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COVER . . . A skilled glassblower in a West German plant is blowing up the ductile glass to a bubble, as the first step in the making of a goblet. Tableware ranks high among West Germany's glassware exports. For a story on the industry and its postwar recovery, turn to page two.

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West Germany

The Glassware Industry and Its Markets

With postwar domestic demands decreasing, the German glass-makers have staged a successful campaign for export markets, particularly in Canada and the United States.

BONN—One of the most interesting case histories in Germany's postwar recovery is the glassware industry. The German Federal Republic now produces a greater volume of glass products than the whole of prewar Germany. This increase in production and capacity was essential to meet the immediate demands of postwar reconstruction. However, in 1950 the industry began a strong drive for export markets to compensate for an expected slackening of domestic demand. As a result, glass exports have risen steadily and continue to increase in the face of mounting world competition.

Postwar Developments

The postwar development of the German glass industry has been influenced by the political division of the country and the loss of important manufacturing centres in East Germany. The change in the status of the Saar has also influenced the postwar location of the industry in West Germany because of the importance of coal in the manufacturing processes. This need for coal has led a majority of the new plants which produce hollow and special glassware to locate in the Ruhr.

In World War II, almost all of the major glass works suffered bomb damage and much of this could not readily be repaired because of the shortage of materials and the general dislocation. However, West German demand for almost all types of glassware, including those types formerly manufactured in the East Zone, was very great. The result was that many new enterprises were established and older ones expanded, with the help of, or even on the initiative of, refugees from Eastern Germany and Czechoslovakia.

In 1936 Germany manufactured a total of 727 thousand tons of glassware, of which 450 thousand tons were produced in the present area of the Federal Republic. By 1950 the Western Zone produced 788 thousand tons; in 1951, about 950 thousand tons, and in 1952 some 880 thousand tons. About half these amounts represent hollow glass and the remainder flat glass products. The new industry benefits from increasing mechanization and greater efficiency, with the result that the total number of persons employed today is only 55,000, compared with 45,000 in the same area in 1936 and turning out half the present output.

Before the war, the hollow-glass industry was situated largely in the eastern part of Germany and the flat glass industry in the west. Therefore the postwar development was predominantly in hollow glass, which,



Crystal stemware before the war was made largely in what is now Eastern Germany, but plants established in West Germany after the war are supplying important export markets, and particularly the United States.

as early as September 1948, had surpassed the 1936 production. Much of the demand for hollow glass resulted from the increased West German use of bottles for milk, beer and foodstuffs. More important from the export standpoint is glass tableware, for which the Federal Republic is gaining a world-wide reputation.

The sheet glass industry received a strong impetus from the demand for window glass in the reconstruction and repair of buildings. In early 1950 the repair program was largely completed and sales fell sharply. By November the rate of new construction bolstered the market once more and since that time the domestic sales situation has not been unfavourable. The increasing use of glass in construction and industrial projects has assisted this branch of the industry during the past few years.

Former Importers Self-Sufficient

Probably the chief difficulty which faces the industry is the growing production of glass and glass products in countries which formerly bought from Germany. This trend was accelerated by the absence of the German products during and immediately after the war. Among the countries which have established their own glass-works and which are becoming relatively less dependent on imports are Argentina, Brazil, Australia, Canada, India, South Africa and Portugal. Some of these countries are looking for export markets for certain glass products. Currency problems and protectionism have also affected exports and the hollow-glass manu-

facturers in particular have been faced with foreign import restrictions and luxury taxes. They have found products such as fine quality tableware repeatedly classified as "non-essential" in postwar trade treaties.

However, despite these marketing difficulties, German glass exports contain a much higher proportion of finished goods than do German exports as a whole. High quality, high value glassware predominates. Generally speaking, Germany does not attempt to compete with the local manufacturer of bulk glass products in foreign countries, but rather offers those countries a type of glassware which is not widely produced outside Germany or, if produced, is of a different quality. Thus the strength of Germany's export position lies not only in advanced production methods but also in the efficiency, knowledge and skill of its craftsmen—qualities which have been developed by hundreds of years of tradition and experience. Finished products such as tableware, glass jewellery, optical goods, scientific glassware, etc., constitute approximately two-thirds of the total value of exports. The strength of this group is apparent from the table below.

Glass Exports from West Germany, 1950-1953

	(millions of dollars)				
	1950	1951	1952	Jan.-Aug. 1952	Jan.-Aug. 1953
Raw glass.....	0.7	2.1	1.4	0.9	0.6
Semi-finished products...	3.5	8.0	7.3	4.6	5.8
Finished glassware.....	8.1	19.9	22.8	14.5	15.8
Total	12.3	30.0	31.5	20.0	22.2

Source: Foreign Trade of the German Federal Republic.

Not included in these figures is the indirect export of glass in the form of bottles containing wine, liquor, mineral water, beer, etc.; safety glass in autos; lenses in precision instruments, and similar articles.

Exports to Canada Rising

The Canadian market has become an increasingly attractive one for the German glassware industry and, after a slight drop in value during 1952, exports increased sharply during the first eight months of 1953. Although crystal is probably the best known of the German glass products being sold in Canada, sheet glass exceeds it in value. Other products selling in Canada include optical glass plates, bottles and jars, lenses, heat-resisting glassware, plate glass, wired glass sheets, mirrors, stained glass windows, and even artificial eyes. The rising trend of German exports to Canada is shown by the following table:

West German Glassware Exports to Canada, 1948-1953

	(thousands of dollars)					Jan.-Aug. 1952	Jan.-Aug. 1953
	*1948	*1949	1950	1951	1952		
Raw glass.....	1.9	1.6
Semi-finished products	6.8	23.9	7.6	326.2	115.7	90.7	258.6
Finished glassware ...	14.9	44.6	146.7	379.5	367.1	231.9	396.3
Total	21.7	68.5	156.2	707.3	482.8	322.6	654.9

* Includes East Zone.

Source: "Der Aussenhandel der Bundesrepublik Deutschland". D.B.S. Trade of Canada (1948, 1949 only).

Western Germany has now regained its position as the leading supplier of glassware to the United States and provides 25 per cent of U.S. imports. Sales in 1952 totalled over \$10 million and statistics for the first eight months of this year indicate that this high level is being maintained. Exports to the U.S. have been particularly heavy in such lines as lighting fixtures and blown glass—and the latter has a very high labour content. Christmas decorations are also selling well, although they are out-ranked by sales from the East Zone. Last year exports of Christmas ornaments to the United States from West Germany were valued at \$326 thousand and those from East Germany at \$549 thousand. Because of Germany's lower level of wages, a good market in the U.S. is likely to continue, especially for those lines of glassware which are not well suited to mass production. West Germany's chief competitors in the American market are the United Kingdom, Sweden, Italy, Japan and East Germany.

Outlook Appears Good

To appreciate the full significance of the return of Germany to the world trade in glass products it is necessary to examine the background of the European glass industry. During the first quarter of this century, when many important steps were taken to mechanize glass production, European producers co-operated closely through patent and licence agreements and this relationship continued up to World War II. Not surprisingly, the glass industry was one of the first in Europe to restore business relationships in the postwar period. However, when glass production in almost all countries is increasing and foreign selling opportunities are shrinking, the danger of serious tensions developing is always present. The reappearance of Germany as a major producer and exporter in recent years has changed the outlook for competitors, especially because the prewar restrictive practices which controlled the world trade in glass no longer operate. Although competitive freedom prevails, fair trading practices have been the rule.

The glass industry in the German Federal Republic has reached and surpassed its well-known prewar efficiency and now produces glassware in larger volume and in better qualities. The war, with its severing of overseas connections, caused the German industry to lose touch with foreign markets and foreign tastes. However, during the past few years an intensive effort has enabled the industry to regain much of the ground lost. Czechoslovak and Eastern German sources have by no means been replaced, but the growing efficiency of the West German industry will no doubt tend to improve its trading position and to maintain its share of export markets, regained in the face of many obstacles. Today the West German glass industry offers the world's markets a full range of glassware and technical products which in design, finish, quality and price can compete with glass articles marketed by any other glass-producing countries. The increasing interest of German glassware firms in the Canadian International Trade Fair suggests that the industry does not intend to neglect the promising Canadian market.

—I. V. MACDONALD

Assistant Commercial Secretary for Canada

Australia Strikes Oil . . .

If the oil discoveries in western Australia live up to early expectations, the effect on the Australian economy will be far-reaching.

SYDNEY—Australia has literally struck oil after 61 years of fruitless search, the investment of more than £15 million, and the sinking of 290 unsuccessful wells. Western Australia Petroleum Pty. Ltd. made the discovery at Rough Range near Exmouth Gulf, about 680 miles north of Perth, Western Australia. The oil, a high-grade crude similar to Pennsylvania oil, was found at a depth of 3,605 to 3,620 feet in the first bore sunk in the Exmouth Gulf area and, in a 25-hour test, production was at the rate of 23 barrels an hour through a quarter-inch pipe.

Further Strikes Expected

It is, of course, too early to estimate the value of the oil discovery but it seems almost certain that a large field has been found. The type of sands in which the oil was discovered occur over a wide area of north-western Australia. The fact that the first bore produced oil in quantities capable of commercial exploitation raises hopes that many further strikes will be made during the exploratory drilling needed before any quantity production begins. There are many other areas in Australia which are promising oil prospects, such as the Fitzroy River Basin of the Kimberlies in Western Australia, the Roma district of Queensland, and the southeast part of South Australia near the Victorian border.

Western Australia Petroleum Pty. Ltd., the company which made the discovery, is owned jointly by the California Texas Corporation of America, which holds 80 per cent of the shares, and Ampol Exploration Ltd., which holds 20 per cent. Under a lease from the West Australian Government, the company has exploration rights over about 235 thousand square miles of country in Western Australia and other companies are excluded from exploring or drilling for oil in this territory. The lease provides for payment of 5 per cent royalties to the West Australian Government over a period of years.

For the past sixty years the search for oil in Australia has gone on spasmodically but in recent years it has been intensified. Drilling has been carried out in all the states and in the Territory of Papua and New Guinea—but with no success. The present strike at Exmouth Gulf will give new impetus to the search and will result in increased investment in oil exploration throughout the Commonwealth.

Will Save Dollars

Oil has been the biggest lack in Australia's mineral resources and the value to the economy of the discovery of substantial reserves of this strategic mineral cannot be over-estimated. More than £70 million worth of oil is imported every year and the finding of local sources of

supply will affect both her internal and external financial position. Australia's per capita consumption of petroleum products is among the highest in the world and in 1952 imports totalled 5,753,000 tons. Supplies of motor spirit, kerosene, and crude oil are drawn almost equally from Middle Eastern and Far Eastern fields; the bulk of lubricating oil and some aviation spirit is imported from the United States. Thus not only will Australia's overall external payments position benefit when she produces her own oil but she will be in a much stronger dollar position because oil is a major dollar expense.

Large amounts of overseas capital will undoubtedly be attracted not only for oil exploration but also for investment in subsidiary industries, including expanded refinery capacity and the establishment of petrochemical industries. Local secondary industries should also be stimulated, particularly because Australia lacks other power supplies and especially hydro-electric potential. The fact that the present oil strike was made in an isolated and sparsely inhabited area with few transport facilities will force the opening-up and development of the more remote areas of the country.

Other Facilities Needed

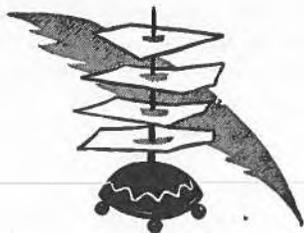
It will probably be many months before the full significance of the oil find is clear and the oil, if it is present in large quantities, exploited. If, however, further drilling confirms the finding of a large field, oil from this source could be on the Australian market within two years. Transport and storage facilities might prove major obstacles because there are no transport facilities in the Exmouth Gulf area. Wharf facilities could be provided reasonably soon but it is doubtful whether pipelines will be built for some considerable time. Refinery capacity will not prove as serious a problem as might be expected. At present, refinery capacity in Australia is sufficient for only about 20 per cent of the refined petroleum products required but four large refineries are already under construction, the largest in Western Australia, to refine three million tons a year. When these are completed in 1955 or 1956 all the refined petroleum products which Australia needs should be produced locally.

News Caused Sensation

The news of the oil discovery caused a sensation throughout Australia and on the day of the announcement the stock markets were thrown into near confusion. Stocks in Ampol Exploration Ltd. rose to fantastic levels and stocks of other companies prospecting for oil were also affected. The great enthusiasm with which the discovery has been hailed is perhaps premature and the experts are cautious in their forecasts. There is no doubt, however, that the strike is the most promising ever made in this country. If it proves to be a major find, Australia will be in the happy position of having most of the minerals necessary to industry and will rank among the fortunate few with ample supplies of oil, uranium, coal, lead, zinc and iron ore.

—C. M. FORSYTH-SMITH

Assistant Commercial Secretary for Canada



General Notes

AUSTRALIA

Trade with the East—Australia had a favourable trade balance of £87,081,000 with Eastern countries in 1952-53, compared with an unfavourable balance of £64,450,000 the previous year. Japan was Australia's best customer among the Eastern countries in 1952-53 and bought £83,958,000 worth of goods, of which £60,686,000 represented wool. Australia had a deficit trade balance with four countries—Indonesia, British Borneo, Netherlands Antilles, and China—Sydney, Dec. 8.

Trade Agreement with Germany—Australia has signed a new trade pact with Western Germany which will facilitate the entry of Australian goods exported to Germany and which will be in effect until August 1954. The main commodities exported from Australia to Germany are wool, wheat, eggs, apples, pears, honey, meat extract, pearlshell, minerals and metals. Australia's main imports from Germany are metals, metal manufactures, machinery, piece-goods, drugs, chemicals and fertilizers. This will be the third agreement between the two countries since the end of the war; the first was signed in London in January 1951 and the second at Canberra in October 1952. The agreement has been finalized but must still be approved by the two governments. Australia's exports to Germany in 1952-53 were valued at £A22.2 million, and its imports from Germany at £A13.6 million—Sydney, Dec. 8.

BRAZIL

Foreign Trade—Brazil's imports and exports fell by 43 per cent and 4 per cent, respectively, in the first eight months of 1953, compared with the previous period of 1952. The figures were: exports—1952, Cr.\$16,902.4 billion; 1953, Cr.\$16,286.7 billion, and imports—1952, Cr.\$28,198.9 billion; 1953, Cr.\$15,957.4 billion—Rio de Janeiro, Dec. 8.

DENMARK

Agricultural News—According to the latest official estimate, the grain harvest this year amounted to about 4,450,000 tons, or just under 3 per cent less than the bumper crop in 1952. A pig census taken on September 12th showed total stocks of 4,483,000 head, or 147 thousand head more than at the previous census taken on July 18th. The number of tractors owned by farmers was increased by 10,900 to 43,300 during the past year, and another 1,500 are owned by the tractor stations. Tractors are now employed by more than 50 per cent of Danish farms. Preliminary reports indicate that exports of

butter during the first ten months of the year aggregated 119,600 tons, as against 101,800 tons last year. Bacon exports in the same period increased from 157 thousand to 204,300 tons—Oslo, Dec. 14.

ITALY

New Industries—As part of the plan for the industrialization of the south of Italy, two new factories have just been completed near Naples. One is for the production of antibiotics and is located at Torre Annunziata. It will have a capacity, in full operation, of approximately 500 kilos of streptomycin and 1,200,000 unit vials of penicillin. The other factory, located at Casoria, will produce nylon yarn from synthetic fibre which will be processed first in factories at Novara and Pallanza, in the north of Italy. This factory's monthly production is estimated at 1,650 tons of nylon yarn and staple—Rome, Dec. 15.

JAPAN

Plan Petrochemical Industry—The Royal Dutch Shell group is planning to enter into agreements with Japanese petroleum firms to develop a petrochemical industry in Japan. At the present level of crude oil consumption—about 100 thousand barrels a day—the demand is not great enough to warrant the construction of the 25,000 barrel-a-day refinery necessary to support a petrochemical plant. But the market is expanding and preparations are being made to develop the industry within the next few years—Tokyo, Dec. 5.

MEXICO

Tax Earnings—Taxes on imported goods yielded 620 million pesos (approximately \$73 million) to the Mexican Treasury in 1952, against 360.6 million in the preceding year. Taxes on exports rose from 207.2 million in 1951 to 711.8 million pesos last year.

Taxes on imports represented 9.7 per cent of all federal collections last year, and 12.2 per cent in 1951. Taxes on exports represented 13.9 per cent of federal collections in 1952—Mexico, D.F., Dec. 18.

PARAGUAY

Paper Factory—The Government of Paraguay has granted customs tariff immunity for a limited period to an individual who plans to construct a factory to make pulp and paper from local materials. The person undertaking this project has stated that he is prepared to bring in a hydro-electric plant and the necessary machinery without drawing on the scanty supplies of foreign exchange held by the Central Bank.

The State has agreed to grant him free use of 50 per cent of foreign exchange earned by exports of pulp and paper from the factory he intends to build. This concession will stand for ten years—Montevideo, Dec. 3.

SOUTH AFRICA

Building Boom Continues—The value of building plans approved during the first nine months of 1953 was about 7 per cent above the figure for the same period last year. Approvals for residential buildings were

£2.8 million higher, at £25.0 million; for non-residential buildings, some 2 per cent lower, at £18.9 million, for repairs and renovations, 20 per cent higher, at £2.8 million—Cape Town, Dec. 2.

SPAIN

Truck Factory—A new factory will be established in Pueblonuevo, Barcelona, by Ford Motor Iberica, to manufacture light trucks with a loading capacity of 3 and 3½ tons. The initial output will be 3,000 trucks a year and all the parts, including tires, will be made in Spain—Madrid, Dec. 18.

Penicillin Factory—The Government has authorized a group of Spanish investors to build a factory in Pamplona to produce benzyl penicillin diaminoethyl ester. Technical assistance, on a royalty basis, will be furnished by the Danish firm, Leo Pharmaceutical Products Company of Copenhagen. This company will also supply the equipment as its share in the initial capital of the business—Madrid, Dec. 18.

SWEDEN

New Pulp Mill—Plans are complete for the construction of a mill in Skane, the southernmost province of Sweden, to turn out semi-chemical paper pulp. This factory will be the first in Sweden to manufacture this type of pulp; there are only three such factories in northern Europe—one in Finland, one in Norway and one in Germany—Stockholm, Dec. 14.

TURKEY

New Cotton Spinning Mill—A large cotton spinning mill, financed by the state-owned Sumer Bank, has just begun operations at Denizli, in the heart of Turkey's cotton-growing region in the southwest. Construction began four years ago. It covers a space of 50,000 sq. ft., is equipped with 15,580 spindles, employs 550 workmen, and has an output of 1,100 packs of cotton yarn a day—1,200 metric tons a year. Plans are already under way to double the capacity. Turkey still imports over 2,000 tons of cotton yarn a year from abroad, even though her raw cotton production of 150 thousand tons could provide all her cotton yarn requirements and still leave a large margin for export—Athens, Dec. 12.

UNITED KINGDOM

Exports at Record Level—According to provisional figures, British exports in November, at £239.9 million, were at their highest level for 20 months. Imports decreased to £272.4 million and reduced the United Kingdom trade deficit to £23.5 million, the lowest since November 1950. Exports for the second half of 1953 have so far been running some £17.9 million ahead of the corresponding months in 1952, but the lower exports in the first half of this year have not yet been fully offset.

United Kingdom exports to North America in November were £25.1 million. In the first eleven months of this year, exports to North America averaged £26.6 million a month, 16 per cent higher than last year. Exports to Canada have increased 23 per cent, and to the United States 10 per cent—London, Dec. 23.



Bananas are one of the four main crops in Ecuador and the country relies on banana sales abroad to bring in a substantial amount of foreign exchange.

How Ecuador Fared in 1953

BOGOTA—Ecuador had a surplus of exports over imports totalling \$13 million in 1952, but this year it will be lucky to break even.

The main reason for this change is the drastic fall in rice exports—and rice is one of the mainstays of the Ecuadorean economy. Statistics on the four main exports for the first ten months of 1953 are compared, in the table below, with the figures for the same period a year ago and illustrate the trend.

Exports January to October

COMMODITY	1952	1953
Cocoa	19,346,485 kilos	20,526,951 kilos
Coffee	15,689,113 "	14,852,079 "
Rice	56,993,840 "	3,409,770 "
Bananas	13,829,509 stems	12,805,064 stems

Bearing in mind the decline in exports, it is hardly surprising that between January and October of this year reserves of foreign exchange shrank from \$35 million to \$30 million. Heavy forward buying, sparked by expected increases in duty on certain commodities when the new customs tariff goes into effect, accounted to some extent for the drain on dollar reserves.

Japan has contracted for three shiploads of rice to be delivered before the end of December and the Ecuadorean Government has approved a subsidy of \$600 thousand to exporters to make their selling prices competitive in world markets. Taking these sales into consideration, the Central Bank of Ecuador has estimated exports for the year at \$81 million

and imports at \$79 million leaving a small favourable balance of \$2 million. Currency in circulation rose from 1,037,821,000 sucres on December 31, 1952, to 1,124,878,000 sucres at the end of October 1953.

The Government has announced a major road-building program which will not only improve existing highways but will also open up rich agricultural areas not yet exploited because they are rather inaccessible. To finance this ambitious plan, gasoline is being taxed 60 centavos a gallon and the revenues thus derived will, it is believed, be large enough to pay for these projects. Contracts have already been let to an American and Venezuelan engineering firm and to an Ecuadorean company.

Mountain Pipeline Being Built

The serious floods and rains from March to May of this year devastated the coastal agricultural areas and damaged the four main crops considerably. Quito, the capital—which is up in the highlands and linked with the main port of Guayaquil by a narrow-gauge railway—was completely isolated for several weeks and had to depend on plane service for vital supplies. Gasoline, which comes up from the coast by tank car, gave out and most car-owners had to start walking.

To assure that this will not happen again, an American engineering firm is building a six-inch pipeline along the right-of-way and over the steep incline which divides the lowlands from the highlands plateau, over 9,000 feet above sea level. If the railway is again washed out, gasoline can be pumped from a point below to tank cars stationed above, and the oil will be kept moving to Quito. Eventually, the hope is, this pipeline will be extended from both ends to link Guayaquil with Quito and the expensive trip by rail will be eliminated.

—WILEY J. MILLYARD

Commercial Secretary for Canada

Data for Exporters

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

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

India

Aid for the Textile Industry

With production of cotton textiles up and sales down, the Government has taken measures to assist both the industry and its workers.

NEW DELHI—During the first nine months of 1953, production of cotton textiles in India remained unusually high, with the average monthly production reaching 413 million yards. For several reasons, it has proved difficult in recent months to dispose of stocks and the mills have accumulated large surpluses. They have tried to meet this situation by making reductions, sometimes up to 20 per cent, in the price of cloth but up to now this has not had any appreciable effect. During the last week of October two important mills in Ahmedabad closed one shift and 27 other mills put up notices of closure of shifts, involving the dismissal of over 10,000 workers. On November 24, the Government of India announced three measures to meet the situation, two designed to afford relief to the mills and one to help workers who may be either put on short time or laid off.

Measures to Help Industry

The export duty of 10 per cent on medium varieties of cloth was abolished immediately although the export duty on coarse cloth was retained. Fine and superfine varieties are not affected because they pay no export duty. In addition, the excise duty on superfine cloth was reduced from 3¼ annas to 2 annas (4 cents to 2½ cents) a yard, but the excise duty on coarse and medium cloth at one-quarter of an anna (one-third of a cent) and on fine cloth at 1¼ anna (1½ cents) per yard, was retained.

The second measure to help the industry is an amendment of the Sea Customs Act to provide for rebate of import duty on imported cotton used in the manufacture of cloth which is exported. Imported cotton is largely used in the manufacture of fine and superfine varieties. The Government hopes that, as a result of these two measures, the outlook for the industry will distinctly improve and shutdowns and consequent unemployment be unnecessary.

Worker Protected

The third measure announced is, however, designed to afford relief to labour if the mills are forced to close down one or more shifts. By an Ordinance to amend the Industrial Disputes Act of 1947, the Government has provided for the payment of compensation for layoff or dismissal. The Ordinance lays down that no workman who has worked for a year shall be dismissed without a month's notice or pay, and he shall be given

half a month's pay for every completed year of service as gratuity. If a workman who has put in a year's service is laid off, the Ordinance provides that he shall be given half of the basic wages and dearness allowance for 45 days every year. The principle of "last come, first go" should ordinarily be observed in effecting retrenchment and retrenched workmen be given the opportunity to present themselves for re-employment when the situation improves and be given preference. This Ordinance naturally applies to all industrial undertakings and not only to the textile mills.

Measures Criticized

Although these three measures will doubtless give some relief to capital and labour in the textile industry, they have aroused several criticisms. Coarse cloth, the export trade's breadwinner, continues to bear the same level of export duty even though the industry can expect to earn a greater margin of profit in this line because of the cheaper Indian cotton. Another important point is that the measures apply only to limited sections of the industry; purely spinning mills or weaving mills with no export business, or those which do not produce superfine cloth, do not qualify for benefits of any kind.

Two days after these measures were announced, the Government of India issued another ordinance affecting the textile industry. By this Ordinance, an additional excise duty will be levied on cotton dhoties (Indian women's dress) produced in excess of the permissible quota. The duty will be on a graduated scale, ranging from two annas (2½ cents) to eight annas (10 cents) a yard on the quantity of dhoties produced in excess of the quota. The purpose of this Ordinance is to help restrict mill production of dhoties to the permissible quota.

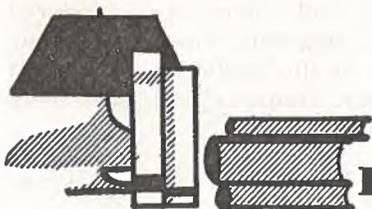
Handloom Industry Assisted

With a view to assisting the handloom industry by which many of the rural population augment their incomes, the Government of India in January 1953 passed orders restricting the production of cotton dhoties by mills to 60 per cent of their average monthly production during the period April 1951 to March 1952. Under these orders, the production of mill-made dhoties was brought down to about 30,000 bales a month, compared with the average monthly production of 50,000 bales in 1951-52. Certain units have, however, been exceeding their quotas and this latest Ordinance is intended to restrict their production within the limits allowed.

This measure will curtail mill profits and adversely affect prices to the consumer, but the general feeling is that it cannot effectively discourage excess production because a mill dhoti five yards long is approximately two rupees (40 cents) or almost 50 per cent cheaper than a handloomed dhoti. The increased prices of mill dhoties will still be much lower than those of handloomed dhoties and the consumer is not likely to buy more handloomed cloth as a result of this measure.

—RICHARD GREW

Commercial Counsellor for Canada



Businessman's Bookshelf

Trade Terms

International Chamber of Commerce. 136 pages. \$3.50 (\$2.00 to ICC members).

MOST BUSINESS CONTRACTS involving the movement of goods require the use of trade terms, the meaning of which often varies considerably from country to country. To avoid expensive confusion, the businessman should understand how his opposite number abroad interprets these terms and should be able, when necessary, to define the terms he himself uses.

To meet this need, the International Chamber of Commerce has prepared *Trade Terms*, in both English and French. First published in 1923, the present revised and expanded edition contains definitions from eighteen countries of ten important terms in common use: f.o.b., f.a.s., c.i.f., c.&f., f.o.r. (f.o.t.), free delivered, freight or carriage paid, ex ship, ex quay, ex works. Covered are the United Kingdom and the principal commercial countries of Europe, Morocco, Egypt, South Africa, Australia, the United States and Canada. The definitions are arranged in tables, showing the extent of agreement or difference in meaning in the various countries. Detailed notes set out any important differences or other irregularities of interpretation.

Order from: Canadian Council of the International Chamber of Commerce, 1411 Crescent Street, Montreal 5, Quebec.

The Empire and Commonwealth Year Book, 1953-54

Edited by Ronald S. Russell. 429 pages. \$6.50.

THE SECOND EDITION OF THIS USEFUL YEARBOOK follows the pattern of the first and presents well-organized data on the British Empire and the Commonwealth of Nations. Part I gives information on the departments of government, boards, organizations, societies, and officials who deal with various aspects of Commonwealth relations. It also helpfully defines the status of the various territories within the Commonwealth.

Part II gives, in brief compass, information about each territory, broken down by areas. Included are data on the history, climate, trade,

communications, population, etc., of each, and the names of the ranking officials. The section devoted to Canada covers 17 pages.

Part III covers 90 main raw materials and commodities produced within the Empire and Commonwealth, beginning with wheat and ending with shipping and shipbuilding. Statistics in this section cover export and import balance for each material, U.K. imports and preference granted, and prospects for future development.

Order from: The Empire Economic Union, 145 Abbey House, Victoria St., London, S.W. 1.

International Materials Conference, Final Report

International Materials Conference. 16 pages. Free.

ON SEPTEMBER 30, 1953, the International Materials Conference completed the task first assigned to it in February 1951 and took on "stand-by" status. This third report reviews its operations from March 1 to September 30, 1953—a period during which the last four of its seven original commodity committees wound up their activities. Included also is a review of IMC's operations and financial arrangements, membership, etc.

Order from: International Materials Conference, 811 Vermont Ave. N.W., Washington, D.C.

Belgium and Luxembourg—An Economic Survey

By A. H. Tandy, C.B.E. 88 pages. 90 cents.

ONE IN A SERIES OF OVERSEAS ECONOMIC SURVEYS published by the United Kingdom Board of Trade, this book was written by the U.K. Commercial Counsellor to Belgium and Luxembourg. As might be expected, some of the figures and tables in it are given in more detail for the United Kingdom, but this in no way detracts from the value of the book to anyone interested in these two countries. In its 88 pages, the survey presents the economic story of both Belgium and Luxembourg under the general headings of the national income and its distribution, finance, the national product of goods and services, and external trade and balance of payments. The annex on Benelux, the Belgo-Luxembourg-Netherlands Custom Union, which gives the history of the Union's developments, its present function and its future aims, should be of particular interest.

The author points out in a foreword that he completed his survey shortly before the floods which began February 1, 1953, and that the damage suffered by Belgium and the Netherlands may well change the economic picture, particularly for Benelux.

Order from: United Kingdom Information Office, 257 Albert St., Ottawa.

The Milling Industry in France

PARIS—Flour milling in France is carried on throughout the entire country on a regional basis, and there are some 8,000 separate mills with a capacity varying from 10 to 10,000 quintals of wheat per 24 hours. About half of the total production comes from mills handling from 100 to 500 quintals. Milling operations now are lower than in prewar because bread consumption has dropped.

During the 1951-52 crop year, French mills handled 5.1 million tons of wheat, compared with six million tons before the war, and produced 4.1 million tons of flour and one million tons of millfeeds. Approximately 600 mills work with rye but they are almost entirely on an artisan basis. Human consumption of rye in France has fallen each year; in the 1951-52 season it totalled only 25,000 tons. On the other hand, corn mills have been expanding and processed 80,000 tons for the breweries and for cornmeal.

Food Industries

There are about 50,000 bakery establishments in France, working mainly on a neighbourhood basis; only 12 are large plants. In 1951-52, bakeries used over 3.7 million tons of soft wheat flour, plus minor quantities of rye flour. The 1,100 biscuit manufacturers used about 90,000 tons of soft wheat flour and this industry has grown by 50 per cent since the war. In addition, 55,000 tons of flour were used by 200 establishments to make special breads and wafers; this industry has doubled its capacity since 1939. Special dietary products use about 12,000 tons of wheat flour, plus quantities of other grains. France has 385 factories turning out alimentary pastes for which 250 thousand tons of durum wheat are required. Twenty-five plants, chiefly in the region of Marseilles, produce semola.

Other Industries

The 40 malting and 100 brewing plants used 190 thousand tons of barley in 1951-52 and 10,000 tons of malt were exported. Distilleries used 1,500 tons of barley during the 1951-52 crop year. The production of starch is concentrated in nine establishments which processed 1,500 tons of wheat, 4,400 tons of rice and 100 thousand tons of corn in 1951-52. Rice mills during the same period handled 100 thousand tons of paddy rice.

Mills producing livestock feeds number around 1,200 and, apart from by-products of other industries, used the following grains: barley, 60,000 tons; oats, 150 thousand tons; corn, 138,500 tons; bran and millfeeds, 100 thousand tons. In addition, it is estimated that some six million metric tons of feed grains were used on the farms.

—V. F. WIGHTMAN

Office of the Commercial Counsellor for Canada



Commodity Notes

ARGENTINA

Timber—Argentina's soft and hard timber needs are supplied mainly by Brazil. However, the recent economic agreement with Paraguay provides for substantial quantities of timber of similar types. Small lots of timbers such as Baltic pine, white pine and spruce are imported from other countries, chiefly under compensatory trade agreements or for soft currencies. No hard currency has been spent for timber in recent years. Most of the imports are in log or square form for processing by the well-established sawmilling industry. The only timber of commercial importance which Argentina produces is quebracho, useful only for quebracho extract and firewood—Buenos Aires, Dec. 3.

Red Quebracho—Present stands of red quebracho in Argentina are estimated at 100 million metric tons. The annual average export in recent years has been some 185 thousand tons and this represents some 96 to 97 per cent of Argentina's total exports of forest products—Buenos Aires, Dec. 3.

FRANCE

Gloves—From a production of over one million dozen pairs of gloves in 1938, the French glove industry's output in 1952 fell to 268 thousand dozen pairs. Exports have also dropped from the 1938 figure of over 300 thousand dozen to less than 115 thousand dozen last year. According to the industry, sales resistance to gloves is the result of the rise in prices caused by higher salaries and social security and other taxes paid as a proportion of the wage bill. The large amount of hand labour which goes into French gloves makes their price sensitive to these factors.

Production this year appears to be rising. The average output a month for the first six months of 1953 was 38.6 thousand dozen, compared with 22.3 thousand dozen for the average month of 1952. Manufacturers hope that exports will also rise this year now that import restrictions against French gloves have been lifted by the United Kingdom and some Commonwealth countries—Paris, Dec. 17.

ITALY

Rayon, Cotton Textiles—During the first seven months of 1953, Italian production of rayon textiles improved slightly. The average monthly figure was 267 tons, an increase of 30 tons over the monthly average in 1952. Stocks in mills averaged 1,467 tons a month, against 1,977

tons in 1952. Cotton textiles showed no improvement over last year, when the average monthly production was 9,287 tons and stocks in mills averaged 33,613 tons a month—Rome, Dec. 14.

JAPAN

Staple Fibre—The Japan Chemical Fibre Association has announced that November production of staple fibre yarn amounted to 33,354,000 lb., surpassing by 340 thousand lb. the postwar record established last June—Tokyo, Dec. 9.

NEW ZEALAND

Cars—The New Zealand Government has granted an increase of 50 per cent in the number of motor vehicles which may be imported from sterling countries in 1954. This means, probably, that 35,000 cars and 5,000 other vehicles will be imported—Wellington, Dec. 10.

NORWAY

Whale Oil—Practically the whole 1953-54 production of whale oil has been sold; it is expected to amount to 150 to 160 thousand tons, valued at 220 million kroner. Prices vary between £67.10.0 and £71.0.0 a ton. The average price will be £68.5.0, compared with £71.10.0 a ton for oil produced during the 1952-53 season—Oslo, Dec. 15.

SOUTH AFRICA

Titanium—It is becoming increasingly probable that South Africa may be a leading supplier of titanium compounds. Two major discoveries were made in Natal last year and a new deposit, reputedly one of the richest in the world with an estimated value of £500 million, has been discovered near East London in the Cape Province. Exploratory work on this new series of claims continues while a pilot plant is being constructed. The rutile-ilmenite-zircon deposit discovered near Durban has proved to be far larger than was at first believed; it is now valued at over £40 million. Commercial production will be under way before the end of the year on a schedule calling for a yearly output of 60,000 tons of ilmenite, 6,000 tons of zircon and 3,500 tons of rutile. Minimum life of the high-grade deposit is 36 years; estimated total life is 94 years—Cape Town, Dec. 8.

TURKEY

Cement—Plant expansion is expected to increase Turkey's annual cement production from 1,025,000 to 1,245,000 metric tons. Plans are also under way for 14 new cement plants in various parts of the country, with a total capacity of 1.5 million tons a year. This increased cement production is planned because of the extensive road-building and construction projects now being carried on in Turkey. Consumption requirements for 1953 are estimated at about 1.7 million tons, as compared with 500 thousand tons in 1950. Recent imports have averaged about 400 thousand tons a year, mainly from Greece, Italy, Germany, Sweden, Yugoslavia and Israel—Athens, Dec. 3.

Italy Defines Its Agricultural Policy

New Government is maintaining previous support price on this year's record wheat crop, pushing land reclamation and development schemes, and encouraging productivity contests among farmers.

ROME—Developments in Italian agricultural policy in the past few months have been shaped by the change in ministers and the harvest of a record cereal crop.

After the June elections resulted in a parliamentary defeat for the De Gasperi Government, the former Minister of Agriculture was succeeded by Senator Rocco Salomone. Before his appointment, Senator Salomone was chairman of the Senate Agricultural Committee.

Guaranteed Wheat Prices

On the first day that the Senate convened after the formation of the new Government in August, a debate took place on the guaranteed price for wheat and the continuation of the system of partial delivery of the harvested wheat to government pools. An Order in Council passed by the previous Government continued in effect for the 1953-54 season the same level of guaranteed prices as for the previous crop. It also continued the partial "amassment" on which these guaranteed prices applied. The Order in Council was subject to parliamentary approval and this occasioned the August debate.

The level of the guaranteed prices and the partial "amassment" provided scope for debate on two phases of the general problem of support prices. The guaranteed prices—ranging from \$2.93 to \$3.15 per bushel for soft wheat and from \$3.25 to \$3.47 per bushel for durum wheat—appeared ample by North American standards, particularly in view of the decline in the prices of imported wheats and the abundance of the Italian harvest. These factors were not used by the Government or other parties as arguments for reducing the level of guaranteed prices. Instead, the opposition parties argued for an increase in the level of the guaranteed prices to take into account rising production costs. It was against such arguments that the Hon. Salomone announced the Government's decision to continue the guaranteed prices at the previous year's level.

Under the existing "amassment" law, about one-third of the total wheat marketed must be delivered to the compulsory "pool". This will be seen from figures on the disposition of this year's record crop:

	Metric tons
Seed requirements	1,000,000
Retained by growers for their own food	2,800,000
Compulsory deliveries	1,610,000
Voluntary pool	200,000
Free market sales	3,190,000
Total 1953 crop	8,800,000

Producers receive the government-guaranteed price on roughly one-third only of their total deliveries. A voluntary pool operated by the major producers' co-operative attracts a small portion of the deliveries. This is operated as an actual pool, with an initial advance appreciably below the prevailing market and with subsequent participation payments. The general practice, however, is to offer the remainder of the deliverable wheat on local markets where the domestic mills buy.

How "Amassment" Works

The principle of the partial "amassment" is a two-edged affair. When domestic supplies are tight and local prices are firm, producers are relatively happy with the free market and discontented with their compulsory deliveries at a fixed price. This year, when local supplies are heavy and millers have been offering less than the government-guaranteed price, an enlargement of the compulsory "pool" has been supported. Accordingly, the new Government's decisions not to change the guaranteed price nor the extent of the compulsory amassment were decisions of consequence. In the prewar regime all wheat deliveries were compulsory at fixed prices and postwar administrations have steered a middle course between the extremes of compulsory total deliveries at fixed prices and of having all the wheat sold on the free market without the benefit of any price support.

Because of this year's abundant harvest, Sen. Salomone announced in his first speech in the Senate as Minister that Italy would require no imports of wheat from North America during the present crop year. Relatively small quantities of durum wheat would be required but Italy would endeavour to secure these from the USSR and Turkey.

Relations with IWA

On the signing of the renewal of the International Wheat Agreement last spring, the Italian Government subscribed for a guaranteed quantity of 850 thousand tons, at a time when the prospects for the 1953 Italian wheat crop were something less than average. Unquestionably this year's record crop has altered the Italian attitude toward continuing as a member of the Agreement. No official statement has been made for or against ratification, but at the time of the October 20 meeting of the International Wheat Council, no action had yet been taken to introduce a bill into Parliament to provide for ratification. In the meantime, a few press articles have argued that because of this year's supply situation in Italy, the Italian Government could afford to withdraw from the Agreement.

Basic Agricultural Goals

A second occasion for the new Minister of Agriculture to state the Government's policy occurred at the conclusion of the Senate debate on the estimates for his department. His basic goals were simply stated: a quest for the maximum increment of production in Italy, the paring of production costs, expansion of export outlets, and active development under existing laws of the land-reclamation projects and land-use reforms. Before the Minister's statement, the debate from all sides of the Senate was concentrated on the developments under the land reclamation and reform projects.

In summarizing the current situation, Sen. Salomone covered the year's favourable production, pointing out that it had for the first time substantially exceeded prewar levels. The index of agricultural production, on a prewar base, stands at 114.4 for 1953 in comparison with 103.4 for 1952. Except for cattle and meats, olive oil and hemp, agricultural prices held reasonably well in view of the increased production. During the past year when the deficit in Italy's total trade balance increased from 325 to 581 billion lire, the deficit on agricultural commodities fell from 287 to 236 billion.

Farm Productivity Contests

To implement his policy for increasing production, the Minister stated that additional encouragement would be given to productivity contests which have found favour among growers in recent years. This year 18,000 farmers participated in the contests. The Twelve Year Plan to provide agricultural credit on a low-interest basis to purchase machinery and improve buildings will continue to receive encouragement. Some 202 thousand small landholders have been assisted in the consolidation of small holdings.

Postwar land reclamation projects have involved expenditures of the lire equivalent of \$255 million. Under legislation passed in 1949, these projects have been systematically planned and showed most striking results in the irrigation projects. Work is in full swing on the irrigation of two million acres, of which 900 thousand are located in north and central Italy and 1,100,000 in the south. In southern Italy, the work is passing from the water development stage to actual irrigation, where the greatest changes between dry-land and irrigated cultivation have been effected.

Improving and Distributing Land

The land redistribution being put into effect under legislation dating from 1949 has involved planning before expropriation as well as making the most effective use of the expropriated lands. Before settling any new owners on the land all the necessary improvements are being made, including the erection of farmhouses, the digging of wells, and the planting of small orchards. By mid-year, some 46 thousand families had already been settled on the new holdings. This represented completion of work on 550 thousand acres out of a total of 1,800,000 acres expropriated. The rate of settlement will be accelerated now that work on the improvements is in full swing. The Minister defended the time spent within the past three years in planning the projects on the grounds of their ultimate productivity rather than proceeding with undue haste. The full effects of the land reform projects under way, he said, would only be realized over the next several years.

—C. F. WILSON

Agricultural Counsellor for Canada

Natural Gas in the Netherlands

This new and rapidly expanding industry will reduce Netherlands coal imports and save foreign exchange.

THE HAGUE—The discovery of petroleum and natural gas in limited quantities in the Netherlands has contributed substantially to the economy of this small country. Now Holland can supply 60 per cent of its coal needs, 100 per cent of its salt and 30 per cent of its petroleum.

The production and sale of natural gas in the Netherlands has expanded rapidly since development was begun immediately after the war. In August 1951 the Netherlands Natural Gas Company, a government enterprise, reported a daily output of 100 thousand cubic metres available over a period of ten years. Extensive exploration and further drilling during 1952, particularly in the northeast, have increased the reserves and confirmed a potential production of 200 thousand cubic metres a day over a period of 20 years. By December 1952—the last date for which figures are available—potential natural gas reserves totalled 2.92 billion cubic metres, or just over 100 billion cubic feet.

The Netherlands Natural Gas Company plans to install 469 kilometres of gas pipeline in the provinces of Drenthe, Friesland and Overijssel to collect and distribute the fuel. The lines, varying from four to eight inches in size, will operate at a pressure of 40 atmospheres. Almost three-quarters of the pipelines have already been laid and the remaining 100 kilometres will be completed towards the end of this year. The total cost of the installation is estimated at 30 million guilders.

Distribution and Price

At present, natural gas is supplied to 14 towns. Negotiations with other municipalities are under way and it is expected that a substantially larger number of households and industries will be taking it in the near future. The Royal Netherlands Salt Industry at Hengelo, the only salt producer in the country, has agreed to buy 170 thousand cubic metres for two years, thus becoming the largest individual user of natural gas in the country. Because of this, the industry has been given a special price of only 1.7 cents (Canadian) per cubic metre. Natural gas is being offered to municipalities at 3.4 cents (Canadian) per cubic metre.

In many parts of the country the feeling is that the price being asked is high. Consequently, the Natural Gas Company is now engaged in price discussions and these are temporarily slowing down expansion.

The development of Netherlands' natural gas will save in fuel consumption the equivalent of 168 thousand tons of coal a year over the next 20 years. Although this amount is not large, the saving becomes more significant when we remember that the country must import 40 per cent of its coal.

—W. G. PYBUS

Acting Commercial Secretary for Canada

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United Kingdom	G. H. Rochester, Commercial Secretary (Timber)		<i>Cable:</i> TIMCOM

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United Kingdom - (Midlands, North England, Wales)	M. J. Vechsler, Canadian Government Trade Commissioner	Martins Bank Building, Water Street, LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Central 0625
United Kingdom (Northern Ireland)	T. G. Major, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
United States Delaware, Maryland, Virginia, West Virginia	R. G. C. Smith, Commercial Counsellor	Canadian Embassy, 1746 Massachusetts Ave., N.W., WASHINGTON, 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEcatur 2-1011
United States	Dr. W. C. Hopper, Agricultural Counsellor		
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda	Deputy Consul General and Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., NEW YORK CITY	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
United States	M. B. Bursey, Consul and Trade Commissioner (Fisheries)		
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	D. H. Cheney, Trade Commissioner	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> HANcock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. V. N. Gordon, Trade Commissioner	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> STate 2-7312
United States (Michigan, Ohio)	A. E. Bryan, Consul and Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT 26	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> WOODward 5-2811
*United States (City of Los Angeles, Southern California, Arizona)	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Tel.:</i> VANDike 7114
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	G. A. Newman, Consul and Trade Commissioner	Canadian Consulate, 215-217 International Trade Mart, NEW ORLEANS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RAYmond 2136
*United States (Northern California, Wyoming, Nevada, Utah, Colorado, New Mexico), Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Tel.:</i> SUTter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General The Tower Building Seventh Avenue at Olive Way, SEATTLE 1, Washington	
Uruguay Paraguay	W. Gibson-Smith, Commercial Secretary	Canadian Embassy, MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN <i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel.:</i> 55818
Venezuela Netherlands Antilles	J. A. Stiles, Commercial Secretary	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	
Venezuela Colombia	Acting Agricultural Secretary		

Foreign Exchange Rates

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

Conversion 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 1.02960.

Country	Unit	Type of Exchange	Canadian dollar equiv. Dec. 22	Notes (See below)
Argentina	Peso	Preferential buying	.1295	(1)
		Basic buying	.1942	
		Preferential selling	.1942	
		Basic selling	.1295	
		Free	.06991	
Austria	Schilling		.03736	
Australia	Pound		2.1835	
Belgium Luxem- bourg & Belgian Dependencies	Franc		.01949	
Bolivia	Boliviano	Official	.00511	
British West Indies	Dollar		.5686	(3)
	Pound		2.7294	(4)
Brazil	Cruzeiro	Brit. Honduras	.6823	tax 8%
		Official selling	.05160	
		Effective buying	.03425	
		Coffee buying	.04158	
Burma	Kyat		.2040	(2)
Ceylon	Rupee		.2047	(5)
Chile	Peso	Official	.00883	
Colombia	Peso	Basic	.3885	
Costa Rica	Colon	Official	.1730	(6)
		Controlled free	.1462	
			.9712	tax 2%
Cuba	Peso		.1349	
Czechoslovakia	Koruna		.1406	
Denmark	Krone			
Dominican Republic	Peso		.9712	
Ecuador	Sucre	Official	.06475	(7)
		Free	.05608	
Egypt	Pound		2.7890	
Fiji	Pound		2.4589	
Finland	Markka		.00422	
France	Franc		.00278	
French Africa	Franc		.00555	
French Pacific	Franc		.01526	
Germany	D Mark		.2312	
Greece	Drachma		.000032	
Guatemala	Quetzal		.9712	
Haiti	Gourde		.1942	
Honduras	Lempira		.4856	
Hong Kong	Dollar	Free	.1645	*Dec. 11
		Official	.05964	
Iceland	Krona	Special buying	.04592	(8)
		Special selling	.03700	
			.2047	
India	Rupee		.08520	
Indonesia	Rupiah	Basic	.00183	
		Dollar certificate		

* Latest available quotation date.