foreign trade

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COVER . . . This street scene in Peru serves to introduce one of our regular features—a review of credit conditions in various parts of the world. On page two, we discuss the factors affecting credit in the Latin American area and bring you up-to-date on financial conditions in twenty countries.

—Photo by Panagra.

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Credit Conditions in Latin America

BECAUSE THE LATIN AMERICAN COUNTRIES depend economically upon the production and export of primary commodities, the changes in the fortunes of the individual countries directly reflect changes in the market for these commodities. In 1953 so far, most commodity markets have been characterized by falling prices. Accordingly, primary producers generally suffered a drop in export earnings and an unfavourable shift in the terms of trade.

The mineral producers and exporters—Mexico, Peru, Bolivia and Chile—have all seen their exchange earning power decrease. The sugar bowl of the world, Cuba, has had to curtail production and accept lower prices. The downturn in cotton has had adverse effects on Brazil, Peru, Mexico and El Salvador.

The Coffee Economies

Happily for Latin America and for Canadian exporters to that area, the world coffee market has defied this general trend and gained rather than lost strength. Colombia, Guatemala, El Salvador, Nicaragua and Costa Rica have continued to prosper and the prospects remain good. Brazil, the top producer of coffee, has not shared this trade strength, but her difficulties are associated with the weaker cotton market, the effects of domestic inflation, and a large backlog of commercial debts. Unfortunately, Brazil does not share the comfortable prospects of her fellow coffee producers either, because it was the reduction in her expected coffee crops from 1954 on, the result of severe frost damage, that gave renewed strength to the world coffee market. The minor recession in Mexico and Haiti is also milder than it otherwise would have been, thanks to coffee.

Two other commodities have benefited individual Latin American countries. Petroleum has not yet posed any serious problems for Venezuela and her prosperity continues. The steadiness of raw wool has meant that Uruguay's trade balance has recovered remarkably and to a lesser degree wool has helped Argentina to accomplish the same thing.

Other Factors

Credit conditions are not solely dependent upon world commodity markets and export earnings, however. Special domestic conditions have an influence on particular countries.

- Bolivia—repercussions from the political change and the nationalization of the tin mines resulted in uncertainty and credit difficulties.

- Ecuador—flood damage early this year brought special problems, but by mid-year the difficulties seemed to have been overcome and prospects are again quite bright.

- Mexico—the recession is attributed to the cautious fiscal policy of the new government and the suspension of public works. The credit supply was tighter as a consequence.

- Brazil—This country is a very special case because of her heavy backlog of commercial debt. In the slow process of liquidating this debt, mainly with money obtained from the Export-Import Bank of Washington, Canadian exporters have not fared well to date.

Shifts and Dangers

A direct consequence of the accumulated weaknesses in Latin America was a decline in the level of Canadian exports to that area by 33 per cent in the first half of 1953, compared with the first half of 1952. This reduction in imports as the value of their exports declined is a realistic and healthy adjustment, if these countries are to maintain strong foreign exchange and credit positions. When a country like Peru continues to import at a high level after the value of her exports has declined, the export sales manager of a supplying company may be pleased but the credit manager should be somewhat concerned.

There is credit danger in the reverse situation too. Argentina has reduced the level of imports so severely that domestic industry has difficulty maintaining operations for want of materials and equipment and this tends to increase the number of domestic business failures. The sharp reduction in Brazilian imports carries the same threat to industrial producers in that country.

Combined information from the Canadian Export Credits Insurance Corporation and the member banks of the Federal Reserve system in the United States on collection experience in Latin American countries during the first seven months of 1953 reveals noticeable deterioration in the prompt payment of collections in Brazil and Bolivia only. Paraguay and Uruguay, on the other hand, showed a decided improvement.

Summary of Changes during first nine months, 1953

Country	Trade Balance and Exchange Position	Business Conditions
Argentina	Improved	No gain
Bolivia	Weaker	More uncertain
Brazil	Recovering	Little change
Chile	Improved	Slightly better
Colombia	Improved	Improved
Costa Rica	Further gain	Little change
Cuba	Some decline	Slight recession
Dominican Republic	Less favourable	Slight decline
Ecuador	Weaker	Little change
El Salvador	Further gain	Little change
Guatemala	Slight gain	More uncertain
Haiti	Weaker	Slight recession
Honduras	Slight gain	No change
Mexico	Improved	Moderate recession
Nicaragua	Stronger	Little change
Panama	Stronger	Improved
Paraguay	Improved	Improved
Peru	Weaker	Slight decline
Uruguay	Strong gain	Improved
Venezuela	Little change	Little change

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The Japanese Camera Industry

Domestic production of high-grade optical glass and enthusiastic U.S. endorsement of Japanese-made lenses have helped this industry to become well established in dollar markets.

TOKYO—Japanese camera manufacturers are enjoying prosperous business, in striking contrast to large segments of Japanese export industry. Cameras have figured as a major export for the past few years and foreign and domestic sales are steadily increasing. Manufacturers are optimistically planning further expansion and carrying out new marketing programs.

Wars Spur Production

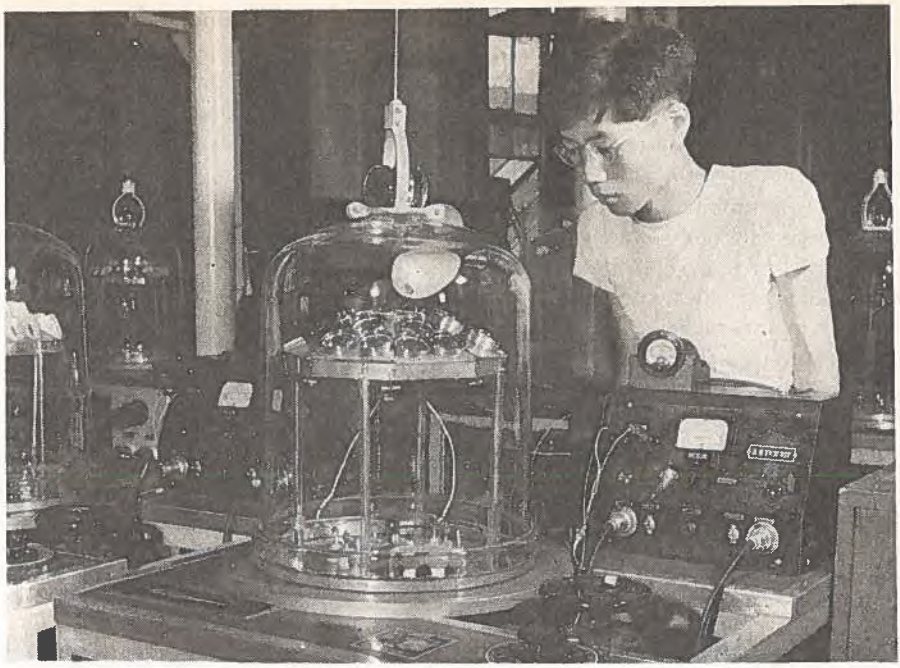
Some types of cameras were produced in Japan before the turn of the century and it was natural that the Japanese, who are careful, dexterous workers, should rapidly acquire the skill and precision which made the growth of the industry possible. World War I deprived Japan and other countries of access to German optical goods and presented her manufacturers with a challenge that was accepted. By 1937 production of cameras was significant and these cameras were on an industrial and technical level comparable to that in European countries. Postwar development was rapid; small wartime ammunition factories were used to meet the demand from photo-conscious occupying personnel with money to spend.

Pouring Optical Glass

The Japanese camera industry is the most important segment of the precision optical instrument business, which produces binoculars, microscopes, lenses, surveying equipment, and other measuring and laboratory equipment. All these products require high-grade optical glass which was finally poured in a one-metric-ton pot furnace in May 1952. During the war the military had promoted research into the improvement of glass pot furnaces and this research was continued after 1945 with subsidies from the Government. The production of high-grade optical glass made possible the manufacture of lenses which were incorporated into high-precision cameras. The debut of the F 1·4 and wide angle 28 mm. lenses attracted world-wide attention.

Receive Wide Publicity

The greatest fillip to the industry was the publicity attending the "discovery" of Japanese lenses by Korea-bound *Time* and *Life* cameramen. The experts fully tested their new equipment under battle conditions and their favourable reports on results obtained received widespread



This intent young Japanese is putting high-grade camera lenses through the final manufacturing process—drying the "coating" in an atmosphere free of dust and in a constant temperature

coverage. Some cameramen believed they had discovered the best equipment obtainable from any source when they combined a Japanese lens with a German shutter and camera body. This view appears to be substantiated by exports to the United States. In 1952, about 28,700 cameras valued at $636 thousand were sold in that market and in the same period over 50,000 mounted lenses worth $439 thousand found U.S. buyers.

At present, 33 of the leading manufacturers are banded together in an association but in addition, there are 40 or 50 other manufacturers in this industry, which is concentrated in Tokyo and vicinity. Published statistics of the industry from various sources differ, partly because of the difficulty in finding a standard definition of what constitutes a camera. The following table gives an estimate of production by numbers and value, export sales, and value of exports for the past few years.

Year	Value of production (in 1,000 yen)	No. of cameras manufactured	No. of export sales	Value of exports (in 1,000 yen)
1948	350,400	126,350	64,870	175,830
1949	920,800	312,000	240,710	785,070
1950	1,212,300	177,300	93,980	831,710
1951	2,975,200	277,000	153,390	1,596,210
1952	4,684,700	416,800	155,480	2,087,580

The sharp increase in output for 1949 is attributed to a temporary export demand for novelty and midget cameras. Manufacturers report that in addition to buoyant sales of ordinary hand cameras, they are receiving increasing orders for special types of equipment to be used for copying, recording, and analytical work. It is expected that total production in 1953 will show a substantial increase over 1952.

Domestic sales of cameras were comparatively small until 1950. However, the industry must still rely on exports, which account for 60 to 70 per cent of sales. The United States is Japan's principal market, absorbing 80 per cent of all exports. In addition, good markets have been found in Canada and Latin America and lesser sales made to Europe and to Asiatic countries.

A fundamental characteristic of Japanese industry has prevented export sales from reaching the highest possible level. Many manufacturers lacking in capital and experience have had to rely on trading firms to push sales and develop markets. The result has been a surfeit of brands and various individual products have not gained the reputation they deserve. Recognizing this basic failing, a few able companies have adopted an aggressive sales policy and are currently establishing their own distribution organizations in dollar markets.

—R. F. RENWICK
Assistant Commercial Secretary for Canada

The Swiss Economy

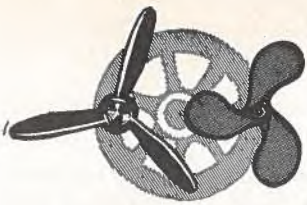
BERNE—During the first six months of 1953, the volume of Switzerland's business continued to grow. The slight drop in employment in the metallurgical industries was compensated by an improvement in other branches, particularly textiles, and conditions in the labour market as a whole are now very satisfactory. The demand for consumer products is good; retail sales have increased by 1·2 per cent over last year although average prices are a little lower. The tourist industry has also picked up.

Swiss exports in the first half of this year considerably exceeded the high figure reached in 1952, but the increase was greater in volume than in value. Imports, on the other hand, were lower than in 1952. As a result, Switzerland had a favourable trade balance. In past years, this highly industrial country has imported more than it exported. At present, imports and exports are almost balanced but a return to the traditional adverse balance appears likely in the near future.

The level of prices remains firm; wholesale prices fell by 0·1 per cent during the six months; the cost of living rose by 0·2 per cent. Compared with the end of June 1952, the wholesale price index has decreased by 3 per cent and the cost of living index by 0·9 per cent.

Bad weather damaged the crops but average harvests of grains and of potatoes, beets and other field plants are expected. Production of animals for slaughtering was higher than last year and the milk output has increased.

—YVES LAMONTAGNE
Commercial Counsellor for Canada



Transportation Notes

AUSTRALIA

Airways Fares Increased—Australia's two major airways companies have been granted an average increase of 2½ per cent on passenger and freight rates. These increases are the first since December 1951 when the fares rose by 15 per cent. Existing fares are based on costs in July 1951, which have since risen by more than 12 per cent, largely because of wage increases and higher prices for aviation fuel and spare parts—Sydney, Sept. 15.

BRAZIL

Re-equip Northeast Railroad—President Vargas has approved the recommendations made by the Joint Brazil-U.S. Commission for re-equipping and improving the Northeast and Sampaio Correia railroads. The plans call for an expenditure of $10,127,000 and Cr.$414 million—Rio de Janeiro, Sept. 10.

CUBA

Sale of United Railways—A public bond issue totalling $20 million (4½ per cent to be amortized July 1, 1956, through June 1, 1995) has been floated by the Cuban Government for the purchase and rehabilitation of the British-owned United Railways of Havana. This line, which operates a total of 1,400 miles of railways in the western section of the island, has been managed by the Cuban Government for several years. Of this amount, $13 million will go to complete the purchase and the remainder will serve as a starter for much-needed new equipment. A new company, "Ferrocarriles Occidentales de Cuba" (Cuba Western Railways), is being formed to take over the operation of the railways. A general cut in payroll and labour strength of roughly 25 per cent was necessary to make this operation possible—Havana, Sept. 18.

INDIA

Mangalore to Be Major Port—The Government of India has selected Mangalore, 450 miles south of Bombay, as the most desirable site for a new major west coast port. This small port possesses only an open roadstead where ocean-going vessels must lie at anchor two miles outside the river bar, and during the monsoon period (May to September) it is closed to shipping. To solve the primary problem of maintaining a deep-water channel through the harbour entrance, the Central Water and Power Research Station at Poona is preparing

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a model of the port to study the hydro-dynamics of the area. The main value of this port will be as an outlet for the prosperous industrial and agricultural areas of Mysore State—Bombay, Sept. 14.

INDONESIA

Austasia Line to Increase Service—The Austasia Line will add two new 5,000-ton passenger-freight vessels to their Australia, Malaya and Indonesia service. The first vessel will be put into service in October and the second in December—Djakarta, Sept. 7.

JAMAICA

Wharf Storage—Effective September 1st, the Jamaica Customs is strictly enforcing the regulation that agents and wharf-owners must transfer to the Queen's Warehouse all goods which have not been cleared within the 14-day free storage period—Kingston, Sept. 11.

NORTHERN RHODESIA

Trans-African Rail Connection—A 200-mile railway between Kamina on the Elizabethville-Port Francqui main line and Kampolo on the Albertville-Kindu Line of the Upper Congo-Great African Lakes System, is being built. When it is completed early in 1956, there will be a continuous railway connection across Africa between Lobito Bay on the west and Dar-es-Salaam on the Indian Ocean—Cape Town, Sept. 20.

SOUTH AFRICA

Air Terminal Opened—Since September 1st, all air traffic to Johannesburg has been routed through the newly-constructed Jan Smuts Airport. Built at a cost of £6,250,000, the huge air terminal ranks as one of the best in the world. Its main runway is two miles long and is designed to take aircraft of an all-up weight of 200 tons. The customs, immigration, public health and postal services of Johannesburg's Palmietfontein Airport have been transferred to the new air terminal to facilitate the flow of passengers and air cargo at Jan Smuts Airport—Johannesburg, Sept. 11.

Operating Deficit in State Transportation—The South African Railways' operating deficit during the fiscal year ended March 31 totalled £4·75 million. Prices for rolling stock and other equipment, permanent way materials and coal have continued to rise and, at the same time, improvement in conditions of employment, the rise in salaries and cost-of-living bonuses have contributed to the mounting cost of operation. Freight and passenger tariffs, harbour and dock dues and terminal charges have been increased by 13·63 per cent from August 1st, but a larger deficit is forecast for the current year—Cape Town, Sept. 6.

Chemicals III

Fertilizers and the Future

A major producer of fertilizers since the 1940's, Canada has won an important place in the export market. Will she be able to retain it over the long term?

OTTAWA—Fertilizer production has for many years been one of the most important of Canada's chemical industries. A hundred years ago, potash from the leaching of hardwood ashes was one of our principal exports. And today, with immense plants geared to serve large foreign as well as domestic markets, it is still by far the largest item in this country's chemical exports.

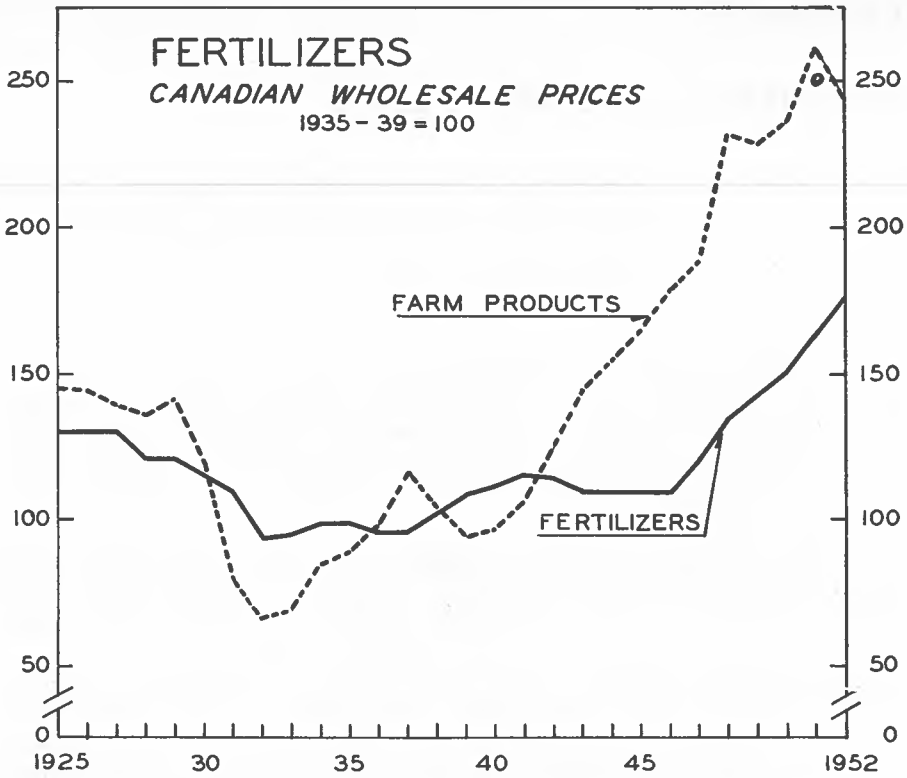
From the beginning, fertilizer production in Canada has been associated with resource development. For a long time it was tied in with logging and the clearing of farmlands. Then, as hard rock mining and railway construction got under way, it became largely a by-product of the manufacture of dynamite; spent acid was used to treat local phosphate rock to produce a range of superphosphate fertilizers. In the 1920's and early 1930's the utilization of non-ferrous metal smelter fumes got under way. It was then that Canadian engineers showed the way in transforming these destructive waste gases into useful plant food. Their success, plus the use of our abundant hydro-electric power in the fixation of nitrogen from the air, has enabled Canada to retain its prominent position as one of the world's largest traders in chemical fertilizers.

Becomes Major Producer

Today, with the added stimulus provided by defence programs, Canada is well up among the world's major producing nations. Our fertilizer manufacturers are extremely efficient. In recent years they have won a place in a large number of export markets which, given reasonably free competition, they will retain for a long time to come.

Expanding chemical fertilizer production has for many years been supplementing, and in some cases displacing, natural products. Stimulated by greater food consumption and by a growing appreciation of the benefits of improving the plant food content of soils, output has doubled in nearly every decade since 1900. Now the creation of additional synthetic nitrogen capacity as part of the defence program promises to make fertilizer production an even more important segment of Canada's economy.

The volume of fertilizer sales has always been closely related to farm income; now there is ample evidence of a long-run trend towards their more intensive use. A major influence on this growth in demand has been the fact that prices of agricultural products have risen more rapidly than those of fertilizers. In Canada, for instance, the average wholesale price of farm products in 1950 was over twice that of 1938, but the cost to the



farmer of chemical fertilizers only went up about 50 per cent. Studies in various parts of the world have shown that farmers tend to spend a fixed percentage of their income on fertilizers. The relative decline in fertilizer prices has therefore been a major factor reinforcing the long-term upward trend in consumption.

These demand characteristics affect all three of the major fertilizer materials—phosphate, potash and nitrogen. This is because plant nutrients, like the human diet, must be available in balanced form to be most effective and a serious shortage of any one affects the use of the other two. This is one of the main reasons why the application of "compound" fertilizer has been expanding steadily in recent years and why, for a decade or more, the tonnage ratio of sales has been in the order of—phosphates 3, potash 2, and nitrogen 2. The first two are still largely products of the world's mines, but nitrogen has become increasingly a product of the synthetic chemical industry.

For many years the natural guano deposits of Chile were the world's major source of combined nitrogen. Then, about the turn of the century, ammonium salts from the steel industry's by-product coke ovens put in their appearance. It was followed by cyanamide production and, particularly in the late 1920's and early 1930's, by fixed nitrogen from the air. So efficient have these synthetic processes become that the usage of mineral nitrates has remained virtually unchanged since World War I, and practically all of the subsequent growth in the demand for nitrogen fertilizer has been met by purely chemical means.

Expanding munitions production and the destruction wrought by World War II later had a profound effect on this industry. Not only did they stimulate Canadian production but they also radically altered the pattern of international trade. More synthetic nitrogen plants were built as an adjunct to explosives production in North America and this, with the destruction of similar facilities in the Axis countries, has changed this continent's position from a net importer to an exporter of nitrogenous and other fertilizers.

Before the war Europe had a surplus of each of the major plant nutrients and the United States was by far the largest importer of nitrogen and potash. Today the U.S. has become largely self-sufficient, and is supplying most of the needs of the Far East, as well as competing with the United Kingdom, Belgium, Norway and Canada in other world markets. The following table indicates some of the main trends over the past decade:

Fertilizer Production

(in thousands of tons of nutrient content)

Area	1938-39			1949-50		
	Nitrogen	Phosphate	Potash	Nitrogen	Phosphate	Potash
North America	284	639	283	1,212	1,904	881
Europe	1,630	2,126	2,429	1,776	2,423	2,767
South America	240	32	10	298	44	11
Asia	367	305	....	382	238	....
Africa	....	44	33	....	124	....
Oceania	5	351	....	11	472	1
Total World ...	2,528	3,498	2,755	3,679	5,205	3,660

Source: Commonwealth Economic Committee and FAO.

During the 1949-50 season, there were signs that with the recovery of European producers, output was rapidly catching up with world consumption. However, the war in Korea changed all that. Though it hastened the reactivation of nitrogen capacity, it also caused some plants to be used for defence purposes and brought on a number of raw material shortages. Now that these shortages are slowly being overcome, the question of future markets again promises to come to the fore.

Assessing the Future

What are the prospects as far as Canada is concerned? Long-term trends give some reassurance. Even if international loans are no longer effective and deficiencies arising out of wartime starvation of soils are overcome, there are much more powerful factors at work. Growing population and rising living standards are only two of these. There is also government measures aimed at supporting the price of agricultural products and of others designed to encourage soil conservation.

Our changing food tastes also have something to do with the nature of the demand for fertilizers. On this continent, per capita consumption of fruits, fresh vegetables and dairy products has been rising rapidly. As a result, the quantity of fertilizer used on fruits, truck crops and grass lands has increased substantially. Twenty years ago, the one big consumer of fertilizer was cotton. Today, the corn crop is in the lead, with small grains and vegetables ranking second and third. It is also significant that

pasture lands, which consumed only negligible amounts of fertilizer twenty years ago, are now using more fertilizer than all vegetables did before the war.

All this is evidence that the farmers are becoming more and more aware of the advantages of the more extensive use of fertilizers. As long as the use of one dollar's worth of fertilizer continues to result in increased yields of between two and five dollars' worth of farm products, there is little likelihood that the fertilizer industry will encounter a prolonged levelling-off in demand. Indeed, one may contend with some justification that there is plenty of room for expanding sales. If one bears in mind that in Western Europe, where land is scarce and fertilization has been common practice for many years, farmers now use from 10 to 25 times as much fertilizer as is common in North America, this view would seem to have much to recommend it.

Canada as a Producer

Though Canada's stature among the world's producers has been growing steadily, it did not begin to play a major role until the early 1940's. Since then, however, this country has become the world's second largest exporter of nitrogen fertilizers, and has played a large part in the postwar schemes for the international allocation of fertilizers. This has not been without benefit to Canada. The overseas export trade in particular has helped domestic producers to smooth out the seasonal fluctuations which are characteristic of operations in this field.

Some idea of the growing internal and foreign trade in fertilizers can be obtained from the following table:

(in thousands of short tons)

Year	Production		Imports	Exports	Total Sales in Canada*
	Fertilizer Materials	Mixed Fertilizers			
1930	221	78	281	200	321
1940	525	303	217	335	347
1945	830	539	195	754	575
1950	1,077	670	372	742	765
1951	1,049	697	411	623	771
1952	1,113	667	464	746	769

* Year ending June 30.

The development of and outlook for this industry* is bound up with regional considerations. Protected as they are by distance and the bulky nature of their products, Western Canadian plants are in an admirable position to meet the rising needs of the Canadian prairies, British Columbia and the Central and Western United States. Agriculture in this great new area has so far been largely extractive—a process which cannot be allowed to continue indefinitely. The Canadian plants at Calgary, Trail and Kimberley enjoy an advantage in cheap raw materials and abundant supplies of low-cost fuels and electric power. Competitively, they are in a very strong position.

In the east the situation is somewhat different. Canada, with the only cyanamide plant on this continent, will no doubt continue to ship the

* Although the industry is concentrated in several large plants in B.C. and Ontario, a great number of other plants largely devoted to mixing operations bring the total number to 37, providing work for over 3,100 employees.

bulk of such nitrogen fertilizer production to the United States. On the other hand, the mounting consumption in Central Canada and the Maritimes of phosphates and potassic fertilizers will probably continue to be met from foreign sources. Because of a lack of suitable local deposits, it seems as though the industry will continue to acidize phosphate rock from Florida and to import much, if not all, of its mineral potash from France, Germany and the United States.

Sales Prospects

In addition to the favourable outlook for sales in the United States, the Canadian fertilizer industry has a sizable and continuing interest in overseas markets. Here the element of uncertainty is much greater. Varying exchange rates and the possibility of sudden tariff increases or the imposition of import quotas must also be reckoned with. But agriculture in many parts of the world's under-developed areas offers tremendous long-term possibilities. Even in what are generally regarded as the more advanced countries, the application of synthetic plant foods is still far short of the rate at which minerals are being extracted from the soil. This is the main reason why Canada's overseas sales are expected to be well maintained. In the long run they may even expand, despite a continuing revival in European production and a possible re-direction of United States exports of these important plant foods.

This article, the third in a series of six to appear in "Foreign Trade", was prepared by J. Davis and J. P. Lounsbury of the Economics Division of the Department of Defence Production. For the first two articles, see our October 3rd and October 10th issues—Editor.*

** In the article in our October 10 issue on industrial chemicals, the total annual value of Canadian production of these chemicals was given as $1,950 million. It should have read $195·0 million.*

For Your Information . . .

The Directories listed were last published in these issues:

Foreign Trade Service Abroad.....October 3

Head Office Directory.....October 10

Area Breakdown, Foreign Trade Service.....September 19

Foreign Commercial Representatives in Canada....August 8

Commodity Notes

ARGENTINA

Typewriters—Argentina imported 176,340 typewriters in the period 1939-52. But from now on it is unlikely that any typewriters, other than the electrically operated type, will be imported because a typewriter factory was established in Buenos Aires some time ago. This factory was later taken over by a well-known United States manufacturer who also has a branch plant in Canada. It is unlikely that Argentina will give dollar exchange permits in the future for manually operated machines—Buenos Aires, Sept. 18.

AUSTRALIA

Sulphate Pulp—The first shipment of pulp to Australia from New Zealand was due to leave New Zealand last week. It consisted of 500 tons of unbleached sulphate pulp manufactured at the new kraft mill of N.Z. Forest Products Ltd., at Kinleith. The pulp will be blended with eucalypt groundwood pulp to make newsprint. Over 1,000 tons will be shipped each month.

The managing director of the New Zealand company said that in 1948 a Tasmanian company contracted with N.Z. Forest Products to buy a minimum of 12,500 tons a year of sulphate pulp for twenty years. The New Zealand company's initial target for pulp production, he said, is 45,000 tons a year but there is ample room for substantial increases in output after the mills are all in full operation—Melbourne, Sept. 23.

BRAZIL

Coffee—Coffee exports in the first two months of the new 1953-54 crop year, which began last June, dropped 12 per cent over the corresponding period of the previous year—from 2,540,793 to 2,243,-685 bags. This break is attributed to smaller stocks and the reluctance of coffee exporters to sell their product at the so-called "confiscatory exchange rate"—São Paulo, Sept. 25.

COLOMBIA

Rice—Ecuador has large stocks of rice on hand for which the Government is anxious to find export markets. This completely reverses the situation at the first of the year, when stocks fell to such a low level that imports from Colombia and Peru were necessary to meet domestic

needs. The last crop was so large, however, that approximately 50,000 tons are in the warehouses, twice the quantity needed for domestic consumption—Bogotá, Sept. 14.

CUBA

Sugar—Out of a total of 5,648,890 Spanish long tons (2,271 lb.) made up of the entire 1953 crop, the exportable balance from the 1952 crop, and the portion of the so-called Stabilized Financed Reserve released for export early in 1953, the following quantities have been exported: to the United States—1,823,718 tons, mainly via New Orleans and New York; to other countries—1,902,210 tons, with the U.K. the largest importer, taking 654,619 tons, Japan 345,407 tons, and Germany 173,709 tons—Havana, Sept. 27.

INDIA

Black Pepper—The third and final forecast on black pepper for the 1952-53 season in the Madras State gives the area under black pepper in 1952-53 as 114 thousand acres, compared with the final area of 110,750 acres for the previous year, an increase of 3·7 per cent. The yield is estimated at 8,300 tons, an increase of 11·9 per cent over the previous year—New Delhi, Sept. 18.

ISRAEL

Plastic Raw Materials—Plastic raw materials being produced in Israel include acrylics and polyvinyl (used in the paint, textile and building materials industries), and thermosetting phenol formaldehyde moulding powder (a raw material for the local plastic moulding industry). Production of thermoplastic moulding powder (polystyrene), required by the local injection moulding industry, has just begun. Annual output of this product is expected to cover local requirements of 300 tons and provide a similar amount for export. Other products to be produced in the immediate future are phenol formaldehyde and urea formaldehyde liquid resins for use in the textile, plywood, brake-lining and other industries—Athens, Sept. 12.

NORWAY

Fish Products—The marketing possibilities for Norwegian fish products have varied considerably during the first half of this year. There is still a good market for herring, mainly in European countries, but the restrictions recently imposed by Brazil have created difficulties in exports of dried salted cod (klipfish) of which Brazil has previously taken large quantities. During the first four months of this year, the value of these exports to Brazil declined to 14·3 million kroner from 46·7 million last year. Import restrictions in other countries have also hampered the export of canned fish products, and present stocks are large. Exports to the United States, however, compare well with last year, the export value for the first four months of the year totalling 17·1 million kroner (15·8 million in 1952)—Oslo, Sept. 15.

Britain Studies Her Meat Supplies

With supplies of most meats, both domestic and imported, improving, the British hope that meat will soon come off the ration. But Ministry of Food officials assert that some obstacles have still to be surmounted.

LONDON—Any report on food supplies in Britain must discuss the impending end of rationing, which will involve the abolition of most price controls and subidies.

During the past year and a half, food subsidies have been running at £20 million above the statutory annual rate of £410 million. By raising the prices of most controlled foods—e.g., meat, cheese, bacon, eggs, fats—the subsidy has been reduced to the rate of approximately £330 million a year. Further economies have been effected by the decontrol of tea, eggs, and cereals and feedingstuffs. This, with the abandonment of a host of smaller restrictions on such items as sausages, canned meats, bananas, candy, etc., has been part of the general plan for the Ministry of Food to "go out of business" by 1954. Britain's heartfelt wish is that the ration book recently issued in reduced size will be the last.

The encouragement of home production of meat and its acquisition abroad has remained the primary problem in the Government's food and agricultural policy. Although overall meat supplies improved in 1952, there was less beef. Both domestic production and imports of pork, lamb and mutton went up, however.

Beef and Veal

Total shipments of beef to Britain fell from 159·9 thousand short tons in 1951 to 131·6 thousand in 1952. However, recent figures indicate some improvement: the rate of supplies for the first quarter of 1953 nearly doubled compared with the same period of 1951.

The fall in beef and veal production in the U.K. last year from 723 thousand short tons to 667 thousand was the result of a continued decline in the number of beef cattle during the past few years. In an endeavour to reverse this trend, the Government re-introduced a beef cattle subsidy and the latest agricultural census figures indicate that this is now taking effect in a small way.

Mutton and Lamb

Conversely, the number of sheep has increased, thereby raising production of mutton and lamb from 145 thousand short tons in 1951 to 181 thousand in 1952, or 24 per cent. Apparently the disastrous sheep losses in the winter of 1947 have almost been recouped. This was not sufficient, however, to compensate for the drop in beef production, and the result was a net fall in home production of beef, veal, mutton and

lamb of approximately 20 thousand short tons. Mutton and lamb imports increased from 277 to 391 thousand short tons in 1952 and the rate of shipments for the first quarter of 1953 shows that the increase continues.

Pork and Bacon

Britain's pork and bacon supplies have improved considerably in the last two years, chiefly because of the large number of hogs being raised at home. In 1952 home production of bacon went up from 477·1 million to 636·1 million lb., or by one-third, and pork production increased by 67 per cent—from 221·6 million to 369 million lb.

Denmark, Poland and the Netherlands are now the main foreign suppliers. Last year Danish shipments were up by 17 per cent, Polish by 9 per cent, and Dutch by 6 per cent—bringing total imports to 564·5 million lb., compared with 485·3 million in 1951. Total bacon available for consumption in Britain was thus 1,200·6 million lb. in 1952, compared with 962·4 million lb. in 1951; the percentage of home-produced rose from 49 to 53.

Overall supplies of pork were 403 million lb., compared with 256·2 million in 1951. This increase contributed a good deal towards the improved meat ration level throughout the year and helped to supplement the "red meats" in shorter supply.

The recent end of feedingstuffs rationing in the U.K. may give a new impetus to hog raising. More stringent grading has been introduced to encourage ideal bacon and pork types, but prolific breeding, coupled with early financial returns and premiums for quality, make it an attractive proposition for farmers. All this points to an increasing overall supply.

The trade has urged that pigmeat be removed from rationing and official returns show a ration take-up of only 90 per cent for bacon, which is usually regarded as a safe margin for the Minister's final step. Already some of the more expensive cuts have been freed from the ration but they are still price-controlled. Pork is, however, tied in with the general meat ration and any steps towards derationing would necessarily involve removal of the subsidy. No official steps have been taken as yet and it is likely that the whole problem will be reviewed later this year, in conjunction with a study of the general meat supply. Meanwhile, meat and bacon remain on the subsidy account and the price is controlled. As pointed out before, canned meat products and sausages were decontrolled in the early part of the year.

Bacon Supplies

The overall supply of the main meats in 1952 was thus 1,388·4 thousand short tons, 5 per cent more than the 1951 supply of 1,322 thousand. Correspondingly, consumption of all meats (including pork and offal) went up from 59·5 lb. per head in 1951 to 67·1 lb. in 1952.

The chief countries maintaining contracts with the United Kingdom are New Zealand, Australia, the Argentine, and other South American suppliers.

With the conclusion of the Anglo-Argentine agreement, the larger amounts available from New Zealand and Australia, and the prospect of

expansion in home production, the official outlook for meat supplies is so favourable that derationing should not be too far away.

Is Derationing Possible?

The trade has advocated the early derationing of meats and the handing over of imports to private interests. The Minister of Food, however, voicing more moderate counsels, stated not long ago that the gap in supplies is still too wide to permit freedom. He added that he could not anticipate what the demand would be at present prices, but if he were to deration now, the gap could almost certainly only be narrowed by a significant increase in prices. "I hope," he concluded, "that in spite of the seriousness of the obstacles in the way, it will not be very long before meat follows meat products, canned meats, sausages, eggs, tea, cereals, feedingstuffs, and sweets. I hope the list is long and impressive enough to reassure you of my intentions to proceed on the path of decontrol and freedom as rapidly and as soon as possible."

Difficulties Ahead?

From recent events it is evident that the remaining measures of freedom may not be free from difficulties, with customers' preferences coming into effect. At present, meat is only nominally rationed because butchers can sell to any customers after the ration commitments have been met. Ewe mutton has proved unpopular now that general supplies are plentiful, and pork is not in demand in the summer months. In fact, the Minister was obliged to reduce pork prices to enable butchers to dispose of their allocations. Beef prices were increased, however, so that the subsidy would remain unaffected. This is the first example of the marketing problems to be solved before the Ministry of Food can withdraw completely from the field and hand over bulk buying to private hands.

—Basil M. Fillmore
Office of the Commercial Secretary for Canada (Agriculture)

Transportation

The Transportation and Communications Division of the Department of Trade and Commerce will be glad to supply shippers and others interested with information on water, rail, air and road transport services to and from Canada.

The Division has compiled a list of the principal Canadian trade routes and of the steamship companies maintaining services on them. To obtain this list and any further help with international transportation problems, write to the Director, Transportation and Communications Division, Department of Trade and Commerce, Ottawa.

Blueberries over the Border

BOSTON—In 1952, eighteen carlots of blueberries—equivalent to 172,800 quarts—arrived in Boston from Nova Scotia. Approximately one million quarts are imported from Canada every year for processing in Maine canning plants. And yet the New England region provides over half of the United States supply of the dusty-blue fruit. More Canadians living within easy reach of the big New England market would do well to examine the possibility of sharing in this lucrative seasonal trade.

Blueberry production in New England falls into two categories—wild and cultivated. Thus far local growers favour the production of wild berries; their competitors in New Jersey, who in the ten years from 1939 to 1949 increased production from 730 thousand quarts to over four million, specialize in the cultivated variety. The coastal areas of Maine are New England's major source of blueberries. From them comes more than 55 per cent of the annual blueberry harvest, which will total this year between eight and nine million quarts. In 1951, the peak return from the crop was $3·5 million, but the average annual crop is valued at approximately $2 million.

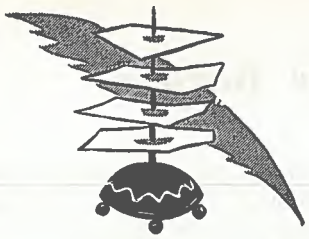
The other five New England states usually contribute about two per cent of the nation's supply, with a large part of the southern New England crop being sold fresh. New Hampshire ranks next to Maine as a supplier, with an average annual crop of 250 thousand to 300 thousand quarts. About one per cent of Maine's normal crop is sold fresh, one-third usually is frozen, and the remainder is canned, side by side with more than a million quarts of imported Canadian berries.

A major development in New England harvesting techniques was the blueberry rake, similar in design to the cranberry scoop. With it a picker can harvest more than 100 quarts of berries a day under average conditions and expert pickers have harvested as many as 900 quarts in a single day. To remove leaves and other foreign matter from the berries, commercial growers use a cleaning machine which employs a combination of gravity and forced air blasts. Hand picking is now limited to the wild crop and to growers who pack for the fresh berry market.

In Maine a state tax of five cents a bushel aids in financing a research and marketing program carried out at the University of Maine. New Hampshire organized a blueberry marketing co-operative this year, and the Government of Massachusetts provides an inspection service which will give growers a certificate of quality for a fee of ten cents a crate.

During recent weeks Canadian blueberries have been selling at thirty-five to fifty cents a quart on the Boston wholesale markets. At retail, wild berries sell for sixty to sixty-five cents a quart and cultivated at sixty-six to ninety cents. Canadian growers who put up a well-packed, clean and uniform product should readily find a good demand for their berries in New England.

—D. H. Cheney
Vice-Consul of Canada and
Assistant Trade Commissioner



General Notes

BRAZIL

Foreign Trade Deficit—Brazil's commercial balance showed a deficit of Cr.$256,158,676 in the first six months of 1953, despite the restrictions imposed by the Export-Import Department of the Bank of Brazil. According to statistics released by the Finance Ministry, imports totalled Cr.$11,714,401,904, and exports Cr.$11,458,243,318—Rio de Janeiro, Sept. 14.

FINLAND

Foreign Trade Improves—During June, Finland's imports totalled approximately 10 billion marks, and exports increased to 12·2 billion marks. This was the first month in 1953 to show an export surplus. During the first five months of this year there was an import surplus of about 8·4 billion marks, compared with approximately 26 billion marks in the same period of 1952—Stockholm, Sept. 18.

ISRAEL

Export Position Improves—Exports from Israel in the first quarter of this year totalled $22 million, as compared with $17·9 million during the same period in 1952. This improvement was largely the result of record citrus shipments. During the three-month period, 41·5 per cent of goods exported were sold for hard currency, 43·5 per cent were covered by trade agreements, and 15 per cent bartered.

Figures for industrial exports have been released for the first four months of 1953, and total $5·9 million, an 8 per cent increase over the same period of 1952. The United Kingdom was Israel's best customer for industrial exports taking 27 per cent of the total. She was followed by Finland with 25 per cent and Turkey with 19 per cent. Of these industrial exports, 33 per cent were products of heavy and light industry, 32 per cent textile and leather goods, and 31 per cent food products. The small balance was made up of cement shipments. Compared with the previous year, all industrial exports, with the exception of processed foods, showed slight increases—Athens, Oct. 3.

NETHERLANDS

Currency Control Relaxed—The Netherlands Bank has announced a further easing of foreign exchange regulations. Netherlands nationals may now hold foreign currency in their own private banking accounts. Outstanding accounts in dollars, both Canadian and United States,

and in Swiss francs, must be collected in these currencies. This new method is welcome because part of the Netherlands Bank's foreign exchange will now be switched to the trading banks—The Hague, Sept. 17.

UNITED KINGDOM

Sterling Area Dollar Reserves—During August the sterling area had a surplus of $13 million in its balance of payments with the rest of the world. This compares with a surplus in July amounting to $89 million. At the end of August the sterling area gold and dollar reserves had increased to $2,469 million. A special transaction during the month was a payment of $39 million to Canada under the interest-free loan of 1942—London, Sept. 21.

Bank Rate Reduced—The minimum bank rate—the rate at which the Bank of England will make advances against approved bills of exchange—was cut on September 17th from 4 to 3½ per cent. The reduction, it is explained, was made to correspond with technical developments since the rate was last raised from 2½ per cent in 1952 and to ensure that it does not get out of line with market rates. The change does not signify any improvement in economic conditions nor does it involve any change in the tighter money policy—London, Sept. 23.

UNITED STATES

Southern Construction Drops—Construction contract awards in the Southern States totalling $1,571 million for the first five months of 1953 were down by $1,534 million compared with the same period of 1952. Reduction in contracts was widespread in all the Southern States except South Carolina, Missouri, West Virginia and the District of Columbia. Residential construction—apartments, hotels, and dwellings—dropped from $339 million to $172 million. Industrial awards dropped from $716 million to $330 million and public buildings from $416·8 million to $384·4 million. This is a significant development for Canadian suppliers of building materials such as lumber because they have been finding an increasing market for their products in the South—New Orleans, Sept. 15.

WEST GERMANY

International Monetary Fund Credits—The International Monetary Fund intends to grant ten-year credits to about 80-100 German export firms. The total value of the credits expected to become available this fall will be $20 million. Credits will be granted on condition that the investments to be made will increase the export capacity of the firms. The borrower must also prove that capital assets imported under the loan could not have been supplied in equal kind and quality by Germany itself or any other soft currency country. The rate of interest has not yet been fixed. It is expected, however, to be below current German rates—Bonn, Sept. 17.

Turkey Regulates Its Foreign Trade

With development schemes outrunning financial resources and trade deficits building up despite brisk sales, Turkey has had to revamp its foreign exchange and trade regulations.

ATHENS—No close observer of Turkey's economic situation was wholly unprepared for the new foreign trade and exchange regulations established on September 7, 1953, by Law No. 1360. For, despite general prosperity throughout the major trading areas and a trade that was brisk and lucrative both for the farmer and the middleman, and despite increased industrial development, serious difficulties have been building up over the months.

Deficits Called for Action

For two successive years, the increased scale of internal development has outrun Turkey's financial means. Accordingly, the foreign exchange position so deteriorated that stern measures became necessary to eliminate the trade deficit of £T226 million ($82 million) that piled up in the first six months of 1953. This deficit appeared at a time of record grain and cotton crops, of high exports of minerals, and of substantial U.S. military and economic aid.

The last quarter of the year normally sees the largest exports of grains, cotton, and dried fruits. The current year's trade might even have been balanced but for the large amounts Turkey still owes abroad for goods already imported but payment for which in foreign exchange still has to be approved. These remittances, estimated at as high as $100 million, have been pending since the end of November 1952 and are owed for the most part to British, West German and Belgian exporters. To pay off these arrears, foreign exchange reserves must be replenished by increasing exports or restricting imports. The new law is designed to achieve the goal by a combination of the two methods.

Summary of Regulations

The detailed application of Law No. 1360 is being published during September and October in various decrees, to be effective largely on November first, but it is possible to give a general summary.

The compensation trading system, through which much commercial import trade from the United States and Canada was carried on, is abolished from November 1. Countries with special bilateral clearing agreements will continue to trade with Turkey within the terms of those agreements. Trade with other countries, including Canada, will now be on the basis of free exchange but dollar exchange will be much more severely restricted than currencies of the European Payments Union.

For the purposes of these regulations, the commodities to be exported and imported are divided into six categories:

- Commodity List No. 1 includes all the items which may be exported from Turkey.

- List No. 2 selects from List No. 1 those goods for which an export licence is required.

Exports on a consignment or credit basis, re-export of goods imported but not cleared from customs, and the return to country of origin of goods purchased with foreign exchange are all subject to licence. However, the export of goods held "in transit" or imported on consignment in bond does not require a licence, provided that the party concerned can produce evidence that no foreign exchange payment was made on these goods.

- List No. 3 enumerates the items which may be imported without prior import licence from countries of the European Payments Union. It covers considerably less than the 60 per cent of EPU imports which previously comprised the "free" or liberalized list. No date for the enforcement of the new List No. 3 has yet been announced. Meanwhile, these imports will continue to require the prior approval of the Ministry in the same manner as for the past twelve months—and with the foreign exchange remittances being indefinitely delayed.

- List No. 4 details the goods which, from November 1 on, may be imported only against an import licence. It includes such things as agricultural machinery, office machines, linoleum, radios, refrigerators, vacuum cleaners, bicycles, motorcycles, and automobiles.

- List No. 5 specifies the commodities for which foreign exchange will be forthcoming only in special circumstances.

- List No. 6 covers the goods which may be imported on long-term credit. It includes agricultural machinery and tractors; diesel, kerosene and gasoline engines; wood and metalworking machinery, and most machinery and industrial supply goods.

Each application for an import licence must be accompanied by a deposit of 4 per cent of the value of the goods. If the licence subsequently issued is not used, the deposit is forfeited. This may prove helpful to the foreign exporter because it should eliminate the worst commercial risks.

Premium System Inaugurated

Decree No. 907, announced concurrently with Law No. 1360, for the first time provides for the application of premiums to imports and exports. List "A" attached to the decree details the imports subject to import premiums, which are to be credited to a special account with the Agricultural Bank of Turkey and applied to pay the export premiums for the goods in List "B".

List "A" includes such things as steel furniture (premium charged 75 per cent), linoleum (25 per cent), office machines (75 per cent), motor cars (weighing 1,300 kg. 25 per cent, or over 1,300 kg,. 50 per cent), refrigerators and vacuum cleaners (75 per cent), bicycles (25 per cent).

The majority of the goods which will profit from the new export premiums in List "B" were previously subsidized by the "compensation" system, under which the exporter could avail himself of the higher free

market rate for a certain percentage of the foreign exchange earned from each shipment of such goods. An important addition to the new list of subsidy through export premiums is raisins.

A premium of 50 per cent on the f.o.b. price of the shipment will be paid to the shipper for all List "B" exports from Turkey for dollar payment, one of 40 per cent for exports to be paid in sterling or other EPU currencies, and one of 25 per cent for exports to countries which have bilateral clearing agreements with Turkey.

—H. W. RICHARDSON
Commercial Secretary for Canada

Rice-Growing in Greece

ATHENS—Before 1920, rice was to Greeks an imported luxury sold at prohibitive prices. Following some haphazard experimental planting, the first domestic crop was harvested in 1920 and output slowly increased to 6,000 tons of paddy rice. When war broke out in 1939, Greece had five well-equipped rice mills plus some makeshift establishments scattered about in small towns. In addition to the local crop, these mills husked 30,000 tons of paddy rice imported mainly from Egypt.

The end of the war saw a comprehensive program to use extensive and potentially productive waste land. With irrigation equipment paid for by the United States and with the expert advice of American and Greek agriculturists, salt and alkali flats in continental Greece and the islands were washed of their salt deposits and irrigated. Eventually they yielded as high as 400 kilos of rice per acre. In 1952, 134 thousand hectares were planted with rice and a record crop of over 75,000 tons harvested. This year's harvest, from 139,300 hectares, is expected to be even greater—some 80,000 tons of paddy rice, yielding almost 50,000 tons of milled rice.

Much of this rice cultivation was originally undertaken as a short-term measure to prepare the soil for other crops. But the Greek peasant will continue to grow it, even on fields already suitable for other produce, as long as prices remain attractive at home and abroad. This year, up to 9,000 tons of milled rice may be exported. The Greek Ministry of Agriculture may have difficulty controlling this rice cultivation; on the other hand, local consumption has increased to over 40,000 tons of milled rice—one indication of an improved standard of living. Some 29 rice mills have been established to husk the rice grown and over $8 million a year is being saved in foreign exchange. The efficient and economic use of natural resources, which this rice story illustrates, is all-important for countries like Greece, with limited resources and a large population.

—H. W. RICHARDSON
Commercial Secretary for Canada

BRAZIL

New Exchange Regulations—A cable just received from Rio de Janeiro reports that new exchange regulations for both exports and imports were introduced on October 10, 1953.

The exchange proceeds from all Brazilian exports must now be sold to the Bank of Brazil at the official rate of exchange. Coffee exporters will receive, in addition to cruzeiros at the official rate, an export bonus of five cruzeiros per U.S. dollar. The bonus applicable to all other Brazilian exports is ten cruzeiros per dollar. This gives an effective rate of 23.36 cruzeiros per U.S. dollar for coffee exports and 28.36 for all other exports.

On the import side, a system of exchange certificates has been introduced. Exchange certificates equal to 70 per cent of export earnings will be sold to importers in an auction market. The purchase of an exchange certificate gives the importer the right to buy exchange at the official rate.

Imports are divided into five categories in order of essentiality. Exchange certificates will be made available according to these categories. The cost of imports thus becomes the official selling (import) rate for the cruzeiro—18.82 to the U.S. dollar—plus the cost of the exchange certificate. Presumably the effective rate of exchange for imports will vary according to the category through the quantitative allocation of certificates for each group of imports.

Import licences already authorized are to remain in force. Exchange will be made available for the imports so authorized by the Bank of Brazil as exchange becomes available.

It has been unofficially reported that the 30 per cent of the foreign exchange earned from Brazilian exports the sale of which is not provided for through the certificate system will be applied against the commercial debts still outstanding.

INDONESIA

Exchange Regulations for Tourists—On September 14th, 1953, the Indonesian Foreign Exchange Control issued new regulations for foreign visitors and other non-residents who remain in Indonesia for only a short time. On arrival in Indonesia, visitors will be given the opportunity by customs officers to bring into the country, keep in their possession and take out of the country with them their foreign currency and securities, such as travellers' cheques and letters of credit for travelling. To this end they will be given a licence which

is valid for 90 days but may be extended on application. The customs officer will record in the visitors' passports the fact that they have been given a licence.

Only foreign currency and securities mentioned in the licence may be exchanged for Indonesian rupiahs. They may be negotiated only at the offices of designated banks. Foreign exchange which visitors do not intend to negotiate in Indonesia must also be recorded in the licence.

Visitors will be permitted to take out of the country goods valued up to 3,000 rupiahs without an export licence. This free export of goods is, however, only permitted in so far as the value of the goods corresponds to the amount of foreign exchange negotiated, as recorded in the licence by the competent banks—Djakarta, Sept. 24.

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.

D. S. Armstrong, Canadian Government Trade Commissioner in Singapore, began a tour of Canada in Ottawa, September 1-4. His itinerary is:

Toronto—October 19-24
Welland—October 26
Hamilton-Brantford—October 27
Sarnia—October 28-29
Winnipeg—November 23
Vancouver—December 1-11

R. P. Bower, Commercial Counsellor for Canada in London, began a Canadian tour in Vancouver, October 5-9. His itinerary is:

Winnipeg—October 19-20
Niagara Falls—October 22-23
Hamilton—October 26-27
London—October 28
Windsor—October 29
Sarnia—October 30
Toronto—November 2-13
Ottawa—November 16-20
Montreal—November 23-December 4

T. R. G. Fletcher, Canadian Government Trade Commissioner in Hong Kong, completes his tour of Canada in Vancouver, October 6-19 and Victoria, October 20.

B. A. Macdonald, Commercial Counsellor in Bonn, Germany, completes his tour of Canada in Toronto, October 19-24, and Ottawa, October 26.

E. H. Maguire, Canadian Government Trade Commissioner in Madrid, Spain, began a tour of Canada in Vancouver and Victoria, September 30-October 5. His itinerary is:

Toronto—October 15-20
Montreal—October 21-26
Ottawa—October 27-November 4
St. John's (Nfld.)—November 7

Paul Sykes, Canadian Government Trade Commissioner in Ceylon, began a tour of Canada in Quebec City on October 5. His itinerary is:

Montreal—October 19-24
Toronto—October 26-31
Hamilton—November 2
St. Catharines: Welland—November 3
Brantford: London—November 4
Brockville: Kingston—November 6
Ottawa: Pembroke—November 9-10

Businessmen in the various centres may get in touch with these officers through the following organizations:

Board of Trade—Brantford, Montreal.

Chamber of Commerce—Brockville, Hamilton, Kingston, London, Niagara Falls, St. Catharines, Sarnia, Welland, Windsor.

Canadian Manufacturers Association—Toronto, Winnipeg.

Department of Trade and Industry—Victoria.

Department of Trade and Commerce—Ottawa, Vancouver (355 Burrard Street) and St. John's (Stott Bldg).

Tours

Wiley J. Millyard, Commercial Secretary for Canada in Bogotá, Colombia, will begin a visit to Ecuador on October 24th in Quito. He will spend approximately ten days in that city, and the next ten days in Guayaquil. Businessmen interested in these areas should write Mr. Millyard at Bogotá as soon as possible.

Hugh Aitken, General Manager of the Export Credits Insurance Corporation, will be visiting Vancouver during the week of October 26. Businessmen interested in consulting him about export credits insurance should make an appointment through H. L. E. Priestman, 355 Burrard St., Vancouver.

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 1·01426.

Country	*Unit*	*Type of Exchange*	*Canadian dollar equiv. Oct. 8*	*Notes (See below)*
Argentina	Peso	Preferential buying	·1314	
		Basic buying	·1972	
		Preferential selling	·1972	(1)
		Basic selling	·1314	
		Free	·07097	
Austria	Schilling		·03792	
Australia	Pound		2·2100	
Belgium Luxembourg & Belgian Dependencies	Franc		·01978	
Bolivia	Boliviano	Official	·00519	
British West Indies	Dollar		·5755	(3)
	Pound		2·7625	(4)
	Dollar		·6906	
Brazil	Cruzeiro	Brit. Honduras	·05329	tax 8%
		Official	·02532	(2)
		Free	·2070	
Burma	Kyat		·2072	
Ceylon	Rupee		·00896	(1)
Chile	Peso		·3944	
Colombia	Peso	Basic	·1756	(5)
Costa Rica	Colon	Official	·1484	*
		Free	·9859	tax 2%
Cuba	Peso		·1369	
Czechoslovakia	Koruna		·1427	
Denmark	Krone		·9859	
Dominican Republic	Peso		·06573	(6)
Ecuador	Sucre	Official	·05672	
		Free	2·8312	
Egypt	Pound		2·4887	
Fiji	Pound		·00429	
Finland	Markka		·00282	
France	Franc		·00563	
French Africa	Franc		·01549	
French Pacific	Franc		·2347	
Germany	D Mark		·000033	
Greece	Drachma		·9859	
Guatemala	Quetzal		·1972	
Haiti	Gourde		·4930	
Honduras	Lempira		·1638	*Oct. 1
Hong Kong	Dollar	Free	·06054	
Iceland	Krona	Official	·04661	
		Special buying	·03755	
		Special selling	·2072	
India	Rupee		·08649	(7)
Indonesia	Rupiah	Basic	·00187	*
		Dollar certificate		

* Latest available quotation date.