foreign trade

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COVER . . . Nitrates turned out in plants like this one are the basis of one of Chile's major industries. Despite plans for strengthening the economy, inflation and high costs are holding up industrial development. The steps Chile is taking to overcome these difficulties are discussed in an article on page two.
—Photo by Universidad de Chile

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Chile and Its Economic Problems

Long-term development plans are moving forward slowly, but inflation and high costs are slowing down the rate of progress.

SANTIAGO—Though the new Chilean Government has as its objective long-term economic development, with the aid of foreign capital, it must first deal with some immediate and pressing problems.

Inflation continues to cause serious capital losses in industry and measures for dealing with it have not advanced beyond the discussion stage. High costs over the past two years have aggravated the situation; salaries and wages have been readjusted without any corresponding increase in production. Government expenditure has increased appreciably and at present 42 per cent of the budget goes toward public works and social services.

The seriousness of the situation has led the Government to form a State Bank. This bank will take anti-inflationary measures through direct control over all investments of government institutions. The extent to which Chile has been affected by inflation is shown by a value of currency index which, taking December 1949 as 100, had increased to 194 in October 1952. This is said to be the greatest known increase, certainly in South America, with the possible exception of Paraguay.

Costs Continue to Soar

The domestic budget, the largest in Chile's history, is 65 per cent higher than in 1952 although it is only 16 per cent above the actual expenditure during that year. There is some evidence of an attempt by the Government to reduce administrative costs but, on the whole, it has had little success in stemming inflation. Salaries and costs have continued to rise and production is continuously hampered by serious labour disputes. Last year stoppages are estimated to have reduced output by 25 per cent.

The authorities recognize that the Foreign Exchange Budget is one of the most important means of helping the country attain the necessary economic equilibrium. This year, the administration will probably attempt to reduce imports and foreign expenditure wherever feasible and, at the same time, encourage credits from international financial institutions and from foreign suppliers.

The Government's program also calls for an expansion of production, particularly in agriculture and mining. This will involve considerable capital expenditure on imported machinery and equipment. Specific loans amounting to almost $50 million have been requested from the Export-Import Bank for the development of the mining industry. A loan of $20 million has been obtained from the International Bank to construct a cellulose and newsprint plant. The Development Corporation is continuing its policy of importing farm machinery, with payment to the manufacturer spread over two years.

Copper is still the basis of Chile's foreign exchange budget and the President has been given special power to control the purchase price—last year copper earned for the country approximately $65 million. This is one of the world's greatest copper properties at Chuquicamata.

Chile's minimum exchange requirements for this year are estimated at $470 million in the Foreign Exchange Budget, and this exceeds potential exchange revenue by almost $100 million. Last year Chile's imports totalled $447 million and, in spite of the favourable developments in the copper market and an overall favourable balance on trading account, the year closed with a deficit of $70 million.

Copper Revenue Up

Copper remains the basis of the Foreign Exchange Budget and this year's income estimates allow for an increased production of copper over last year's high of 380 thousand tons. Special powers given to the new President include control of the purchase price of copper. Thus, even if the world price falls, it may be possible for the Chilean Government to maintain its profit from the price differential between the cost and the selling price simply by reducing the price paid to the mining companies. The Central Bank will continue to represent the Government in copper transactions. Last year these transactions earned, because of the extra price benefit, approximately $65 million.

Certain other developments give cause for optimism. The general index of industrial production increased from 193·4 in 1951 to 214·3 in 1952, (1936-38=100). The principal increases were in steel production and electric power; building construction decreased.

The efforts to become self-sufficient through industrialization are continuing and outside capital is being encouraged. For example, Italian companies have expressed an interest in the establishment of a chemical plant and are also considering the manufacture of medium tractors. A penicillin plant under the auspices of the World Health Organization has been installed; a modern gypsum plant using German machinery is now producing; Parke Davis & Co. are considering the manufacture of chloromycetin. The Government is also expanding its state-controlled industries and is studying the possibilities of the chemical industry, the aeronautical industry and, under the auspices of FAO, intends to construct a modern mechanized bakery.

The Development Corporation is continuing to consolidate industry and review new projects. The steel industry has been put on a comparatively sound footing, electrification plans are continuing, and extensive development is taking place in the oil fields of Magallanes. The Corporation is in touch with German chemists over the setting-up of an industrial chemical industry in the north on the basis of extractive products from nitrate, sulphur and other minerals. It has also been suggested that the Corporation form a company in the extreme south of Chile to make by-products from the sheep-farming industry.

Mineral Production

The Index of Production of the large mining companies showed a slight reduction from 113·4 to 111·6 in 1952. The basic index of 100 is for the years 1936-1938; the increase is thus only 12 per cent over fourteen years. Some individual metals showed reductions in the past year, as the table shows.

PRODUCTION	1951		1952	
Nitrate	1,684,807	gross tons	1,427,817	gross tons
Iodine	1,298,482	" "	818,336	" "
Coal	2,211,295	" "	2,416,894	" "
Copper	397,726	" "	404,742	" "
Iron	1,952,580	" "	1,392,528	" "
Gold	5,401	fine kilos	5,475	fine kilos
Silver	30,590	" "	38,766	" "

Agriculture

The mechanization of agriculture, with the assistance of the Development Corporation, has continued and the area sown to wheat, barley, oats and rice is materially greater than last year. The following figures show the important increases under most headings. The improvement is due, in most cases, to better yields because of satisfactory weather rather than to a larger area planted.

Annual Harvests
(in tons)

PRODUCTION	1951	1952
Wheat	972,630	987,936
Barley	90,351	125,273
Oats	87,512	109,620
Beans	61,886	64,220
Maize	70,989	89,424
Potatoes	424,235	472,818
Peas	14,499	13,944
Chick-peas	3,405	3,924
Lentils	11,521	16,256
Rice	40,280	80,018
Sunflowers	68,105	64,886
Hemp seed	3,264	4,035
Hemp fibre	3,651	4,414
Flax seed	4,337	4,358
Flax fibre	904	1,036

The Government intends to encourage agricultural production by granting long-term credits instead of the present 90-day credits usually accorded by the commercial banks. A subsidy of 50 per cent of the value of fertilizers has been authorized but neither the national production nor imports have been able to supply the demand. Irrigation projects have been to the fore and in particular, plans are being prepared for the irrigation of 600 hectares in the vicinity of Santiago, the cost to be repaid over a period of years by those receiving the benefit. Experiments in irrigation by sprinkling have also been carried out; the cost of this is low compared with the cost of irrigation works.

External trade has continued to expand and exports reached a total of 2,206·4 million gold pesos against 1,802·6 million in 1951. (The gold peso is worth approximately 21 cents.) Imports, at 1,795·1 million gold pesos, were somewhat higher than the 1,593·4 million in 1951. The breakdown for 1952 is not yet available but the United States continued to be the principal customer and source of supply, with the United Kingdom in second place, with just under one-fifth of the U.S. total. Argentina occupied third place and Germany fourth.

The continuance of a favourable trade balance will doubtless be ensured by strict controls and the extent to which these may be relaxed during the year depends largely on continued satisfactory copper prices.

Canada's Trade with Chile

According to Canadian statistics, the value of exports to Chile in 1952 was Can.$10,089,000, as compared with Can.$13,751,000 in 1951. The 1952 total included wheat exports to a value of Can.$3,815,000 and seven aircraft to a total value of Can.$238 thousand. Exports of newsprint, wood pulp, agricultural machinery, asbestos fibre, soda and sodium compounds and electric meters held up well; so did automotive tires and washing machines, within the limits of restrictions.

Imports into Chile now are being restricted to raw materials for industry and indispensable goods, and this situation is likely to continue throughout the year. Import permits are required for all goods. Canadian exporters should take great care to see that import permits are in order and, except for valuable business with first-class firms, should insist upon letters of credit.

Imports into Canada from Chile totalled Can.$3,282,000 in 1952, compared with Can.$2,153,000 in 1951 and consisted principally of ores, wool, fresh fruits, onions and nitrate.

During 1952 Chile signed bilateral trade agreements with France, Cuba, Argentina, Italy, Greece, Spain, Sweden, Brazil, Ecuador, Western Germany, Mexico and Colombia. In addition, conversations took place with the Netherlands Government and with the Hungarian Trade Mission. The visit of the Argentine President was the occasion for high-level discussions on the possibilities of an economic and customs union between Argentina and Chile.

Despite all these favourable factors, Chile still must make headway against many difficulties. The conclusion of the recent United Nations report on conditions there emphasizes the need for the authorities to take direct action on conditions which are aggravating the economic ills. The report said in part: "It is our considered opinion that, unless the inflationary process is arrested, the distortion to which the country's economy has been subjected will grow worse and will constitute a most serious obstacle to the execution of any program of development".

—M. R. M. Dale
Commercial Secretary for Canada

United States

Canada's Trade with the South

A canvass of principal carriers between Canada and the Southern States, carried out by the New Orleans office, yielded interesting data on our trade with this region.

NEW ORLEANS—Most of the Canadian products imported into the Southern States are shipped by rail. They therefore lose their statistical identity at the time of crossing the Canadian border and there is no way of determining from national figures the products or quantities which actually reach the South.

True, a few commodities such as newsprint and gypsum rock go directly by ship to Southern ports. But apart from such items, Canadian imports into the Southern States can be identified only by consulting railway officials and local importers. This office therefore made a canvass of the principal carriers between Canada and the Southern States.

The resulting lists of commodities given below show the major Canadian goods now being received in the Southern States. Certain goods shipped by express or truck may have escaped identification, but in general the list comprises the bulk of the commodities of Canadian origin now being imported, and also the main exports from the Southern States to Canada. (This latter information was also gained from a canvass.)

WHAT CANADA SELLS TO THE SOUTH

Wood and Wood Products

Lumber (softwoods and hardwoods); veneers and plywoods; paper and newsprint, paper products, wood pulp, pulpboard; shingles; Christmas trees; barrels.

Softwoods from British Columbia and Alberta are now being imported by rail into every Southern state. Hardwoods (birch and maple), hardwood veneers and plywood from Ontario and Quebec are moving as far as rail rates will permit, which is largely to the perimeter states of the South. Newsprint and paper come down either by water or by rail and are widely distributed. Christmas trees move into every state in the South from either the Maritimes or the Pacific Coast. Shingles have a limited market in such states as Texas.

Agricultural Products

Apples, potatoes, rutabagas, miscellaneous vegetables, canned foods, eggs, hay, oats, beet pulp, grain, grain screenings, whisky.

Apples from British Columbia have a widespread distribution in the Southern States and nearly all are of the Delicious variety. Potatoes from the Maritimes and rutabagas and turnips from Ontario have a steady and far-reaching market. The sale of grain products is also well distributed. Certain brands of Canadian whisky are, of course, widely known and well thought of in the Southern States.

There are occasional sales of eggs, but no steady market seems to have developed in the South, where grades are somewhat lower than in Canada.

Fisheries Products

Fresh fish, fresh frozen fillets of cod and related species, canned salmon, canned sardines, fish meal.

The sale of Canadian canned fish in the Southern States is still on a modest scale although considerable quantities of Canadian salmon are supplied under U.S. brokers' labels. There seems to be an opportunity to expand the sale of fresh frozen fillets, because refrigeration facilities in the South are increasing. There are occasional sales of fish meal, depending on price.

Chemical and Mineral Products

Asbestos—short, fibres, waste; salt cake; fertilizer (cyanamide and ammonium nitrate); chemicals, various; firebrick; latex, rubber; scrap and waste material; insulation, roofing; barytes, gypsum (crude).

Asbestos products are widely sold in this area and fertilizer is entering a number of states. Canadian firebrick is being used in one or two states. Crude gypsum is imported heavily from Nova Scotia in summer months.

Metal and Metal Products

Lead, aluminum, agricultural machinery and implements. Canadian agricultural implements are sold throughout the South.

Miscellaneous

Furniture, bagging, vehicles, boats, pulp mill liquid.

WHAT CANADA BUYS FROM THE SOUTH

Wood and Wood Products

Lumber, resin, flooring, boxes, box lumber, turpentine, wallboard, wood flour, pine oil, wooden handles, billets, pulpboard, paper bags, newspaper cores, miscellaneous wood products, paper for plasterboard, poles.

Agricultural Products

Grapefruit, citrus products, watermelons, potatoes, celery, tomatoes, cucumbers, shallots, onions, yams, spinach, cabbage, carrots, canned goods, rice, molasses, soybean oil, cotton, cotton linters, cotton bagging, twine, burlap.

Fisheries Products

Oyster shell, oysters, shrimp, canned shrimp.

Chemical and Mineral Products

Clay, carbon black, bauxite, phosphatic clay, fuller's earth, chemicals, phosphate rock, petroleum and its products, dispersant gas, synthetic rubber, anti-knock additives, naval stores, insecticides, sulphur, tires, coal, coke, corkboard, stone grit.

Metals and Metal Products

Cast iron pipe, scrap iron, iron, machinery, agricultural machinery, road-making machinery, hay presses, farm tractors, portable sawmills, gas stoves, gas containers.

Reports have already appeared in *Foreign Trade* about certain imports from Canada, such as softwoods, hardwoods, canned fish and potatoes. Further reports will, from time to time, cover other goods in this general list. Canadian firms interested in receiving details, such as the names of possible importers, marketing conditions, etc., for any items are invited to write the Office of the Canadian Trade Commissioner Service, 215 International Trade Mart, New Orleans.

—G. A. NEWMAN
Consul of Canada and Trade Commissioner

Mexico Buys Shell Eggs

MEXICO CITY—Canadian exporters of fresh eggs might well turn their attention to Mexico, a market which they have largely ignored in the past. Serious outbreaks of Newcastle disease among Mexican poultry in the last three years have created a demand for substantial quantities of imported shell eggs. In 1951, these imports totalled over $2 million in value and came entirely from the United States; in 1952, they doubled to over $4 million. Again, the United States was the dominant supplier but other countries began to share in the trade.

The table below gives the details:

Year	From	Weight (in kilos)	Value (in pesos)
1951	United States	3,546,285	19,167,071
	Total	3,546,285	19,167,071
1952	United States	11,208,894	35,228,739
	Guatemala	13,200	70,887
	Switzerland	15	59
	France	7	87
	Total	11,222,116	35,299,772

The Mexican tariff sets the duty on imports of shell eggs at 20 centavos per legal kilogram, plus 25 per cent ad valorem. The official price set for the ad valorem duty is $3.95 pesos, or the f.o.b. invoice value, whichever is the higher.

CEISMA, the semi-government importing organization, is legally the only importer of fresh eggs. Thus Canadians who wish to market shell eggs in Mexico must appoint local representatives who will be able to offer quotations direct to CEISMA.

Demand is for Grade B large eggs packed 360 to the case. This case must be entirely new or used no more than once. The eggs should have a minimum weight of 45 lb. net.

Indications are that the market will continue good for the rest of this year and probably throughout 1954.

—M. T. STEWART
Commercial Counsellor for Canada

France

The Changing Industrial Pattern

Certain industries, such as petroleum, electrical energy, and the engineering group have made spectacular advances since the war; trades like textiles and leather have not fared as well.

PARIS—In a recent statement to the Commission on Economic Affairs of the French Parliament, the Minister of Economic Affairs expressed concern at the slowing-down of the rate of increase in French industrial production during 1952. Although the index for the year showed a 4 per cent increase over 1951, this compared unfavourably with the 13 per cent increase achieved in the two years 1949 to 1951.

Some slowing-down in the rate of increase was to be expected, but the actual increase in 1952 was only possible because of a relatively good showing for the first six months of the year. The average monthly index of industrial production (1938=100) during January-June was 150; for August-December it was only 139, or the same as the monthly average for all of 1951. The index usually falls off drastically during the months of July and August, but in recent years the pick-up in the autumn has offset these slack months. Generally, after a slight dip in December, the new year has shown a return to the rising production trend, but January 1953 carried down the December figure of 145 to 143.

Unemployment Rises

Unemployment is still not serious in France, but the gradual increase during the past year has given rise to some uneasiness and adds emphasis to the slowdown in production. The Minister pointed to the fact that at the end of January the number of *registered* unemployed was 67 thousand, which would give a real figure of some 200 thousand. The total French civilian labour force is calculated at slightly more than 20 million and this means that the proportion of unemployed is not alarming. However, the trend is not as reassuring. In January of 1951 there were only 38 thousand registered unemployed and the figure has shown a steady increase since the low point of 33 thousand in August. Throughout 1951 there was a decline and the present numbers have probably not been equalled since industry settled down after the war.

Signs of Progress

Although the overall production picture gives some grounds for uneasiness, certain industries made very satisfactory progress. The production of electricity has expanded almost continually and only in July and August did its index drop below the 1951 monthly average. The petroleum products industry made spectacular advances. Starting virtually from scratch after the war, its index reached 330 monthly average during 1952, compared with 282 in 1951. There was an almost uninterrupted increase during the year, with the index at the end of the year standing at 359. The building materials industry (slates, stone, gravel quarry, road-making materials) also showed continued and steady progress with a monthly average of 174 in 1952 (137 in 1951). The metal-working industries had an average monthly index of 173 in 1952 compared with 149 in 1951, an achievement made possible by a fairly uniform but higher production throughout the year rather than by any rising trend. Production of metals, ores and coal also showed considerable increases.

Of the detailed manufacturing industries, steel showed a 24 per cent rise over 1951 and the renascent aeronautical industries produced 44 per cent more than in 1951. This is still considerably below the prewar levels; the end of the year showed an index of 72 and an average monthly index of 66, compared with 56 in 1951. The important automobile industry had a moderately successful year with a monthly average of 189 against 176 for 1951. (This was a 2 per cent increase in production.)

Some Industries Lag

Leather, textiles and staple fibres, paper, glass and publishing were the principal industries showing the greatest drop in production compared with 1951. Glassware production was down by 22 per cent, paper by 26, publishing by 22, leather by 13, textiles by 11 and staple fibre by 32 per cent.

It is difficult to assess the importance to the national economy of these changes in production trends, but the textile industry is still one of the major manufacturing groups in France. It is exceeded only by the iron, steel and engineering industries which, combined, probably account for about 14 per cent of the gross national product. The textile industry alone, however, accounts for perhaps 10 per cent.

Changing Pattern

Changes in the pattern of French industry since the war are illustrated by the relative increase or decrease in the indices. An examination of these figures shows that the production of energy, engineering industries and rubber have made the most spectacular postwar strides, at the expense of the textile and the artisanal trades. The leather trades in particular have failed to become re-established, possibly because the industry used to rely to a large extent on imported hides (imports in 1938 of raw hides were nearly 154 thousand tons, whereas in 1951 they were only 91 thousand tons) and currency problems today make such imports difficult now. Fats and oils are also well below prewar levels.

The paper trades, solid fuels, and metal refining have all passed the 1938 levels but their progress is well below that of industrial production as a whole. In the important textile industry, advance has been slow and the 1938 level was notably exceeded only in 1950 and 1951. The index of 103 in 1952 represents a slip back of 12 points from the 1951 average.

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

FAIRS and EXHIBITIONS

Fashions for a Day

A unique trade promotion project, in which seven Canadian sportswear manufacturers are co-operating with the Dominion Government and with the Government of the Province of Quebec, will take place privately on May 15th at a Laurentian resort.

That morning, a number of business executives, buyers and publicity representatives will be flown from New York to the resort to witness a showing of Canadian sportswear and similar items. They will leave New York at 9.15 a.m. and will arrive back, by plane, at 8.30 p.m. the same day.

The object of this special showing is to demonstrate the proximity of Canada as a source of supply of desirable merchandise and to encourage buyers to visit this market on their regular buying trips.

Going to Britain?

. . . You may want to see some of these exhibitions when you visit Britain for the Coronation or later.

Glass Industries Exhibition, London, May 11-16. Information: Mr. G. F. E. Grimaldi, B. and C. D. Exhibitions Ltd., 194-200 Bishopsgate, London, E.C. 2.

Blackburn Ideal Homes Exhibition, Blackburn, May 13-23. Information: Northern Exhibition Services, 66 Deansgate, Manchester 3.

Medical Exhibition, Liverpool, May 18-22. Information: British & Colonial Druggist Ltd., 194-200 Bishopsgate, London, E.C. 2.

Industrial Exhibition, King's Hall, Belfast, May 27-30. Information: S. Clarke, The King's Hall, Belfast.

Grocers, Bakers, Confectioners and Caterers Exhibition, Birmingham, May 27-June 6. Information: Herbert Daniel Exhibitions Ltd., 15 Dover Street, London, W. 1.

6th London Fashion Fortnight, May 27-June 10. Information: Miss D. Fox, Hamilton House, 138 Piccadilly, London, W. 1.

Display of Wool Textiles, London, May 27-June 12. Information: International Wool Secretariat, Dorland House, 18-20 Regent St., London, S.W. 1.

Royal Ulster Agricultural Show, Belfast, May 27-30. Information: Royal Ulster Agricultural Society, King's Hall, Balmoral, Belfast.

Coronation Gem Exhibition, Glasgow, May 30-June 27, sponsored by West of Scotland Branch of the Gemological Association of Great Britain.

British Plastics Exhibition, London, June 8-18. Information: British Plastics, Dorset House, Stamford Street, London, S.E. 1.

Sheffield Industrial and Modern Homes Exhibition, Sheffield, June 10-20. Information: Renova Exhibitions Ltd., 24 Middle St., Brighton 1.

13th Antique Dealers' Fair and Exhibition, London, June 10-25. Information: Captain C. S. Platts, Room 904, Grosvenor House, Park Lane, London, W. 1.

North Staffordshire Trade and Fashions Fair, Hanley, June 13-27. Information: Moorland Exhibition Enterprises, 69 Moorland Road, Weston-super-Mare.

40th Business Efficiency Exhibition, Olympia, June 16-26. Information: Office Appliance and Business Equipment Trades Association, 11-13 Dowgate Hill, Canon Street, London, E.C. 4.

2nd Safety and Factory Efficiency Exhibition, Birmingham, June 19-26. Information: Mr. A. G. Cogswell, S.A.F.E. Exhibition, Fort Dunlop, Birmingham 24.

2nd British Instrument Industries' Exhibition, London, June 30-July 11. Information: F. W. Bridges and Sons Ltd., Grand Buildings, London, W.C. 2.

The President of the Italian Republic visited the Canadian exhibit at the recent Milan Trade Fair and was guided through the display by A. A. Caron, Assistant Commercial Secretary for Canada in Rome. L. to r. (foreground) are: G. Carbone, Secretary General to the President; Mr. Caron; His Excellency, the Hon. Luigi Einaudi, the President.

Utrecht and Canada

The oportunities for Netherlands exporters in the Canadian market were symbolized in a striking way at the 60th Royal Netherlands Industries Fair, held at Utrecht March 17-26. On the third day of the Fair, W. G. Pybus, Assistant Commercial Secretary for Canada, presented to the president of the Fair an aluminum key, made by the Aluminum Co. of Canada Limited and bearing the inscription: "Key to Canadian Trade". (Mr. Pybus was acting for J. A. Langley, Canada's Commercial Counsellor, kept away by illness.)

The Fair, as always, proved a great success. Some 4,027 exhibitors from thirty countries participated and the Fair covered a total area of more than 50,000 square metres. About 150 thousand visitors attended, but the disastrous floods early in February cut down the number coming in from certain Dutch provinces. Foreign visitors arrived from 56 countries and included 15 Canadians.

Canada sponsored an official exhibit for the second time since the war. The display included food products, lumber and paper products, aluminum and other metals, synthetic rubber, etc. Those on duty at the Canadian stand reported a good number of trade inquiries, covering a wide range of commodities. In addition, about 15 people a day asked about emigration to Canada and many Netherlands companies discussed the possibility of setting up branch plants here.

Here is W. G. Pybus, Assistant Commercial Secretary for Canada in The Hague, presenting the "Key to Canadian Trade" to the president of the 60th Royal Netherlands Industries Fair in Utrecht. The presentation of the aluminum key took place at the Canadian stand.

United States

The Trade Picture in '52

Exports from the U.S. reached a record high last year, imports declined slightly compared with 1951, and the gap between reached $4.5 billion.

WASHINGTON—The year 1952 saw domestic exports from the United States soar to a new high of $15,163 million, and imports for consumption, at $10,714 million, fall only slightly below 1951's record figure of $10,967 million.

The table gives the story in detail for the past nine years and points up the margin between export and import trade.

U.S. Exports and Imports, 1943-1952

(in billions of dollars)

Year	Exports	Imports	Difference
1943	13·0	3·4	9·6
1944	14·3	3·9	10·4
1945	9·8	4·2	5·6
1946	9·7	4·9	4·8
1947	14·4	5·8	8·6
1948	12·6	7·1	5·5
1949	12·1	6·6	5·5
1950	10·3	8·9	1·4
1951	15·0	11·0	4·0
1952	15·2	10·7	4·5

Exports Hold Up

Exports of U.S. merchandise include grant aid, military equipment and supplies shipped under the Mutual Security program. During 1952 these reached a value of about $1,981 million, compared with $1,065 million in 1951. The fact that exports for the year were so high was contrary to the expectation of a good many economists who, about mid-year, forecast a decline in export trade. Actually, after running at a steady monthly rate of between $1·2 and $1·4 billion during the first six months, there was a considerable setback in July and August when the value of exports declined to slightly over $1 billion in each of these months. However, the value increased again in the last four months of the year to about the normal rate of $1·2 to $1·3 billion. Whether this high rate of export trade can be maintained through 1953 is another question. Some sectors of trade are already expressing concern, although no very positive indications of a decline have yet appeared.

Imports, on the other hand, maintained a monthly figure of between $800 and $900 million throughout the year with the exception of December when, for the first time in the twelve months, they exceeded $1 billion. Trade figures by broad geographic areas show that imports from Canada went up from $2,275·4 million in '51 to $2,835 million in '52 and from the twenty Latin American republics, they increased from $3,347·8 million in '51 to $3,410 million in '52. On the other hand, imports from Western Europe declined from $2,051·1 million in 1951 to $1,983·1 million in 1952. This decline was noted in most other areas.

Canadian Imports Larger

Correspondingly, U.S. export returns show that larger shipments to Canada accounted almost entirely for the 1952 increase over 1951 of $197 million in the total value of exports. Exports to Western Europe declined by $751 million; to the South American republics by $270 million; to the Far East by $87 million; and to Africa by $12 million.

By commodity groups, imports and exports for the two years were:

	Exports		Imports	
	1951	1952	1951	1952
Machinery and vehicles	3,796·5	3,860·3	243·3	353·6
Textile fibres and manufactures	1,968·0	1,536·1	1,495·1	1,111·6
Vegetable food products	1,855·2	1,831·9	2,654·8	2,748·7
Non-metallic minerals	1,638·8	1,545·2	977·1	1,060·8
Metals and manufactures	1,036·9	1,224·4	1,435·4	1,922·0
Chemicals and products	980·9	802·0	300·6	244·0
Vegetable products—inedible	803·8	648·6	1,279·2	1,041·6
Miscellaneous	551·1	517·4	67·4	72·6
Animal products—edible	384·7	263·7	429·8	399·2
Wood and paper	380·0	318·8	1,304·4	1,260·7
Animal products—inedible	180·8	156·8	408·4	292·2

Breakdowns of the above figures by sources and destinations are not yet available.

—Stanley V. Allen
Commercial Counsellor 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.

How's Business in Haiti?

Uncertainty and pessimism prevailed in business circles at the end of 1952, with lower prices for the all-important coffee, sisal, sugar, banana and cotton crops clouding the outlook.

CIUDAD TRUJILLO—Haiti's purchasing power depends almost solely on the value of her crops, principally coffee, sisal, sugar, bananas and cotton. Towards the end of the year the agricultural situation was far from satisfactory and uncertainty and pessimism prevailed in business circles. Coffee, which has always been Haiti's No. 1 crop, was suffering a setback and the 1952-53 crop was forecast as almost one-third less than in 1951-52. During the corresponding period last year, Haiti benefited considerably from the export of peasant sisal, but because of the weak demand in world markets, the price dropped from over 25 cents a pound f.o.b. to less than 10 cents f.o.b. Sugar cane was suffering a similar fate and banana exports were low, with no immediate prospects of an increase.

Foreign Trade

Exports for the eleven months ending August 31, 1952, amounted to US$51,153,046. Imports totalled US$45,864,452, leaving a favourable trade balance of a little over $5 million. The principal exports for this period by value were:

Coffee	US$32,056,451
Sisal	9,664,251
Sugar	3,276,120
Essential oils	1,141,270
Handicrafts	1,176,759
Castor beans	690,197
Cotton	576,738
Bananas	437,679
All others	2,135,580

The United States was the principal buyer, taking over 58 per cent of total exports. Belgium was second with 23 per cent, followed by Italy, 8 per cent and the Netherlands, 5 per cent.

During the period under review, principal imports were:

Textiles (cotton, jute, etc.)	US$11,580,881
Foodstuffs	9,757,902
Motor vehicles, machinery, radios, refrigerators, etc.	8,058,501
Iron and steel construction materials	4,036,900
Gasoline and oil	1,803,130
Soaps	1,619,361
Shoes and leather goods	1,275,087
Pharmaceutical products	1,033,205
Paper and paper products	961,241
Tobacco and tobacco products	785,980
Lumber	714,378
Rubber products	713,005
Cement	703,060
Glass products	550,827
Threads	409,623
Liquors and wines	358,965
Perfumes and cosmetics	321,806
Matches	209,632
Other products	972,964

—Office National du Tourisme

Haiti's unsatisfactory agricultural situation benefited considerably from exports of peasant sisal, but prices were lower because of weak demand in world markets. This native girl is hanging the sisal out to dry.

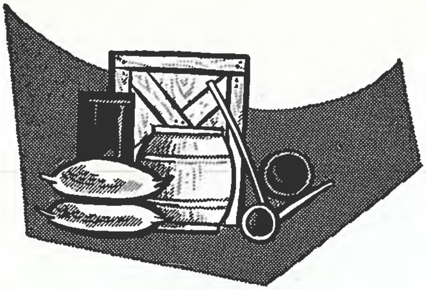
Exports from Canada to Haiti during 1952 amounted to Can.$3,417,325, as compared with $2,588,069 in 1951, an increase of over 30 per cent. Principal exports included fish ($1,450,470); flour ($1,176,287); rubber goods; foodstuffs; paper and paper products.

This project is destined to bring some 77 thousand acres of land into cultivation through flood control, drainage, irrigation and agricultural development. The Export-Import Bank has approved a loan of US$14 million and the contract has been awarded to a Texas firm. The total cost is expected to reach about US$22 million, of which the Government will provide about US$8 million.

Bauxite Operations

The Reynolds Mining Corporation of Virginia is beginning preliminary operations, in anticipation of actual mining of bauxite ore in the southern peninsula of Haiti. For the better part of this year, operations will concentrate on the building of a 15-mile asphalt road from the mining sites to the coast, and the erection of port-loading facilities for shipping the ore. The estimated area of the region that will eventually be chosen for mining is about 2,000 acres and approximately $7 million will probably be spent before mining activities begin.

—R. E. Gravel
Canadian Government Trade Commissioner



COMMODITY NOTES

BRITISH WEST AFRICA

Iron Ore—Part of a second postwar development plan of the United Kingdom steel industry was realized on April 9, when between 8,000 and 9,000 tons of iron ore left the new ore field at Conakry, on the west coast of Africa, destined for Great Britain.

This project is part of the steel industry's plan to find a permanent solution to the problem of increasing its supplies of raw materials. Additional quantities of iron ore are expected both from increasing Swedish production and from long-term contracts with Newfoundland —London, April 23.

COLOMBIA

Batteries—The first company to produce batteries in Colombia has begun operations in Medellin, the second city of the Republic. The capital of 500 thousand pesos has been subscribed from Colombian sources and experienced Italian technicians are being used. A wide range of batteries will be manufactured, including those for automobiles, motorcycles, electric railways, boats, airplanes and industry—Bogotá, April 14.

DENMARK

Fresh Pork—A 27-year ban was recently lifted by the United Kingdom to permit entry of fresh pork from Denmark—The Hague, April 14.

ICELAND

Nitrogen Fertilizer—The International Bank for Reconstruction and Development has given Iceland a loan to help finance the construction of a nitrogen fertilizer plant. The plant will make enough fertilizer to meet the country's needs and, because Iceland now has to import all its chemical fertilizers, will save foreign exchange. At full capacity the plant will produce about 18 thousand tons of ammonium nitrate a year. This is substantially above the current consumption but the use of fertilizer is expected to increase gradually until the whole output can be used in Iceland. In the meantime, the surplus will be exported—London, April 22.

ISRAEL

Sodium Hypochloride—Following the establishment of a new factory at Haifa, Electro Chlorine Chemical Industries, Israel's output of sodium hypochloride will be increased by 800 tons a year. This will relieve the present drain on foreign currency reserves to meet the requirements of the local textile and paper industries—Athens, April 7.

JAPAN

Canned Oysters—Oyster fishermen of Hiroshima plan to can about 165 thousand lb. of oysters this year for export primarily to the United States and Canada. Canned oysters produced as an experiment have proved a success—Tokyo, April 10.

SOUTHERN RHODESIA

Minerals—Value of Southern Rhodesia's mineral output in 1952 reached a new high—£20,201,282 (provisional). Gold production was nearly 10,000 ounces more than in 1951; 496,730·13 fine ounces were produced, valued at £6,165,672, but the premium sales amounting to £354,244 brought the total value to £6,519,916. The total value of all other minerals including silver was £13,681,366.

Although final details of December base mineral production have not been issued, large increases in value are expected, as follows: asbestos, £1·2 million; chrome ore (because of stockpiling), £2·75 million; coal sold, £460 thousand; limestone, £130 thousand; tungsten-scheelite concentrates, £220 thousand. The total of these probable increases in value for the 1952 base mineral production is more than £4·76 million—Johannesburg, April 13.

UNITED STATES

Fruits and Vegetables—Even though New Orleans is some 1,500 miles south of Canada, certain Canadian fruits and vegetables still find their way into this market. In 1952, out of a total of 10,814 carloads of fruits and vegetables which entered the New Orleans market, 35 carloads came from Canada. Included in this figure were 11 carloads of apples and 22 carloads of rutabagas. Of the rutabagas 17 carloads were received by rail and 5 by truck—New Orleans, May 1.

WEST GERMANY

Zinc and Lead—Declining prices in the lead and zinc market in 1952 caused considerable worry to the German zinc and lead mines. Production of zinc in 1952 increased only slightly, to a total of 140 thousand tons; production of lead decreased from 147,200 to 128,600 tons. A reduction in orders following the opening of the London zinc and lead market is said to have influenced this development. For some time many metal ore mines have been forced to sell below production costs. Producers are hoping to find some solution to their difficulties through negotiations with the Federal Ministry for Economics. A settlement of the problem, however, is difficult because of varying costs in mines—Bonn, April 17.

Asia Discusses Its Trade Problems

At a recent Trade Promotion Conference held in Manila, twenty Asian countries examined trading problems, and reached some interesting conclusions.

MANILA—Asia is today occupying an increasingly important position in world affairs. The twenty Asian countries extending from Pakistan to the Philippines contain nearly half the world's population and control a very large proportion of certain vital commodities, including rubber, tin, jute, tea, fats and oils. Yet these twenty countries enjoy only about ten per cent of world trade. Moreover, the deterioration in the world's basic raw materials markets has painfully affected Asian trade. Hence, any plans designed to promote the trade of Southeast Asia deserve serious consideration.

One of the organizations working actively in this field is the UN's Economic Commission for Asia and the Far East. The general meeting of ECAFE held in Indonesia in February (see *Foreign Trade* of April 11, 1953) was followed by a nine-day Trade Promotion Conference in Manila, Philippines. This conference attracted some 150 delegates and observers from 37 countries which were either members of the ECAFE, United Nations members outside of ECAFE, or entirely outside the United Nations. In addition, several groups were invited to send observers, including the Food and Agriculture Organization, the International Labour Office, and others interested in international affairs, such as the Commission for Asia and the Far East of the International Chamber of Commerce.

Economic Conditions Reviewed

Many interesting facts were brought out in the resumés of economic conditions in the various countries given at the opening session. Europe accounts for one-third of the trade of Southeast Asia, but since the war there have been some conspicuous shifts in Asian trade. The share of the United States, especially as a supplier, has increased. United States exports to the ten main ECAFE countries increased in relation to world trade in the period 1928 to 1952 from 9 to 17 per cent, but exports from Europe dropped from 43 to 21 per cent. Particularly marked was the decline in imports from Britain—from 25 to 14 per cent.

Trade between Southeast Asia and Eastern Europe, including the USSR, is an insignificant part of the total, despite the highly advertised economic development in the Soviet. In fact, trade with the USSR has consisted largely of exchanging raw materials for food.

Further surveys have revealed that trade between the countries of Southeast Asia could be increased; in fact, intra-regional trade is less than one-third of the total.

Following these economic reviews, the Conference resolved itself into three committees to discuss other resolutions which had been adopted by the preceding conference held in Singapore in October 1951. One committee took up marketing research as an aid to improving trade promotion; a second discussed methods of increasing exports, and a third considered import needs and export availabilities.

Controversial Questions Discussed

Controversial subjects debated included barter trade agreements, price stabilization, credit facilities, and the standardization of Asiatic exports. A lengthy debate followed a suggestion that countries in Southeast Asia should export processed products instead of raw materials. The Executive Secretary of ECAFE, Dr. P. S. Lokanathan, observed that "no nation can be compelled to limit the development of its processing industry if it wants to develop it to the maximum. Asiatic countries could turn out processed goods, and still export raw materials which could not be consumed by Asiatic processing plants".

No definite solutions of the many irreconciliable issues raised at the Conference were reached but, as the chairman, Mr. Balmaceda (the Philippine Secretary of Commerce) put it: "The Conference fully achieved its purpose by providing an opportunity for full discussion on international problems". Representatives argued long and hard over trade policies which obviously were bound to conflict, yet many delegates left Manila with a vivid impression of growing Asiatic solidarity and an inevitable shift in Asiatic trade.

However, although this impression of "Asiatic solidarity" pervaded the Conference, there was, at the same time, much evidence that delegates from Southeast Asia were also aware that their economic progress could be accelerated through friendly external aid. It was also apparent that they felt that, though substantial financial assistance was still generally needed, expert technical advice was still more essential.

Recommendations Put Forward

The following recommendations, covering the development of Asian trade with the West and increased inter-Asian trade, were made:

- That the ECAFE secretariat be supplied with information on credit facilities.
- That the Asian countries adopt, singly or collectively, methods that would help to stabilize raw material prices.
- That barter agreements between governments should not be ruled out completely, but that interested countries should study their possibilities.
- That steps be taken to improve port facilities to bring about a reduction of freight rates.
- That, to widen the range of suppliers, potential purchasers prepare specifications for imported equipment. The Bureau of Standards, International Standards Association and other appropriate agencies should give special advice towards the attaining of universal specifications.
- That governments should not impose import restrictions in such a way as to penalize countries which are not trading in specific goods.
- That customs procedures be simplified and tariff barriers reduced.
- That tourist facilities be improved.

Delegates also considered marketing research problems and recommended a more complete exchange of information on research developments in all countries.

Most of the delegations included civil service experts on Asian affairs, businessmen interested in the trade of the area, or businessmen who were nationals of countries in the region. They were therefore keenly interested in promoting and enlarging Asian trade. Consequently discussions were highly practical and reflected the business approach in the problems raised and in the desire for speedy solutions.

—FREDERICK PALMER
Consul-General of Canada and Trade Commissioner

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.

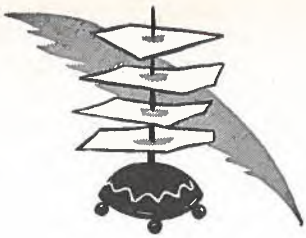
C. M. Croft, Commercial Counsellor for Canada in Sydney, Australia, began a tour of Canada in Vancouver on May 8. His itinerary follows:

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, began the second part of his Canadian tour in Windsor and Walkerville on May 4. His itinerary follows:

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 Montreal, Quebec, Saint John and Halifax; the Chamber of Commerce in Windsor, 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.).



GENERAL NOTES

COLOMBIA

Asbestos Deposits Explored—A new Colombian firm, Compania de Asbestos Colombiana S.A., has been formed to explore the asbestos deposits in an area of the Department of Antioquia, north of the city of Medellin. Capital of one million pesos has been subscribed by a semi-official Colombian body, certain local firms, and an important North American company, which has had experience in the mining and producing of asbestos in many parts of the world, including Canada. The technical skill will be provided by the North American company and it will direct actual exploration and development—Bogotá, April 10.

EGYPT

Regenerating Lubricating Oils—A factory for the regeneration of used lubricating oils was recently opened by Premier General Naguib at Mostorod, near Cairo. The factory is equipped with German-made machinery and will also produce greases. It is claimed that the factory will refine used oils to British and other standard specifications with a loss of only 25 per cent by volume of oil treated. If successful, it will mean a considerable saving in dollars because Egypt imports about £E1,000,000 worth of lubricating oils a year from the U.S.—Cairo, April 6.

GUATEMALA

Develop Wheat Production—The Government of Guatemala plans to promote wheat production with the aim of national self-sufficiency by 1958. Results at experimental stations and a recent survey indicate that the seven regions best suited to wheat-growing should be capable of producing $1\frac{1}{4}$ million bushels a year at 15 bushels an acre. With wheat from other areas it is estimated that 1·55 million bushels could be produced in 1958, which would reduce imports to the small amount required for blending purposes. Consumption in 1950 amounted to 1·45 million bushels, of which 0·6 million bushels were produced locally—Guatemala City, April 10.

INDIA

Production of Rare Minerals—Details of production in the state-owned rare earths factory at Travancore were recently announced. The factory has already produced 77 tons of rare earth chloride and carbonate. Normal production will be approximately 1,000 tons of rare earth chlorides and 450 tons of carbonate a year. Thorium and uranium are produced as by-products, and export may be permitted. Another by-product, trisodium phosphate which is a useful cleaning agent, can be absorbed in India itself. The factory is capable of processing 1,500 tons of monazite sands a year. Small quantities of a new kind of mineral, very rich in the radioactive elements thorium and uranium, have been discovered—New Delhi, April 10.

INDONESIA

Nationalize Tin Mines—The Government has decided not to extend the contract of the Billiton Mining Corporation for the operation of the Banka Tin Mines, the Indonesian Minister of Economic Affairs has announced. This contract expired at the end of February. He added, however, that co-operation with the operating company would be maintained. Indonesia's present tin output, averaging 30 thousand long tons of tin-in-concentrates (about 70 per cent pure tin), is now up to prewar levels. After rubber, tin is Indonesia's most important source of foreign exchange—Singapore, April 7.

MEXICO

Diesel-Fiat Plant—Two hundred million pesos will be invested in a Diesel-Fiat plant which is being constructed in Irolo, State of Hidalgo, for the assembly of Fiat automobiles and railroad freight cars, according to a statement made in Mexico City by Sr. Rodrigo Gomez, Director of the Bank of Mexico—Mexico, D.F., April 13.

NETHERLANDS

Retail Sales—Netherlands retail turnover in February was strongly affected by the flood disaster and showed considerably lower figures than in the previous year. Even compared with the sales figures for 1949 they are 58 per cent lower. For footwear and household goods the decreases amounted to 38 and 39 per cent, respectively. During the week from February 9 to 14 sales of textiles remained 54 per cent below the 1949 level—The Hague, April 15.

NEW ZEALAND

Tissue Paper Mill—A mill is to be built near Auckland, with a capital of £500 thousand, to make various tissue papers including toilet, fruit, facial and paper towels and serviettes. It will be the first mill of this type in New Zealand and will probably be able to supply the entire local demand. An important Canadian mill is interested in the undertaking—Wellington, April 9.

WEST GERMANY

Tourist Trade Grows—According to the German Tourist Association, Germany is fast regaining her prewar position as one of the leading holiday and tourist centres. Income from tourists was estimated at about DM400 million in 1952, as against DM275 million in 1951 and DM175 million in 1950. The Association reports that some 350 thousand beds are now available for visitors throughout Western Germany—Bonn, April 17.

The Indo-Pakistan Trade Agreement

NEW DELHI—The new trade agreement between India and Pakistan signed several weeks ago in New Delhi is the outcome of the disputes at the last GATT meeting. At that time, India accused Pakistan of levying a licence fee on Pakistan jute exported to India which did not apply on exports to other countries. Pakistan in return complained of the surcharge placed on Indian coal imported into Pakistan.

Effective March 25, Pakistan removed the licence fee of Rs.2.8.0 per maund (80 lb.) on exports of raw jute to India and reduced the export duty on loose jute or "kuchha" bales to the same level as the export duty on "pucca" bales. India, on her part, agreed that the price of coal supplied to Pakistan—which had hitherto been higher than prices charged to Indian consumers—should be reduced to bring the two on a par. In addition, Pakistan agreed to levy the same rate of import duty per foot of exposed cinematograph film imported into Pakistan from India as is levied on imports from other countries.

Trading Relations Improve

Announcement of this agreement appears to clear the way for more normal trading relations between the two countries. In August 1952, an attempt was made to negotiate a trade agreement but at that time Pakistan would not give way on the export licence fee and India refused to discuss the more important items of trade unless Pakistan agreed to cancel this fee. As a result, the agreement that was eventually signed was of minor importance.

Since then, the economic situation has altered considerably. A bumper jute crop last season, combined with a large carry-over from the previous harvest as well as falling prices, has presented Pakistan with a difficult situation and it was generally felt that, sooner or later, some agreement with India would have to come.

Specific Advantages Gained

For the next three years, the duration of the Agreement, Pakistan has an assured market for a minimum of 1·8 million bales a year, with the possibility of selling 2·5 million bales. It is estimated that Pakistan will lose approximately Rs.50 million as a result of removing the Rs.2.8.0 licence fee and reducing the export duty. On the other hand, an assured market for 1·8 million bales will have a stabilizing effect, particularly after present stocks have been liquidated. Production of jute during the next season has been restricted to 4·2 million bales, approximately 25 per cent less than in the previous year.

The advantage to India is more apparent. The abolition of the export licence fee will enable Indian jute mills to compete in export markets on equal terms with Continental manufacturers. Some have expressed concern that growers of jute in India may suffer because of larger imports from Pakistan. However, the general opinion seems to be that imports from Pakistan will consist mainly of the superior qualities of jute not grown in India. Furthermore, Indian jute mills have undertaken to purchase the entire domestic production of jute.

If the agreement is as successful as the discussion which brought it about, it seems possible that the drive for Indian self-sufficiency in raw jute may be slowed down. It is very doubtful whether self-sufficiency could be fully achieved, because India cannot produce the superior qualities that are grown in Pakistan.

The saving to Pakistan as the result of India ceasing to levy a surcharge on coal exported from India cannot be estimated, but it seems probable that it will equal the loss of revenue from the licensing fee on jute exports.

There is no doubt that both countries will benefit from this agreement and it is generally regarded as showing that both are adopting a more realistic attitude toward trade and commerce.

—Richard Grew
Commercial Counsellor for Canada

TRADE AND TARIFF REGULATIONS

BELGIAN CONGO

Customs Duty on Advertising Matter—Catalogues and other printed advertising matter are admitted into the Belgian Congo free of customs duty. Publicity articles which have some value in themselves, however, such as calendars, decalcomanias, daily diary books, postcards, fountain pens, etc., are dutiable.

It is preferable to mail large catalogues as "Printed Matter—Catalogues" rather than by parcel post, as this eliminates the payment of a "formality" fee levied in the Belgian Congo on parcel post shipments and overcomes a delay which such shipments often suffer.

In the past, all advertising matter other than catalogues and price lists entering the Belgian Congo has been dutiable—Leopoldville, April 24.

Recipients of the leaflet "Belgian Congo—Shipping Documents and Customs Regulations" compiled by the International Trade Relations Branch, should amend the section on advertising on pages 4 and 5 of their leaflet accordingly.

BERMUDA

Onions—The Bermuda Supplies Commission advised importers on April 4th that onions will not be permitted to arrive in the Colony from Canada and the United States after April 15th.

BRITISH HONDURAS

Tariff Changes—The Governor of British Honduras assented on February 14, 1953, to an ordinance passed on January 30 by the Legislative Council of the Colony, amending the customs and excise duties on a number of items. The ordinance is retroactive to November 21, 1952. Increases were made in the customs duties on beer, wine, spirits, tobacco of all kinds, fuel oil, lubricating oil and all perfumery and toilet preparations except dentifrices. The duties on butter, butter substitutes, rice and other grains, beans and peas, lard and lard substitutes, were decreased. The excise duties on locally manufactured rum and tobacco were raised. Interested Canadian exporters can obtain details of these changes on application to the Department of Trade and Commerce, Ottawa.

The entry tax applicable on imports into that Colony has been increased from 1 per cent of value, with a minimum of 10 cents, to 2 per cent, the minimum remaining unchanged. This increase does not apply to food for human consumption.

CUBA

New Consular Invoice Regulations—By Cuban decree 890 of March 28, 1953, new measures have been taken to safeguard the collection of import customs duties and sales tax. The following requirement is brought into force under this decree:

As of January 29, 1953, Cuban Consuls may not visa consular invoices covering exports to Cuba by freight forwarders, jobbers, middlemen or dealers unless the commercial invoice is accompanied by the invoices or bills of sale issued by the last intermediary.

This requirement does not apply when the shipper is the original producer or manufacturer of the goods shipped to Cuba.

Consular invoices covering freight shipments from any place in Canada must be visaed by one of the Cuban Consuls in Canada.

EGYPT

Import Entitlement—In an effort to increase the volume and rate of cotton exports, the Egyptian Government has introduced a new system called "Import Entitlement Accounts". Under this, holders of such Entitlements will be granted import licences for essential dollar and sterling goods on demand. This new account will work simultaneously with the Egyptian Export Account system under which Canada has, in the past, been able to transact business with Egypt. Briefly, exports of Egyptian produce and manufactures under the Import Entitlement Account will operate as follows:

Exports of Egyptian produce and manufactures are to be paid for in dollars or sterling. Exporters will receive Entitlements which will vary according to the class of goods—for example, Entitlements to the extent of 100 per cent of the value of the goods to be sold will be issued for items such as cotton yarn and cloth, and 75 per cent for other exportable goods including raw cotton.

These Entitlements will be freely negotiable (through an authorized bank) in Egypt. They will be sold to the buyer offering the best premium, which will have to be recovered in the selling price of the dollar or sterling goods imported against such Entitlements.

Would-be buyers of dollar and sterling goods may purchase such Entitlements through an authorized bank and subsequently present an application for an import permit for an equivalent value of goods. This will automatically be granted, provided the goods come under the restricted list of "essentials".

Import Entitlement Accounts are valid for three months only. The local authorities have so far made no provision to extend the validity of such Entitlements.

Goods at present classified by the Egyptian Licensing Control authorities as "essential" imports cover: canned products, including meats, fish, fruits and milk; fish, salted, dried and smoked; chemical and pharmaceutical products; mineral fuel and oils; machinery and parts; mechanical appliances, boilers, etc.; typewriters; pulp, paper and board; electrical apparatus, lamps, fans, generators, motors, transformers; telegraphic and telephonic equipment; apparatus for heating and domestic use; rolling stock; wires and cables; motor vehicles and accessories; optical and photographic equipment, parts—Cairo, April 17.

UNITED STATES

Entry Requirements for Certain Wheat Amended—In a statement published in the *U.S. Federal Register* of April 30, 1953, the Bureau of Customs announced that it has reviewed the practice of classifying wheat which contains 30 per cent or more of damaged kernels as "Wheat unfit for human consumption" under tariff paragraph 729. The review has established that substantial quantities of grades of wheat which it has been the practice to classify as "Wheat unfit for human consumption" are commercially usable, after blending with higher grade wheat, in the milling of products for human consumption.

Accordingly, the Customs Regulations are being amended by the addition of the following new section:

"10.106 Wheat, unfit for human consumption; other wheat. (*a*) There shall be filed in connection with each entry covering wheat entered under paragraph 729, Tariff Act of 1930, as modified, as 'wheat, unfit for human consumption', a declaration of the importer setting out whether any part of the importation is to be used with or without blending with other wheat in the manufacture of products for human consumption. If it is declared that no part of the shipment is to be so used, a further declaration shall be made stating the use to which the wheat is to be put. When it is shown by the declaration that the wheat is to be used in the manufacture of products for human consumption, it shall be classified as 'wheat' under the provisions of paragraph 729, as modified. However, when the declaration states that the wheat is to be used otherwise than in the manufacture of products for human consumption, the procedure outlined in T.D. 47577* shall be followed, and in the absence of other controlling factors, the wheat shall be classified as 'wheat, unfit for human consumption' under the provisions of paragraph 729, as modified, if it contains 30 per centum or more of damaged kernels."

The Bureau of Customs states further: "As this new section may result in the assessment of duty at a higher rate with respect to some imported wheat than has heretofore been assessed under the existing uniform practice, it shall be applied to such merchandise only when entered or withdrawn from warehouse for consumption after 90 days from the date of publication of this amendment in the weekly *Treasury Decisions*".

Import Tax on Ontario White Spruce—The United States Bureau of Customs has placed the following notice in the *Federal Register* of April 28, 1953:

"White Spruce Lumber Tariff Classification

"The Bureau, by its Circular Letter No. 2841, dated April 22, 1953, held that white spruce lumber obtained from trees grown in the Canadian province of Ontario is subject to the import tax provided for in Section 3424(a), Internal Revenue Code, as amended.

"As this ruling will result in the assessment of duty at a rate higher than that heretofore assessed under an established and uniform practice, it will be applied to such or similar merchandise entered or withdrawn from warehouse for consumption after 90 days from the date of publication of an abstract of this decision in a forthcoming issue of the weekly *Treasury Decisions*."

The effect of this classification is to make Ontario white spruce lumber subject to the import tax of 75 cents per 1,000 f.b.m.

* T.D. 47577 issued in 1935 sets forth the procedure for inspection of the grain—Editor.

Data for Exporters

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

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

Foreign Commercial Representatives in Canada

ARGENTINA
Ottawa—Economic Attache, Embassy of Argentina, 193 Sparks Street.
Montreal—Consul General of Argentina, 1111 Beaver Hall Hill.
AUSTRALIA
Montreal—Australian Government Trade Commissioner, 1255 Phillips Square.
Vancouver—Australian Government Trade Commissioner, 643 Hornby Street.
AUSTRIA
Ottawa—Charge d'Affaires a.i., Legation of Austria, 136 Queen Street.
Montreal—Austrian Trade Delegate, 1507 Crescent Street.
BELGIUM
Montreal—Consul General of Belgium, 709 Sun Life Building.
BOLIVIA
Montreal—Consul General of Bolivia, 5612 Canterbury Avenue.
BRAZIL
Montreal—Commercial Attache, Brazilian Government Trade Bureau, Room 302, 400 St. James Street West.
BRITISH GUIANA
Montreal—Trade Commissioner for British Guiana, 37 Board of Trade Bldg.
BRITISH WEST INDIES and THE BAHAMAS
Montreal—Trade Commissioner for the British West Indies and The Bahamas, 37 Board of Trade Bldg.
CHILE
Montreal—Consul General of Chile, 1410 Stanley Street.
CHINA
Ottawa—Commercial Attache, Embassy of the Republic of China, 201 Wurtemburg St.
Vancouver—Consul General of China, 510 Hastings Street West.
COLOMBIA
Montreal—Consul General of Colombia, 3757 Wilson Avenue, Notre Dame de Grace.
Vancouver—Consul of Colombia, 550 Beatty Street.
COSTA RICA
Montreal—Consul General of Costa Rica, 434 Elm Avenue, Westmount.
CUBA
Ottawa—Commercial Attache, Embassy of Cuba, 400 Holland Ave.
CZECHOSLOVAKIA
Montreal—Commercial Attache of Czechoslovakia, 1255 Phillips Sq.
DENMARK
Ottawa—Commercial Counsellor, Royal Danish Legation, 451 Daly Ave.
Montreal—Consul, Royal Danish Consulate, Room 815, Keefer Building, 1440 St. Catherine Street West.
DOMINICAN REPUBLIC
Ottawa—Consul General of the Dominican Republic, 105 Cameron Avenue.
Montreal—Consul General of the Dominican Republic, Apt. 4, 3201 Forest Hill Ave.
ECUADOR
Montreal—Consul General of Ecuador, 59 Belvedere Road, Westmount.
EGYPT
Ottawa—Consul, Royal Egyptian Consulate General, Room 616, Chateau Laurier.
EL SALVADOR
Montreal—Consul General of El Salvador, Apt. 14, 1452 Bishop Street.
FINLAND
Ottawa—Second Secretary, Legation of Finland, 140 Wellington Street.
FRANCE
Ottawa—Commercial Attache, Embassy of France, 464 Wilbrod Street.
Montreal—Commercial Attache of France, 610 St. James St. West.
Toronto—Commercial Attache of France, 185 Bay Street.
GERMANY
Ottawa—First Secretary (Commercial Affairs), Embassy of the Federal Republic of Germany, 580 Chapel Street.
Montreal—Consul of the Federal Republic of Germany, 1529 McGregor Street.
GREECE
Ottawa—Commercial Attache, Royal Greek Embassy, Suite 110, Chateau Laurier.
GUATEMALA
Montreal—Consul General of Guatemala, 401 Metcalfe Ave., Westmount.
HAITI
Montreal—Consul of Haiti, 1405 Bishop Street.
HONDURAS
Montreal—Consul General of Honduras, Suite 2, 1448 Sherbrooke Street West.
INDIA
Ottawa—Second Secretary, Office of High Commissioner for India, 200 MacLaren St.
IRELAND
Ottawa—Secretary, Embassy of Ireland, 140 Wellington Street.
ISRAEL
Montreal—Consul General of Israel, Bank of Montreal Bldg., 1260 University Street.
ITALY
Ottawa—Commercial Attache, Embassy of Italy, 133 Sparks Street.
JAPAN
Ottawa—First Secretary (Commercial), Embassy of Japan, Room 701, Metcalfe Bldg.
Vancouver—Japanese Consulate, 510 Hastings Street West.

LEBANON
Ottawa—Consul General of Lebanon, 199 Wurtemburg Street.
LUXEMBOURG
Montreal—Consul General of Luxembourg, 4832 Western Avenue.
MEXICO
Montreal—Consul General of Mexico, Room 506, Castle Bldg.
MONACO
Montreal—Consul of Monaco, 5 St. James Street East.
NETHERLANDS
Ottawa—Commercial Counsellor, Embassy of the Netherlands, 168 Laurier Ave. East.
NEW ZEALAND
Montreal—New Zealand Trade Commissioner, Room 609, Sun Life Building.
NORWAY
Ottawa—Secretary, Norwegian Legation, 140 Wellington Street.
Montreal—Vice-Consul of Norway, 1410 Stanley Street.
PAKISTAN
Ottawa—Commercial Attache to the Pakistan High Commissioner, 499 Wilbrod St.
PERU
Ottawa—Secretary, Embassy of Peru, 539 Island Park Drive.
POLAND
Ottawa—Acting Commercial Attache of the Polish Legation, 183 Carling Ave.
PORTUGAL
Montreal—Consul General of Portugal, 1499 Bishop Street.
SPAIN
Montreal—Consul of Spain, Commercial Office, 451 Mount Pleasant Ave.
SWEDEN
Ottawa—Attache, Royal Legation of Sweden, 720 Manor Road, Rockcliffe Park.
Montreal—Commercial Secretary, Royal Consulate General of Sweden, 1511 Bishop St.
SWITZERLAND
Ottawa—Secretary, Swiss Legation, 5 Marlborough Avenue.
Montreal—Consul General of Switzerland, 1572 McGregor Street.
Toronto—Consul of Switzerland, 159 Bay Street.
Vancouver—Acting Consul of Switzerland, 402 West Pender Street.
Winnipeg—Acting Consul of Switzerland, 210 Mitchell-Copp Bldg., 334 Portage Avenue.
THAILAND
Toronto—Consul of Thailand, 200 Bay Street.
Vancouver—Consul of Thailand, 5416 Marguerite Street.
TURKEY
Ottawa—Turkish Embassy, Room 612, Chateau Laurier.
UNION OF SOUTH AFRICA
Ottawa—Commercial Secretary, Office of the High Commissioner for the Union of South Africa, 15 Sussex Street.
UNION OF SOVIET SOCIALIST REPUBLICS
Ottawa—Representative of the Commercial Counsellor, Embassy of the USSR, 285 Charlotte Street.
UNITED KINGDOM
Ottawa—United Kingdom Senior Trade Commissioner and Economic Adviser to the High Commissioner, 56 Sparks Street.
Edmonton—United Kingdom Trade Commissioner for Alberta, 10053 Jasper Avenue.
Montreal—United Kingdom Trade Commissioner for Quebec, United Kingdom Trade Commissioner for the Maritimes and Newfoundland, 1111 Beaver Hall Hill.
Toronto—United Kingdom Trade Commissioner for Ontario, 67 Yonge St.
Vancouver—United Kingdom Trade Commissioner for British Columbia, 850 West Hastings Street.
Winnipeg—United Kingdom Trade Commissioner for Manitoba and Saskatchewan, 403 Royal Bank Building.
UNITED STATES
Ottawa—Commercial Attache, Embassy of the United States, 100 Wellington St.
Calgary—Vice-Consul of the United States, Toronto General Trusts Bldg.
Edmonton—Consul of the United States, 214 Empire Block.
Halifax—Consul General of the United States, Bank of Nova Scotia Bldg.
Hamilton—Consul of the United States, 42 James Street South.
Montreal—Consul General of the United States, 1410 Stanley Street.
Niagara Falls—Consul of the United States, Newman Hill, Falls Street.
Quebec—Consul of the United States, 65 St. Ann Street.
Regina—Consul of the United States, 22-23 Government Insurance Bldg.
Saint John—Consul of the United States, 204 Union Street.
St. John's—Consul General of the United States, Commercial Chambers Bldg., 197-199 Water Street.
Toronto—Consul General of the United States, 302 Bay Street.
Vancouver—Consul General of the United States, 355 Burrard Street.
Victoria—Consul of the United States, 805 Government Street.
Windsor—Consul of the United States, Guaranty Trust Bldg.
Winnipeg—Consul General of the United States, 402 Tribune Bldg.
URUGUAY
Ottawa—Charge d'Affaires a.i., Legation of Uruguay, 36 Marlborough Avenue.
VENEZUELA
Montreal—Consul General of Venezuela, 2052 St. Catherine Street West.
YUGOSLAVIA
Ottawa—Embassy of the Federal People's Republic of Yugoslavia, 17 Blackburn Avenue.

Foreign Exchange Rates

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

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

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

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

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

For conversion to United States dollar equivalents multiply by 1·01458.

Country	*Unit*	*Type of Exchange*	*Canadian dollar equiv. April 30*	*Notes (See below)*
Argentina	Peso	Preferential buying	·1314	
		Basic buying	·1971	(1)
		Preferential selling	·1971	
		Basic selling	·1314	
		Free	·07095	
Austria	Schilling		·04614	
Australia	Pound		2·2220	
Belgium-Luxembourg & Belgian Dependencies	Franc		·01974	
Bolivia	Boliviano	Official	·01643	tax 5% (1)
		Differential	·00981	tax 3% 2
British West Indies	Dollar		·5786	(3)
	Pound		2·7775	(4)
	Dollar	Brit. Honduras	·6943	
Brazil	Cruzeiro	Official	·05327	tax 8% (2)
		Free	·02309	
Burma	Kyat		·2083	
Ceylon	Rupee		·2083	
Chile	Peso	Official	·03174	(1)
		Commercial	·01641	
		Free	·00896	
Colombia	Peso	Basic	·3942	tax 3% (2)
		Coffee buying	·4252	
Costa Rica	Colon	Official	·1759	(5)
		Free	·1484	*March 16
Cuba	Peso		·9856	tax 2%
Czechoslovakia	Koruna		·01971	
Denmark	Krone		·1427	
Dominican Republic	Peso		·9856	
Ecuador	Sucre	Official	·06571	(6)
		Free	·05694	
Egypt	Pound		2·8303	
Fiji	Pound		2·5022	
Finland	Markka		·00428	
France	Franc		·00282	
French Africa	Franc		·00564	
French Pacific	Franc		·01550	
Germany	D Mark		·2347	
Greece	Drachma		·000033	
Guatemala	Quetzal		·9856	
Haiti	Gourde		·1971	
Honduras	Lempira		·4928	
Hong Kong	Dollar	Free	·1654	*March 17
Iceland	Krona	Official	·06052	
		Special buying	·04662	
		Special selling	·03773	
India	Rupee		·2083	
Indonesia	Rupiah	Basic	·08646	(7)
		Dollar certificate	·00186	*March 16

* Latest available quotation date.