# foreign trade

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COVER . . . These peasants at work near the village of Murren, with the famous Jungfrau in the background, typify the average tourist's impression of Switzerland. Actually, the tourist trade does not dominate the Swiss economy. Our story on page two illustrates the dominant position of the manufacturing industries and discusses Switzerland's current trade.

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# Switzerland and Its Foreign Trade

*First six months of 1953 saw the Swiss achieve record exports and a favourable trade balance, with the U.S. ranking first as a market and Germany first as a supplier.*

BERNE—Swiss exports for the first half of 1953 reached a record value of 2,460 million Swiss francs. Imports fell to the lowest point since 1950 and these two developments created the second and largest favourable trade balance of the postwar years. Exports gained 209 million francs, or 9 per cent, and imports fell 471 million francs, or 11 per cent, to yield a positive balance of 34 million Swiss francs. In sharp contrast to the adverse balance of 460 million francs for the first half of 1952, the new balance represents a net improvement of 514 million francs in Switzerland's international trading accounts.

**Switzerland's Trade Record**

| First Half Year | IMPORTS Quantity (thousand met. tons) | IMPORTS Value (million francs) | IMPORTS Avg. price index | EXPORTS Quantity (thousand met. tons) | EXPORTS Value (million francs) | EXPORTS Avg. price index | Trade Balance |
|---|---|---|---|---|---|---|---|
| 1938 ..... | 3,423 | 781 | 100 | 300 | 618 | 100 | —163 |
| 1950 ..... | 3,384 | 1,786 | 201 | 227 | 1,643 | 235 | —143 |
| 1951 ..... | 4,978 | 3,140 | 241 | 324 | 2,244 | 251 | —896 |
| 1952 ..... | 4,576 | 2,731 | 247 | 295 | 2,251 | 262 | —480 |
| 1953 ..... | 4,105 | 2,426 | 228 | 332 | 2,460 | 256 | + 34 |

**Regional Trade Gaps Narrowed**

Switzerland's trade with Europe showed the greatest gains; her usually severe deficit was reduced by 278 million francs as a result of lower imports and higher exports. Sharply reduced imports from and slightly higher exports to the Americas yielded the second largest gain, 225 million francs, and resulted in a positive balance where formerly deficits reigned. On a smaller scale, increased imports from Asia, Australia and Oceania were outweighed by larger exports to these regions. The only negative shift in the Swiss trade balance was with Africa, where export gains failed to compensate for increased imports.

**Swiss Trade by Regions**

| Area | Imports 1st 6 months 1952 | Imports 1st 6 months 1953 | Exports 1st 6 months 1952 | Exports 1st 6 months 1953 | Balance 1952 | Balance 1953 | Change in balance |
|---|---|---|---|---|---|---|---|
| Europe ......... | 1,757 | 1,619 | 1,298 | 1,438 | —459 | —181 | +278 |
| N. America .... | 778 | 586 | 606 | 639 | —172 | + 53 | +225 |
| Asia ............ | 113 | 114 | 209 | 227 | + 96 | +113 | + 17 |
| Africa .......... | 69 | 89 | 109 | 122 | + 40 | + 33 | — 7 |
| Australia* ...... | 14 | 17 | 29 | 33 | + 15 | + 16 | + 1 |
| Totals .......... | 2,731 | 2,425 | 2,251 | 2,459 | —480 | + 34 | +514 |

* Includes Oceania.

Asia, Africa and Australia collectively doubled their relative share of Swiss exports and imports to approximately 14 per cent, at the expense of Europe's proportion of total trade. North and South America's percentage share of exports rose nominally, while their relative position on the Swiss import market slipped slightly. Switzerland's closely balanced reciprocal accounts with these regions are striking.

**Main Suppliers**

Switzerland's principal suppliers (apart from the United States, which holds second place) border her on the north, west and south. Germany, despite a slight drop in sales, increased her share of the Swiss market to 20 per cent, with exports valued at 482 million francs, and was the leading supplier. Coal, iron, steel, machinery and automobiles were, in that order, the main imports from Germany. A sharp decline of 36 per cent in purchases from the United States lowered imports from this source to 309 million francs, representing roughly 13 per cent of total imports, compared with almost 18 per cent for the first half of the previous year. Shipments from the United States consisted chiefly of metals, agricultural products, machinery and equipment (including vehicles), textiles, and drugs, in order of importance.

France, shipping mainly iron, steel, coal and wool, accounted for nearly 10 per cent of all imports, a slightly larger share than for the corresponding period in 1952, but down 9 per cent in value to 235 million francs. Imports from Italy rose 14 per cent to 228 million francs, increasing the Italian share of the Swiss market to over 9 per cent. From Italy, Switzerland buys principally fruits, vegetables, motorcycles and wine. The United Kingdom and the Netherlands moved ahead of Belgium-Luxembourg to rank fifth and sixth, respectively; a severe drop of 38 per cent in imports from BLEU placed it in seventh position. Canada ranked eighth, slightly increasing her percentage share of the market despite a 9 per cent fall in the value of her exports to Switzerland.

**Suppliers Ranked by Value**

(millions of francs)

| First Half 1952 | | | | First Half 1953 | | | |
|---|---|---|---|---|---|---|---|
| Rank | Country | Value | % share | Rank | Country | Value | % share |
| 1 | Germany | 491 | 18·0 | 1 | Germany | 482 | 20·0 |
| 2 | United States | 487 | 17·8 | 2 | United States | 309 | 12·7 |
| 3 | France | 258 | 9·4 | 3 | France | 235 | 9·7 |
| 4 | Italy | 200 | 7·3 | 4 | Italy | 228 | 9·4 |
| 5 | Belgium-Lux. | 172 | 6·3 | 5 | United Kingdom | 172 | 7·1 |
| 6 | United Kingdom | 171 | 6·3 | 6 | Netherlands | 110 | 4·5 |
| 7 | Netherlands | 109 | 4·0 | 7 | Belgium-Lux. | 106 | 4·5 |
| 8 | Canada | 99 | 3·3 | 8 | Canada | 91 | 3·7 |
| | All others | 744 | 27·6 | | All others | 693 | 28·4 |
| | Totals | 2,731 | 100·0 | | Totals | 2,426 | 100·0 |

**Importance of Commodity Groups**

Despite the traditional Swiss dependence upon outside sources of raw materials for the manufacturing industries, this year has seen the slowly growing relative importance of imported manufactures continue. This category, valued at 1,001 million Swiss francs, accounted for 41·7 per cent of all imports during the first half of 1953, compared with 36·7 per cent four years ago. The re-emergence of Germany as a competitive industrial power in the past few years was at least partly responsible for this. Raw material imports, on the up-trend since 1950, are currently



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down 7·3 per cent. Their value for the first half of 1953, 815 million francs, represents one-third of all imports. Purchases of foodstuffs and feeds reversed the down-trend of former years to reach a value of 610 million francs, roughly one-fourth of total imports.

Because she lacks mineral resources, Switzerland values coal, fuel oil, gasoline and primary metals among her top-ranking imports. Their value fell off sharply during the first half of 1953, however, with fuel imports down 13 per cent to 221 million francs and primary metals down 60 per cent to 95 million francs. These savings of 190 million francs represent over one-half the value of Switzerland's total import reductions and reflect a substantial lowering of inventories in the face of weakened prices. Generally speaking, however, raw material stocks are adequate for months to come—or even a year or two in a few cases—and will probably be replenished before supplies run too low.

Other major import reductions included tinplate (down 46 per cent to 2·5 million francs), timber and wood pulp (down 44 per cent to 31 million francs), and iron pipes and tubes (down 21 per cent to 23 million francs). Switzerland has also managed to curb her imports of wines, sugar, meat, and manufactures of rubber and cotton, yielding a further total saving of 22 million francs.

**Semi-Manufactured and Finished Imports**

Though leading primary imports were lower, the Swiss substantially increased their purchases of some important semi-manufactured and finished products. Machinery imports advanced by 8 per cent to rank second, with a value of 184 million francs, followed by primary textiles, up 6 per cent to a value of 151 million francs. Automobiles rose 17 per cent to become the fifth leading import, with a value of 143 million francs. Notable increases were also recorded for instruments and apparatus (up 9 per cent to 59 million francs), and for wool manufactures (up 18 per cent to 20 million francs).

Of agricultural products, wheat and coarse grains rose 6 per cent to a value of 150 million francs, ranking fourth. Coffee, tobacco, hides and leather, eggs, and oil fruits were also up appreciably in value this year. Fruits and vegetables advanced to sixth position, with a constant value of 108 million francs.

**Leading Imports by Value**

(millions of francs)

| First half of 1952 | | | First half of 1953 | | |
|---|---|---|---|---|---|
| Rank | Item | Value | Rank | Item | Value |
| 1 | Fuels | 254 | 1 | Fuels | 221 |
| 2 | Primary metals | 242 | 2 | Machinery | 184 |
| 3 | Machinery | 171 | 3 | Primary textiles | 151 |
| 4 | Primary textiles | 142 | 4 | Wheat and coarse grains | 150 |
| 5 | Wheat and coarse grains | 141 | 5 | Automobiles | 143 |
| 6 | Automobiles | 122 | 6 | Fruits and vegetables | 108 |
| 7 | Tinplate | 114 | 7 | Primary metals | 95 |
| 8 | Fruits and vegetables | 108 | 8 | Tinplate | 61 |
| 9 | Timber and wood pulp | 55 | 9 | Instruments and app. | 59 |
| 10 | Instruments and app. | 54 | 10 | Raw coffee | 54 |
| 11 | Raw coffee | 49 | 11 | Bulk wines | 35 |
| 12 | Bulk wines | 37 | 12 | Raw tobacco | 35 |
| 13 | Raw tobacco | 34 | 13 | Oil fruits | 32 |
| 14 | Sugar | 31 | 14 | Timber and wood pulp | 31 |
| 15 | Rubber manufactures | 29 | 15 | Sugar | 29 |
| 16 | Cocoa beans | 25 | 16 | Rubber manufactures | 26 |

Switzerland depends for markets mainly upon the same countries which rank as her chief suppliers. Canada, however, is an exception to this rule. There was little change in the relative importance of principal markets during the first half of the year although, as a result of absorbing the bulk of Switzerland's expanded exports, her three leading customers increased their share of the total by 6 per cent, accounting for well over one-third of all exports.

The United States ranked first, with purchases up 36 per cent to reach 406 million francs. Germany and Italy, in second and third place respectively, each imported roughly one-fourth more than in the first half of last year, bringing their fairly evenly divided purchases to a total of 516 million francs. France, despite a 10 per cent rise in purchases, was just able to retain her 7·3 per cent share of exports; Belgium-Luxembourg, the United Kingdom and the Netherlands all fell back slightly. Brazil, with purchases down by more than 50 per cent, gave over to Sweden her role as a principal market.

**Manufactures Predominate**

Exports gained in all the principal trade categories but the most significant was manufactures, with a value by June of 2,227 million Swiss francs. This exceeded the total for the first half of 1952 by 165 million Swiss francs, but failed to interrupt a slight down-trend in the overwhelming share of manufactured products in total exports, currently 90 per cent. A continued rise in exports of raw materials, foodstuffs and feeds collectively accounted for an increase of 34 million francs, bringing their aggregate value to 233 million francs, roughly 10 per cent of total exports.

**Key Export Industries**

The watch industry, traditionally the export leader, slipped into second place during the first half of the year, with exports valued at 495 million francs. Its slight loss, however, was overshadowed by substantial gains in the other leading export industries. Machinery exports climbed 7 per cent, to move into first place with a total value of 507 million francs. Chemicals, ranking third, with exports valued at 324 million francs, also gained 7 per cent, principally in pharmaceuticals and dyestuffs, which made up the bulk of exports. Growing in importance in this industry, however, are synthetic resins, plastics and insecticides. The textile industry, recovering from its slump, registered the largest gains; exports rose 13 per cent in value, from 268 to 304 million francs. Precision instruments and apparatus contributed 159 million francs to this year's export total, rising 6 per cent over the corresponding 1952 figure.

Accounting for roughly three-quarters of total exports in each of the periods reviewed, these figures illustrate the dependence of Swiss foreign trade upon concentrated industrial achievement. Collectively, however, other Swiss industries contribute a substantial share to the export total and this year their relative position improved.

—W. R. Hickman
*Assistant Commercial Secretary for Canada*

# Fiji in Fifty-Two . . .

*To meet the problem of a growing population, Fiji is introducing new industries to supplement the traditional ones; her small but steady trade with Canada could well be expanded.*

WELLINGTON—In January 1952 Viti Levu, the principal island of the Fiji group, was struck by a severe hurricane which caused widespread damage in the areas devoted to the production of sugar cane—and cane and its products account for more than half of Fiji's total exports. Despite this, however, exports for the fiscal year ending March 31, 1953, set a new record of £11 million, compared with £7·3 million in 1951.

This increase, however, was offset by heavier spending on imports, partly the result of higher landed costs. Volume of imports also increased because of the tighter import restrictions in Australia and New Zealand which made more shipping space available for goods destined for the Islands. Imports in 1952 were valued at £12 million, compared with £9·4 million in 1951, and thus the deficit in the balance of visible trade reached £1 million. This was, however, only half the deficit for the previous year. Since the turn of the century, Fiji has had only seven adverse trading years.

#### Three Leading Exports

Sugar cane products account for 57 per cent of all exports; coconut products and gold make up 39 per cent. The prospects for the maintenance of sugar exports are good. In 1952 the exportable surplus was 133 thousand tons and for 1953-54 it is estimated at between 160 and 170 thousand tons. The average export price for sugar has increased steadily from £14·5 per ton in 1943 to £42·6 per ton in 1952 and no drop appears likely. Prices for copra and its products have also increased substantially and exports of fresh fruits to New Zealand are rapidly gaining in importance.

#### Trade Mainly with Commonwealth

The British Commonwealth supplies Fiji with 75 per cent of her requirements and buys 90 per cent of her exports. The bulk of the imports (£7·3 million) come from the United Kingdom and Australia; of the remainder, the United States supplies £·87 million, New Zealand £·87 million, India £·8 million, Netherlands East Indies £·62 million, Japan £·38 million, and Canada £·28 million.

Fiji is a crown colony and, like other parts of the sterling area, imposes strict control on imports, especially from dollar countries. It is thus interesting to note the trend of imports from the three major hard currency countries—Canada, the United States and Japan. In 1947 imports from Canada were valued at £·33 million. This varied little until 1950, when there was a big drop to £·15 million, followed by a rise

—British Official Photo.

*Copra is one of Fiji's main exports and recently prices for copra and its products have risen substantially. Above, copra cutters are slicing the coconut meat and turning it out, using a knife with a rounded point.*

to £·41 million in 1951. However, this fell to £·28 million again in 1952. In the case of the United States, 1947, 1949 and 1951 were peak years, with imports at £·64 million, £·57 million and £·58 million respectively. In the intervening years the figures dropped to approximately £·43 million. In 1952, however, there was a sudden increase to £·87 million, about 40 per cent over the top figures of 1947.

**Sales Abroad**

In 1947 Japanese exports to Fiji consisted entirely of artificial silk and were valued at only £786. The five years since then have seen a steady and marked annual increase to the high of £380 thousand in 1952. Artificial silk still takes first place—30 per cent of total imports—but there is a growing trade in piece goods and textile manufactures. Considerable quantities of cement and structural iron and steel are also imported, plus nails, nuts and bolts, and fencing and netting.

The United Kingdom, New Zealand, Canada and Australia absorb 90 per cent of Fiji's exports. Canada's share is £2·4 million and since Canadian products going to Fiji were valued at only £·28 million, the difference of well over £2 million was in favour of Fiji. On the other hand, the United States purchases from Fiji only £·22 million worth of commodities, leaving a balance in favour of the United States of £·65 million. Exports to Japan are unimportant—£22 thousand in 1952—leaving a balance of £358 thousand in favour of Japan.



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Although the market in Fiji for specific goods is relatively small, an examination of the statistics suggests opportunities for expansion of Canadian trade in goods which are now being obtained from American exporters. Among these are ammunition; women's dresses; hats and caps; tires and tubes; agricultural implements and tools; excavating, mining, and roadmaking machinery; stationary engines, tractors, marine engines; electric wire, electrical goods n.o.p.; cylinders and drums of iron and steel; hand tools; wrapping paper; coal tar and bitumen, and plastics.

#### Faces Economic Problems

Fiji is facing a difficult economic problem because the population has almost reached the point at which productivity of the Islands will be insufficient to maintain the present standard of living. This is further complicated by the fact that the most rapid growth in population is among the Indians, who now outnumber the native Fijians to whom, by Act of Parliament, the bulk of the land belongs. Moreover, to protect the Fijian from exploitation, he is not allowed to alienate his land. One result is the movement of the Indian population to the cities, where they are rapidly becoming a factor in trade and industry.

At the present time sugar and its products, coconut products, and gold account for 96 per cent of the exports, but the gold deposits now being worked will in a relatively short time be exhausted. Exports have already fallen off from 135 thousand fine ounces in 1947 to 80 thousand fine ounces in 1952. There is also some fear that production of copra may suffer in the future if the campaign to exterminate the rhinoceros fails.

To provide for the growing population, determined efforts are being made to introduce new industries and to revive decadent ones, such as the production and processing of ginger, pineapple and cocoa. At one time these were flourishing industries in the Islands. Strong hopes are held out for the future of the manganese industry, started in 1948 when some 70 tons of ore were exported. By the end of 1952 this had increased to over two thousand tons. Recently a new company, the Consolidated Manganese and Mining Syndicate of Fiji, was formed and this company hopes that, when proper transportation, both inland and ocean, is available, shipments may reach 10,000 tons a month or more.

Fiji's newest industry is the manufacture of pearl buttons from the Trochus shell, found in abundance. The factory has a capacity of 92,000 buttons a day and will begin to export as soon as polishing machinery is installed.

—L. S. Glass

*Commercial Secretary for Canada*

## Tour of Territory

**R. V. N. Gordon,** Vice-Consul of Canada and Trade Commissioner in Chicago, will visit Minneapolis from November 23-24 and Indianapolis, December 14-16. Businessmen interested in contacts in these cities should write to Mr. Gordon at Chicago as soon as possible.

# What Happened at GATT

*A brief review of the main items on the agenda of the Eighth Session of the GATT held at Geneva this fall—and of the action taken.*

THE EIGHTH SESSION of the Contracting Parties to the General Agreement on Tariffs and Trade was held in Geneva, Switzerland, from September 17 to October 24, 1953. It was attended by representatives of the 33 countries which are signatories to the General Agreement and which account for the predominant part of world trade. The Canadian delegation was headed by the Right Honourable C. D. Howe, Minister of Trade and Commerce.

The following were among the highlights of the Session.

- *Extension for Eighteen Months*—Perhaps the most important achievement was a decision to extend for eighteen months the firm binding of the important and extensive tariff concessions previously negotiated under the General Agreement.

- *Comprehensive Review Coming*—Arrangements were made for a comprehensive review of the General Agreement and the date for this review session was tentatively set as October 15, 1954. This date is subject to change in the light of progress made in the studies of trading and economic policies now under way in major trading countries.

- *Accession of Japan*—The possible accession of Japan was one of the more important matters discussed at the recent session. A formal decision was reached, inviting Japan to participate in the meetings and work of the Contracting Parties while it is waiting to become a full member of the Agreement. This does not in itself result in the application of the GATT as between member countries and Japan. However, the GATT countries also agreed to a declaration whereby those countries wishing to do so could enter into full GATT relations with Japan. Canada is not among the countries which have taken action under this declaration.

- *Quantitative Import Restrictions*—As a part of the regular operations of the General Agreement, consultations were held at the Eighth Session with various member countries which are still maintaining quantitative import restrictions for balance-of-payment reasons. During these discussions, the Netherlands announced that it is relaxing its restrictions on dollar imports as a result of satisfactory developments in its balance of payments and monetary reserves. These relaxations, which constitute an important step towards free multilateral trade as envisaged by the General Agreement, take the form of a significant list of dollar imports for which licences are now being freely granted. Moreover, the Union of



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South Africa announced that its import restrictions will be non-discriminatory after January 1, 1954. This replaces the present system which, to some extent, discriminates against imports from Canada and from other dollar countries.

- *Operations of Coal and Steel Community*—The operations of the European Coal and Steel Community were also reviewed. The six countries constituting the Community* are also signatories of the GATT. In 1952, they were granted a waiver of certain of their obligations under GATT so that they could establish a common unrestricted market for coal and steel embracing their territories. At Geneva, the Community's operations under the GATT waiver were reviewed; so were broader considerations such as efforts undertaken by the Community towards making its trade in coal and steel with outside countries less restrictive than it was before the setting-up of the Community. The High Authority of the Community affirmed its willingness to take every step in its power to maintain the operations of the Community consistent with its obligations under the General Agreement.

- *Complaints against Member Countries*—Among the other items on the extensive agenda, the Contracting Parties dealt with various complaints against actions by member countries held to be inconsistent with the General Agreement. Among these, the French delegation informed the Contracting Parties that a French tax on imports, against which a complaint had been raised, would not be renewed at the end of the year. The United States delegation said that its import restrictions on dairy products were being studied as part of the current review by the United States of its international trade policies.

- *Reduction of Tariff Levels*—The Contracting Parties examined the technical aspects of a plan for the reduction of tariff levels in three yearly stages, submitted by France. It was proposed because some GATT countries which have low tariffs feel that they can no longer negotiate further concessions on the present item-for-item basis. The plan provides for various exemptions from this reduction, including cases where tariffs are already low. The French plan attempts to find a possible solution to this problem under the General Agreement, if there should be new negotiations at some future time. The Contracting Parties have not yet taken any definite steps towards implementing this plan.

- *Waiver Granted to U.K.*—The Contracting Parties also granted a waiver to the United Kingdom permitting that country to increase certain of its customs duties on goods from non-Commonwealth countries which are not bound under the General Agreement, without requiring the imposition of duties on similar Commonwealth products. However, these increases in preferences must not be such as to result in a substantial diversion of trade to preferential suppliers.

*—International Trade Relations Branch*

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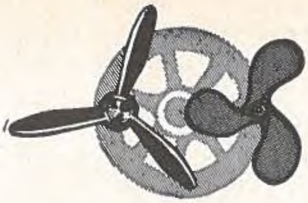
* Belgium, France, Italy, Luxembourg, the Netherlands and West Germany.



# Transportation Notes

## Rotterdam and Its Trade

THE HAGUE—Water, the traditional enemy of the Dutch, has become one of their strongest commercial allies. Situated at the mouth of the great inland water system of the Rhine and Meuse Rivers, the Netherlands occupies a strategic position as a forwarder of all types of goods to the hinterland of Europe. The Netherlands harbours constitute one of the country's main sources of income, compensating in some degree for the lack of other resources.

The great importance of the Dutch harbours is well illustrated by the country's principal port, Rotterdam. Although Amsterdam, with its new canal connection with the Rhine River, is assuming increasing importance, Rotterdam retains its lead as Holland's trans-shipment centre.

Following almost complete destruction during World War II, the port of Rotterdam has not only been entirely restored but since 1945 has greatly expanded its facilities. It has been conservatively estimated that 50 per cent of the 700 thousand population earns its living directly or indirectly from the port activities.

### Traffic and Cargoes

Rotterdam's rapid postwar recovery, combined with the installation of modern facilities, has resulted in a great increase in the volume of traffic. In 1952 the seaborne trade totalled approximately 39·8 million tons. Although this is still below the 1938 record of 42 million tons, it is greater than that of any other port on the continent. In 1952, some 15,443 ocean-going vessels, with a total carrying capacity of 25·4 million net registered tons, entered the harbour. These vessels represented 37 different nationalities.

The constantly increasing volume of traffic is shown by the fact that during the first seven months of this year some 9,023 vessels with a total capacity of 15,528,039 N.R.T. entered Rotterdam, compared with 8,792 vessels and 14,756,647 N.R.T. during the corresponding period of 1952.

The port handles a wide range of goods, mainly bulk cargoes such as mineral oils, coal, ores and grain, though general cargoes represent about one-fifth of the total seaborne trade. Rotterdam is the terminus for many international and inter-continental lines. Some 200 regular lines, many of them with several sailings each month, connect Rotterdam with practically every port in the world and its shipping companies play an important part in this trade. About two million net registered tons of shipping have Rotterdam as their home port.

The Rotterdam fleet is not restricted to the transport of merchandise. Apart from the fact that cargo vessels are being provided more and more with passenger accommodation, the Rotterdam shipping companies also play a leading part in the passenger trade itself.

Inland shipping via Rotterdam helps to swell the port's total movement of goods. In 1952 more than 20 million tons of merchandise were landed and despatched by inland craft.

**Port Facilities**

Anchorage is in no way restricted by the length of the ship. Over 160 ocean-going vessels can be moored alongside the quays. In addition, 85 ships can be berthed on buoys and dolphins. The port equipment includes 13 loading bridges; 86 floating cranes, of which 62 are floating grab cranes for bulk cargoes; 26 floating cranes for heavy loads; 260 cranes on quays, 130 of them with a radius of 100 to 118 feet, and 26 floating grain elevators with a capacity of 150 to 250 tons per hour. The total floor space of sheds and warehouses is 5,380,000 square feet; three cold storage warehouses have a total capacity of 1,770,000 cubic feet and 2,540,000 cubic feet of fruit can be stored in special warehouses. The six granaries have a total capacity of 180 thousand tons.

Rotterdam boasts eight shipyards, with several foundries and machine shops. There are 20 floating drydocks with a total lifting capacity of 249,500 tons and one graving dock with two berths each 650 feet long; 32 slipways and five side slipways with travelling cranes. Other port equipment includes 270 platform trucks, 20 tractors, 160 fork-lift trucks, 60 mobile cranes, six floating transporters for bunkering purposes with a capacity of 350 tons per hour, one coal lift with a capacity of 37 tons, 123 tugs of 75 to 600 I.H.P., 18 seagoing tugs up to 4,200 I.H.P. for towing drydocks, dredging plants and floating cranes and for salvaging ships.

**Expanding Rotterdam**

The port of Rotterdam employs a unique system to facilitate the free movement of merchandise. There is no single free port or customs-free area within its limits. Goods entering Rotterdam are subject to customs control and in most cases the merchants can store bonded goods on their own premises under customs supervision. In addition, the Netherlands Government supplies bonded warehouse space at numerous places throughout the harbour. Goods can be moved, again under customs supervision, from ocean-going vessels directly to inland water, road or rail transport at any point within the port area.

Rotterdam suffered more damage during World War II than any other Dutch city. One square mile of buildings in the centre of the old city was completely destroyed but today visitors to Rotterdam are struck by the tremendous building activity. The city is also playing an important part in the industrialization of the country, with the establishment in the port area of numerous manufacturing plants.

It is certainly true to say that the strengthened economic position of the Netherlands has in no small measure resulted from the activity of her great ports such as Rotterdam.

—W. G. Pybus

*Assistant Commercial Secretary for Canada*

## Japan

# Rice Shortage Raises Problems

*Poorest rice crop in many years may result in larger imports of wheat flour and pressed barley from Canada and other countries.*

TOKYO—Continuous cold wet weather and severe typhoon damage have seriously affected the Japanese rice crop. The Ministry of Agriculture and Forestry's forecast on the basis of data available on October 5th places the crop at 262,076,350 bushels, some 63 million bushels below the average crop of the past five years.

The estimate does not take into consideration the widespread damage done by typhoon "Tess" which struck the leading rice-growing areas in southern Japan at the end of September. Unseasonal chilly and rainy weather continued into October and the final crop may be well below even this estimate. The rice crop based on the October estimate is described as the worst in 19 years.

### Measures Being Taken

The Ministry of Agriculture is encouraging the production of artificial rice and will also take other measures to meet the emergency. Japanese artificial rice is produced by mixing starch and wheat flour in varying quantities, depending upon grade. Grade A artificial rice consists of 50 per cent wheat flour and 50 per cent starch; Grade B contains 40 per cent wheat flour and 60 per cent starch. The present plan is to increase production of artificial rice from 2,100 tons to 25,000 tons a month by the end of next March. There is some opposition to the proposed production increase on the ground that artificial rice has only half the nutritional value of natural rice and costs more.

### Pressed Barley as Substitute

The Government is also urging increased consumption of pressed barley. There are sufficient unused production facilities to step up the production of pressed barley without expanding existing plants. Moreover, pressed barley is fairly widely used, but artificial rice is not well known. The Government also intends to cut the rice allocation to "sake" manufacturers and to reduce the special additional rice ration now given to the labouring class. It is also making efforts to procure more rice, over and aboye annual imports of a million tons, from sources outside Japan. Because this creates a serious problem, it is probable that the rice shortage may be met in part by the increased use of wheat and barley substitutes.

—J. C. Britton
*Commercial Counsellor for Canada*

# India Exports Manganese

*High-grade manganese oxide from Indian mines goes to many countries, including Canada. Soon Indian industry may begin processing the ore into ferro-manganese and exporting it, rather than the crude mineral.*

NEW DELHI—India ranks as one of the world's leading producers of high-grade, hard-lump manganese ores for metallurgical purposes and in recent years this commodity has figured prominently in trade between Canada and India. In 1951 and 1952, for example, Canada imported from India manganese oxide valued at $775,477 and $402,217 respectively, and in the first six months of 1953, some $231,631 worth.

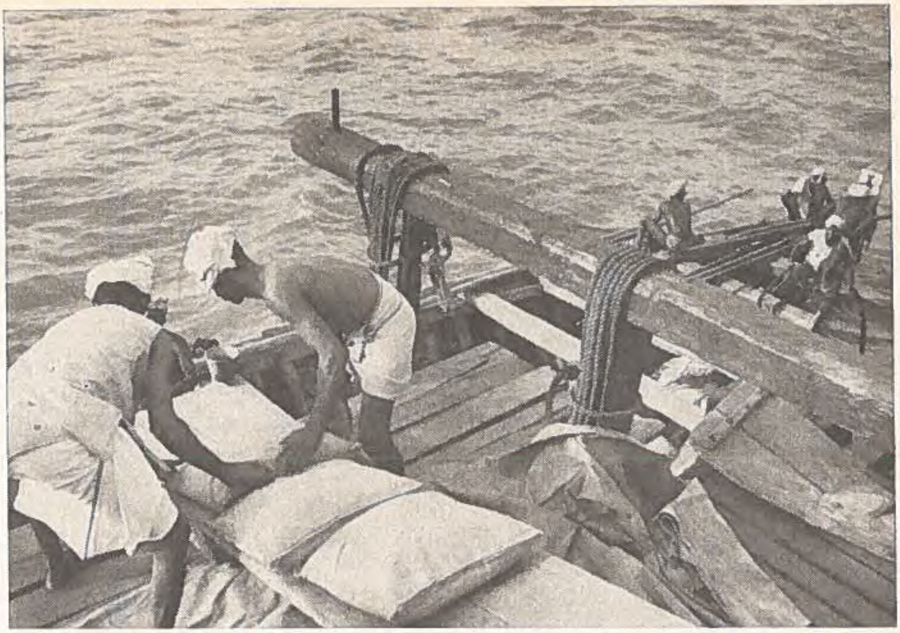
Other major world producers include the Soviet Union, Brazil, South Africa and the Gold Coast but, with the exception of the USSR, none of the other highly industrialized countries have manganese deposits. The Indian manganese ore reserves have not been reliably estimated but it is assumed that the country possesses approximately 15 to 20 million tons of high-grade ores and up to 60 million tons of the lower grades. Though the experts have carried out little underground mining and drilling to determine the extent of the ore bodies, recent surveys indicate that the reserves may be even larger. The ores vary but those found in Madhya Pradesh in Central India are hard and fine-ground and usually have a high manganese content—over 49 per cent. The phosphorous and iron content varies.

**Output Fluctuates**

The mining and marketing of manganese ore was begun in a small way in Madras Province in 1891. Later, rich deposits were discovered in Central India, in Bombay Province, Mysore and Orissa. Production increased with world expansion of the iron and steel industry and with the growing use of manganese for metallurgical purposes. Between 1909 and 1913, total Indian production averaged over 700 thousand tons a year and between 1924 and 1928, the annual average production exceeded 950 thousand tons. In the depression years of the early 1930's production dropped but it recovered quickly and in 1937 exceeded one million tons.

During the war years and subsequently, Indian output of manganese ore slipped again, partly because of greater international competition and partly because of domestic transportation difficulties—a shortage of petrol to transport the ores to railhead and a shortage of railway stock to move them to port. In 1948, the Government of India imposed a duty of Rs.20 per ton of ore exported but after protests, particularly from the producers of low-grade ore, the export duty was assessed "ad valorem".

One of the industry's postwar problems was the entry into the marketing picture of speculators without experience. Their operations soon brought serious complaints about the quality of some consignments exported, and led to the standardization of manganese ores by the Indian Standards Institute; methods of sampling and analysis were defined.



*(Above) Indian workers load manganese into a lighter, which will take it out to a waiting ship. About 85 per cent of the manganese which India produces is exported; the U.S. is the leading market.*

In 1951 production reached nearly 1·3 million tons and it increased further the following year. India itself uses only 15 per cent of the manganese ore it produces and the principal foreign markets for manganese dioxide during the twelve-month period ending March 31, 1953, were the United States, importing 890 thousand tons; Western Germany, 146 thousand tons, and the United Kingdom, 136 thousand tons. France, Japan, Italy, Norway, Sweden and Canada in that order, take lesser quantities. Total exports for the period were 1·36 million tons, valued at Rs.207·7 million (approximately $45 million).

India's Five Year Plan includes the suggestion that, instead of exporting such a large proportion of the manganese dioxide, the ore be used for the production in India of ferro-manganese for export. This would add a new branch to the growing iron and steel industry. Ferro-manganese has been produced in small quantities in India since 1915 but unfortunately the product has a high phosphorous content and is not up to export standards. The installation of electrical ferro-manganese processing might solve these difficulties because the high phosphorous content comes from the coke used in the blast furnaces. However, the cost of electricity and installation of suitable processing equipment constitute considerable obstacles to this proposed expansion. It is understood that the Government of India is considering a proposal to establish a factory to process manganese ore because it believes it would be more profitable to export processed manganese than the mineral in its crude form.

—R. K. Thomson
*Acting Commercial Secretary for Canada*

# Commodity Notes

## AUSTRALIA

**Uranium**—Geologists of the Commonwealth Bureau of Mineral Resources have found a uranium field with potentialities at least equal to those of Rum Jungle, 230 miles southeast of Darwin. A road is to be put through to the new field immediately and diamond drills and mining equipment moved in. The Bureau is following up more than 100 aerial discoveries made by its uranium search plane last year. In addition, a syndicate of three Darwin contractors has applied for ten uranium leases to work a find made a year ago at the Edith River, 180 miles south of Darwin—Sydney, Oct. 20.

## BRAZIL

**Cocoa**—Cocoa exports during the first six months of 1953 totalled 545,734 bags, an increase of 279,362 bags over the same period of 1952. However, they were still down from the 1950 and 1951 figures of 1,022,601 and 656,912 bags, respectively—Rio de Janeiro, Oct. 29.

**Sugar**—São Paulo sugar production amounted to a record 2,229,893 bags during the first 45 days of the 1953-54 crop year, an increase of 42·2 per cent over the same period of the previous year—São Paulo, Oct. 29.

## CUBA

**Sugar**—Cuba's 1953 sugar crop was 5,006,960 Spanish long tons (2,271 lb.). The total cane ground was 3,548,825,043 arrobas (25 lb.), which produced 34,509,473 325-lb. sacks of sugar and 298,218,485 gallons of blackstrap molasses—Havana, Oct. 26.

## INDONESIA

**Rubber**—The Central Bureau of Statistics reports that rubber exports for the first half of 1953 amounted to 329,703 metric tons. The monthly average was 54,950 metric tons, compared with 64,787 metric tons in 1952—Djakarta, Oct. 15.

## ITALY

**Automobiles**—In May 1953 automobile production in Italy set a monthly record of 14,997 units. During the first six months of this year, 81,572 motor vehicles were produced, against 65,832 during the same period in 1952, an increase of 23·9 per cent. Exports also increased to 16,597 motor vehicles in the first six months compared with 14,055 during the same period of 1952, an 18·1 per cent increase. The total number of registered motor vehicles is 2,076,524, about one for every 24 persons in the country—Rome, Nov. 2.

## NORWAY

**Railway Ties**—The Norwegian Forest Owners' Association is investigating the possibility of filling an order from the United States for 400 thousand unimpregnated railway ties. A similar enquiry was received from the U.S. last year, but at that time the Norwegian State Railways advised against the granting of export licences on the grounds that most of Norway's production of ties would be required locally. This year, however, production is expected to exceed the local demand sufficiently to allow for export to the United States of at least part of the 400 thousand ties—Oslo, Nov. 2.

## SOUTH AFRICA

**Uranium**—Twenty-two South African gold mines are separating uranium from residual slime and three extraction plants are in operation. At least two other mines are negotiating contracts, and two more extraction plants will begin production within the next nine months—Cape Town, Oct. 31.

**Fluting Paper**—Fluting paper is now being made in Felixton, Natal, from bagasse. The new paper mill started producing 20 tons of paper a day on September 1st and is expected to double its production within the next two years. It is expected that this will reduce dollar imports by one million dollars—Johannesburg, Oct. 31.

## UNITED STATES

**Aluminum**—The Chalmette plant of Kaiser in New Orleans was completed and went into full production at the end of August. It is the largest aluminum producing plant in the United States and second largest in the world, next to Arvida. Its eight pot-lines with a total of 1,152 pots are rated to have an annual capacity of 400 million pounds—more than the total U.S. aluminum production before World War II. Its power plant, capable of supplying electricity to a city of over a million people, is fueled by natural gas. With its alumina plant in Baton Rouge and its reduction plant in Chalmette, the Kaiser Aluminum and Chemical Corporation is adding another page to the industrial development story of the South—New Orleans, Nov. 6.

## WEST GERMANY

**Optical and Precision Instruments**—The value of the 1952 production of German optical and precision instruments industries amounted to 1,281·6 million DM., as compared with 716·4 million DM. in 1950 and 477·5 million DM. in 1949. About 40 per cent of the 1952 production was exported—nearly 25 per cent to the U.S. During January-June 1953, total production value was as high as 650·7 million DM., of which 267·2 million was exported (41·1 per cent). Sales of photographic and cinematographic equipment increased, while sales of optical products declined, as compared with last year—Bonn, Nov. 4.

# Britain Frees Commodity Markets

*Government bulk purchasing of many raw materials and foodstuffs has been gradually relinquished in the past two years and private trading restored, though some controls remain.*

LONDON—The last 22 months have seen the British Government relinquish its bulk purchasing of a number of foodstuffs and raw materials and return the trade to private firms. On October 6, magnesium became the latest in the impressive list of commodities freed, including softwood and plywood; chemical and organic fertilizer materials; wheat, flour, feed grains, feedstuffs; cotton; lead, zinc, aluminum and copper. Imports of most of these items are now permitted on a non-discriminatory basis.

**Purchases Freed**

Since the Ministry of Materials was set up in June 1951, it has been responsible for importing eleven commodities, of which eight—softwood, plywood, fertilizers, lead, zinc, copper, aluminum, and hemp—have now reverted to private trade. The Ministry is still responsible for sulphur and pyrites, jute and jute goods, tungsten, and, until the end of the year, magnesium. The total import value in 1952 of the commodities (except magnesium) returned to private trade was £274 million, or about 84 per cent of the value of the commodities for which the Ministry became responsible when it was constituted.

On October 1, 1952, lead was freed and dealings on the London Metal Exchange restarted; zinc followed on January 2, 1953, and copper on August 5, 1953. Since July 1 of this year, aluminum has been imported on private account but is not being traded on the Metal Exchange.

In September 1952 cotton spinners were given the option of buying their raw cotton through ordinary commercial channels instead of through the Raw Cotton Commission and a substantial number have exercised this option.

**Ministry Ceases to Import**

The Ministry of Food also contributed a good deal to the resumption of private trade by bringing to an end state imports of foodstuffs—including wheat, flour, feed grains, feedstuffs, seed grain, starch and glucose, rice, tallow, bananas, coffee, linseed and linseed oil. Dried fruits will revert to private trade as from December 1, 1953, and canned pineapple, grapefruit, and mandarin oranges from the end of the year. There was some speculation about ending bulk purchases of canned apricots, peaches and pears but, in a statement on October 20, the Government said it would continue to buy and control distribution and prices of these items.

On December 31, 1952, the Ministry of Supply ceased to purchase calcium silicide and various ferro-alloys.

In returning these products to private trade, the Government retained a certain measure of import control, primarily designed to keep imports in line with internal needs. In the main, however, the licensing arrangements enable importers to purchase their requirements in the cheapest market, irrespective of whether these markets are dollar ones or not. This is done through the Open General Licence and the Open Individual Licence, which eliminate the need for ordinary individual licences. The number of articles admissible under Open General Licence from all countries (including Canada) is still comparatively small. A much larger number of commodities are under Open Individual Licence when they are imported from specified soft currency countries.

Nevertheless, for some of the items which have been returned to private trade—softwood, lead, zinc, copper, aluminum, wheat, flour, feed grains, feedstuffs and seed grain—the Open Individual Licence system has been introduced. Under this system, the holder of the licence is free to buy whatever quantity he wishes, even from dollar sources, provided he reports his purchases and conducts his operations in a reasonable way. If the total import of any one of these items is considered excessive, or if Open Individual Licence holders are guilty of speculative practices, the Government may withdraw the licences and revert to rigid control through the ordinary individual licence for each shipment.

**Internal Controls**

In addition to these import controls, there are domestic controls on consumption, prices, distribution and rationing. Softwood and plywood supplied from North America were returned to private trade on January 1, 1952, and January 1, 1953, respectively, but remain subject to internal controls on distribution and end-use. Price controls on plywood were dropped this year. Chemical fertilizers, which were returned to private trade on July 1, 1952, were released from maximum price controls in July of this year.

From July 1952 to April 1953 controls were relaxed on the acquisition, use or disposal of the following items: newsprint, zinc, raw jute and jute goods, sisal and certain other kinds of hemp, teak, used sleepers, softwood box-ends, sulphur for certain uses, and bristles. The only items on which price controls continue in effect are ground sulphur and sulphuric acid. End-use controls still also affect imported box boards, certain hardwood, wood pulp, pulpwood, esparto, paper for newsprint and pool betting, manila hemp, sulphur, sulphuric acid and, until the end of the year, magnesium.

**Freedom in Foodstuffs**

Private imports of wheat and other grains have been permitted since May 1 but the first deliveries of wheat under private auspices began only in September. The Ministry of Food purchases of wheat since May 1 have mainly been under the International Wheat Agreement, to which the U.K. was a party until last July 31. From August 1, the Ministry of Food control over home-grown wheat distribution and the rationing and control of animal feedingstuffs ceased. At the end of August, flour millers were officially freed of their obligation to purchase wheat from Ministry of Food stocks. They have, however, agreed to buy certain tonnages of locally grown wheat. Present consumption of local wheat is about 30 per cent of the total. The mills are at liberty to extract flour at whatever rate suits their trade. A "deficiency payment" scheme for cereals will come into operation for next year's harvest to subsidize home production.

On September 26 sugar came off the ration. Subsidies have been dropped; so have consumer price controls. The remaining responsibilities of the Ministry of Food for the export trade in refined sugar will be returned to the trade in January. When the Government will withdraw from the bulk purchasing of sugar is hard to predict, because it supports the price of domestic and Commonwealth supplies. There will be technical difficulties to overcome in ensuring that these supplies are fully taken up in competition with free market sugar.

Of the other foodstuffs decontrolled since the beginning of the year, starch and glucose and linseed oil are of particular interest from the standpoint of import licencing. Private firms may import starch and glucose from dollar sources in relation to their purchases from soft currency sources, and linseed oil at the rate of one ton for every two tons purchased from government stocks.*

—R. CAMPBELL SMITH
*Commercial Secretary for Canada*

* From November 15 one ton for each ton purchased from government stocks.

## 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, completes his Canadian tour in Winnipeg, November 23 and Vancouver, December 1-11.

**R. P. Bower,** Commercial Counsellor for Canada in London, completes his Canadian tour in Montreal, November 23-December 4.

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

*Board of Trade*—Montreal.

*Canadian Manufacturers Association*—Winnipeg.

*Department of Trade and Commerce*—Vancouver (355 Burrard St.).

# General Notes

## AUSTRALIA

**Licensing TV**—According to evidence given before the Royal Commission on Television in Melbourne, over 80 applications have been received for TV broadcasting licences. An official of the Australian Broadcasting Control Board said that a table model television set with a 12-inch screen suitable for use in Australia would cost about £125. The technical standards adopted for Australia provide for the development of colour transmission—Melbourne, Oct. 16.

**Uranium Development**—South Australia has set aside £3,096,000 for the development of uranium production, the South Australian Premier states. He said the Export-Import Bank and the British Ministry of Supply would provide £2,318,000 of the money for uranium development and the remainder would be given by the State for working capital for the Radium Hill project—Melbourne, Oct. 14.

## BRAZIL

**Exports Lower**—The value of Brazil's exports dropped 8 per cent in the first seven months of 1953, compared with the same period of 1952 and totalled 2·2 million tons, valued at Cr.$13·4 billion. Ten products comprised 91 per cent of the country's total exports by volume, against 70 per cent the previous year. By value, the ten leading exports were: coffee, 70 per cent; cocoa, 4 per cent; cotton and pinewood, 3 per cent each; raw wool and sugar, 2 per cent each. Iron ore, cocoa butter, tobacco and carnauba wax had quotas varying between 1·6 per cent and 1 per cent of the total value. Three products—rice, sisal and bananas—which were listed among the top ten exports from January to July last year, were not on this year's list—Rio de Janeiro, Oct. 27.

## SCOTLAND

**Flax Industry Depressed**—General trading conditions in the flax industry have now reached the point where certain sections are almost at a standstill for lack of orders. Many of the fabrics which the industry produced in large quantities for the Government during and since the war are now no longer required to the same extent. The industry is faced with the problem of recapturing lost markets and discovering new ones—a formidable task in view of today's many quotas, currency restrictions and import duties—London, Nov. 2.

## SOUTH AFRICA

**Import Permits for Motor Industry**—The South African motor industry has received preliminary advance import allocations for the first half of 1954 totalling just over £10 million. This preliminary allocation represents 50 per cent of 1953 imports and, according to practice, the import control authorities will announce the remainder early in 1954. If overseas factory prices remain at present levels, the motor industry expects that about 17,000 motor cars, 5,000 commercial vehicles and 1,300 motorcycles will be imported in the first half of next year.

The motor industry's import permits cover motor cars, commercial vehicles, motorcycles, spares and accessories, and garage equipment—every type of automotive import except heavy capital equipment required in the industry itself—Johannesburg, Oct. 20.

## SWEDEN

**Grants for Business Students**—The Swedish Government is granting from 2,000 to 5,000 kronor each year to young men with a commercial education who wish to study commerce and business methods abroad. Recently, the Government granted an additional 50,000 kronor to the original total grant of 25,000 kronor, to be used exclusively for studies in the dollar area—Stockholm, Oct. 26.

## UNITED KINGDOM

**International Non-Ferrous Metals Organization**—At a recent meeting in Amsterdam, representatives of ten Western European countries, including the United Kingdom, formed the International Wrought Non-Ferrous Metals Council. This Council has been established for the international exchange of industrial information, and to provide a fully representative body capable of speaking for the whole of the Western European industry.

A secretariat will be formed and among its duties will be the development of world statistics of non-ferrous metals—London, Nov. 3.

## UNITED STATES

**Industrial Development**—Investments in industrial plants in the Chicago area totalled \$12·3 million in July, compared with \$32·2 million in July 1952. Total investments for the first seven months of 1953 stood at \$86·5 million, compared with \$106·9 million in the same period of 1952. These figures include expenditures for the construction of new industrial plants, expansion of existing buildings, and the acquisition of land or buildings for industrial purposes—Chicago, Nov. 5.

## WEST GERMANY

**Debt Liquidation**—The London Debt Agreement governing the liquidation of 14·45 billion DM. of debts became effective September 16, 1953. The first instalment transferred amounted to 189·3 million DM.; the dollar area's share was 73·6 million DM., and the EPU area's, 115·7 million—Bonn, Oct. 29.

# Jordan and Its Trade

CAIRO—Business in Jordan has not improved during the last eight months. Merchants have not sufficient liquid funds and another poor harvest has contributed to the general shortage of money. The good harvest in 1952 provided a small surplus of certain grains for export but this year the Government will have to import wheat to cover the country's needs until the 1954 harvest.

The Government has fixed Jordan's import program for the year 1953 at £11 million, of which £750 thousand is for essential imports from hard currency areas. Although the total import allocation has increased since 1952 (£10 million), the Government has now abolished the system of unlicensed imports against the payment of fines.

### Dollar Allocations

The following table gives details of Jordan's hard currency allocation for the second half of 1953.

| Commodity Group | Allocation (in Jordan dinars)* |
|---|---|
| Colonial goods (Mal Kaban) | 1,000,000 |
| Textiles | 450,000 |
| Building materials | 350,000 |
| Fuel oils | 600,000 |
| Asphalt | 100,000 |
| Pharmaceuticals | 100,000 |
| Agriculture | 100,000 |
| Industry | 325,000 |
| Government | 250,000 |
| Foodstuffs | 125,000 |
| Live animals | 100,000 |
| Dates and date syrup | 60,000 |
| Motor cars | 30,000 |
| Motor car spare parts | 75,000 |
| Tires | 100,000 |
| Mineral oils | 50,000 |
| Second-hand clothing | 30,000 |
| Novelties | 50,000 |
| Shoes | 20,000 |
| Shoe requisites | 30,000 |
| Electrical equipment | 100,000 |
| Household appliances | 40,000 |
| Book stores and stationery | 58,000 |
| Printing presses | 25,000 |
| Newsprint | 5,000 |
| Newspapers and magazines | 3,000 |
| Miscellaneous | 30,000 |
| Miscellaneous manufactures | 25,000 |
| Cinema films | 10,000 |
| Transport vehicles | 80,000 |
| Development Board and Point IV | 75,000 |
| Alcoholic drinks | 20,000 |
| Clocks and watches | 15,000 |
| Photographic equipment | 15,000 |
| Carpets, etc. | 25,000 |
| Arms and ammunition | 5,000 |
| Matches | 5,000 |
| Cigars, tobacco and tombac | 5,000 |
| Total | 4,486,000 |

* One Jordan dinar equals one pound.

The Government's plan to abolish import licencing and importers' quotas may mean reduced imports because many of the smaller importers would then no longer feel impelled to import against their quotas. Imports of private motor cars have been prohibited since the end of 1952, and radios and refrigerators do not appear in the current six months' program.

Jordan continues to rely on foreign aid to pay for the great bulk of her purchases which, in 1952, amounted to £17,320,000. Exports and re-exports totalled £1,532,807. Phosphates are the leading export: 13,700 tons were exported during the first six months of 1952, mainly through Beirut.

Plans are in hand to provide facilities at the Port of Aqaba to handle exports of phosphates and the unloading of imported goods. These improvements, when completed, are expected to lower the cost of imported goods because the long land haul will be considerably shortened.

### Trade with Canada

In 1952, Canadian exports to Jordan totalled Can.$105,420. The main items were:

| | (in Canadian dollars) |
|---|---|
| Pneumatic tires for trucks and buses | 5,058 |
| Milk powder, skimmed milk | 58,500 |
| Gas engines and parts | 12,096 |
| Auto parts | 26,314 |
| Asbestos brake lining | 1,239 |
| Total | 105,520 |

Canada's exports to Jordan during the first seven months of 1953 amounted to $25,997, with automobile parts ($17,457), aluminum in primary forms ($2,188) and gas engines and parts ($4,400) the main components.

Slow but steady progress is being made in development projects. Among the more important, either under construction or being considered, are a new cement factory, which is expected to come into production in November, road and rail communications, the extension of the airports at Amman and Jerusalem, the expansion of the port of Aqaba already mentioned, and the exploitation of mineral resources, particularly phosphates. The largest single project is the proposed dam on the Yarmouk River to supply power and water for irrigation. The United Nations Relief and Works Agency has reserved up to $40 million for this dam.

—W. H. Hopper
*Office of the Canadian Government Trade Commissioner*

## Tour of Territory

**M. B. Palmer**, Canadian Government Trade Commissioner in Kingston, Jamaica, will visit British Honduras during the week of December 7th. Exporters interested in this area are invited to get in touch with Mr. Palmer. It should be remembered that, under the sterling exchange restrictions, new business outlets for Canadian products cannot be developed at this time. However, contacts for the future may be made.

# Trade and Tariff Regulations

## BELGIUM

**New Import Restrictions**—Effective October 15, some imports into Belgium-Luxembourg were made subject to import licence regardless of their origin.

The following, among the goods affected, are included in the Belgian free list of dollar imports, and licences for their import from Canada should, therefore, be granted as freely as from non-dollar countries: preserved mushrooms, cosmetics not containing alcohol, flax or ramie yarns, and electric starting, lighting and signalling apparatus for motor vehicles and cycles.

In addition, the following commodities are now restricted when imported into Belgium-Luxembourg from countries outside the dollar area, while they remain under a quota when coming from dollar countries: printed unfigured cotton fabrics; colouring materials derived from coal tar; air pumps, compressors, ventilators and similar machines; and mountings for spectacles and eye-glasses—Brussels, Oct. 28.

## CHILE

**Sunglasses and Other Optical Items Eliminated from Chilean List of Prohibited Imports**—The following optical goods have been eliminated from the Chilean list of prohibited imports and are now included in those imported at the free banking rate of exchange of 110 pesos per U.S. dollar:

Frameworks of metal or combined material for spectacles, of a manufacture definitely distinct from those made in Chile; optical lenses, white and of graduated absorption for bifocal or combined use, of types not manufactured in Chile, and semi-finished of 3 to 12 mm. thickness for the manufacture of combined lenses of high dioptric and of infrequent use; spectacles with dioptric force and absorption spectacles (for the sun) with optically cut and polished lenses; celluloid spectacle frameworks; optical glass blanks and of absorption with graduation.

## GREECE

**Imports of Super-Luxury Items Relaxed**—When, by measures taken in April and July, Greece freed imports from practically all countries, including Canada, a dozen items remained on the prohibited list. As a result of the favourable trend of the balance of payments since then, the Greek Government has now relaxed, for the first time in many years, imports of previously prohibited super-luxury items. By a new decision of the Greek Ministry of Commerce, imports of these special items may now be effected as from November 16th on a quota basis. Items included which are of possible interest to Canadian exporters are furs and pelts, gold and silver and articles thereof, and fabrics and articles of artificial silk. Only wheat and flour are now prohibited—Athens, Oct. 30.

## NEW ZEALAND

**Dollar Import Licences**—The New Zealand Department of Customs has announced that the following goods from Canada or the United States will be granted import licences in 1954, on the basis indicated:

| | |
|---|---|
| Printed books, papers and music | —100 per cent of 1953 licences |
| Adding and compiling machines and parts | —100 per cent of 1953 licences |
| Cash registers and parts | —100 per cent of 1953 licences |
| Engines specially suited for motor vehicles | —100 per cent of 1953 licences |
| Tacks (Canada only) | —100 per cent of 1953 licences |
| Specified artificers' tools | —100 per cent of 1953 licences |
| Service parts of motor vehicles | —100 per cent of 1953 licences |
| Wooden handles for tools | — 50 per cent of 1953 licences |
| Sausage casings of animal origin | — 75 per cent of 1953 licences |

*Details of the artificers' tools permitted entry under that category may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.*

## PHILIPPINES

**Duty Free Imports for New and Essential Industries**—Regulations dated August 17 and August 20, 1953, have been issued by the Secretary of Finance, pursuant to section 11 of Republic Act No. 901, authorizing tax exemptions to "new and necessary industries" in the Philippines. The regulations state that in the case of machinery or raw materials and supplies to be imported and to be exclusively used in the manufacture of the articles covered by the exemption, application may be made for the withdrawal of such items from customs custody free of internal revenue taxes and customs duties.

A "new" industry is described as one not existing or operating on a commercial scale prior to January 1, 1945, and various criteria have been set up whereby it can be determined whether an industry is "necessary" to the economy of the Philippines. If an industry qualifies, it will be exempt from all internal revenue taxes, special excise tax on foreign exchange, customs duties and all other taxes imposed by the Government until December 31, 1958, after which the exemptions will be reduced every year until they are finally eliminated on December 31, 1962.

## UNITED KINGDOM

**Certain Controls Relaxed**—Relaxations in United Kingdom import restrictions announced on November 12 include the following affecting imports from the dollar area.

Alfalfa meal, lucerne meal, and dried spent hops are added to the list of goods on World Open General Licence. The effect is that from November 13 imports of these commodities will be permitted, from any source, without the formality of applying for an import licence.

A quota of £875,000 for imports of bladders and casings from Canada, the United States, and Guatemala has been established for the first half of 1954. Importers have been invited to apply for licences, which will be valid for imports from any of the three countries. It is expected that this figure will permit imports from the quota countries at or slightly above the value of current imports.

Timber is freed from internal restriction regarding acquisition, supply and use as of November 13. There is no change in the import arrangements for softwood, which is already on Open Individual Licence from all sources and can therefore be freely imported.

## UNITED STATES

**Tariff Commission Investigation into Imports of Fluorspar (Acid Grade)**—According to *U.S. Federal Register* of November 4, 1953, the United States Tariff Commission instituted an investigation on October 29th to determine whether fluorspar containing more than 97 per cent of calcium fluorspar, provided for in paragraph 207 of the Tariff, is, as a result of the concession granted thereon under the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities as to cause or threaten serious injury to the domestic industry producing competitive products.

The application filed by the Ozark-Mahoning Company of Tulsa, Oklahoma, and others, in this case is available for public inspection at the office of the Secretary, U.S. Tariff Commission, Washington, D.C., and in the New York office of the Tariff Commission.

*The present U.S. duty on acid-grade fluorspar is $2.10 per long ton.*

**Flammable Fabrics Prohibited**—United States Public Law 88 of the 83rd Congress, known as the "Flammable Fabrics Act", prohibits the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals.

Section 9 of the Act may be of interest to Canadian exporters in that it provides that "any person who has exported or who has attempted to export from any foreign country into the United States any wearing apparel or fabric which . . . is so highly flammable as to be dangerous when worn by individuals may thenceforth be prohibited by the (Federal Trade) Commission from participating in the exportation from any foreign country into the United States of any wearing apparel or fabric except upon filing bond with the Secretary of the Treasury in a sum double the value of such products and any duty thereon, conditioned upon compliance with the provisions of this Act".

The Act becomes effective July 1, 1954.

# 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 1·02236.

| *Country* | *Unit* | *Type of Exchange* | *Canadian dollar equiv. Nov. 12* | *Notes (See below)* |
|---|---|---|---|---|
| Argentina | Peso | Preferential buying | ·1304 | |
| | | Basic buying | ·1956 | |
| | | Preferential selling | ·1956 | (1) |
| | | Basic selling | ·1304 | |
| | | Free | ·07041 | |
| Austria | Schilling | | ·03762 | |
| Australia | Pound | | 2·1990 | |
| Belgium Luxembourg & Belgian Dependencies | Franc | | ·01964 | |
| Bolivia | Boliviano | Official | ·00515 | |
| British West Indies | Dollar | | ·5727 | (3) |
| | Pound | | 2·7488 | (4) |
| | Dollar | Brit. Honduras | ·6871 | |
| Brazil | Cruzeiro | Official selling | ·05197 | |
| | | Effective buying | ·03448 | (5) |
| | | Coffee buying | ·04187 | |
| Burma | Kyat | | ·2054 | |
| Ceylon | Rupee | | ·2062 | |
| Chile | Peso | | ·00889 | (1) |
| Colombia | Peso | Basic | ·3913 | |
| Costa Rica | Colon | Official | ·1742 | (6) |
| | | Free | ·1473 | * |
| Cuba | Peso | | ·9781 | tax 2% |
| Czechoslovakia | Koruna | | ·1358 | |
| Denmark | Krone | | ·1416 | |
| Dominican Republic | Peso | | ·9781 | |
| Ecuador | Sucre | Official | ·06521 | (7) |
| | | Free | ·05618 | |
| Egypt | Pound | | 2·8087 | |
| Fiji | Pound | | 2·4764 | |
| Finland | Markka | | ·00425 | |
| France | Franc | | ·00279 | |
| French Africa | Franc | | ·00559 | |
| French Pacific | Franc | | ·01537 | |
| Germany | D Mark | | ·2329 | |
| Greece | Drachma | | ·000033 | |
| Guatemala | Quetzal | | ·9781 | |
| Haiti | Gourde | | ·1956 | |
| Honduras | Lempira | | ·4891 | |
| Hong Kong | Dollar | Free | ·1639 | *Oct. 30 |
| Iceland | Krona | Official | ·06006 | |
| | | Special buying | ·04624 | |
| | | Special selling | ·03726 | |
| India | Rupee | | ·2062 | |
| Indonesia | Rupiah | Basic | ·08580 | (8) |
| | | Dollar certificate | ·00185 | * |

* Latest available quotation date.