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COVER . . . This grand champion Merino ram bears himself like an aristocrat. Thanks to the Merino sheep, Australia has become the world's greatest wool producer and better wool prices in 1952-53 boosted export values to a near record. For articles on Australia's trade and agriculture, see pages 2 - 8.

—Australian Official Photo

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Australia

The Trade Picture Brightens

Reports on the 1952-53 fiscal year, now coming in, reveal a heartening rise in the favourable trade balance, with imports down and exports reaching a near record.

SYDNEY—Australia's trade for the fiscal year ended June 30, 1953, showed a favourable balance of £A358.2 million, an improvement of £A736.6 million over the previous year. Exports, at £A872.3 million, were £A197.3 million above 1952-53 and reflected higher prices for wool and a good season for primary production. Imports during 1952-53 were valued at £A514.1 million, less than half the value of the previous year, and reflect the severe import restrictions imposed in March 1952 to counter a serious balance-of-payments crisis.

Though the favourable trade balance appears large, it does not take into consideration invisible payments (including freight and insurance) which are estimated to be about £A100 million. Thus the addition to Australia's overseas' reserves should be about £A258 million for the year.

Import Restrictions Eased

The improvement in the trade balance has exceeded even the most optimistic forecasts and has enabled the Government to carry out its policy of gradually relaxing import controls on non-dollar goods as the position improved. Early in 1953 some modifications were made in the import licensing regulations to permit increased imports of certain essential commodities from soft currency sources. On April 1, 1953, the restrictions were eased further to allow an additional £A50 million worth of imports from soft currency sources and on July 1, 1953, still another easing, to the value of £A45 million, was announced. So far relaxations of import restrictions have not applied to the dollar area and no substantial easing of restrictions appears likely until dollar reserves show considerable improvement.

Main Suppliers

During the past year, the United Kingdom remained the principal source of Australia's imports even though it was hard hit by the restrictions which reduced purchases from Britain to less than half of the previous year's total. The United States—Australia's second largest supplier—suffered less. Restrictions against dollar imports had been in force for some years and imports from the United States were already confined to essential goods not obtainable elsewhere. The reduction of imports from the United States, approximately 15 per cent, can be largely attributed to the business recession during 1952. This curtailed economic activity to some extent and decreased the demand for some capital goods.

Imports from Arabia, mainly petroleum and products, increased slightly; imports from Indonesia, also petroleum and products, decreased by about 15 per cent. The value of imports from India declined drastically to about one-third of the value during 1951-52, largely because of reductions in the prices of jute and, to a lesser extent, cotton goods.

Exports Mount

Increased wool prices and a higher value of exports of wheat, dairy products and meat resulted in total export receipts second only to 1950-51, when record wool prices swelled the total to £A981·8 million. The United Kingdom remained the principal market for Australian goods, taking practically the total exportable surplus of meat and dairy products under bulk purchase agreements, and wheat under the International Wheat Agreement. Japan, for the first time since the end of the war, rose to second place among Australia's customers with purchases of about £A80 million, mainly wool but including wheat and barley. The United States, which last year was Australia's second largest customer, dropped to fourth place because of curtailed wool purchases; France remained in third place and purchased about 20 per cent more in value.

An interesting feature of Australia's trade is the lack of balance with some of her most important markets. Japan ranks as the second most important buyer of Australian goods but is down to about eighteenth in line as a supplier, selling Australia only about £A6 million worth of goods. France, the third largest market, remained about ninth as a supplier; Italy, Australia's fifth most important market, came about seventeenth as a source of imports. This situation stems partly from the British preferential system which gives the United Kingdom considerable advantages in the Australian market, and partly from the fact that the goods available from France and Italy are, to a large extent, luxuries.

With Japan it is a little different. Australians have not yet forgotten the past and there is some resentment at any attempt to increase imports from this source. Japan has officially warned, however, that shortages of sterling may make it necessary to reduce purchases of wool and this is likely to have repercussions on the price, which Japanese buying has

Highlights of 1952-53 Trade Year

- *Restrictions on non-dollar imports were eased slightly, as position improved.*
- *Increased wool prices, plus a rise in value of wheat, dairy products and meat exports, swelled export income.*
- *Britain retained her place as Australia's main market, with Japan ranking second and France third.*
- *United States decreased its purchases of wool; dropped to fourth place as a customer.*
- *Australia bought from Canada twice as much, by value, as Canada purchased from Australia.*

helped to maintain. It seems probable that the Australian position will have to be reviewed and the probabilities are that the coming year will see considerably larger buying of Japanese goods.

What's Ahead

The outlook for the coming year is favourable and the general opinion appears to be that exports will remain at approximately the same level as last year and imports go somewhat higher. Export income is so closely associated with unpredictable factors such as wool prices and climatic conditions that no accurate forecast can be made. With the restoration of Australia's overseas reserves to a healthy level, further relaxations in import restrictions can be expected. Some local manufacturers who have benefited by these restrictions are reluctant to see them go and are bringing considerable pressure on the Government to retain them. So far, however, there is no indication that the Government's policy of relaxing restrictions as overseas balances improve will be modified.

Over the past two years, inflation has become a serious problem and many export industries are having difficulty in keeping production costs reasonable. The principal products—wool, meat and dairy products—are still able to find markets but there are signs that the dairy industry may run into difficulties during the next year. Negotiated prices for butter and cheese under bulk purchase agreements with the United Kingdom this year were raised only $3\frac{1}{2}$ per cent, considerably less than increases in costs of production, and returns to the industry will probably be lower. Costs in the canning industry have caused concern over the past year and it has proved difficult to market the output; many canneries have closed or have curtailed operations. Manufacturing costs in general have increased drastically and there is little possibility that manufactures will play a significant part in export trade until costs are stabilized.

Trade with Canada

Australia's trade with Canada continued in the postwar pattern, with Australia purchasing over double the value of goods sold to Canada. Only once since the war has Australia had a favourable trade balance with Canada, and then only because of terrific increases in the price of wool. During the past year Canada was Australia's fifth most important supplier, and as a market for Australian goods, fourteenth. Australian exports to Canada amounted to about £A9 million, approximately the same as last year, and consisted mainly of wool, sugar, dried fruits, canned meats and fruits, wines and sausage casings. The scope for Australian goods in Canada is limited largely to these commodities.

Imports from Canada were valued at about £A19.5 million, down roughly £A2 million from last year. Main imports from Canada were automobile parts, lumber, newsprint, copper, aluminum, asbestos and tobacco. Canada's exports to Australia are limited by the severe import restrictions, under which only essential goods which cannot be obtained from soft currency sources are licensed. No substantial change in the pattern of Australian-Canadian trade is expected during the coming year and the volume of trade will probably remain at close to last year's level.

—C. M. FORSYTH-SMITH
Assistant Commercial Secretary for Canada

Australia

The Farmer Steps Up Production

Speaking at the opening of the 38th annual meeting of the Australian Agricultural Council recently, the Minister for Commerce and Agriculture reviewed farm production and emphasized the hopeful outlook. Here is a summary of his address.

MELBOURNE—The present prosperity of Australia's agricultural and pastoral industries is emphasized by the increased output recorded in the 1952-53 season and by a review of prospects for the coming season. Gross value of production in 1952-53 is estimated at £1,090 million, or 17 per cent above that of 1951-52.

The increase in the volume of 1952-53 rural production is expected to be nearly 15 per cent over the previous year and approximately 19 per cent above the average of the three immediate prewar years. However, since 1939 the population of Australia has risen by 25 per cent, with home consumption as a result increasing more rapidly than production. There is however, evidence of a rise in production which represents a real step towards achievement of the goal set by the Council a year ago.

The high level of wheat production in 1952-53 was only possible because of the exceptionally high average yield of 19.1 bushels per acre, but indications are that the 1953-54 sowings will reverse the downtrend in wheat acreage apparent since 1947-48. Australia's position as the only exporter of wheat in the sterling area remains sound.

Record Wool Production

A favourable season, the success of the myxomatosis virus campaign against rabbits, and continued progress in property improvement contributed to a record wool clip in 1952-53 estimated at 1,250 million lb. greasy. This is 20 per cent higher than in 1951-52 and 25 per cent higher than the five-year prewar average. The wool cut this season is expected to be half a pound per head above the all-time record of 8.53 lb. in 1928-29.

Meat and Dairy Products

Production of beef and veal for 1952-53 is estimated at 625 thousand tons and mutton and lamb at 340 thousand tons, compared with 585 thousand tons and 277 thousand tons last year.

Expansion of the dairy industry has been held back because other farm products are more attractive in price. Australian butter and cheese have not been competitive in overseas markets with other important exporting countries. Costs of production must be reduced through greater efficiency and this applies also to the egg and pig meat industries.

A record sugar output of 933 thousand tons was achieved in 1952-53. Acreage assignments have been increased and the 1953-54 crop is likely to be a record one, exceeding last season's.

Export Earnings

Improved production and favourable prices helped to increase export earnings from farm products in 1952-53 by about £150 million over 1951-52. The estimate of returns from export sales of these products for the current year (1953-54) is about £690 million.

Increases in export earnings of various products this year compared to last are:

Butter: £4.4 million to £17.9 million.

Barley: £10.7 million to £19.5 million.

Sugar: £7 million to £21.0 million.

Beef and Veal: £5.2 million to £16.7 million.

Canned Meats: £16.0 million to £26.2 million.

Lamb and Mutton: £2.0 million to £9.0 million.

The value of cheese, egg and dried fruits exports also went up.

The Australian Meat Board estimates that exports of beef in the year ending June 30, 1953, will easily be a record. Exports of carcass beef in 1952-53 are estimated as between 100 thousand and 110 thousand tons,



—Australian Official Photograph

An Australian farmer near Growedale, Victoria, thatches his stacks of oats to protect them from the weather. Oats rank as the country's second most important cereal crop, next after wheat.

and of canned meat (mostly beef) between 80,000 to 90,000 tons (approximately 105 thousand tons carcass meat equivalent). Mutton exports are expected to reach 39,000 tons, the highest since 1921; in 1951-52, they were only 3,000 tons. Lamb exports should total 37,000 tons, compared with 11,500 in 1951-52 and 20,000 tons in 1950-51. These increases are to some extent the result of a good season following a drought over a large area of Australia.

Prices for wool firmed this year to about 25 per cent higher than last year, although not as high as the boom year 1950-51. This, plus an increased yield, brought wool exports up to £425 million, compared with nearly £308 million in 1951-52.

Dollar-Saving Industries

The desired expansion of certain dollar-saving industries such as tobacco and cotton has made progress. Negotiations between tobacco growers and manufacturers are being continued in an effort to reach agreement for a marketing arrangement to operate for next season. In addition, a committee composed of all interested parties has been set up to survey the industry.

In order to avoid widespread loss of grower confidence in the industry, the Commonwealth Government arranged, in a special act, for advances to be made to growers on 1951-52 tobacco left unsold at last year's sales.

The Standing Committee for Agriculture has recommended to the Council that a special study be made of the long-term marketing requirements of the smaller industries, such as cotton, linseed and tobacco, with tobacco receiving priority.

(Later, the Council carried a motion requesting that:

- The Commonwealth authorities consider restricting imports of manufactured and unmanufactured tobacco into Australia, except cigars, to the quantity required to be imported to meet Australian demands after all usable Australian leaf has been absorbed, and that

- A committee representative of the Commonwealth Government, the growers and the manufacturers be appointed to determine what is usable leaf.

The Council was informed that the Department of Commerce and Agriculture had undertaken to prepare a full review of tobacco marketing for later consideration by the Council.)

Marketing Arrangements

The Minister stressed that the British Ministry of Food would cease importing wheat in August 1953 and that the import of all grains has been returned to ordinary trade channels. Products such as eggs, meat, dairy produce, dried fruits and canned fruits, which have been marketed under bulk purchasing contracts, may soon revert to private trading and must be prepared to compete in quality and price. This means that the Australian producer must pay more attention to quality, price and packaging and to selling arrangements and publicity overseas.

—R. W. BLAKE
Agricultural Secretary for Canada

United States

Distribution Centres in the South

NEW ORLEANS—A brief survey of distribution centres in the southern United States, both coastal and inland, may prove useful to Canadian shippers. Distribution practices vary in the different trades, but the usual maximum territory served by food brokers at least is one to two states. It is therefore important for the businessman to be familiar with the main distribution centres in each state and to use the most suitable ones, rather than to attempt to cover the whole South through one distributor. The Trade Commissioner office in New Orleans has information on many of the important distributors in each area and will be glad to advise shippers.

Canada's business with southern U.S. ports is very limited and port figures do not provide a true picture of trade between the two countries. At present, the South Atlantic ports receive from Canada crude gypsum, newsprint, some lumber (in Florida), and vegetables. Shipments from Canada arriving in the Gulf ports are mainly ores, non-metallic minerals and newsprint. Chief ports of the Southern States are:

- *On the Atlantic coast*
 - Wilmington, Morehead City, and Charleston in North and South Carolina
 - Savannah in Georgia
 - Jacksonville and Port Everglades in Florida
- *On the Gulf*
 - Tampa in Florida
 - Mobile in Alabama
 - New Orleans in Louisiana
 - Houston in Texas.

Railways Carry Bulk

Apart from the products mentioned above, the greater part of imports from Canada enter the Southern States by rail. Even British Columbia softwoods travel by train as far as Florida, although this state also receives heavy shipments into the port of Everglades and some in Tampa. It is the comparatively easy rail haul and the fact that the railways can handle small quantities that has kept inter-coastal trade between the two countries at very moderate levels.

Inland Centres

For overland shipments, ten outstanding distribution centres should be considered when checking on trade, appointing agents or making wholesale arrangements. These centres fan out in a rough semicircle around New Orleans, beginning with Houston, Dallas and Fort Worth in

Texas; Birmingham, Alabama; Atlanta, Georgia; Charlotte, North Carolina, and Miami, Florida. These cities appear in nearly every distribution survey of the United States. In 1952 a special market research report on primary trade areas in the United States gave them this U.S. ranking, based on 1950 figures:

Rank	City	Population 1950
13	Dallas and Forth Worth, Texas.....	970,098
20	Houston, Texas	802,102
23	Atlanta, Georgia	664,033
31	New Orleans, Louisiana	681,037
32	Miami, Florida	448,689
37	Memphis, Tennessee	489,161
38	Charlotte, North Carolina	196,160
39	Birmingham, Alabama	554,186
44	Oklahoma City, Oklahoma	332,090

As might be expected, these cities serve as distribution centres in the states which have shown the largest measure of economic growth in recent years, as the following listing in order of value of production in 1952 indicates:

VALUE OF PRODUCTION, 1952

(in million dollars)

State	Rural Industries	Farming	Mining	Construction	Manufacturing
Texas	37	2·291	3·219	2·067	10·047
North Carolina	14	1·097	23	991	6·426
Georgia	21	802	34	580	3·914
Tennessee	10	649	73	609	3·278
Louisiana	21	438	785	453	3·017
Florida	27	493	71	876	1·278
Alabama	10	580	135	479	2·864
Oklahoma	6	782	571	396	1·709
South Carolina	10	472	12	687	2·742
Mississippi	10	732	134	242	1·060
Arkansas	10	713	120	258	911

Some centres are better adapted to the distribution of certain commodities than others. However, for general purposes, Atlanta, Georgia, is the logical distribution centre for the Southeast and Dallas or Houston, Texas, the main distribution point for the Southwest. None of these southern cities should be overlooked; each has its value. Dallas, Fort Worth and Houston serve the state which at present is head and shoulders above the other Southern States in size and economic importance. Its petro-chemical industries, based on natural resources of oil, gas, salt and sulphur, are making rapid progress and this area provides a good market for Canadian wood products and offers possibilities for Canadian foodstuffs.

Birmingham, Alabama, the focal point of the South's heavy steel industry, is probably the major wholesale lumber centre for Canadian softwoods because it has more important wholesale lumber firms than any other city in the South.

Charlotte, North Carolina, in the heart of an area which is witnessing a vast expansion in textile and allied industries, is also an important centre for Canadian products.

—GERALD A. NEWMAN

Consul of Canada and Trade Commissioner

United Kingdom

Report on Overseas Trade

LONDON—United Kingdom exports during the first six months of 1953 were valued at £1,309·8 million. Compared with the same period in 1952, this represented a reduction of 8·5 per cent. On the import side the tendency was the reverse. Imports up to the end of June amounted to £1,693·9 million, a rise of 10·9 per cent.

The official view is that the general trade position is not satisfactory if Britain is to maintain the forward impetus that the situation demands. Expansion of the export trade is still the main need; imports are thought to be running at reasonable levels. The serious fact is that, although production is better, exports have not been pushed to the maximum.

Higher Sales to North America

North American markets stand out as an exception in the general downward trend of exports. In the month of June exports to Canada at £16·1 million established a record, and exports to the United States reached £14·4 million. Total exports to North America were valued at £30·5 million compared with the previous high of £29·8 million in April.

The monthly average of exports to North America during the first half of the year was £26·8 million, £5·5 million more than in the same period last year. Industries contributing most to this improvement were automobiles, machinery and woollens.

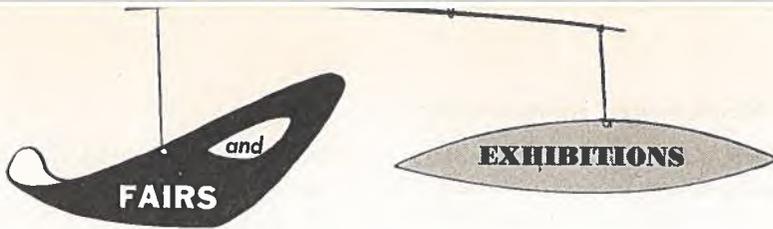
Trade Deficit Increased

Imports climbed in the first half of the year; the monthly average for the second quarter was £292·3 million which is nearly £20 million a month more than in the first quarter of the year. The excess of imports over total exports in January-June 1953 was £384·1 million, compared with £470·2 million a year ago. The trade deficit averaged £64 million a month, a little higher than the average over the whole of 1952. Between the first and second quarters of 1953, however, the deficit rose from £54 million to £74 million a month. In June it was £79·7 million.

To correct this trend, United Kingdom exporters are urged to push sales abroad still harder, particularly in non-dollar markets in which the decline is concentrated. Import restrictions are no doubt partly responsible, and as they are relaxed United Kingdom sales in those markets should, theoretically, recover. Whether the United Kingdom's share of the non-dollar markets will be regained in full, however, remains to be seen. In spite of the restrictions German exports have been increasing recently and, in any event, competition from that quarter is likely to become keener. An encouraging sign is that prices of British goods, judged by the rising sales in North America, appear to be competitive.

—R. P. BOWER

Commercial Counsellor for Canada



Spain in Santiago

As part of an organized drive to increase Chilean-Spanish trade, a Spanish Trade Exhibition opened in Santiago this summer. The building which houses the exhibition was purchased by the Spanish authorities to serve as a permanent centre.

The displays occupy four floors of the building and over 600 firms have participated. The machinery exhibit alone is said to have a value of over US\$80 thousand and ranges from heavy machinery and agricultural machinery to medical equipment, electrical material, and portable typewriters. Another section features ceramics, bronze work and miniatures and a third, textiles and haute couture. There is also a display of modern Spanish art and literature.

Forthcoming Fairs

- *20th National Radio and Television Show*. Earls Court, London, September 1-12. Organized by the Radio Industry Council, 59 Russell Square, London, W.C.1.
- *52nd Chemists' Exhibition*, Old Horticultural Hall, London, September 7-10. Organized by The British and Colonial Druggist Ltd., 194/200 Bishopsgate, London, E.C. 2.
- *Flying Display and Exhibition*, Farnborough, England, September 7-13. Organized by Society of British Aircraft Constructors Ltd., 32 Savile Row, London, W.1.
- *Third European Machine Tool Exhibition*, Grand Palais du Centenaire, Brussels, Belgium, September 4-13. Organizing Committee, 17 Rue des Drapiers, Brussels.
- *International Autumn Fair*, Gothenburg, Sweden, September 12-20.
- *Eighth International Preserved Food and Packaging Exhibition*, Parma, Italy, September 12-25.
- *Marseille International Trade Fair*, Marseille, France, September 12-28. Organizing Committee, 36 La Canebière, Marseille.
- *International Pharmaceutical Exhibition*, Paris, France, September 13-20. Organized by International Pharmaceutical Federation, 4 Avenue Ruysdael, Paris 8, France.
- *International Automobile, Cycle and Sports Show*, Paris, France, October 1-11. Organizing Committee, Grand Palais, Porte J, Paris 8, France.

The Showroom in Summer

Two vital, growing Canadian industries share the spotlight in the current display at the Canadian Showroom in Rockefeller Center, New York. The first is the non-ferrous metals industry which exported in 1952 products worth about \$707 million, with the United States as the most important customer. The second is the expanding chemical industry, with a total production of over \$800 million in 1952 and exports worth \$124 million. Some 62 per cent of these exports go to the United States.

The exhibit dramatizes in a telling way the range of products, in both fields, which the main exporters to the U.S. and other foreign markets can supply. The metals display is built around the various representative forms of aluminum, brass, copper, lead, magnesium, nickel, precious metals, and zinc. It also includes fabricated products such as wire cloth, cable, pipes, forms and mouldings. The precious metals display, for example, covers the platinum metals, gold and silver, and shows how they are used in electrical contacts, sparkplugs, etc.

One of the more unusual displays is pressings of brass made by a Canadian company, using a process developed in Europe. These pressings are believed to be the first to be turned out in North America by this new method.

The chemicals exhibit also covers a wide range—from plastics to pharmaceuticals, and from organic chemicals to fungicides and synthetic rubber. Included are many products that come from plants only recently



The photograph shows a part of the non-ferrous metals display at the Canadian Showroom in New York. The arrangement of the many shapes and forms of the various metals made the exhibit most attractive.

opened, such as acetone, methanol and phenol, formaldehyde, micro-crystalline waxes. Antibiotics and fine chemicals also have a place in the display. Probably the most interesting feature, medically speaking, is a model of the "Cobalt bomb", plus photographs showing the bomb being used in the treatment of cancer.

The exhibit, which opened about the middle of July, will run until the end of August.

All about Textiles

Busto Arsizio, 13 miles from Milan, will again be the site of the International Cotton, Rayon and Textile Machinery Exhibition, September 27-October 12. Exhibitors, wholesalers, agents and operators can see at this show the complete cycle of cotton and rayon manufacturing. The exhibition includes both textiles and the machinery to make them, textile chemicals and textile accessories. Meetings and lectures will feature discussions on the technical, commercial and economic aspects of the textile industry.

When this feature last appeared, the dates of the Nova Scotia Fisheries Exhibition at Lunenburg were incorrectly given. The correct dates are September 15-19.



The Cobalt bomb model is well to the front in this picture of the industrial chemicals part of the Showroom exhibit. In the background (left) is a photograph of one of the new chemicals developments.

Western Germany

The Agricultural Machinery Industry

With production twice as great as prewar, with new designs under way, Germany is both supplying growing domestic demand and stepping up her foreign sales.

BONN—The important position of Germany's machine industry, in which 1952 production reached a value of 10 billion Deutsche marks, is well known. Fewer realize that agricultural machinery constitutes the largest main group and accounts for almost 15 per cent of the total value of manufactures. Keeping up this output depends upon the absorptive capacity of the domestic agricultural economy and also upon large and diversified export outlets. The main market is that created by the needs of the two million Western German farms suited to the use of machinery, but this is not the only foundation for the industry. In 1952, more than one-quarter of total production was exported.

Prewar Production Doubled

Annual production has risen constantly up to 1953; the output in terms of physical volume is approximately twice as great as prewar. Greater tractor production accounts for most of the increase but output of other implements and machinery has also gone up. The market is, however, becoming more selective and this suggests that immediate expansion is unlikely. Increased competitiveness and changing market requirements are demanding that manufacturers give greater attention to design. That the manufacturers are capable of meeting this situation seems clear from the varied types displayed at this year's annual agricultural fair, attended by 560 thousand, including 14,000 visitors from 53 countries.

TRACTORS

Year	Production Number (000)	Value (million DM, RM)	Sales— Domestic	(% of total) Export
1938 .....	..	119	89	11
1949	24	250	91	9
1950	52	370	75	25
1951	80	637	68	32
1952	87	821	68	32

FARM IMPLEMENTS

Year	Production Tons (000)	Value (million DM, RM)	Sales— Domestic	(% of total) Export
1936	236	198	91	9
1949	216	407	93	7
1950	212	380	78	22
1951	241	518	75	25
1952	264	676	78	22

Although agricultural machinery imports increased last year, at 16 million DM they still represented less than 4 per cent of the value of exports. Most of the increase was in imports of combines, the production

of which is just gaining impetus in Germany. The incidence of tariff ranges between 10 to 20 per cent for tractors and 10 to 18 per cent for other types of farm machinery.

Potential for Mechanization

Progressive mechanization is regarded as one of the fundamentals in increasing German agricultural efficiency. The medium-sized farms certainly could make greater use of machinery. Almost 60 per cent of German farms have less than 12.5 acres and these cannot usually increase their purchases of machinery, particularly tractors. There are, however, three-quarters of a million farms between 12.5 and 125 acres (representing 71.5 per cent of total acreage) which could use substantially more machinery.

Farmers have been expanding their outlay for new machinery each year, and in this they have been encouraged by limited taxation exemption. The increase in annual income has also helped. In 1952 total machinery purchases exceeded 1 billion DM and represented 12 per cent of cash expenses.

Although there is general agreement that mechanization should be encouraged, farm leaders and government spokesmen have voiced concern over uneconomic investment. This appears directed towards the danger of indebtedness at current high interest rates and of purchasing machinery unsuited to the type and size of farm.

Certain machinery companies have been taking the lead in producing smaller tractor units with adaptable implement carriers. Most other manufacturers of tractors now make smaller models.

The trend towards tractor farming is essentially a postwar development; in 1946 there were 65 thousand in use, now there are 275 thousand. Germany now has a tractor for every 128 acres; the United Kingdom, which has the highest ratio in Europe, has one for every 54 acres. The number of horses has not declined in proportion to increased tractor power, but remains at 1.4 million, compared with an average of 1.54 million during 1935-38.

Current estimates place the saturation for tractors between 400 and 450 thousand, and this point may be reached by 1960. This takes into account some reduction in the annual rate of absorption on the domestic market, which last year reached the unprecedented high of 60,000. This buoyant development in tractor power is expected to mean an expanded market for other power machinery.

Exports and Production

Close to one-quarter of implements have, over the past two years, been exported. This is surprisingly high, considering that prewar exports averaged only about 10 per cent. Then Germany had the additional advantage of its dominant trading connections with the agricultural Balkans as well as Eastern Germany. But the use of tractor power in agriculture has increased throughout the world. In addition, Germany has been able to establish itself successfully in relatively new markets such as South America.

The German agricultural machinery industry, already highly diversified, has been making significant changes in type of machinery to meet the changing demands in home agriculture and compete in world markets.

It is only in the past two years that Germany has emphasized retooling and remodelling of its designs. Some of the more important changes are:

- Smaller-sized tractors.

Germany's 42 firms manufacturing tractors are now producing 124 different models. Two years ago, very few tractors in the 10-12 h.p. size were on the market; now most firms include this size in their production programs.

- Implement carriers.

Two firms have taken the lead in developing tractors with a complete set of adaptable carrier machinery. This new departure is being successfully introduced on the domestic market but also constitutes a major expansion program in such markets as South America.

- Predominance of diesels.

The diesel because it uses less fuel has always formed the basis of the tractor manufacturing program. It has a firmly entrenched position in the European high fuel cost area, and sells well in regions under development in other parts of the world.

- Air-cooled motors.

This technical design, stemming from the German automotive industry, has made considerable headway in the agricultural industry. There is, however, no clear indication of its future position relative to water cooling.

- Combines.

Two years ago, only five types of combine were in initial stages of production. Now there are 15, including those self-propelled and equipped with diesel motors. It will take some time before Germany is producing in quantity. Basically, this development is for the promotion of exports to such predominant potential markets as South America and Turkey. But it also foreshadows limited domestic development.

Prices Decline

Although prices advanced from the outbreak of the Korean war in 1950, the German industry has generally reduced its prices for agricultural machinery since the beginning of 1953. The scale of production and the level of wages seem to promise that Germany will remain strongly competitive in the export market. This is particularly true in areas where North American supplies are limited by the dollar deficit.

Exports in 1952 according to areas
(in per cent)

	Implements	Tractors	Total
Europe	85.1	63.9	71.6
South America	8.3	25.6	19.3
Africa	4.2	6.3	5.6
Asia	1.2	3.2	2.5
Australia	0.5	0.6	0.6
North America	0.7	0.4	0.4
TOTAL	100.0	100.0	100.0
Percentage			
Value (million DM)	149.7	263.4	413.1

Europe, taking well over two-thirds of total exports, is proportionately a more important outlet for machinery than for tractors. Germany figures significantly in the agricultural machinery imports of every European country. The demands of the domestic manufacturing industries (particularly for tractors) in certain European countries, plus balance of payment difficulties, are limiting expansion.

Turkey alone is almost twice as important an outlet for German agricultural machinery as any other single country and has accounted for almost one-fifth of Germany's entire exports of this type. This fact has a strong influence upon the industry's desire to place more emphasis upon Turkey as a source of imports, particularly grains.

Germany has proved a competitive supplier to France, despite tariffs which range up to 30 per cent for tractors. The United Kingdom, however, takes the lead in this market, partly because of the advantages achieved from locating assembly and manufacturing plants in France. In the Scandinavian countries, especially Sweden, Germany has had greater success in the marketing of its tractors than other types of farm machinery.

Development in South America

To the German industry, South America offers the greatest potential for exports. This market has grown steadily and accounted in 1952 for one-fifth of Germany's total value of agricultural machinery exports. Tractor sales predominate; last year they made up 80 per cent of total value.

Argentina and Brazil naturally overshadow all other countries but German machinery and particularly tractors are making their appearance in worthwhile volume throughout all of South America.

Germany expects to increase her South American market for other machinery. As its present technical emphasis on power machinery gives the industry an integrated line of equipment, exporters will find a ready means of increasing implement sales to this area.

Exports to Dollar Area

Germany's dollar drive has gradually increased its exports to North America to the point where these represented 6.8 per cent of the total 1952 exports. Yet less than 0.5 per cent of agricultural machinery exports went to this area last year. Basically this is because Germany is producing machinery more readily adaptable to other economic conditions, such as diesel motors for high fuel cost areas. But it is also more profitable to sell in other areas. Thus only a few specialized lines of equipment will be pushed in North America.

Outlook

The German agricultural machinery industry does not expect its postwar expansion to continue unchecked. It is undergoing consolidation and expects to emerge at levels of production close to the peak of 1952. The present strides towards integrating production, particularly of power machinery, should help to maximize effective market demand and assist in meeting competition. The many firms in the industry and corresponding smaller unit production per firm than in certain other major manufacturers such as the U.K. may be a deterring factor. So far, German export volume only approximates half that of the United Kingdom.

The domestic market is buoyant and offers considerable scope for expanded farm mechanization. Germany's future position in world markets, on the other hand, appears to be governed principally by considerations involving trading patterns. The chances are that the dollar deficit will not be solved over the next few years and this places Germany in a strong position vis-à-vis North American exporters. This will help with sales in many areas where agricultural mechanization is proceeding and from which Germany is obtaining much of its food and other raw materials. On the other hand, the continued tendency towards a heavy creditor position in Europe may place Germany at a disadvantage in the huge market for mechanization in this area.

—W. VAN VLIET
Agricultural Secretary for Canada

Chile Creates Trading Body

SANTIAGO—A new government trading organization, Instituto Nacional de Comercio, or INACO, formally created by a decree published on June 1, 1953, is, in essence, a combination of the Instituto de Economía Agrícola and the Instituto de Comercio Exterior. Its functions are:

1. To regulate international trade.
2. To assure normal supplies of raw materials and essential goods.
3. To help private companies carry on foreign trade.
4. To organize a trade information service.
5. To develop and regulate increased trade, particularly export trade, without competing with private enterprise.
6. To create a strong domestic market for agricultural products.

The Advisory Council will consist of the Minister of Economy, who will preside, the executive vice-president of the Corporation, the president of the National Foreign Trade Council, and representatives of agriculture, industry, trade, mining, employers and labour.

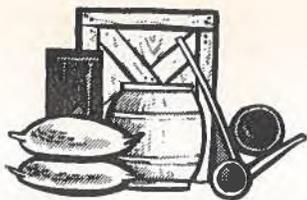
It is stated that INACO will maintain stocks of essential articles and by constructing refrigeration establishments throughout the country will endeavour to keep traders in country produce from cornering the market.

The Institute is authorized to export all types of Chilean products and one of its principal objectives is pushing foreign sales of products which are difficult to place on the international market.

Imports will be limited to agricultural products and other essential goods in order to maintain the stocks needed to avoid unreasonable price increases. INACO may also import machinery for agriculture and industry. It could also take under its control the copper industry and mining products in general, and absorb part of the work of the State Purchasing Department.

The extension of the services of the Institute to the provinces will offer no problem because it will have at its service the technical staff which previously worked with the Instituto de Economía Agrícola.

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



Commodity Notes

ARGENTINA

Locomotives—A further 25 diesel electric locomotives will be delivered next October by the General Electric Co. to the Argentine railways. Seventy-five locomotives have already been delivered during the past four years, mainly for use on the General Belgrano Railway. Out of a total contract for 26 diesel-Ganz locomotives for the General San Martin railway, 12 were delivered some time ago and a further four in the middle of June, a total of 16 to date—Buenos Aires, July 15.

BRAZIL

Coffee—A decree establishing the minimum prices for the 1952-53 coffee crop has been signed by President Vargas, guaranteeing financing on the basis of US\$0.5303 cents per pound or US\$70.00 per 60-kilo bag for Santos Type 4—Rio de Janeiro, July 31.

Prefabricated Houses—“Uni-Seco do Brasil S.A.” will begin production of prefabricated houses at Sorocaba, State of São Paulo, shortly, it is reported. Patterned after the houses made by an English company, the factory hopes to produce 50 a week initially and to increase production to 200 per week later. The company will be capitalized at Cr\$6 million—São Paulo, July 20.

INDIA

Thorium Production—The uranium thorium factory being established at Trombay, an island off Bombay, by the Atomic Energy Commission, is expected to begin operations within the next 12 months. “Cake” left over from the monazite which is used in the extraction of rare earths at the Government’s factory at Alwaye, Travancore, and uranium-bearing concentrates from Bihar and other parts of India will be brought to Trombay to extract the uranium. The plant will eventually produce 205 to 228 tons of thorium nitrate a year—New Delhi, July 20.

NEW ZEALAND

Titanium—There are enormous deposits of titaniferous iron-sands in various parts of New Zealand; one deposit alone has been estimated at fifty million tons. Previous attempts to exploit these deposits have failed, due in no small part to the content of titanous acid. Now the

stumbling-block has become the goal, and it is reported that intense research will be carried on into extracting titanium from the sands—Wellington, July 10.

SOUTH AFRICA

Sugar—The sugar cane season now under way in Natal is expected to break records. The first loads of cane were delivered to a mill at Chakas Kraal in May and this month the province's 20 mills and refineries are expected to be in full production. The crop is described as excellent for two reasons—favourable weather and the use of NCO 310, a new type of sugar cane rich in sucrose, developed by the South African Sugar Association's experimental station at Mount Edgecombe—Johannesburg, July 23.

UNITED KINGDOM

Zinc—Following the termination on July 31st of the provisional disposal plan, the Ministry of Materials intends to sell zinc from its remaining stocks (estimated to be 64 thousand tons on August 1st) at the rate of 2,000 tons a month. The present rate is 4,000 tons a month, plus sales by the government broker, who will end his operations at the end of July—London, July 24.

Steel—In the first half of 1953, United Kingdom output of steel amounted to a record 9,037,700 tons, an increase of one million tons as compared with the same period last year—London, July 20.

UNITED STATES

Beef Cattle—Beef cattle slaughter during April and May continued to run at least 40 per cent above the year-ago rate. The U.S. Department of Agriculture estimates that if the January-April rate of cattle slaughter continues throughout the remainder of the year, about 33 million head of cattle and calves will be slaughtered for beef in 1953. Department livestock analysts point out that the normal annual increase (births minus deaths) from the present livestock volume would be somewhere between 35 and 36 million head. Thus, if beef slaughter is maintained at about present rates, total cattle numbers might rise another two or three million head this year—Chicago, Aug. 5.

Pulpwood—A report of the Forest Service, U.S. Department of Agriculture, shows that 12 Southern States cut a total of nearly 14·6 million cords of pulpwood in 1952, more than half the U.S. total of 25 million cords. This pulpwood production in the South was about 4 per cent above the previous year and 17 per cent higher than in 1950.

Georgia was the leading producer in the South with 2·5 million cords, Mississippi second with 1·8 million cords, and Alabama third with 1·6 million cords. Southern production was supplied to 63 pulp mills with a total daily capacity of 26,900 tons—New Orleans, Aug. 4.

India Expands Her Fisheries

Better methods of deep-sea fishing, a survey of fishing conditions, and expansion of cold storage plants are all part of a long-term plan to increase the annual yield of the fisheries industry.

BOMBAY—Experiments in deep-sea fishing carried out by the Government of India off the West Coast, and by the West Bengal Government in the Bay of Bengal, indicate that this type of fishing on a commercial basis is economically feasible, and can contribute substantially to the country's food resources. A 250-ton Japanese trawler brought in by the Indian Government for exploratory work in the Arabian Sea made a record catch this season and completed operations with a net profit. Now that the financial soundness of the venture has been demonstrated, the Government hopes that Indian private enterprise will be encouraged to enter the field on its own or in collaboration with Japanese fishing interests.

Gathering Data

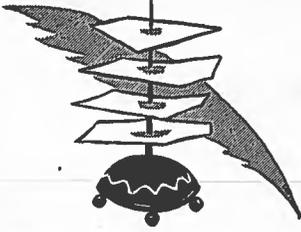
To gather information on fishing conditions off the West Coast—such as the types and numbers of fish available at different seasons, the depths at which they are found, and the kind of equipment required to catch them—and to train fishermen in the proper techniques, the Deep-Sea Fishing Station at Bombay is employing two 100-ton trawlers to drag the ocean bed and two smaller "reckie" boats for surface and mid-water fishing. On the average, 75 per cent of the catch made by the trawlers, operating mainly within the 40-fathom limit, consisted of fish of high food value, including dara, ghol, mullets, pomfret and eels. The results of the surface and mid-water fishing have been less successful, largely because of inexperience, and the Government has arranged to bring a master fisherman from the United Kingdom to supervise operations during the coming season.

The catches made in the Bay of Bengal by two trawlers purchased from Denmark by the West Bengal Government were also encouraging. The trawlers were manned by Danish crews who will eventually be replaced by Indians. The three Japanese bull-trawlers which the West Bengal and Indian Government will soon acquire in partnership will materially expand exploration in the waters off the East Coast.

Building Storage Plants

Two new cold storage plants similar to the large Central Government facilities already in operation in Bombay are being built by the Madras Government at the West Coast ports of Mangalore and Calicut. Work is also progressing on ten small ice factories and cold storage plants which are being built with foreign assistance in the states of Saurashtra, Bombay, Cochin, Madras and Orissa.

—W. P. BIRMINGHAM
Acting Commercial Secretary for Canada



General Notes

AUSTRALIA

Hydro-Electric Project—The Federal Government is beginning the second stage of the Snowy Mountains hydro-electric scheme, the biggest construction job ever undertaken in Australia. The cost of the work will be £46.5 million, spread over the next five years, and the total cost by 1961 will be £58.6 million. When finished, the project is expected to save the community £20 million a year for power, and four million tons of coal. The government is calling for tenders for the work in Australia, North America, Britain and Europe.

The project will also greatly augment Australia's food-producing capacity. The Minister for National Development said that water from the new project would by 1960 allow 2,500 more irrigation farms to be established in the Murumbidgee Valley. This would give a total irrigated area of about 200 thousand acres, supporting a farming population of about 200 thousand and producing about £6 million worth of food a year—Sydney, July 20.

BRAZIL

Penicillin Manufacture—Squibb do Brasil expects to open its new factory in Santo Amaro, State of São Paulo, early in 1954. Initially the factory will produce one and a half trillion units of penicillin a month, more than half of the country's requirements, making Brazil the largest producer of penicillin in the world after the United States. Penicillin output can be increased to three trillion units later, Squibb officials said—Sao Paulo, July 15.

COLOMBIA

Gold Sales—On July 22, the Government of Colombia decreed that henceforth anyone can buy and sell gold within the Republic or ship it abroad. This reverses previous legislation requiring all gold to be sold to the country's central bank, and it also removes the 15 per cent sales tax, 2.50 pesos, on each tray ounce of gold mined. In August 1952, to encourage the sale of manufactures of gold abroad, permission was granted to import certain goods on the prohibited list with the foreign exchange thus earned. This privilege is now cancelled—Bogota, July 25.

ITALY

Textile Industries—Italian woollen mills in 1952 worked at about only 80 per cent of capacity. This resulted largely—especially in the pure wool products field—from the substantial decrease in exports in the first nine months of the year as compared with 1951. The position

would have been considerably worse but for the increased activity, particularly for woollen yarns and textiles generally, on the domestic market. Only 515 tons of yarns were exported in 1952, as compared with 1,941 in 1951, and 5,948 tons of textiles as against 10,035 tons in the previous year. A promotion campaign for the entire industry now under way will extend into the autumn, and the trade anticipates increases in both production and consumption—Rome, July 22.

MALAYA

Rubber Grading Enforced—The Governments of Singapore and the Federation of Malaya have set up the Malayan Rubber Export Registration Board to carry out new legislation governing the packing and grading of rubber. Natural rubber, like lumber or grain, is a difficult commodity to grade accurately and minor deviations from contract specifications are practically unavoidable. Under today's highly competitive conditions, and faced with competition from synthetic rubber which is manufactured to specification, it is essential for the Malayan industry to maintain a good reputation among its overseas customers.

Under the Rubber Shipping and Packing Ordinance, all exporters must register with the Board and abide by the Board's rules and regulations. These rules prescribe in considerable detail the conditions under which rubber may be packed and shipped from Malaya. The Board is vested with wide powers to punish firms that contravene the rules by cancelling their licences or by fines, or both. Unscrupulous traders who pack and ship rubber knowing that it is not the grade which it is purported to be are the chief targets for the Board's activities.

In the six months of the Board's operations, special representatives have been sent overseas twice to conduct investigations on the spot, but in general the threat of action by the Board has proved sufficient to stop most malpractices—Singapore, July 8.

PORTUGAL

Douro Dam—Under the hydro-electric power stations scheme, totalling \$60 million Canadian, included by the Portuguese Government in its Six-Year Development Plan, the construction of the first dam on the River Douro is projected during this year.

It is calculated that it will cost \$16.5 million Canadian and power production will be about 400 million kwh. Four dams have already been built in Portugal in the last four years—Lisbon, July 30.

UNITED STATES

Retail Sales—The volume of retail sales in the Detroit area for the first quarter of 1953 topped all previous records for the same period. Sales in the first quarter amounted to \$937 million, 16.4 per cent higher than the same period last year and 8.3 per cent higher than the scare-buying first quarter of 1951, the previous high point in first-quarter sales. More than 20 per cent of all retail sales in Detroit for the first half of the year consisted of automobiles or automobile accessories—Detroit, Aug. 15.



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, began a tour of Canada in Quebec City on August 17. His itinerary is:

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:

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
Toronto—August 27-September 4
Welland: St. Catharines—September 8
Hamilton—September 9
Brantford: Guelph—September 10
Windsor—September 11

Winnipeg—September 27
Calgary—October 1
Edmonton—October 2
Vancouver—October 6-19
Victoria—October 20

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
Ottawa—September 7-12
Toronto—September 14-19
Guelph: Fergus—September 21
Brantford: Hamilton—September 22
St. Catharines: Welland—September 23

London—September 24
Sarnia—September 25
Windsor—September 26
Vancouver—October 5-10
Winnipeg—October 12-13
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:

Hamilton—August 24-25
Victoria—August 31
Vancouver—September 1-3
Calgary—September 4

Edmonton—September 5
Saskatoon—September 7
Winnipeg—September 9

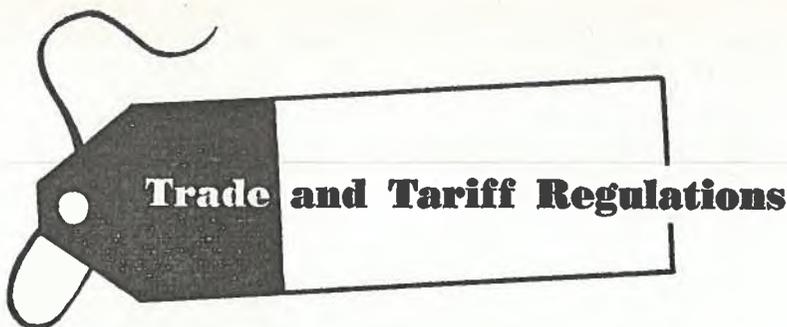
B. A. Macdonald, Commercial Counsellor for Canada in Bonn, Germany, began a tour of Canada in Ottawa, July 6-10. His itinerary is:

Winnipeg—August 24-26
Regina—August 27
Calgary—August 28

Edmonton—August 29-31
Vancouver: Victoria—September 9-16
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, Brantford, Guelph, Montreal, 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.).



Trade and Tariff Regulations

CUBA

Two Documentation Requirements Suspended—A Cuban decree of August 7 suspended until further notice the enforcement of the requirements that Canadian exports to Cuba be covered by a copy of the B-13 form. This requirement had previously been suspended until August 10, 1953.

The Cuban authorities also announced on August 12 that Section 5 of Decree No. 890 has been suspended until further notice. This regulation required Cuban consuls to demand additional invoices or bills of sale issued by the last intermediary when the consular invoices covering exports to Cuba were presented for legalization by freight forwarders, jobbers, middlemen or dealers. This requirement did not apply to shipments by the original producer or manufacturer of the goods—Ottawa, August 14.

GUATEMALA

Consular Fees—Effective July 24th, the Guatemalan consular fees of 6 per cent on the value of merchandise imports will henceforth be calculated on c.i.f. rather than f.o.b. values. As before, these fees will be collected from the importer at the time of payment of customs duties. Commercial invoices for shipments to Guatemala must show the packing, freight, and insurance costs separately, as well as the original and c.i.f. values. If these details are not shown, a fine applies which in effect raises the consular fees to 7 per cent. All shipments will be subject to the collection of consular fees, the minimum being 30 cents on goods or samples valued at \$5.00 or less c.i.f.

IRELAND

Imports of Hose, Woven Tissues—By two Orders issued under the Control of Imports Acts, 1934 and 1937, the Government of the Republic of Ireland has announced additional quotas as follows:

- Hose (other than half-hose) of silk or artificial silk, 200 thousand pairs, as against similar amount for previous quota.
- Certain woven tissues of wool or worsted and certain artificial silk piece goods, 300 thousand sq. yd. as against 200 thousand sq. yd. for previous quota.

The new quota period covering these items extends from September 1, 1953, to February 28, 1954—Dublin, August 6.

UNITED KINGDOM

Import Arrangements for Starch and Glucose—Following upon the recent government announcement on the decontrol of starch, starch preparations and glucose from September 28, 1953, details of the import arrangements under private account are now released. The products which will be imported privately are maize starch, farina (potato starch), dextrine and glucose; the arrangements do not apply to custard, blanc-mange, and dessert powder sweetened nor to sweetened cornflour.

Only imports of maize starch and powdered anhydrate glucose will be permitted from dollar sources. Licences for maize starch will be related to the applicant's imports on and after September 28, 1953, of both maize starch and farina from non-dollar sources. Applications to import very limited quantities of powdered anhydrate glucose will be considered, subject to the applicant's undertaking that it will be disposed of solely for medical use.

UNITED STATES

Tariff Classification of Certain Catalysts—The U.S. Bureau of Customs has placed the following notice in the *Federal Register*, issue of August 5, 1953:

"The Bureau by its letter to the acting collector of customs at New York, New York, dated July 31, 1953, ruled that catalysts consisting of mixtures composed primarily of nickel oxide and earthy material, or iron and aluminum silicates and oxides, lead oxide, and zinc oxide are properly classifiable as articles or wares composed wholly or in chief value of mineral substances, not decorated, under paragraph 214, Tariff Act of 1930, following T. Ds. 33858 and 49202.

"As this ruling will result in the assessment of duty at a higher rate than has heretofore been assessed under an established and uniform practice, it shall be applied to such or similar merchandise only when 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."

(Under tariff paragraph 214, imports of the catalyst materials enumerated above will be subject to a duty of 15 per cent ad valorem.)

For Your Information . . .

The Directories listed were last published in these issues:
Foreign Trade Service Abroad August 1
Head Office Directory July 11
Area Breakdown, Foreign Trade Service April 18
Foreign Commercial Representatives in Canada August 8

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 1.0117.

Country	Unit	Type of Exchange	Canadian dollar equiv. Aug. 13	Notes (See below)
Argentina	Peso	Preferential buying .....	.1317	
		Basic buying .....	.1977	
		Preferential selling .....	.1977	(1)
		Basic selling .....	.1317	
		Free .....	.07115	
Austria	Schilling .....	.....	.03802	
Australia	Pound .....	.....	2.2275	
Belgium-Luxembourg & Belgian Dependencies ...	Franc .....	.....	.01978	
Bolivia	Boliviano	Official .....	.00520	
British West Indies	Dollar .....	.....	.5801	(3)
	Pound .....	.....	2.7844	(4)
Brazil	Cruzeiro	Brit. Honduras .....	.6960	
		Official .....	.05343	tax 8%
		Free .....	.02526	(2)
Burma	Kyat .....	.....	.2088	
Ceylon	Rupee .....	.....	.2088	
Chile	Peso	Official .....	.00898	(1)
Colombia	Peso	Basic .....	.3954	tax 3% (2)
Costa Rica	Colon	Official .....	.1760	(5)
		Controlled Free .....	.1488	*
Cuba	Peso .....	.....	.9884	tax 2%
Czechoslovakia	Koruna .....	.....	.1373	
Denmark	Krone .....	.....	.1431	
Dominican Republic	Peso .....	.....	.9884	
Ecuador	Sucre	Official .....	.06590	(6)
		Free .....	.05687	
Egypt	Pound .....	.....	2.8384	
Fiji	Pound .....	.....	2.5084	
Finland	Markka .....	.....	.00430	
France	Franc .....	.....	.00282	
French Africa	Franc .....	.....	.00565	
French Pacific	Franc .....	.....	.01553	
Germany	D Mark .....	.....	.2353	
Greece	Drachma .....	.....	.000033	
Guatemala	Quetzal .....	.....	.9884	
Haiti	Gourde .....	.....	.1977	
Honduras	Lempira .....	.....	.4942	
Hong Kong	Dollar	Free .....	.1645	*July 31
Iceland	Krona	Official .....	.06069	
		Special buying .....	.04673	
		Special selling .....	.03765	
India	Rupee .....	.....	.2088	
Indonesia	Rupiah	Basic .....	.08670	(7)
		Dollar certificate .....	.00186	.

* Latest available quotation date.