—Detroit, April 24.

Japan's New Import Policy

- > *Export industries will receive priority in imports.*
- > *Purchases from sterling area will be lower.*
- > *Two systems of import licensing retained.*

TOKYO—Japan's foreign exchange budget plan for imports in the first half of the 1953-54 fiscal year (April 1 to September 30) totals about \$1,555 million Canadian. This represents about \$208 million more than for the similar import period of 1952-53 but is \$126 million short of the import budget for October 1 to March 31, 1953. Imports of goods as visible trade will take up \$1,225 million; payment for services and other items of invisible trade, \$329·8 million.

Of the \$1,225 million for goods, \$579 million will be allocated for imports from dollar area countries, including Canada—\$30·8 million more than for the same period last year. About \$299·9 million will be set aside for goods from the sterling area, (\$152·4 million less), and \$346·4 million for imports from countries with which Japan maintains open accounts, (\$105·3 million more). As in previous budgets, these totals include a contingency reserve for the import of urgently needed goods if shortages should develop.

New Priorities in Imports

In addition to the usual licences to import commodities difficult to secure anywhere but in dollar area countries, importers of raw materials for the manufacture of export goods will receive priority, as will firms capable of fulfilling procurement demand contracts of the United States forces. It is by no means certain that Japan's exports will increase over present low levels. Recent Japanese-British trade talks for expanding trade with the sterling area have created some optimism but rising prices of certain goods will hinder the drive for increased exports. Textile mills which manufacture goods for export will receive preference in allocations of imported raw cotton and wool. The Government will continue to make additional efforts to see that firms which make machinery for export receive steel at favourable rates. Imports of some types of machinery which can be bought on the domestic market only at high cost may be favourably considered, provided producers for the export market need it.

Two Systems of Import Licensing

About 190 items, including beef, tallow, lard, hides, skins; linseed; Douglas fir and other American lumbers; nylon waste; zinc, copper and lead scrap and asbestos, are listed under the "Automatic Approval System". Under the budget, 88 of these 190 items, to the value of \$80 million, may be imported from the dollar area. The sterling area ceiling,

for 95 items, is also set at \$80 million. All 190 items may be imported from the open account area up to a value of \$100 million, to make up the total of \$260 million of imports under the Automatic Approval System.

Imports under the foreign exchange fund allocation system are budgeted at \$708.3 million. Of this amount, \$399.1 million is set aside for the dollar area, an equivalent of \$162.9 million for the sterling area, and \$146.4 million for the open account area.

The most important commodities to be imported under the budget fund allocation system are listed below, with their origin.

Commodity	Total imports	Dollar area	Sterling area	Open Account area
Rice	\$ 94.3	\$29.7	\$19.6	\$45.0
Wheat and barley	76.4	60.6	....	15.7
Raw cotton	162.7	98.8	42.5	21.4
Raw wool	56.0	....	46.8	9.2
Iron ore	25.1	11.3	7.9	5.9
Coal	29.3	26.6	2.7	....
Petroleum	52.0	38.3	13.7	....
Machinery	56.1	42.0	0.9	13.2
Aircraft	13.3	9.4	3.9	....
Salt	8.2	0.2	4.7	3.3
Automobiles	6.4	1.0	2.0	3.4
Other imports	128.7	81.2	18.4	29.1

The amount of \$15.75 million for imports of wheat and barley from the open account area represents a planned import of 150 thousand tons of wheat from Argentina, with whom Japan has a large credit balance. To help balance trade with that country, Japan will import wheat, cotton, and wool, even though she could obtain these commodities more cheaply from other sources.

The range of items to be imported under the new budget is very similar to those imported during the previous six-month period. Generally speaking, import licences for the dollar and sterling areas will be valid for four months except for machinery and iron ore, licences for which will be valid for six months. Scrap iron, beef, and tallow must be imported within three months of the time the import permits are issued.

—R. F. RENWICK

Assistant Commercial Secretary for Canada

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.

Colombia and Ecuador

A Market for Canadian Fish?

Small quantities of canned salmon, tuna and sardines move from Canada to these countries, but competition from other sources is becoming keen and increasing sales may prove difficult.

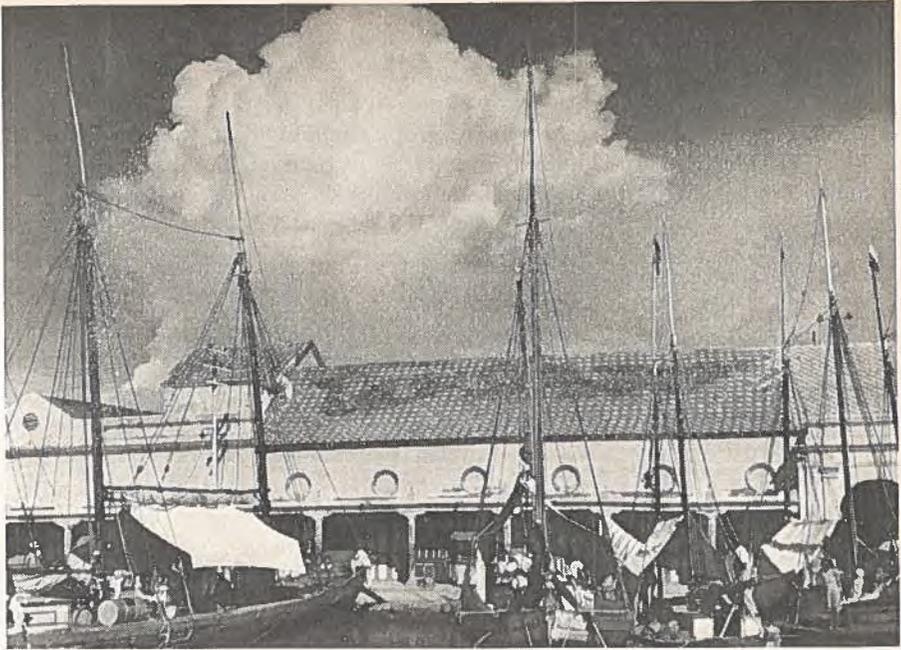
BOGOTA—Colombia, for varied reasons, has never become one of the Caribbean markets for Canadian salted and dried fish. The fact is that Colombians are not fish-eaters to any great extent. And, although the Republic has long coastlines washed by both the Atlantic and the Pacific and the adjacent waters are said to be rich in marine life, Colombia does not itself produce much fish.

One of the principal factors inhibiting the growth of a domestic fish industry is geographic. The thirty per cent of the country which is heavily settled is situated largely away from the coastal belts in the mountainous three cordilleras of the Andes which traverse the country from south to north, and in the intervening river valleys, including that of the Magdalena. Of Colombia's eleven cities of 100 thousand population or over, only two, Barranquilla and Cartagena, are in the coastal region. Because of the relative distance of the populous markets from the sources of supply, and the tenuous communication lines between the settled highlands and the coast, fish products have never gained a worthwhile hold on the market.

Domestic Production Fostered

An international economic report on Colombia published in 1948 remarked on the wide discrepancy between actual fish production and the potential of the rich coastal waters. The report also delved into the deficient diet of a large percentage of the Colombian population and recommended that steps be taken to increase the domestic production and consumption of fish. Since that time, there have been efforts to implement the suggestions made in the report. Modern fishing craft equipped with the latest gear, including refrigeration, have been purchased and put into operation. Canneries have been set up at Santa Marta and Barranquilla on the Atlantic coast and a plant is being built at Buenaventura on the Pacific. Barranquilla also has a freezing plant. Domestic products include spiny lobster, sardines, shrimp, Spanish mackerel, tuna, haddock, and others. From Barranquilla fish are flown to markets in the interior and from Buenaventura refrigerated fish trucks proceed to Cali, and from there the products are forwarded by air to Bogotá and other large centres.

For centuries fresh-water fish have supplemented the diet of people living near the banks of Colombia's great rivers. Unfortunately, although many species of fish are found in these waters, a number have no com-



—Grace Line

This waterfront market in Cartagena, Colombia, serves as a clearinghouse for provisions, including fish, delivered by hundreds of sailboats from nearby rivers. But transportation of fish to the interior constitutes a real problem.

mercial value. The Government is working on schemes to restock suitable interior waters with better types of fish to improve output both in quality and quantity. Canadian rainbow trout have been placed in certain lakes and streams.

In spite of these developments, fish remains expensive throughout most of the Republic and it therefore cannot compete with substitute foods readily available from local sources. Until there is suitable transportation between the interior and the coast, and until an adequate freshwater industry is established, there seems to be little likelihood of fish winning a large market.

Import Restrictions in Force

Fresh, frozen and salted fish are prohibited entry into Colombia; so are prepared and canned fish. However, by Colombian Government decree of January 1, 1953, some types of the prepared and canned variety, such as sardines, salmon and tuna, are permitted entry through the use of certificates of exchange. These certificates are available to exporters of certain natural Colombian products other than coffee and, because they include the right to foreign exchange, including dollars, they may be used to buy certain goods normally included on the prohibited list. These certificates are negotiable, and frequently command premiums of up to 75 per cent on the market. Because of this heavy charge, Colombians can afford to bring in under this scheme only luxury goods or those in great demand. In actual fact, the landed price of imports made against these certificates and after payment of customs duties and clearance charges works out at about 500 per cent over cost.

Sardines and canned salmon imported in this way may be found in better class retail outlets in leading centres such as Bogotá. There is thus a modest market for these Canadian lines but competition is keen, particularly from the United States, Venezuela and Europe.

Ecuador, although farther away from Canada than Colombia, offers modest possibilities to Canadian exporters of canned and preserved fish. Imports from Canada during the calendar year 1952 were:

	Cwt.	Value
Canned salmon—chum	333	\$8,754
Canned salmon—pink	51	1,386
Canned sardines	225	2,813

This market is very competitive, with many foreign suppliers, particularly in the United States, in a position to serve it. Nearly all business is done through the great port of Guayaquil and to a lesser extent through the capital, Quito.

Generally speaking, the economy of Ecuador is healthy. An agricultural country, its prosperity depends on the success of certain leading crops such as rice, coffee, cocoa and bananas. Latest reports indicate that beneficial rains throughout the country have improved prospects for all the main crops well above average. As a result, the foreign exchange situation is stable and funds are readily available to pay for imports of canned fish.

—JOHN E. LANCASTER

Assistant Canadian Government Trade Commissioner

Greece Revises Its Trade Policy

ATHENS—The Greek Minister of Co-ordination, Mr. S. Markezinis, announced in a radio broadcast on April 9 the devaluation of the drachma from 15,000 to 30,000 to the United States dollar, after three and a half years at the former rate. The drachma was similarly devalued by 100 per cent against all other foreign currencies. At the same time, a new series of trade measures were announced which will have far-reaching effects on Canadian exports. The new program awaits clarifying details but the general course of Greece's commercial policy has now been charted. These are the highlights.

On April 9, 1953, the drachma was devalued by 100 per cent to the rate of US\$1=30,000 drachma. This rate will apply to all transactions concluded henceforth and also to letters of credit already opened but against which shipment has not been made. Canadian exporters who are shipping to Greece should hold further shipments until importers in Greece indicate their ability to secure dollars at twice their previous rate. New contracts may be negotiated in whatever currency desired and such contracts will receive legal validity in Greece. Greek producers and exporters, on the other hand, will be permitted to exchange foreign currency at the new rates, provided their goods have not already been placed in the hands of export merchants.

The exporting community here is naturally placed in a most favourable position. It is hoped that the new rate of exchange will mean a major expansion in Greek exports and an improvement in the balance of payments position. The Greek authorities hope that this step will make the export prices of such products as tobacco, olives, wines and dried fruits more attractive to foreign buyers.

Import Restrictions Removed

In announcing the devaluation, the Minister of Co-ordination also stated that it was the Government's intention to remove quantitative import controls on all but a few luxury items. Accordingly, new import regulations were announced on April 18 whereby Greek importers can secure import licences and available free dollars from the Bank of Greece for the import of Canadian goods of types not financed by the United States Mutual Security Agency and not in the following categories: jewellery, textiles, furs, automobiles valued over \$1,800 f.o.b. factory, wheat and flour.

To Be Admitted Freely

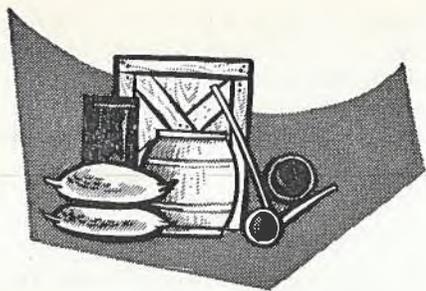
Among the articles admitted freely under the new scheme, the following may be of interest to Canadian exporters: powdered and evaporated milk; whisky; salted cod, canned fish; animal wax; planks and boards of coniferous wood, newsprint; gasoline engines and agricultural machinery excluding parts; needles; domestic electric washing machines; passenger automobiles other than convertibles valued up to \$1,800 f.o.b. factory; aluminum manufactures, and optical lenses. Exporters may obtain information on individual items from the Foreign Tariffs Division, Department of Trade and Commerce.

Tax and Subsidies Eliminated

Of equal importance is the elimination of the contribution tax on foreign exchange provided for imports of luxury or less essential goods. This tax varied according to commodity. Because it amounted to over 100 per cent of the c.i.f. value of such things as refrigerators, stoves, passenger automobiles, certain hardware, etc., the removal of the contribution system will mean that Canadian exporters will be able to offer these products in Greece at lower prices despite the new rate of exchange. Subsidies on Greek exports have also been abolished.

The Greek authorities apparently intend to control imports by the use of the new exchange rates rather than by direct import restrictions. Any increase in imports into Greece will, of course, be determined by the amount of dollars which Greece is able to earn and thus make available for purchases abroad.

—ANDREW KNEWASSER
Assistant Commercial Secretary for Canada



COMMODITY NOTES

BRAZIL

Rubber—Brazil probably will not have to import rubber from abroad in 1953, according to the vice-president of the Rubber Defence Commission. Between 1939 and 1952, rubber production increased 104 per cent; production in 1952 was the highest in 30 years. Production this year is expected to be even greater as a result of the Government's rubber development plan—Rio de Janeiro, April 16.

BRITISH EAST AFRICA

Cashew Nuts—Cashew nut growing in British East Africa has increased in the past six years. First introduced into East Africa by the Portuguese, the cashew flourishes in the coastal area of Tanganyika and as far inland as Tunduru. Exports from this area have increased from 1,313 tons in 1947 to 10 thousand tons in 1952.

Although the nut is primarily a luxury product, the oils extracted from the outer shell have great industrial value. At least 90 per cent of the current crop is grown by the Africans in Shambas. Significant acreages are now being planted by Europeans on a commercial basis, but this development will not reach the production stage for five years. The yield is expected to be worth £1 million a year.

In the past, the entire British East African crop has been exported to India for processing and re-export to the U.S. and European countries. However, the setting up of a processing factory at Mtwara is now being considered. Canada's imports of shelled cashew nuts for the first eleven months of 1952 totalled \$1,065,610 (same period of 1951, \$914,797). The supplying countries were India, the U.S. and the U.K.

There are three reliable Tanganyika exporters of cashew nuts and the Canadian Trade Commissioner in Johannesburg can supply their names and addresses to Canadian importers—Johannesburg, April 17.

CHILE

Beans—The Minister of Economy has been requested by the Price Control Committee to prohibit the export of beans to prevent increased prices on the domestic market. This prohibition comes into force immediately and only export obligations contracted before March 15 will be respected—Santiago, April 8.

SOUTH AFRICA

Canned Fruit—The British Ministry of Food has announced that larger supplies of canned apricots, peaches, pears and pineapples are expected from South Africa in 1953 and that it has undertaken to buy not less than 70 per cent of South Africa's exports of these canned fruits during the year. Shipments will be made throughout 1953 as the canned products become available. During 1952 approximately 500 thousand cases containing some 15.5 million tins of apricots, peaches, pears, pineapples and grapefruit were shipped to Britain from South Africa—Johannesburg, April 7.

SWEDEN

Debarking Machine—A Swedish firm recently began to manufacture a bark remover. This machine stands on wheels, is electrically driven by two completely enclosed motors, and is assembled in a frame construction. It is entirely automatic and debarks 2,200 trunks in a 10½-hour day. The yearly capacity is 330 thousand trunks when it is effectively operated for 150 days with five men serving it. The machine weighs about three tons and develops 16 h.p. It is capable of debarking logs with diameters of from 2 - 12 inches. The debarking instrument is a counter-balanced drum of cast steel with three steel cutting blades so shaped that they are automatically opened by the log and by centrifugal force successively. They are reported to scale off the bark without any appreciable loss of wood—Stockholm, April 10.

UNITED STATES

Magnesium—Output of magnesium in the U.S. in 1952 was more than double the production in 1951, according to a statement issued by the Magnesium Association. In 1952 the output totalled 105,833 tons, compared with 40,881 tons in 1951. During the fourth quarter of last year, production amounted to 27,436 tons, compared with 27,722 in the third quarter and 18,080 tons in the fourth quarter of 1951—Washington, April 10.

WEST GERMANY

Leatherware—In 1952 West German exports of leatherware achieved a value of 27.5 million D marks as compared with 2.1 million reichsmarks in 1947, when the German leatherware industry made its first attempt to re-enter world markets. The main customers are Switzerland, with 5.55 million D marks, and the United States, with 5.23 million D marks. Next in order come Sweden, Belgium and the Netherlands. According to the industry, exports to the U.S., which increased by 120 per cent last year, can still be considerably enlarged. Bigger deliveries to Canada are expected to result from intensive German participation in the Canadian International Trade Fair. In the South American market, possibilities are reported to be comparatively poor—Bonn, April 21.

United Kingdom

Imports of Cereals, Flour, Feedstuffs

With trade in these commodities returning to private hands shortly, the U.K. Government is announcing future procedures for these imports.

LONDON—Decontrol in the United Kingdom recently progressed further with the announcement of plans for the import by private traders of cereals, flour, animal feedstuffs and some related organic fertilizers. Previously, these products were imported only on government account.

On April 15, 1953, the Government announced that applications for Open Individual Licences would be considered for the two periods May 1 to December 31, 1953, and January 1 to June 30, 1954. In future licences will be issued up to six months in advance and will be valid for six months. The commodities which are now returned to private trade are:

GROUP I

Wheat and Flour

- Wheat in grain (including seed).
- Wheat meal and flour (including semolina).

GROUP II

Feed Grains (including seed)

- Barley in grain.
- Oats in grain.
- Maize in grain.
- Maize meal and maize gluten.
- Sorghums (including milo, dari, durra, kaffir corn and guinea maize).
- Bran, pollards, sharps and middlings.

GROUP III

Miscellaneous Animal Feedstuffs and Fertilizers Part (A)

- Rice bran, rice meal and cargo-broken rice.
- Oilseed cake and meal of the following:
 - Cottonseed (undecorticated and other)
 - Groundnut
 - Linseed
 - Rapeseed
 - Soya bean
 - Sunflower
- Other descriptions of oilseed cake and meal.
- Cassava (or tapioca) root, (including cassava, tapioca, manioc or mandioca meal and tapioca ampas).
- Locust beans, whole, kibbled or mealed.

Part (B)

Meals:

- Meat
- Meat and bone
- Whale-meat
- Whale-meat and bone
- Liver (including whale-liver meal)
- Fish.

Open Individual Licences will be issued for each of these groups, with the fertilizers in Part (B) of Group III considered separately. In addition, the licences issued for the scheduled territories will be separate from those of other countries. Canada is included in the latter category.

Making Returns

To safeguard the exchange position, each holder of an Open Individual Licence will be required to make returns (including NIL returns) weekly to the Ministry of Food for cereals, animal feedstuffs and seeds for sowing, and monthly to the Ministry of Materials for fertilizers. However, every effort will be made to ensure continuity of trading. If it should be necessary to revoke the current Open Individual Licences from "other countries" (which may be done at any time for balance of payments reasons) arrangements would be made "to issue specific licences covering *bona fide* commitments already entered into and essential imports which may be approved in addition. In such circumstances, forward trading would normally continue against licences for the subsequent six-monthly period".

The new arrangements do not alter those already existing for the import of cereals, cereal products, pulses and animal feedstuffs which are now, up to May 1, being imported on private account. Import applications for other cereals and animal feedstuffs not at present being brought in on private account, and not included in the new list—e.g., alfalfa meal—will be considered individually by the Board of Trade.

This forward step in decontrol opens up a considerable trade in the field of animal feedstuffs for imports both from sterling and non-sterling areas. However, it seems likely that imports from dollar areas will only be looked on with favour if their prices are advantageous, compared with the prices of similar sterling area products.

The inclusion of flour with wheat-in-grain would indicate that the Canadian flour exporters will now have to compete with the British milled product. It will thus be necessary for them to have active representation in the United Kingdom if they are to maintain their exports to this country at the level of the past few years.

—D. A. BRUCE MARSHALL

Commercial Secretary for Canada (Agricultural)

France Reduces Imports

The mounting deficit with EPU in the last few months has forced France to limit imports of foodstuffs and some industrial raw materials from countries within the EPU area.

PARIS—The French Government has just announced cuts in the imports of foodstuffs and certain industrial raw materials from the countries making up the European Payments Union. These measures were not unexpected in the light of France's mounting deficit with the Union over the past few months. Because her credit with the Union has been exhausted, these deficits must be met entirely in gold or dollars. The French deficit with the Union in January was \$11 million, in February \$31 million, and in March \$19 million.

Imports from the EPU area for the period April to September will be cut by the equivalent of \$14 million a month, compared with the last six-month averages. During the last six months, imports from the area averaged \$130 million a month, so that the cut is about 11 per cent. Before the United Kingdom announced some relaxation in the restrictions on imports into the U.K. and allocations of exchange to tourists, the French had contemplated a cut of about 13 per cent in their imports. But because these British concessions are estimated to enable France to earn an extra billion francs (about \$2,860,000) a month, it was decided to impose a lower cutback in imports into France from the EPU area.

Apply to EPU Only

The reductions are to be applied to the EPU area only. There will be no direct effect on imports from Canada, which are already cut to essentials and limited by the shortage of dollars. However, this does emphasize the difficult position of French trade and precludes hope of more liberal treatment of imports from any area in the near future. The reductions will not be undertaken by any new regulations or formal restrictions, but by administrative control through the reduction in the issue of import permits on certain categories of imports.

Foodstuff imports from EPU countries will be reduced by \$5 million a month. Items affected are meat, butter and eggs. A normal seasonal decline in imports for the period covered, and an improved outlook for domestic production, lessen possible adverse effects on the French economy.

Raw Materials Affected

Imports of raw materials from countries of the EPU are to be reduced by \$9 million a month for the period April to September. Reductions will apply to coal, tar, wood pulp, sulphur, pyrites, wood, cork and cotton imports. In many categories of industrial raw materials, substantial

quantities are imported from non-EPU countries. Given the forecast of slightly lower industrial activity (see *Foreign Trade* of April 4, 1953) and the slightly lower scale of imports that is usual during the spring and summer, it is not likely that the French industry will be seriously embarrassed by this restriction in supplies from the EPU area. On the other hand, the restriction will be felt by those EPU countries which normally supply these products to France, though in the circumstances it is probable that there would have been some reduction of shipments even without official action.

—R. G. C. SMITH
Commercial Counsellor 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.

C. M. Croft, Commercial Counsellor for Canada in Sydney, Australia, begins a tour of Canada in Vancouver on May 8. His itinerary follows:

Vancouver—May 8-15
Ottawa—May 24-30
Toronto—June 5-17

St. Catharines—June 18-19
Hamilton—June 20-23
Windsor—June 24-25

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 these officers 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 and Vancouver (355 Burrard St.).

TRADE AND TARIFF REGULATIONS

BELGIUM

Import Restrictions Modified—Various commodities may be imported into Belgium and Luxembourg without an import licence effective March 10. Among these, the following may be of interest to Canadian exporters: raw tobacco; planks and boards of coniferous woods; copper gauze, netting and domestic utensils; anodes for nickel-plating; metal lamps; transformers and static converters. Since February 1, all these enumerated goods were placed upon a list of imports admitted as freely from the dollar area as from any other source. As a result of the present measure, therefore, they may enter Belgium from Canada and from any other country entirely free from government restrictions.

On the other hand, lignite and toilet soap have been made subject to import licences beginning March 10—Brussels, April 24.

Exporters may obtain information on individual items freed from import licence from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Certificates of Origin—Caustic potash and potassium carbonate may be imported into Belgium only if accompanied by a certificate of origin issued by a Belgian diplomatic or consular agent—Brussels, April 10.

Recipients of the leaflet "Belgium—Shipping Documents and Customs Regulations", compiled by the International Trade Relations Branch, should note this provision on page one of their leaflet—Editor.

BRITISH GUIANA

Pure Lard—The Controller of Supplies and Prices, British Guiana, advised importers on March 20 that quotas for the second half year, 1953, have been established for the importation of pure lard from Canada and the United States, and applications for import licences will be received immediately.

EGYPT

Import Control on Publications Relaxed—All books, periodicals, newspapers and pamphlets will be exempt from import controls, according to an official announcement of March 4—Cairo, April 20.

LEBANON

Duty Imposed on Wheat Flour—The Lebanese Government has imposed a customs duty of 2 piastres per net kilo on imports of wheat flour from all countries except Syria. Converting at the free rate of

exchange, this duty would be the equivalent to approximately 24·6 cents per 100 pounds in terms of Canadian currency. Formerly wheat flour entered Lebanon free of duty from all countries.

The imposition of this duty on wheat flour was stated to be the result of pressure on the Government by local flour millers, and the economic talks which have been concluded recently between the Government of Lebanon and Syria.

NETHERLANDS

Customs Duty on Advertising Matter—The Netherlands customs authorities are now collecting customs duty on advertising matter which until recently entered duty-free. Under the new regulations, if the value of the material is not stated by the consignee it will be estimated by the customs. Advertising printed matter contained in parcels weighing less than one kilogram (about 2·2 pounds), however, will continue to be admitted free of import duty—The Hague, April 22.

Recipients of the leaflet "Netherlands—Shipping Documents and Customs Regulations", compiled by the International Trade Relations Branch, should amend the section on advertising matter on page 5 of their leaflet accordingly—Editor.

UNITED STATES

Imports of Sheep and Goats—The following notice with reference to sheep and goats was published in the United States *Federal Register* of April 8, 1953:

"(a) Sheep and goats offered for importation from Canada shall be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government stating:

(1) that such animals have been inspected on the premises of origin and found free of evidence of the disease known as scrapie, and of any other communicable disease;

(2) that, as far as it has been possible to determine, such animals have not been exposed to any such disease during the preceding 60 days;

(3) that, as far as can be determined, the disease known as scrapie has not existed in any country or local municipality in which such sheep or goats were located during the three years immediately prior to shipments to the United States; and

(4) that each of such animals is not the progeny of a sire or dam that has been affected with scrapie.

(b) If sheep or goats are unaccompanied by the certificate required by paragraph (a) of this section, or if they are found upon inspection at the port of entry to be affected with a communicable disease or to have been exposed thereto, they shall be refused entry and shall be handled thereafter in accordance with the provisions of section 8 of the act of August 30, 1890, or quarantined, or otherwise disposed of as the Chief of Bureau may direct."

Section 8 of the Act of 1890 sets forth the power of the Secretary of Agriculture to destroy infected animals—Editor.

Department of Trade and Commerce

HEAD OFFICE DIRECTORY

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

No. 1 Building, 375 Wellington Street*

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

ECONOMICS DIVISION

<i>Director: V. J. Macklin</i>	5658
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TRADE COMMISSIONER SERVICE

<i>Director: J. H. English</i>	2530
<i>Assistant Director: H. W. Cheney</i>	3058
<i>Assistant Director: L. H. Ausman</i>	6800

Area Trade Officers

<i>Asia and Middle East: J. P. Manion</i>	8286
<i>Commonwealth: A. B. Brodie</i>	2144
<i>Europe: K. Nyenhuis</i>	0436
<i>Latin America: A. Savard</i>	7641

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

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

COMMODITIES BRANCH

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

Export Division

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

Import Division

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

Transportation and Communications Division

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

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

Export and Import Permit Division

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

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(Export and Import)

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Agricultural Machinery and Implements: G. C. Clarke	3873
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Chemicals and Allied Products: S. G. Barkley	7601
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Non-Metallic Minerals: E. J. Bonkoff	5823
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Acting Chief: P. G. Jones	4160
Toys, Recreational Products, Musical Instruments: P. G. Jones ..	4160
Electrical Appliances, Sewing Machines: W. H. Grant	3209
Office, Hospital, Radio and Store Equipment: D. G. W. Douglas ..	6197
Handicrafts, Photographic Equipment, Jewellery: P. E. Jensen ..	5337
Plumbing, Heating and Hardware Products: G. W. Rahm	6958
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E. B. Paget	4161
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Assistant to Chief: A. A. Dejausserand	5207
Non-Ferrous Metals: A. Tedford	5159
Miscellaneous Capital Goods: J. D. Moorman	7546
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Fabrics: G. R. Poley	3004
Wearing Apparel: E. G. Gerridzen	5378
Fibres and Products: A. C. Fairweather	7815
Leather and Rubber Products: F. T. Carten	0518
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Chief: G. H. Rochester	0273
Lumber and Manufactured Wood Products: J. C. Dunn	4863
Logs and Lumber Products: R. Bonnar	5127
Paper, Pulp and Pulpwood: M. N. Murphy	5811
Export and Import Directories	
Chief: G. L. Tighe	6681

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Assistant Director: W. B. McCullough	3980
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Animal Products: A. J. Stanton.....	5859
Fish and Fish Products: T. R. Kinsella.....	7385

Grain Division

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R. M. Esdale	5830-5648

INTERNATIONAL TRADE RELATIONS BRANCH

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F. P. Weiser	5642
A. M. Baldwin	8727
R. E. Latimer	8727
Sterling Area	
H. K. Potter	8469
E. J. McMeekin	8727
R. B. Nickson	7594
United States Area	
B. S. Shapiro	8469
B. O'Neill	8469

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Birks Bldg., 107 Sparks St.

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Chief Credit Officer: A. W. Thomas	2-4828
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Assistant Director (Weights and Measures): C. S. Phillips	2000
Assistant Director (Precious Metals Markings): W. L. Berry	7075

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No. 4 Building, Lyon St.

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

Foreign Exchange Rates

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

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

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

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

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

For conversion to United States dollar equivalents multiply by 1.01523.

Country	Unit	Type of Exchange	Canadian dollar equiv. April 23	Notes (See below)
Argentina	Peso	Preferential buying	·1313	(1)
		Basic buying	·1970	
		Preferential selling	·1970	
		Basic selling	·1313	
		Free	·0709	
Austria	Schilling .....	.....	·04611	
Australia	Pound .....	.....	2·2205	
Belgium-Luxembourg & Belgian Dependences ...	Franc .....	.....	·01972	
		.....	·01642	tax 5% (1)
Bolivia	Boliviano	Official	·00980	tax 3% (2)
		Differential	·5783	(3)
British West Indies	Dollar .....	.....	2·7756	(4)
		.....	·6939	
		Brit. Honduras	·5324	tax 8% (2)
Brazil	Cruzeiro	Official	·02202	
		Free	·2082	
		.....	·2082	
Burma	Kyat .....	.....	·03172	(1)
Ceylon	Rupee .....	.....	·01640	
		.....	·00895	
Chile	Peso	Official	·3940	tax 3% (2)
		Commercial	·4249	
		Free	·1758	(5)
Colombia	Peso	Basic	·1484	*March 16
		Coffee buying	·9850	tax 2%
		Official	·01970	
Costa Rica	Colon .....	.....	·1426	
Cuba	Peso .....	.....	·9850	
Czechoslovakia ...	Koruna .....	.....	·06567	(6)
Denmark	Krone .....	.....	2·8285	
Dominican Republic	Peso .....	.....	2·5006	
		.....	·0428	
Ecuador	Sucre	Official	·00282	
Egypt	Pound	Free	·00563	
		.....	·01549	
Fiji	Pound .....	.....	·2345	
Finland	Markka .....	.....	·000033	
France	Franc .....	.....	·9850	
French Africa	Franc .....	.....	·1970	
French Pacific	Franc .....	.....	·4925	
Germany	D Mark .....	.....	·1652	*April 10
Greece	Drachma .....	.....	·06048	
Guatemala	Quetzal .....	.....	·04659	
Haiti	Gourde .....	.....	·03771	
Honduras	Lempira .....	.....	·2082	
Hong Kong	Dollar	Free	·08640	(7)
		.....	·00186	*March 16
		
Iceland	Krona	Official .....	.....
		
India	Rupee	Special buying .....	.....
		Special selling .....	.....
		
Indonesia	Rupiah	Basic .....	.....
		Dollar certificate .....	.....

* Latest available quotation date.