



foreign trade

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| | |
|--|----|
| The Foreign Trade of France | 2 |
| Venezuela: Planning the Agricultural Future | 6 |
| Japan Needs More Lumber | 10 |
| Commodity Notes | |
| Brazil, Israel, Netherlands | 11 |
| Norway, South Africa, Sweden | 12 |
| Denmark's Harvest Raises Problems | 13 |
| Norway: The Trend in Fur Sales | 17 |
| General Notes | |
| Argentina, Australia | 19 |
| Colombia, Dominica, Netherlands, United States . . | 20 |
| Trade Commissioners on Tour | 21 |
| U.S. Construction Slows Down | 23 |
| Trade and Tariff Regulations | 24 |
| Foreign Commercial Representatives in Canada | 26 |
| Foreign Exchange Rates | 28 |

COVER . . . Two Venezuelan farm workers process hemp out of locally grown sisal. Coffee and cacao continue to be the only important agricultural products which Venezuela exports; the country imports large quantities of basic foodstuffs. For an up-to-date report on agricultural trends there, turn to page 6.

—Photo courtesy Venezuelan Ministry of Education

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The Foreign Trade of France

What is the pattern of French foreign trade? Has it changed significantly from prewar years? The following article analyzes the trade figures, and answers these questions.

PARIS—French exports were badly hit by the sterling area import restrictions that were imposed towards the end of 1951 and early in 1952. A poor '51 grain harvest and the alarming spread of foot and mouth disease made things still more difficult and seriously affected the balance of trade. Increased exports to the French overseas territories partially offset the drop in exports to foreign countries, but imports had to be stepped up in spite of the deliberalization taking place within the European Payments Union area.

For these reasons, the final results of French foreign trade in 1952 were disappointing and the adverse balance was heavy. However, the year ended on a rising trend of exports and this has continued into 1953. The dollar problem remains as intractable as ever and, because exports to the United Kingdom have fallen, the balance of payments with the EPU area is causing almost equal concern.

Trends in Trade

The following table shows the gradual deterioration over the last three years. It does not, however, reflect the improvement that became apparent during the last quarter of 1952 and that still continues in a modest way. The average monthly exports to foreign countries for the last quarter of 1952 totalled 73 billion francs (76·8 billion in the last quarter of 1951) and for the first four months of this year 73·7 billion (67·7 billion in the same period of 1952). Meanwhile imports fell to 89 billion a month (115·1 billion in 1951) and 98·6 billion (124·8 billion in 1952) respectively. These more favourable figures for foreign countries could not, however, offset entirely a drop in trade with the French overseas territories. The total trade with both foreign countries and French overseas territories has not yet reached the levels of the end of 1952 or even the first part of that year:

| | 1950 | 1951 (in billion francs) | 1952 |
|-----------------------------|-------|-----------------------------|-------|
| Total Trade | | | |
| Exports | 1,077 | 1,484 | 1,416 |
| Imports | 1,072 | 1,565 | 1,592 |
| | + 5 | - 81 | - 176 |
| Foreign Trade | | | |
| Exports | 690 | 937 | 818 |
| Imports | 792 | 1,229 | 1,232 |
| | - 102 | - 292 | - 414 |
| French Overseas Territories | | | |
| Exports | 387 | 547 | 598 |
| Imports | 280 | 336 | 360 |
| | + 107 | + 211 | + 238 |

The re-appearance of the adverse balance of trade is disappointing, but it is not necessarily a result of the war. From 1929 to 1938 France had consistently heavy adverse trade balances—over 16 per cent of total trade, which included adverse balances for the last seven of these years with the French overseas territories.

Because of changes in the value of the franc, direct comparison by value with prewar years is of little help. However, the volume of both exports and imports to foreign countries has risen considerably above prewar; exports to the French overseas territories have increased enormously in volume, and imports have fallen considerably.

Throughout 1952 the terms of trade (i.e., the ratio of average prices for French exports to average prices of imports into France) steadily improved. Actually this improvement set in during the third quarter of 1951 and went on without interruption until the end of 1952, when the ratio was well above 1950.

Dollar Exports Down

In 1952 French exports to the dollar area fell heavily. Imports were also down but the year ended with an increased dollar deficit compared with 1951. There is no significant trend in comparison with the prewar period. The percentage of dollar imports to total imports from foreign countries (i.e., excluding the F.O.T.) dropped slightly, but it is not yet significantly below the percentage in 1938.

Trade with Dollar Area*

| | 1938 | | 1950 | | 1951 | | 1952 |
|---------------|------|----|----------------|----|----------------|----|----------------|
| | % | % | billion francs | % | billion francs | % | billion francs |
| Exports | 10.0 | 8 | 58 | 12 | 110 | 9 | 77 |
| Imports | 19.7 | 20 | 163 | 18 | 227 | 17 | 215 |
| Balance . | | | -105 | | -117 | | -138 |

* That is, the United States, Canada, Costa Rica, Cuba, Dominican Republic, Guatemala, Haiti, Honduras, Nicaragua, Panama, El Salvador, Colombia, Venezuela, Philippines, Liberia.

So far this year, exports to the dollar area have improved and imports have dropped significantly. For the first four months of 1952 and 1953 the figures were as follows, compared with the percentage of total foreign imports and exports:

| | | 1952 | | 1953 |
|---------------|------|----------------|------|----------------|
| | % | billion francs | % | billion francs |
| Exports | 10.0 | 27.1 | 11.9 | 35.1 |
| Imports | 21.2 | 105.7 | 15.6 | 61.5 |
| Balance | | -78.6 | | -26.4 |

The value of imports financed by U.S. Mutual Aid funds is included in these figures. In 1952 these imports were valued at 99.1 billion francs, considerably below MSA imports in 1951. These amounts are not all Aid because they include costs of shipping and insurance which may have been paid in French francs. The c.i.f. value of imports financed by Aid works out at 46 per cent of total 1952 imports from the dollar area.

These imports under Mutual Aid in 1952 included fuels and food products to a greater extent than in 1951. Some 46.5 per cent of the total was in fuels, 19 per cent machinery for industry, 15.5 per cent raw materials and semi-finished products for industry, and 11.8 per cent foods (reflecting the abnormal wheat imports).

The cut in imports imposed by the United Kingdom last year is reflected in the 1952 French exports to the sterling area. As the table shows, the drop in sterling area trade is exclusively with that part belonging to the OEEC (principally the United Kingdom, Colonial Empire, Kuwait, and Ireland).

| Trade with Total Sterling Area* | | | | | | | |
|---------------------------------|---------------|------|----------------|------|----------------|------|----------------|
| | 1938 | | 1950 | | 1951 | | 1952 |
| | % total | | billion francs | | billion francs | | billion francs |
| | Foreign trade | % | % | % | % | % | % |
| Exports | 18.7 | 20 | 141 | 22 | 209 | 19 | 153 |
| Imports | 31.2 | 31 | 247 | 35 | 449 | 35 | 435 |
| Balance . | | | -106 | | -240 | | -282 |
| Of Which OEEC Sterling Area | | | | | | | |
| Exports | 16.4 | 16.1 | 111 | 16.9 | 158 | 12.5 | 102 |
| Imports | 16.5 | 10.6 | 84 | 13.2 | 162 | 13.5 | 166 |
| Balance . | | | + 27 | | - 4 | | - 64 |
| Other Sterling Area | | | | | | | |
| Exports | 2.3 | 4.3 | 30 | 5.5 | 52 | 6.2 | 51 |
| Imports | 14.7 | 20.6 | 163 | 23.4 | 287 | 21.8 | 269 |
| Balance . | | | -133 | | -235 | | -218 |

* Principally the United Kingdom, Colonial Empire, Kuwait, Ireland, Iceland, Saudi Arabia, Ceylon, Iraq, Iran, India, Pakistan, Australia, New Zealand, South Africa.

France seems to be increasingly dependent on the sterling area for vital imports. Although she has considerably increased her actual exports and percentage of exports to the "other sterling area", this increase has not offset the serious drop in exports to the United Kingdom (OEEC Sterling Area).

The first returns for 1953 do not show as great an improvement for the sterling area as in trade with the dollar area and the rest of the OEEC countries. The position during the first four months was:

| | | 1952 | | 1953 | |
|------------------------|------|----------------|------|----------------|--|
| | % | billion francs | % | billion francs | |
| Total Sterling Area— | | | | | |
| Exports | 21.6 | 58.5 | 17.4 | 51.4 | |
| Imports | 33.6 | 167.4 | 36.5 | 144.6 | |
| Balance | | -108.9 | | - 93.2 | |
| OEEC Sterling Area— | | | | | |
| Exports | 14.1 | 38.2 | 12.2 | 36.0 | |
| Imports | 12.4 | 62.1 | 13.8 | 54.6 | |
| Balance | | - 23.9 | | - 18.6 | |
| Rest of Sterling Area— | | | | | |
| Exports | 7.5 | 20.3 | 5.3 | 15.4 | |
| Imports | 21.1 | 105.3 | 22.8 | 90.0 | |
| Balance | | - 85.0 | | - 74.6 | |

For the rest of the OEEC area (i.e., less the sterling area part) the trade of France shows a slight trading profit. This area still remains the principal outlet for French exports and shares with the sterling area the first place as a source of imports. As the following table shows, this pattern is little changed from prewar:

| Trade with Remaining OEEC Countries | | | | | | | |
|-------------------------------------|------|----|----------------|----|----------------|----|----------------|
| | 1938 | | 1950 | | 1951 | | 1952 |
| | % | | billion francs | | billion francs | | billion francs |
| | % | % | % | % | % | % | % |
| Exports | 50.5 | 51 | 353 | 45 | 420 | 51 | 418 |
| Imports | 33.0 | 33 | 261 | 31 | 402 | 32 | 390 |
| Balance . | | | + 92 | | + 18 | | + 28 |

The comparison with 1938 cannot be exact, because the 1938 percentage includes trade with all Germany and the postwar figures only include Western Germany. Apparently, however, there has been no radical shift in the pattern of trade with Continental Europe.

In the first four months of 1953, exports to these countries increased and imports fell sufficiently to turn an adverse balance into a positive one:

| | % | 1952 billion francs | % | 1953 billion francs |
|---------------|------|------------------------|------|------------------------|
| Exports | 47.6 | 129 | 52.6 | 154 |
| Imports | 30.0 | 150 | 32.7 | 129 |
| Balance | | <u>- 21</u> | | <u>+ 25</u> |

Trade with Other Countries

French exports to and imports from other countries (this is, those not included in any monetary areas) declined in 1952:

| Trade with All Other Countries | | | | | | | | |
|--------------------------------|---------------|---------|-------------|----------------|------------|----------------|-------------|----------------|
| | 1938 | | 1950 | | 1951 | | 1952 | |
| | Foreign trade | % total | % | billion francs | % | billion francs | % | billion francs |
| Exports | 20.8 | 21 | 138 | 21 | 197 | 21 | 170 | |
| Imports | 16.1 | 16 | 122 | 16 | 201 | 16 | 192 | |
| Balance . | | | <u>+ 16</u> | | <u>- 4</u> | | <u>- 22</u> | |

Of Which Soviet Bloc*

| | | | | | |
|---------------|-----|-----|---------------|-----|--------------|
| Exports | 6.4 | 2.9 | 27.2 | 4.5 | 36.9 |
| Imports | 5.6 | 3.8 | 37.6 | 3.3 | 40.2 |
| Balance . | | | <u>- 10.4</u> | | <u>- 3.3</u> |

* Russia, Czechoslovakia, Finland, Poland, Bulgaria, Hungary, Romania, Eastern Zone Germany.

Trade with Sterling Area Significant

To sum up, the only significant change in the distribution of trade is that with the sterling area. French trade with the sterling area outside the OEEC shows a continuous rise in the share of total exports (2.3 per cent in 1938, 4.3 per cent in 1950 and 6.2 per cent in 1952). In 1952, this was principally at the expense of the United Kingdom, so that any relaxation of the import restrictions by the United Kingdom or by the sterling area as a whole will have the greatest significance for France. On the import side there is a slight drop in dollar imports (19.7 per cent in 1938, 20 per cent in 1950, and 17 per cent in 1952), that would have been more pronounced if France had not found it necessary to bring in dollar wheat last year. However, there was also a considerable increase in the share of imports by the sterling area (other than U.K.) compared with 1938 (14.7 per cent in 1938, 21.8 per cent in 1952), which was offset by a decline in imports from the United Kingdom and the dollar area.

—R. G. C. SMITH

Commercial Counsellor for Canada

—This study will be continued in our next issue.

Venezuela

Planning the Agricultural Future

Constant progress in improving Venezuelan agriculture may mean a changed emphasis in imports—from products for immediate use to products to be processed by the food industries.

CARACAS—Venezuelan agriculture has made outstanding progress during the past twelve months, although the country is still some years away from self-sufficiency in a number of basic foodstuffs. Food products continue to form about 16 per cent of total imports, with flour, oats, barley, rice, potatoes, sugar, fruit, eggs, and powdered milk bulking large. The Venezuelan Government is actively promoting agricultural development in accordance with its basic policy of endeavouring to reduce the excessive dependence on the all-important oil industry. This policy has frequently been described as “sowing the petroleum”.

Production and Imports of Selected Venezuelan Foodstuffs

| | (000 metric tons) | | | | | |
|-----------------------|-------------------|---------|---------|---------|---------|---------|
| | 1950 | | 1951 | | 1952 | |
| | Prod n. | Imports | Prod n. | Imports | Prod n. | Imports |
| Corn | 300.0 | 13.3 | 312.9 | 17.7 | 343.1 | 3.8 |
| Rice, hulled | 23.5 | 27.6 | 24.1 | 24.5 | 29.6 | 2.5 |
| Oats | nep | 11.7 | nep | 8.9 | nep | 13.0 |
| Barley, malted | nep | 16.3 | nep | 18.4 | nep | 20.1 |
| Flour | 4.0† | 113.2 | 4.6† | 127.9 | 4.1† | 123.5 |
| Potatoes, table | 22.9 | 38.4 | 32.0 | 39.0 | 23.8 | 34.6 |
| Potatoes, seed | nep | 5.1 | nep | 3.7 | nep | 7.3 |
| Sugar, refined | 50.4 | 37.6 | 45.3 | 51.0 | 64.9 | 30.6 |
| Milk, powdered | 1.5 | 30.4 | 1.7 | 32.1 | 2.5 | 33.0 |
| Eggs | ‡ | 10.0 | ‡ | 8.7 | ‡ | 11.6 |

nep—no commercial production

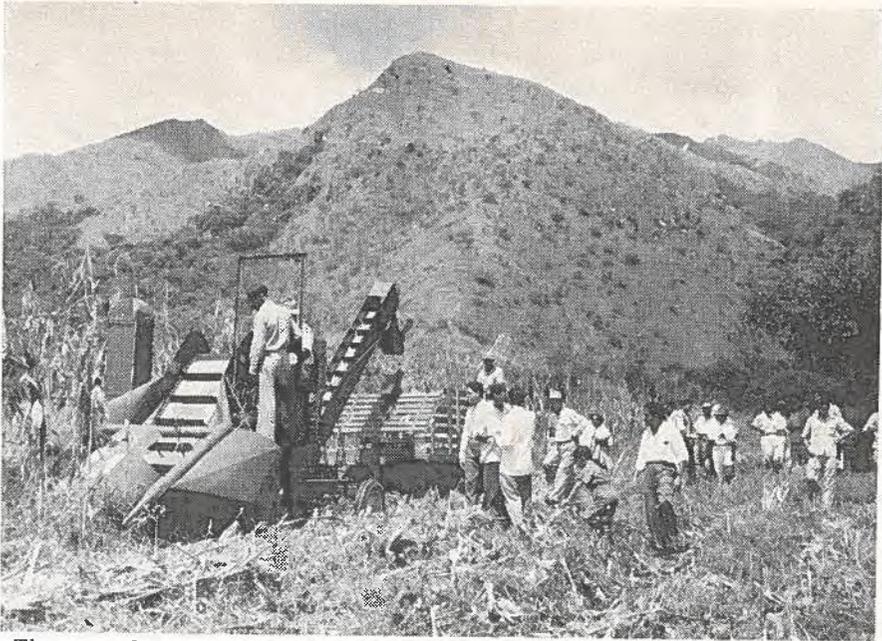
†—local wheat production

‡—not subject to counting and weighing

Source: Venezuelan Ministries of Agriculture and Development.

Coffee Dominates Exports

Coffee and cacao are the only agricultural products of any significance in Venezuela's export trade. Coffee exports in 1952 reached 30,000 metric tons, a marked increase over the 19,000 tons for 1951. Official estimates for the current crop indicate that production will probably reach 54,000 tons, leaving a total of approximately 36,000 for shipment abroad after domestic demand has been satisfied. The United States today takes 93 per cent of Venezuelan coffee exports and Venezuelan producers are endeavouring to develop greater sales in European countries and in Canada. The rise in world coffee prices during the last three years has encouraged local growers to improve their properties, although there has been no noticeable expansion in total coffee acreage.



The corn harvest gets under way in Aragua. Production of corn comes close to satisfying the domestic demand and the Government is encouraging larger plantings by allowing credits for land clearing, buying machinery.

Cacao production this year is reported to be about that of 1951 and 1952—some 16,000 metric tons. Local requirements are estimated at 700 tons, and this means a substantial amount available for export. High production costs have fostered a tendency to concentrate on developing the higher grades of cacao, which enjoy an excellent reputation in foreign markets. The 1952 United States-Venezuela trade agreement gave greater protection to Venezuelan manufacturers of cocoa products and this has assisted them in expanding their domestic sales. Local consumption of cacao should increase in the future.

COMMODITY COMMENTS

Corn—Venezuelan corn production comes close to satisfying national requirements for this grain, the basic ingredient for several food products used by the majority of Venezuelans. The trend in recent years towards the use of wheat as a breadstuff has mainly affected those living in the cities. The Ministry of Agriculture is planning to expand corn acreage with a view to increasing annual production by some 30,000 tons. Farmers will receive credits for the clearing of land and for the purchase of farm machinery.

Wheat—The small amount of wheat produced in Venezuela is grown in the Andean highlands in the western part of the country, is grouped by small local mills and is consumed in the immediate area. Substantial imports in the form of flour continue to be necessary because attempts to develop a wheat suitable for large-scale production in Venezuela have proved unsuccessful. There is much interest in the establishment of additional flour mills to mill imported wheat and to supply mill feeds

for the growing animal feed industry. So far none of the proposals has taken concrete form, but there is evidence that the Government is prepared to support any project showing signs that it can operate successfully, without creating a monopoly.

Rice—The rice program of the Venezuelan Development Corporation has been one of the most successful projects undertaken by this official organization. An additional 50,000 acres is to be planted this year and farmers will again receive financial assistance to purchase machinery, insecticides and seed. Present plans call for Venezuela to be self-sufficient in rice by 1955.

Sugar—Although local refined sugar production has been rising steadily, domestic consumption has been growing even faster. The Venezuelan Development Corporation is sponsoring the construction of five new sugar mills and the expansion of an existing plant. When the new mills are completed, the current rate of production should be augmented by an additional 87,000 tons a year. The Venezuelan objective is self-sufficiency in sugar by 1956.

Powdered Milk—Venezuelan imports of powdered milk rose from 27,365 metric tons in 1949 to 33,000 tons in 1952, even though output from the single Venezuelan factory is increasing steadily. In April 1953, the Government reduced the import ratio of ten units of imported powdered milk free of duty for each unit of local milk purchased by local importers, to six to one, in order to ensure that local production is completely taken up. The Ministry of Development is studying the feasibility of establishing additional powdered milk plants to reduce dependence on foreign supplies. Dairy herds are being built up and prospects are that the 1953 production will be close to 4,000 metric tons, compared with 2,500 tons in 1952.

Animal Feeds—The high rates of duty on imported animal feeds imposed in 1949 have enabled local producers to expand feed output to 31,044 tons in 1952, compared with 15,792 tons in 1950. A large U.S. producer has granted formula rights and is supplying technical assistance to a Venezuelan firm. This company expects to initiate production of animal feeds at its new factory scheduled for completion next month. The demand for raw materials for this and existing plants may increase the pressure for the early establishment of a substantial flour mill in Venezuela.

Cattle Imports Up

The 1952 cattle population of 459,504 marks an increase over the 443,557 in 1951 and 400,052 in 1950. The measures taken to control the 1951 outbreak in Venezuela of foot-and-mouth disease have proved fairly successful and imports of cattle for dairy and breeding purposes are gaining in momentum. The ban on shipments of Canadian cattle, which had been in effect from March 1952 because of the foot-and-mouth out-

break in Saskatchewan, was removed by the Venezuelan authorities in June 1953. Local importers are again thinking about purchasing their requirements from Canadian livestock exporters.

Government Aids Agriculture

For the first time in many years, in 1952 the percentage increase in Venezuelan agricultural production exceeded the percentage rise in petroleum output. This is undoubtedly due to the active support of the Government through its different organizations and to the official policy of ensuring that local agricultural products are consumed before imports are permitted. Because risk capital for agricultural development has always been scarce in Venezuela, the Government has been forced to assume this financing role. Loans on liberal terms have been granted for increasing production and for the development of roads, irrigation projects, and storage facilities.

Percentage Increase in Venezuelan Production

| Year | Petroleum | Agriculture | Industry (excluding petroleum) |
|------------|-----------|-------------|-----------------------------------|
| 1950 | 42·57 | 2·56 | 13·52 |
| 1951 | 20·01 | -2·26 | 17·43 |
| 1952 | 8·26 | 13·40 | 20·01 |

Source: Central Bank of Venezuela "Memoria", 1952.

In addition, the Government, through the National Agrarian Institute, has sponsored the development of unexploited regions. Immigrants have received land and credits for purchasing machinery, seed, insecticides and fertilizers, and some of these "agricultural colonies" have proved successful. The Government has also furnished technical aid to farmers and established a system of minimum prices to ensure that the farmer receives adequate compensation for his efforts. The Government's action in obtaining greater protection for many of Venezuela's agricultural industries through the 1952 United States-Venezuelan commercial treaty has also benefited local producers.

The Future

The improvement in agricultural conditions during the past year has encouraged the Venezuelan Government and it will undoubtedly continue its present program to achieve self-sufficiency in basic foodstuffs. This is an important phase of the long-range national plan to obtain greater diversification of the Venezuelan economy in order to offset possible future reductions in oil sales abroad.

As far as imports are concerned, Venezuela's purchasing power will probably remain strong for many years though it will depend largely on the export of petroleum products. The major change which can be expected in future agricultural imports is a steady conversion from products for immediate consumption to those for processing by the expanding Venezuelan food industries.

—J. A. STILES

Commercial Secretary for Canada

Japan Needs More Lumber

Repairing the damage caused by the recent floods in northern Kyushu will call for 78 million FBM. Domestic stocks will provide the bulk but imports will also rise.

TOKYO—The recent floods in northern Kyushu have created a special demand for lumber. Preliminary estimates place the quantity needed to rebuild bridges, buildings, and homes at 78 million FBM. Of this, nine million FBM is needed to repair and replace bridges in the flood area. The bulk of the lumber to meet the emergency will come from domestic stocks, but imports of Douglas fir, lumber and logs for bridge construction will be speeded up.

Domestic Prices Rise

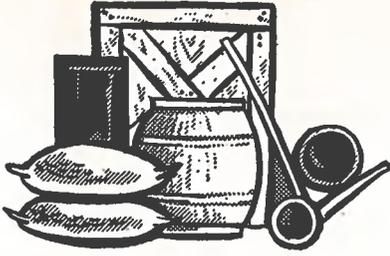
The price of domestic lumber has risen recently as a result of the strong demand in both Japan and Korea, and the floods disrupted lumber operations and deliveries in Kyushu. Stockpiles of domestic lumber stood at 27,533,000 FBM on June 30th and there was every indication that they would speedily be reduced. Imports scheduled to arrive from the Pacific Northwest in the period July-September were estimated at 31,852,000 FBM. The flood emergency has created a demand for additional imports from this area estimated at four million FBM.

Lumber Imports Increasing

An increase in lumber imports from the Pacific Northwest was expected before the disastrous floods occurred. The principal demand has been for logs, and cedar logs in particular have been arriving in greater quantities from the United States. Douglas fir imports have been made up principally of lumber, and indications are that the volume of these imports will be gradually stepped up.

Lumber is imported under the automatic approval system which gives importers a maximum of freedom in negotiating with sellers. Import permits and foreign exchange can be obtained easily under this system, within the limits of foreign exchange allocations set up for individual commodities. There are a number of reputable importers in Japan specializing in the lumber trade and they are fully familiar with market conditions and import procedures.

—J. C. BRITTON
Commercial Counsellor for Canada



Commodity Notes

BRAZIL

Cement—Brazilian cement consumption is increasing every year. According to the Finance Ministry, almost 812 thousand tons were imported in 1952, as compared with 638 thousand tons in 1951. Prices increased from an average of Cr.\$654 per ton in 1951 to Cr.\$728 in 1952—Rio de Janeiro, July 14.

ISRAEL

Citrus Fruits—The season for citrus fruit exports closed this year in Israel with over 5.3 million cases shipped abroad to 18 different countries, compared with only 3.7 million last year. The citrus crop this year was not larger than in 1951-52 and citrus prices in the export market were no better, but growers were encouraged to export more by the improved exchange rates which the Government allowed for citrus exports this year. Conversely, supplies of citrus to local factories for processing fell by 40 per cent. As in previous years, the United Kingdom was Israel's best customer for citrus, followed by Holland, Belgium, Norway, Sweden, Finland and, for the first time, Soviet Russia—Athens, July 22.

Potash—The government-controlled potash works at the southern end of the Dead Sea will resume activity this summer, following the completion of the new Beersheba-Sodom road, expected to be ready for commercial use in June. Equipment is being overhauled, the railway line repaired, and the power plant rehabilitated. It is hoped that about 700 thousand metric tons of material buried under water since the suspension of operations in 1948 will be handled this summer and will yield 100 thousand tons of potash. Dead Sea potash is said to be of high quality and fortunately world demand for potash continues strong—Athens, July 22.

NETHERLANDS

Herring—The 1952-53 Netherlands' herring export season, which has just closed, was very satisfactory—475 thousand barrels, as compared with 487 thousand in 1951-52 (one barrel contains 100 kilos). Although the quantity shipped during the 1952-53 season was slightly

smaller than that in the preceding season, it should be remembered that a fairly large number of barrels of the 1950 catch sold to Western Germany were not shipped until late in 1951. The average price per barrel rose from F1.52 in the 1951 calendar year, to F1.58 during the calendar year 1952, the result of good quality and the increased demand, particularly from Belgium, West Germany, East Germany, Poland, Italy, Norway, France and Czechoslovakia—The Hague, July 28.

NORWAY

Textiles—Norwegian textile factories are meeting keen competition as a result of imports of foreign textile goods, particularly shirts from Czechoslovakia, cotton terry cloth from Portugal, upholstery material and rayon stockings from East Germany, and cotton dress materials from Japan. These imported textiles, although of poor quality, attract purchasers because of their low prices. As a result, a number of Norwegian factories, particularly those producing cotton materials of all kinds, have been forced to reduce production and labour staff. The Norwegian textile industry, which mainly manufactures cotton materials, rayon and nylon stockings and underwear, and coarser woollen materials such as tweeds, is now preparing a large-scale campaign to encourage the public to purchase Norwegian-made textiles which, though higher priced, are of considerably better quality—Oslo, July 25.

SOUTH AFRICA

Maize—A harvest of nearly 32 million bags of maize, with a value of 32/- per bag to the farmer, is forecast by the Department of Agriculture. With the exception of the 1947-48 crop when over 32 million bags were harvested, this season's crop promises to be the largest on record and certainly will bring in the largest cash return to the farmers—Cape Town, July 15.

Timber—A large number of South African importers have stopped buying timber in the hope of getting better prices in the months ahead. They have been encouraged to do so by the downward trend in Canadian and American prices for West Coast lumber and recent reductions in ocean freight rates. Some Johannesburg timber merchants look for a drop in Scandinavian prices later in the year. They reason that approximately 15 per cent of the lumber produced in Scandinavian countries has not yet been contracted for and if there is difficulty in disposing of this, prices will tumble to the level of North American mills—Johannesburg, July 15.

SWEDEN

Wood Impregnator—Boliden salt, developed by the Swedish Boliden concern for wood impregnating, has now been officially approved as a standard product in the United States. Approval has been given after several years of experimental and field work in America, and it is hoped that considerable export to the United States and other countries will result—Stockholm, July 21.

Denmark

Harvest-Time Holds Problems

Danish farmers look forward to a record grain crop with mixed feelings—and Canadians who market coarse grains there may find their sales slipping in the next few months.

THE HAGUE—The current prospects of a record grain harvest for the second successive year are being viewed with mixed feelings in Denmark. Gratifying from a production standpoint, record yields (particularly of barley) may prove embarrassing to both the country at large and to farmers. Bumper crops and substantial carry-overs seem assured in the major grain-producing countries and tumbling grain prices may prevent the draining off through exports of a large enough portion of the Danish crop. Should this happen, more grain will be fed to livestock and, in particular, Danish hog production would soar at a time when export markets are nearly satiated and the United Kingdom is pressing for a 10 per cent reduction in its bacon contract price.

The farmer's newly gained freedom to market grain as he pleases poses another problem. For the past 13 years the Government has exercised some form of control over grain marketing; in that time there has been a 50 per cent turn-over in farm operators. Farmers have become accustomed to disposing of their grain immediately after harvest at prices fixed in advance. Despite grumbling about this, it has enabled them to plan ahead and has assured them of ready cash for the winter months. With the prospect of bumper crops this year, many fear considerable confusion when the crops are in.

Crop Forecast

At first glance, the forecast of a record crop seems unwarranted. The wheat area has declined to 63,000 hectares from 74,000 a year ago. In addition, frost damaged about 6,000 ha. of this year's winter wheat. The rye planted, at 124 thousand ha., is 13,000 ha. smaller than last year. Oats have declined to 238 thousand ha. from 268 thousand in 1952. But much of the decrease in these crops has been made up by an increase of 35,000 ha. in barley—to a total area of 602 thousand ha. Mixed grains have increased by 4,000 ha. to 284 thousand, bringing the total area under grain this year to 1,311,000 ha., some 15,000 less than in 1952.

In June the forecast was for a decline in the total grain harvest of nearly half a million tons. However, personal observation of the crops in July, continuing reports of anticipated heavy yields, and the traditional conservatism of the Statistical Bureau's crop forecasts all suggest that 1953 grain production will exceed the 4,572,000 tons produced in 1952.

Grain Areas and Yields

| | Area | | Yield | |
|--------------|---------------|-------|------------------------------|---------------|
| | 1953 | 1952 | 1953 (official June est.) | 1952 Final |
| | '000 hectares | | '000 metric tons | |
| Wheat | 63 | 74 | 225 | 301 |
| Rye | 124 | 137 | 275 | 358 |
| Barley | 602 | 567 | 2,100 | 2,131 |
| Oats | 238 | 268 | 765 | 960 |
| Mixed grains | 284 | 280 | 745 | 822 |
| | 1,311 | 1,326 | 4,110 | 4,572 |

Some Imports Decontrolled

After 13 consecutive years of government control over domestic grain marketing, Danish farmers in 1953 will be free to dispose of their grain crops as they wish. Compulsory bread and coarse grain deliveries have been abandoned, the ban on feeding of bread grains to livestock removed, the export levies on seed grains and malting barley eliminated, and the inclusion of grain exports in the dollar premium scheme permitted.

Arrangements for last year's crop included compulsory deliveries of all bread grains to the Government (with some exceptions, including grain for seeding purposes) and coarse grain quotas based on the assessed value of farm land. Prices at which grains were delivered were:

| | Dan. Kr./100 kg. |
|--|------------------|
| Fall wheat | 52 |
| Spring wheat | 57 |
| Rye | 52 |
| Barley | 47 |
| Oats | 43 |
| Mixed grains with a minimum barley content of 40 per cent | 45 |

These prices ranged between 10 and 15 kroner per 100 kg. below prevailing world prices.

In the past year this system netted the Treasury some 35 million kroner. With world grain prices falling and another bumper crop in prospect, the Government this spring considered it opportune to abandon its control over domestic grain marketing. It still officially disapproves of the feeding of bread grains to livestock and this will be discouraged in the coming year by careful control over imports of wheat and rye to prevent the domestic bread grain price from falling below that of feed grains. In addition, exports of seed grains and malting barley will be carefully inspected to guard against veiled feed grain exports.

Centralized government purchases of foreign feed grains and oilcakes ended on May 15 this year and from May 21 private traders have handled such imports. Purchases from E.P.U. countries are henceforth entirely free from control but imports from other sources must be cleared by the Government Grain Bureau and the Danish National Bank.

New Trend Revealed

In the 1952-53 grain marketing season, a new trend has developed which gives every promise of being permanent. Where before the war Denmark had net grain imports of more than half a million tons, in the past year there was a net export of over 165 thousand metric tons. Total exports last year amounted to 366 thousand m. tons compared with 131 thousand in 1951-52. The bulk of last year's exports were made up of



This Danish farmyard scene reflects the prosperity which has followed on record crops. But removal of controls on marketing of grain, substantial carryovers in other countries makes even prosperity seem a problem.

malting barley amounting to 255 thousand m. tons, of which 191 thousand tons were against dollar payment and yielded close to \$15 million. These were not exports to the United States but to Austria, Belgium, Germany and the Netherlands, via switch trade channels. A similar volume of switch dollar grain business will probably not recur in the coming year as such deals were only possible because of differences in export levies according to the destination of the barley. Incomplete returns show other grain exports in the past year included an additional 37,000 tons of barley in the form of malt, 28,000 tons of rye, 17,000 tons of seed grain and 5,000 tons of oats.

This remarkable development has occurred in spite of a 4 per cent decrease in total area under cultivation in Denmark compared with pre-war and, although favourable weather conditions have contributed to high yields, they provide only a partial explanation. More important has been the disappearance of horses in face of increasing mechanization since 1947. All this means a substantial saving in feed grain. An equally important influence has been increased productivity, thanks to much greater use of fertilizers and herbicides since the war and the trend towards improved crop strains and cropping practices.

Import and Export Policy

The Danish Government's role has thus become one of carefully regulating the valves governing the flow of imports and exports of foreign and domestic grains. Part of its policy of last year has been retained and entails the import of cheap wheat and the export of its domestic high-priced grain products, such as seed grains and malting barley. For the rest, it is a matter of striking a delicate balance between the desire

of grain producers for high returns and the need among livestock men for cheap feed grains. To accomplish this, the Government will maintain a strict watch over domestic grain price developments. It retains a measure of control over feed grain imports by requiring the Government Grain Bureau and National Bank to approve imports from dollar areas. In addition, domestic feed grain exports will not be permitted unless the domestic price requires bolstering through draining-off of supplies.

Wheat imports remain the Government's responsibility and this year it has succeeded in having its I.W.A. quota raised from 44,000 to 50,000 m. tons. In the past I.W.A. year, Denmark imported half of its wheat quota from Canada and the remainder from the United States. An additional 12,000 tons was imported from North America but none from other sources. A repetition of this in the 1953-54 season seems unlikely, in view of the trade agreement concluded with Russia in July. This calls for Russian shipments of wheat to Denmark of 50,000 tons, an amount nearly equal to total Danish wheat imports in the past grain season.

Affects Canadian Sales

The outlook for Canadian sales of coarse grains to Denmark appears bleak. It seems unlikely that Denmark will allocate dollars for imports in view of its own large crop and anticipated low prices for non-dollar grains. In the 1952-53 grain year, Denmark imported 55,000 m. tons of barley, virtually all of it from Canada. Only small amounts of oats were imported—largely from Europe and the Middle East.

Some prejudice against Canadian barley was stirred up in Danish agricultural circles in the past year because of exaggerated reports of its wild oats content. Although all Canadian barley shipments to Denmark have been proved to contain considerably less wild oats than statutory grades permit, the feeling still persists that Canadian barley should be excluded.

The Storage Problem

With the coming of the harvest, most farmers will face a storage problem. The majority have little or no grain storage space and will be forced to sell for what they can get after harvesting. Others may return to the prewar practice of stacking their grain for threshing and sale later, in the hope of obtaining higher prices. Those with combine harvesters cannot do this and must face the uncertainty of the post-harvest market which may well be flooded, with disastrous results for producer prices.

It has been suggested that the State or agricultural organizations institute a form of loan against crops stored. This, it is argued, would prevent a rush of grain onto the market and would provide farmers with immediate cash. So far this suggestion has been rejected as impracticable, because neither the State nor the organizations wish to become involved in such operations.

—C. J. SMALL

Acting Agricultural Secretary for Canada

Norway

The Trend in Fur Sales

The five fur auctions held during the 1952-53 season saw mink sales rise and prices hold firm; buyers showed less interest in foxes.

OSLO—During the 1952-53 season, Oslo held five fur auctions. At the first, from December 5 to 11, 1952, some 21,500 fox skins were offered for sale, of which 11,000 were silver foxes and 9,500 blue foxes. Approximately 24,500 standard minks and 3,200 mutation minks went on the block. According to reports, fox skins are now sold at prices below production costs, and France was, as usual, the only foreign buyer showing any interest in them.

The standard minks at the auction were, on the whole, of good quality and fetched an average price of 87 kroner; the top price for the finest specimens was 165 kroner. Mutation minks, which could have been somewhat brighter in colour, varied in price from 160 to 235 kroner. Some 93 per cent of the standard minks were sold, but only 47 per cent of the mutation minks of various kinds found purchasers.

Second Auction Was Largest

The second auction, which lasted from January 7 to 13, 1953, was the largest and most important of the season and was attended by a large number of foreign buyers from Belgium, the United Kingdom, France, Germany, Italy and the United States. French buyers were still interested in fox skins, but the difficulty of securing import licences strongly affected their purchases. Standard minks sold well and some lots were also sold after the auction, although prices were 10 per cent lower than in December. Mutation minks aroused great interest, and prices were about the same as at the December auction. Following are the offerings and sales (2 per cent commission is included in the prices).

| | Offered | Percentage Sold | Average Price | Maximum Price | Average Price January 1952 |
|--------------------|---------|-----------------|-----------------------|---------------|----------------------------|
| | | | (in Norwegian kroner) | | |
| Silver foxes | 15,700 | 29 | 86 | 185 | 128 |
| Blue foxes | 10,000 | 20 | 74 | 135 | 91 |
| Platinum foxes ... | 700 | 7 | 184 | 240 | 171 |
| Standard minks .. | 38,400 | 62 | 80 | 155 | 98 |
| Minks, silver blue | 2,625 | 82 | 124 | 200 | 177 |
| Minks, pastel | 4,150 | 67 | 140 | 230 | 237 |

The third auction, held from February 19 to 25, was the last important sale of mink during the season and representatives from abroad included Austrian and Spanish buyers. Of silver fox skins, the 90 per cent silvery and darker skins sold quite well at slightly lower prices than in January. Very few lots of the pale skins were sold. As usual, there was little interest in blue foxes; skins of good quality, size and colour were bought at about 72 to 85 kroner, and very good skins at 85 to 87 kroner.

Standard minks sold extremely well. It was interesting to note that the pale and medium pale skins, which received very little attention at the January auction, sold easily. Americans were rather active buyers of both standard and mutation minks. The mutations also sold well; the prices of the better qualities remained unchanged and the poorer skins fetched very firm prices. The table below gives the results of the auction.

| | Offered | Percentage Sold (in Norwegian kroner) | Average Price | Maximum Price |
|-------------------------|---------|--|---------------|---------------|
| Silver foxes | 14,000 | 40 | 79 | 170 |
| Blue foxes | 6,500 | 7-8 | ... | 105 |
| Standard minks | 23,000 | 98 | 80 | 147 |
| Minks, silver blue | 1,000 | 65 | 114 | 200 |
| Minks, pastel | 2,000 | 95 | 126 | 220 |

Final Sales

Only the second of the season's last two auctions, held in March and April, was of particular interest; no minks were offered at the March auction. Buyers from the United States, England, France, Italy, West Germany, Spain and Egypt who attended the April sale showed practically no interest in fox skins. However, mink skins, both standard and mutation, fetched high prices although they were not of the best quality, and sales were almost 100 per cent. The number of minks offered were: standard, 11,300; silverblues, 953, and pastels, 1,551. Average prices were 96 kroner for standards, 127 kroner for silverblues and 175 kroner for pastels. Maximum prices were 166, 195, and 270 kroner respectively. The next Oslo auction will take place in September and only foxes will be offered.

—J. L. MUTTER

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, Guatemala, Haiti, Iceland, Indonesia, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, 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.



General Notes

ARGENTINA

Foreign Exchange for Spare Parts—The Argentine Ministry of Finance has announced that the Central Bank of Argentina has agreed to allocate foreign exchange to the value of 40 million pesos to cover imports of spare parts for agricultural machinery already in the country. However, no spare parts of the types already made in the country may be imported. Previously, 50 million pesos had been allocated for imports of raw materials from different sources for the local manufacture of agricultural machinery and implements, and 48 million pesos had been granted for imports of Italian industrial equipment for local agricultural machinery factories—Buenos Aires, July 13.

AUSTRALIA

Wool Sales to U.S. Down—The falling off of American buying of wool (Australia's largest individual dollar earner) this year has seriously affected Australia's dollar trade balance. The U.S. was the second biggest buyer of Australian wool until 1951-52, but in the past nine months has fallen to fifth place. The main reasons for the falling-off in sales to America are that, during World War II and in the immediate postwar years, America stockpiled huge quantities of Australian wool some of which is reaching American woollen mills only now, and that America has produced vast quantities of synthetic fibres for textiles—Sydney, July 10.

Uranium Prospecting—On the recommendation of the Atomic Energy Commission, it has been decided to encourage private prospecting and mining of uranium. The general policy is that conditions of prospecting and mining for uranium should, wherever possible, be similar to those for other metallic minerals.

Discoverers of uranium deposits will receive tax-free rewards at the discretion of the Minister for Supply on the recommendation of the Atomic Energy Commission. A reward of £1,000 will be paid to the discoverer of a deposit which, in the opinion of the Minister, warrants further exploration. A reward will also be paid for discovery of deposits of outstanding economic importance. These rewards may be paid in instalments as the value of the deposit improves—Sydney, July 10.

COLOMBIA

First Fish Cannery—Colombia's first fish cannery, situated in the Pacific port of Buenaventura, is expected to be completed by the end of this year at a cost of five million pesos. The cannery is the property of Industria Colombiana de Pesca (ICOPECA) operating with all-Colombian capital, and it is expected that several types of fish found in the Pacific coastal waters will be canned on a commercial basis once the plant begins to operate.

Within the last few weeks the company's first fishing boat arrived from Sweden where it was constructed to the specifications of ICOPECA. The Swedish crew which brought the craft across the Atlantic will remain in Colombia for some years under contract to ICOPECA, to train Colombian personnel to operate this craft and others which will follow—Bogota, July 19.

DOMINICA

Development Program—The Government of Dominica has begun a \$3½ million development program, comprising a stock farm, the construction of a jetty at Roseau, and the building of roads, schools and a hospital. Colonial Development and Welfare has contributed over \$2½ million and the remainder will be obtained by loan on the London market—Port of Spain, July 11.

NETHERLANDS

Feed Grains, Oil Cakes Returned to Private Trading—September 1, 1953, has been fixed as the target date for the return to private trading in feed grains and oil cakes in the Netherlands. This will end government control over such imports which has been effective since 1939. This new development is a logical extension of the abolition of feed-stuff rationing in April this year. At that time the practice of fixed government selling prices was replaced by a system of fluctuating prices established from week to week under the influence of world market quotations.

Although September 1 has been selected as the expected date for the return to private trading, administrative considerations may dictate another time. The exact date will be made known shortly, along with any additional conditions necessary to regulate future trading in coarse grains and oil cakes—The Hague, July 18.

UNITED STATES

Florida Beef Cattle Industry—Beef cattle in Florida in 1929 numbered 450,000 head. By January 1953 the number had increased to 1,376,000. Between 1940 and 1950 there was a 64 per cent increase, the largest increase in cattle in any state in the country. Although many of the cattle raised in Florida are slaughtered locally, large numbers are shipped to the Southwest for fattening on grass so that the state supplies only about 60 per cent of the beef consumed within its territory. It is estimated that two million acres of improved pasturage are in use in Florida at the present time, and an estimated six million to twelve million are still available—New Orleans, July 25.



Trade Commissioners on Tour

FROM TIME TO TIME Canadian Trade Commissioners return to Canada to bring themselves up-to-date on conditions in this country and to renew their contacts with businessmen here. Details of their itineraries appear regularly under this heading, as a service to exporters and importers who would like to discuss trading problems with them.

J. C. Depocas, Canadian Government Trade Commissioner in Guatemala City, begins a tour of Canada in Quebec City on August 17. His itinerary is:

Quebec City—August 17
Halifax—August 19-20
Saint John—August 21-25
Toronto—August 28-September 5
Windsor—September 8
London—September 9
Guelph—September 10

Kitchener—September 11
Hamilton—September 14
Winnipeg—September 16
Calgary—September 18
Vancouver—September 21-26
Montreal—September 30-October 10

G. F. G. Hughes, Canadian Government Trade Commissioner in Beirut, begins a tour of Canada in Montreal, September 8-15. His itinerary is:

Montreal—September 8-15
Arvida—September 16
Peterborough—September 18
Toronto—September 21-25
Hamilton—September 28
Brantford—September 29

London—September 30
Vancouver—October 1-7
Edmonton—October 8
Winnipeg—October 12
Ottawa—October 13-16

J. H. Stone, Assistant Commercial Secretary for Canada in Paris, begins a tour of Canada in Montreal, August 31-September 4. His itinerary is:

Montreal—August 31-September 4
Vancouver: Victoria—September 8-11
Edmonton—September 16
Winnipeg—September 18
Ottawa—September 21-22
Toronto—September 24-30
Hamilton—October 1

St. Catharines: Welland—October 2
Windsor: Walkerville—October 5
Sarnia—October 6
Kitchener—October 7
Preston: Brantford—October 8
Guelph—October 9
Ottawa—October 12

C. M. Croft, Commercial Counsellor for Canada in Sydney, Australia, began the second part of his Canadian tour in Halifax, August 3-4. His itinerary is:

Montreal—August 10-19
Ottawa—August 20-22

Winnipeg—August 25-26
Vancouver—August 29-September 4

T. R. G. Fletcher, Canadian Government Trade Commissioner in Hong Kong, began a tour of Canada in Ottawa, June 29-July 10. His itinerary is:

| | |
|-------------------------------------|------------------------|
| Montreal—August 17-26 | Winnipeg—September 27 |
| Toronto—August 27-September 4 | Calgary—October 1 |
| Welland: St. Catharines—September 8 | Edmonton—October 2 |
| Hamilton—September 9 | Vancouver—October 6-19 |
| Brantford: Guelph—September 10 | Victoria—October 20 |
| Windsor—September 11 | |

T. J. Monty, Commercial Secretary for Canada in Brussels, Belgium, begins his Canadian tour in Montreal, August 24 to September 4. His itinerary is:

| | |
|--------------------------------------|------------------------|
| Montreal—August 24-September 4 | London—September 24 |
| Ottawa—September 7-12 | Sarnia—September 25 |
| Toronto—September 14-19 | Windsor—September 26 |
| Guelph: Fergus—September 21 | Vancouver—October 5-19 |
| Brantford: Hamilton—September 22 | Winnipeg—October 12-13 |
| St. Catharines: Welland—September 23 | Ottawa—October 15-17 |

A. W. Evans, Commercial Secretary for Canada in Havana, Cuba, began a tour of Canada in Toronto on June 1st. His itinerary is:

| | |
|--------------------------------|-------------------------|
| Windsor: Walkerville—August 17 | Victoria—August 31 |
| Chatham—August 18 | Vancouver—September 1-3 |
| London—August 19 | Calgary—September 4 |
| Kitchener—August 20 | Edmonton—September 5 |
| Guelph—August 21 | Saskatoon—September 7 |
| Hamilton—August 24-25 | Winnipeg—September 9 |

B. A. Macdonald, Commercial Counsellor for Canada in Bonn, Germany, began a tour of Canada in Ottawa, July 6-10. His itinerary is:

| | |
|-----------------------|------------------------------------|
| Winnipeg—August 24-26 | Edmonton—August 29-31 |
| Regina—August 27 | Vancouver: Victoria—September 9-16 |
| Calgary—August 28 | Ottawa—September 28-October 2 |

● Note: Mr. Macdonald's tour of Ontario has been postponed temporarily because of illness.

Businessmen may get in touch with these officers through the Board of Trade in Saskatoon, Chatham, Brantford, Guelph, Montreal, Quebec, Saint John, Sydney and Halifax; the Chamber of Commerce in Calgary, Regina, Kitchener, London, Welland, St. Catharines, Windsor, Sarnia, Hamilton, Peterborough, Preston, Brockville, Arvida, Chicoutimi, Rimouski, Shawinigan and Three Rivers; the Canadian Manufacturers Association in Edmonton, Winnipeg and Toronto; the Dept. of Trade and Industry in Victoria; the Dept. of Industry and Development in Fredericton (295 Queen St.); and the Department of Trade and Commerce in Ottawa, Vancouver (355 Burrard St.) and St. John's (Stott Bldg.).

United States

Construction Slows Down

WASHINGTON—Real estate business has been slack in the United States during the past six months, and recent statistics indicate that the construction boom of the last three or four years is beginning to slow down. Since 1949 residential construction in the U.S. has rolled up record totals of over one million new dwelling starts each year, compared with the average of about half a million housing starts annually in 1938, 1939 and 1940. Easy credit and home mortgage financing under government-guaranteed GI and FHA loans contributed to the 1¼ million new housing starts in 1952.

Construction contracts listed for the first half of 1953 totalled \$16 billion, equal to the average annual rate for the same period of 1952 which set a record of \$33.5 billion of new construction. However, home building in the first quarter of this year failed to hold its own. Although non-residential contract awards at \$2.952 billion for the first six months were 9 per cent higher than in 1952, residential awards at \$3.258 billion were down 3 per cent.

The slump in building was most marked in the months of May and June, when the non-residential monthly figures declined 21 and 17 per cent respectively, and residential construction fell 27 and 20 per cent as compared with the figures for these months last year.

Opinions Differ

Although the construction industry and many business analysts expected a moderate downturn for mid-1953 (in line with recent mildly deflationary credit policies), contractors and builders, many of whom put the blame on inadequate money markets, are at odds with money-lending institutions, some of whom contend that home mortgage lending volume so far this year is ahead of 1952.

The majority in the building industry, however, appear to regard the mortgage market as being tight. They complain that the higher return from government and corporate bonds and securities is drawing the banks and loan agencies away from construction.

One result of the slow-down in building is the reduction in contractors' profit margins. A recent engineering survey reports that jobs are attracting three times as many bidders as a year ago, and with the spread on bids becoming so narrow, public contract awards are quite often below government estimates.

Supply Position Improved

These lower bids reflect the greatly increased competition in the construction field and the much improved supply of building materials prices of which have generally followed the progressive decline in the

wholesale price index. The disappearance of materials priorities since the Controlled Materials Plan was abandoned has also been a major factor in this improvement—from the consumer point of view—in prices and supplies.

If, as some builders think, actual needs for new housing settle down to approximately 750,000 units annually in the next few years, the effect of such a 25 per cent decline on the export supply of building materials can readily be foreseen. Offsetting this possibility is the prospect of Presidential action to counter the symptoms of a building slump by invoking present authority to reduce FHA minimum down payment requirements from 10 per cent to 5 per cent on mortgages of \$12,000 or less. One major home builders' association recently said that such action is essential to prevent a drop in building during 1954 which could have grave repercussions on the entire economy.

—G. A. BROWNE
Commercial Secretary for Canada

Trade and Tariff Regulations

CUBA

Embargo on Canadian Livestock and Agricultural Products Lifted—Effective July 21, the Cuban Government has removed the embargo on imports of Canadian livestock and agricultural products such as oats, hay and straw which had been imposed since the outbreak of foot and mouth disease in Canada.

For imports of livestock from Canada, an official certificate will be required from the Health of Animals Division of the Department of Agriculture confirming that the animal is of Canadian birth and has remained in Canada until date of shipment to Cuba. This certificate must be legalized by the Cuban Consul in the Canadian city nearest to the port of shipment.

PARAGUAY

Documentation Regulations—According to a Paraguayan resolution published July 14, customs clearance of import shipments will not be authorized unless the import documents express separately, in each and every case, the f.o.b. and the c.i.f. value of the goods. The individual shipping and handling charges such as maritime, river, rail or air freight, insurance and all other expenses involved in the shipment must also be indicated.

As far as Canadian exporters are concerned, their responsibility will be to indicate on all relevant documents the f.o.b. and c.i.f. value of the goods, plus all other individual charges involved in getting the goods to the transshipping point. From this point, the onus falls on the Paraguayan importer.

SOUTHERN RHODESIA

Import Controls Relaxed—Relaxation of import controls on a wide range of goods from dollar and other non-sterling countries was announced by the Southern Rhodesia Minister of Trade and Industrial Development on July 21. The goods are, in general, of a type not available from the sterling area.

Instead of being imported under quota as previously, licences will now be automatically granted for certain goods—including unmanufactured timber, fertilizers, vehicle spares, certain types of paper, various chemicals and pigments, acids, gases, dyes, waxes and oils, yarns, certain textiles for furniture manufacture, and plate and sheet glass.

Commercial vehicles, previously on the prohibited list, have been given an exchange allocation for the current half-year of £200,000.

Other goods previously prohibited and now given substantial allocations are condensed milk, pressure lamps and stoves, mosquito gauze, and bitumen roofing materials.

The allocation for tools from non-sterling sources during the current half-year has been increased to £20,000—i.e., from £15,000 in the first half of 1953. The allocations remain at the same level as in the January-June period for agricultural machinery and spares (£295,000) and mining and industrial machinery (£237,500). The allocation for steel has been reduced from £50,000 to £37,000.

More detailed information will be available when the text of the official announcement is received and may be obtained on request from the International Trade Relations Branch, Department of Trade and Commerce.

UNITED STATES

Tariff Classification of Brass Pinion Rods—The United States Bureau of Customs issued the following notice in U.S. *Federal Register* of July 28, 1953:

"It appears probable that brass pinion rods are properly classifiable as articles or wares not specially provided for, composed wholly or in chief value of brass, under paragraph 397, Tariff Act of 1930, at a rate of duty higher than that heretofore assessed under an established and uniform practice.

"Pursuant to section 16.10a (d), *Customs Regulations of 1943*, as amended (19 CFR 16.10a (d)), notice is hereby given that the existing uniform practice of classifying such merchandise as brass rods under paragraph 381, Tariff Act of 1930, is under review in the Bureau of Customs.

"Consideration will be given to any relevant data, views, or arguments pertaining to the correct classification of this merchandise which are submitted to the Bureau of Customs, Washington 25, D.C., in writing. To assure consideration, such communications must be received in the Bureau not later than 30 days from the date of publication of this notice in the *Federal Register*. No hearings will be held."

Under U.S. Tariff paragraph 381, the duty on brass rods is 2¢ per lb. Under U.S. Tariff paragraph 397, the duty on such articles would become 22½ per cent ad valorem.

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 Wurttemberg 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 Wurtemberg 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 1.00914.

| Country | Unit | Type of Exchange | Canadian dollar equiv. July 30 | Notes (See below) |
|---|-----------------|----------------------------|--------------------------------|-------------------|
| Argentina | Peso | Preferential buying | .1321 | |
| | | Basic buying | .1982 | |
| | | Preferential selling | .1982 | (1) |
| | | Basic selling | .1321 | |
| | | Free | .07133 | |
| Austria | Schilling ..... | ..... | .03811 | |
| Australia | Pound ..... | ..... | 2.2320 | |
| Belgium-Luxembourg & Belgian Dependencies ... | Franc ..... | ..... | .01984 | |
|  |  | ..... | .00521 | |
| Bolivia | Boliviano | Official | .5812 | (3) |
| British West Indies | Dollar ..... | ..... | 2.7900 | (4) |
| | | Pound | .6975 | |
| Brazil | Cruzeiro | Brit. Honduras | .05356 | tax 8% |
| | | Official | .02311 | (2) |
| Burma | Kyat | Free | .2092 | |
| Ceylon | Rupee ..... | ..... | .2092 | |
| Chile | Peso | Official | .00901 | (1) |
| Colombia | Peso | Basic | .3964 | tax 3% |
| Costa Rica | Colon | Official | .1765 | (5) |
| | | Controlled Free | .1492 | * |
| Cuba | Peso ..... | ..... | .9909 | tax 2% |
| Czechoslovakia | Koruna ..... | ..... | .1376 | |
| Denmark | Krone ..... | ..... | .1435 | |
| Dominican Republic | Peso ..... | ..... | .9909 | |
|  |  | ..... | .06607 | (6) |
| Ecuador | Sucre | Official | .05702 | |
| | | Free | 2.8455 | |
| Egypt | Pound ..... | ..... | 2.5135 | |
| Fiji | Pound ..... | ..... | .00431 | |
| Finland | Markka ..... | ..... | .00283 | |
| France | Franc ..... | ..... | .00566 | |
| French Africa | Franc ..... | ..... | .01557 | |
| French Pacific | Franc ..... | ..... | .2359 | |
| Germany | D Mark ..... | ..... | .000033 | |
| Greece | Drachma ..... | ..... | .9909 | |
| Guatemala | Quetzal ..... | ..... | .1982 | |
| Haiti | Gourde ..... | ..... | .4955 | |
| Honduras | Lempira ..... | ..... | .1653 | *July 24 |
| Hong Kong | Dollar | Free | .06085 | |
| | | Official | .04685 | |
| Iceland | Krona | Special buying | .03775 | |
| | | Special selling | .2092 | |
| India | Rupee ..... | ..... | .08692 | (7) |
| Indonesia | Rupiah | Basic | .00186 | * |
| | | Dollar certificate | .00186 | |

* Latest available quotation date.