

FOREIGN TRADE

OTTAWA, NOVEMBER 22, 1947

By
Published Weekly
Foreign Trade Service
Department of Trade and Commerce

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COVER SUBJECT—Port of Montreal, whose navigation season is drawing rapidly to a close, indicating the upper section of the harbour and the entrance to the Lachine Canal, which will be closed at midnight on December 7. December 17 is the latest date on which any ocean-going ship has sailed from Montreal in the last sixty years, that being in 1941.

Import Restrictions Imposed by Canada to Correct Foreign Exchange Position Here

Wide range of commodities on "prohibited list"—Quotas established for other items, listed in four separate categories—Imports from ten "scheduled countries" will be reduced by fifty per cent—Capital goods may be prohibited or restricted, depending on circumstances.

IMPORT restrictions, effective November 18, 1947, have been imposed by the Canadian Government on a wide range of commodities under an Order in Council passed on November 12. As announced by the Hon. Douglas C. Abbott, Minister of Finance, the new economic program was designed to correct Canada's foreign exchange position, which found the country with reserves of gold and United States dollars amounting to \$500,000,000 on November 13, a reduction of approximately \$745,000,000 since the end of 1946. While this drain had caused the government serious concern, it was considered unwise to make any final decisions on a course of action until the new international trade agreements were made known and the Marshall Plan was more definite.

Elaborating on the import restrictions, the Hon. Mr. Abbott indicated that the importation of some consumer goods would be prohibited and that quotas would be established for other consumer goods. Capital goods, consisting of metals and their manufactures, and mainly industrial machinery, may be prohibited or restricted by direction of the Minister of Reconstruction and Supply.

Wide Range of "Prohibited Goods"

The list of "prohibited goods" contains a wide variety of commodities, which the government has decided can no longer be permitted to draw on Canada's reserves of foreign exchange. It includes such items as jewellery, candy, novelties, typewriters, radios, refrigerators, washing machines and furniture. The importation of motor vehicles will also be prohibited temporarily, though it is expected that they will later be placed on a quota basis.

The list of "goods subject to quota" embraces another large group of commodities, mainly consumer goods, imports of which have risen to abnormal levels. These items, on the importation of which it is not considered practical to impose a complete ban, include oranges, grapefruit, lemons, fruit juices, potatoes, apples, onions and almost all out-of-season fresh fruits and vegetables. No restrictions have been imposed on bananas, raisins, figs and prunes. While no controls have been applied to raw materials or yarns, in the textile group, almost all other textiles are to be on a quota basis. A third group includes all leathers, footwear, gloves, leather garments and luggage, while a fourth group includes miscellaneous items, such as clocks and watches, cutlery, games, toys, sporting goods and smokers' supplies.

National Quota Based on Imports of Three Prewar Years

The national "quota", which applies to items in the quota list, is established by taking as a base the average total dollar value of imports for each category of merchandise during the years 1937, 1938 and 1939. This average total dollar value is then doubled and becomes the national

"quota" for total imports of each category, except in the case of the textile category, where the national "quota" is set at 400 per cent or four times the average prewar yearly importation.

Each individual importer may then apply for an allocation from the national "quota" for any category. The allocation will be based on the proportion between the value of his own imports of goods in that category during the year ending June 30, 1947, as compared to the total national imports of this category for the same period.

Individual import allocations may be used for any goods within the quota category to which they apply.

To aid preliminary estimates of individual allocations from national quotas by importers, calculations show that the national quota for Category I works out to approximately 50 per cent of total national imports for the period July 1, 1946, to June 30, 1947. Importers may thus readily calculate their allocations by taking the same percentage of their own imports in this category for the same period. It was stated that for similar purposes, the Category 2 percentage could be taken as approximately 32 per cent, or roughly one-third, Category 3 as about 70 per cent and Category 4 around 40 per cent.

In connection with the quota list, however, it should be noted that the Order divides countries of origin into two groups, "Scheduled Countries" and "Non-scheduled Countries".

Ten "Scheduled Countries" Named

The "Scheduled Countries", which are countries to which payments must be made in dollars and which are not known to be short of dollars, are Cuba, the Dominican Republic, Guatemala, Haiti, Panama, El Salvador, Switzerland, Union of Soviet Socialist Republics, the United States (including Alaska, Hawaii, Guam, Puerto Rico and the Virgin Islands) and Venezuela. "Non-Scheduled Countries" include all others.

The effect of the quotas will be to reduce the level of imports from the "Scheduled Countries" by about 50 per cent of their current rate. On the other hand, the same applied to "Non-Scheduled Countries" will leave ample room for expansion from present abnormally low levels.

To take the most extreme example, imports in the important textile category from "Scheduled Countries" amounted to an average of approximately \$10 million in the three prewar years. The national "quota" indicated for the next twelve months, being 400 per cent of this amount, would be in this case \$40 million. This figure, expressed as a percentage of the value of imports of this kind during the year ending June 30, 1947, is approximately 32 per cent. The Canadian importer would therefore be permitted to import from "Scheduled Countries" up to about 32 per cent of the amount he imported during the same period.

On the other hand, imports of these textiles from the "Non-Scheduled Countries" in the average prewar year amounted to \$30 million. Four hundred per cent of this amounts to \$120 million. But, during the twelve months ending last June, this kind of import from these "Non-Scheduled Countries" amounted to only \$52 million. Imports from these "Non-Scheduled Countries" may, therefore, more than double before they reach their "quota" limit. A somewhat similar situation is found in each of the other "quota" groups. For this reason open general permits will be issued for imports of "quota" goods from "Non-Scheduled Countries" until such time as the overall Canadian imports from these countries begin to approach closely to the "quota" limit.

This means that, until further notice, importers will not be required to file the information necessary to establish a quota in respect of imports from "Non-Scheduled Countries".

Application Forms for Quotas Available

Application forms for import quotas may be obtained from any collector or sub-collector of customs by any intending importer who, during the basic period of July 1, 1946, to June 30, 1947, imported goods subject to "quota" from Cuba, the Dominican Republic, Guatemala, Haiti, Panama, El Salvador, Switzerland, Union of Soviet Socialist Republics, the United States of America and its possessions, and Venezuela.

A headquarters administrative unit to deal with appeals and general problems relating to the operation of the Prohibited and Quota Lists has been established in the Department of Finance, at Ottawa. K. W. Taylor, Assistant Deputy Minister of Finance, will direct this Emergency Import Control Division.

The initial allocation on the quota list will run to March 31, 1948 and thereafter the present intention is that allocations will be made on a quarterly basis. In special cases customs inspectors may allow an interim allocation to an individual importer of up to 5 per cent of his total prospective allocation, provided that application for the annual allocation has been filed. This will enable individual importers who depend on frequent imports of relatively small size to keep in supply, while awaiting final determination of their total allocation.

Items on Capital Goods List

Items on the capital goods list include:

- (a) Any metals or manufactures thereof not included in the prohibited list or quota list, and not including machinery or equipment for use in the agricultural and fishing industries.
- (b) Cinematograph or moving picture films, positives or negatives, one and one-eighth of an inch and over.

The Order establishes authority to prohibit or restrict imports of these specified classes of goods. Since the special circumstances involved in their importation prevent the application of a general "quota" or of complete prohibition, it is intended that restrictions should be imposed from time to time after consideration of the pertinent circumstances by the Minister of Reconstruction and Supply.

These prohibitions and restrictions do not apply to goods shipped and in transit to Canada on November 17, 1947. Special attention is directed to the fact that they apply to goods acquired abroad, which are included in travellers' baggage, but shall not apply to goods in the baggage of a returning resident who departed from Canada prior to November 18, 1947.

Prohibited Goods

<i>Tariff Item No.</i>	<i>Description</i>
7	Meats, fresh, n.o.p.
8	Canned meats, poultry or game.
8a	Extracts of meat and fluid beef, not medicated.
9	Poultry and game, n.o.p.
9a	Quails, partridges, and squabs, dead or alive, n.o.p.
10	Meats, prepared or preserved, other than canned.
16	Eggs in the shell.
18a	Peanut butter.
20	
20a	
21	
22	Preparations of cocoa or chocolate, and confectionery, coated with or containing chocolate.
23	
23a	
25a	Coffee, extract of, n.o.p., and substitutes thereof of all kinds.

<i>Tariff Item No.</i>	<i>Description</i>
26	Coffee, roasted or ground, and all imitations thereof and substitutes therefor, including acorn nuts, n.o.p.
27	Coffee, roasted or ground, when not imported direct from the country of growth and production.
29	Coffee, green, n.o.p. (not imported direct from the country of growth and production).
29a	Tea, n.o.p. (not imported direct from the country of growth and production).
31	Ginger and spices, ground, n.o.p.
33	Nutmegs and mace, ground.
34	Mustard, ground.
36 }	Compressed yeast.
37 }	
38	Yeast cakes.
42a	Table salt.
43	Condensed milk.
44	Condensed coffee with milk.
ex 45 }	Prepared cereal foods.
46 }	
ex 47	Beans, n.o.p. (except soya beans).
48	Peas, n.o.p.
63 }	Rice, cleaned.
63a }	
65	Biscuits, not sweetened.
66	Biscuits, sweetened.
67	Macaroni and vermicelli.
79b	Flowers and foliage, natural, cut, whether in designs or bouquets or not, n.o.p.
85	Mushrooms and truffles, fresh, dried or otherwise preserved.
87	Vegetables, fresh, in their natural state: asparagus, green beans, Brussels sprouts, cabbage, carrots, beets, n.o.p., cauliflower, eggplant, celery, cucumbers, lettuce, parsley, green peas, rhubarb, spinach, tomatoes, watercress, whitloof, endive, and fresh vegetables n.o.p.
89	Vegetables, prepared, in airtight cans or other airtight containers.
90a	Vegetables, dried, desiccated or dehydrated, including vegetable flour, n.o.p.
90b	Vegetables, pickled or preserved in salt, brine, oil or in any other manner, n.o.p.
90c	Vegetable juices, liquid mustards, soy and vegetable sauces of all kinds.
90d	Vegetable pastes and hash and all similar products composed of vegetables and meat or fish, or both, n.o.p.
90e	Vegetables, frozen.
91	Soups, soup rolls, tablets, cubes, or other soup preparations, n.o.p.
92	Fruits, fresh, in their natural state: apricots, cherries, cranberries, peaches, pears, plums or prunes, strawberries, raspberries, loganberries, berries, edible, n.o.p., quinces, nectarines.
94	Grapes, fresh, in their natural state.
95	Cantaloupes and muskmelons.
95a	Melons, n.o.p.
96	Fruits, fresh, in their natural state, n.o.p.
96a	Kumquats, fresh.
97	Plantains, pineapples, pomegranates, guavas and mangoes.
99b	Fruits, dried, desiccated, evaporated or dehydrated, n.o.p.
99d	Dates, dried, unpitted, in bulk.
99g	Apricots, nectarines, pears and peaches, dried, desiccated, evaporated or dehydrated.
103 }	Fruits preserved in brandy, or preserved in other spirits.
104 }	
104a }	Fruit pulp, with sugar or not, and fruits, crushed or frozen.
105 }	
105c	Fruits and nuts, pickled or preserved in salt, brine, oil or any other manner, n.o.p.
105e	Fruits and peels, crystallized, glaze, candied or drained; cherries and other fruits of creme de menthe, maraschino or other flavour.
106	Fruits, prepared, in air-tight cans or other air-tight containers.
107	Preserved ginger.
108	Honey in the comb or otherwise, and imitations thereof.

*Tariff
Item No.*

Description

ex 109	Nuts of all kinds, in the shell, n.o.p.
110	Cocoanuts, n.o.p.
123a	Crabs, clams or shrimps in sealed containers.
124	Oysters, shelled, in bulk.
125 } 126 } 127 }	Oysters, shelled, in cans.
128	Oysters in the shell.
130	Turtles.
138	Maple sugar and maple syrup.
139	Glucose or grape sugar, glucose syrup and corn syrup, or any syrups containing an admixture thereof, n.o.p.
140	Syrups and molasses of all kinds, the product of the sugar-cane or beet, n.o.p., and all imitations thereof or substitutes therefor.
141	Sugar candy and confectionery, n.o.p., including sweetened gums, candied popcorn, candied nuts, flavouring powders, custard powders, jelly powders, sweetmeats, sweetened breads, cakes, pies, puddings and all other confections containing sugar.
143	Cigars.
143a	Cigarettes.
152c	Grape juice in containers of more than one gallon capacity each.
ex 180 } 181a }	Pictorial post-cards, greeting cards and similar artistic cards or folders, finished or unfinished.
ex 184d } ex 169 } ex 170 } ex 171 }	Periodical publications, unbound or paper bound, consisting largely of fiction or printed matter of a similar character, including detective, sex, western, and alleged true or confession stories, and publications, unbound or paper bound, commonly known as comics, but not including bona fide supplements used with newspapers. (Provided, that the decision of the Minister of National Revenue as to whether or not any publication is included in the foregoing description shall be final and conclusive.)
192	Tarred paper and prepared roofings (including shingles), fibreboard, strawboard, sheathing and insulation, manufactured wholly or in part of vegetable fibres, n.o.p., blotting paper, not printed nor illustrated.
192b	Sandpaper, glass or flint paper, and emery paper or emery cloth.
192c	Roofing and shingles of saturated felt.
194	Playing cards, in packs or in sheet form, n.o.p., cards and sheets partly lithographed or printed, for use in the manufacture of such playing cards.
195	Paper hanging or wall papers, including borders or bordering.
ex 197 } ex 197b }	Towels, napkins, table covers, tray covers and doilies, of paper; fancy shelf and lace papers; paper handkerchiefs; facial tissues and toilet paper, not including such materials in jumbo rolls; cups, dishes or plates, forks, spoons and drinking straws, made of paper, cardboard, or of vegetable fibres; paper envelopes; correspondence and printed letterhead papers, not including plain unprinted typewriter or copying papers; creped tissue paper and manufactures thereof; wrapping paper, including box covering paper and wrappers, printed, embossed or otherwise decorated; Christmas seals, stickers, tags and enclosure cards, printed, embossed or otherwise decorated; card and other games, score reckoners, score pads, tallies and place cards, of paper or cardboard, festivity, carnival and celebration supplies and decorations of paper or cardboard, including costumes, hats, caps, head-bands, masks, horns, serpentine and confetti; gummed paper; blank books.
197b	Wrapping paper of all kinds, not pasted, coated or embossed.
199b	Containers wholly or partially manufactured from fibreboard or paper-board.
226	Candles.
ex 228	Toilet soap.
230	Castile soap.
234	Perfumery, including toilet preparations, non-alcoholic, viz., hair oils, tooth and other powders and washes, pomatums, pastes and all other perfumed preparations, n.o.p., used for the hair, mouth or skin.
235b	Liquorice in rolls or sticks.
247	Liquid fillers, anti-corrosive and anti-fouling paints, and ground and liquid paints, n.o.p.

<i>Tariff Item No.</i>	<i>Description</i>
248	Paints and colours, ground in spirits, and all spirit varnishes and lacquers.
249	Varnishes, lacquers, japans, japan driers, liquid driers, and oil finish, n.o.p.
251	Gold liquid paint.
252	Shoe blacking; shoemakers' ink; shoe, harness and leather dressing, and knife or other polish or composition, n.o.p.
257	Writing ink.
271	Lubricating oils composed wholly or in part of petroleum.
272	Refined petroleum, jellies and oils, for toilet, medicinal, edible, or similar purposes.
272a	Petroleum greases and lubricating greases, n.o.p.
323	Silvered glass, bevelled or not and framed or not, n.o.p.
ex 326 (i)	Glass tableware and cut glassware.
ex 326 (ii)	
ex 326a	
ex 326g	
354a	High thermal shock resisting glassware (not including industrial or laboratory glassware).
354b	Kitchen or household hollow-ware of aluminum, n.o.p.
ex 414	Kitchen or household hollow-ware of nickel, n.o.p.
ex 414a	Typewriters.
ex 414c	Dictating machines, transcribing machines and cylinder shaving machines.
415a	Adding machines.
ex 415b	Refrigerators, domestic or store, completely equipped or not.
ex 415c	Washing machines, domestic, with or without motive power incorporated therein.
ex 415d	Clothes wringers, domestic.
ex 427	Sewing machines, domestic, with or without motive power incorporated therein.
427h	Outboard motors.
432b	Motion picture projectors, arc lamps for motion picture work, motion picture or theatrical spot lights, light effect machines, motion picture screens, portable motion picture projectors with or without sound equipment; electric rectifiers or generators designed for use with motion picture projectors; complete parts of all the foregoing, not to include electric light bulbs, tubes, or exciter lamps.
433	Hollow-ware, of iron or steel, coated with vitreous enamel.
438a	Baths, bathtubs, basins, closets, lavatories, urinals, sinks and laundry tubs of iron or steel, coated or not.
ex 439b	Automobiles and motor vehicles of all kinds, n.o.p.; electric trackless trolley buses; chassis for all the foregoing.
ex 440a	Automobile and truck trailers.
ex 443	Pleasure boats of all kinds.
444b	Apparatus designed for cooking or for heating buildings (not including parts).
ex 445	Lamp shades, n.o.p., and shade holders.
ex 445a	Electric light fixtures, n.o.p. (not including industrial electric light fixtures, or parts).
ex 445b	Electric flashlights.
ex 445d	Incandescent electric light lamps.
ex 445e	Radio receiving sets and cabinets and chassis therefor.
ex 445i	Electric and galvanic batteries, n.o.p. (not including parts or separators).
ex 445j	Electric sad irons.
449	Electric dry shaving machines.
451e } et al }	Steel wool, including steel wool impregnated with soap or in retail packages containing a cake of soap.
ex 462	Slide, hookless or zipper fasteners and parts thereof.
465	Cameras, not including those for professional use.
468	Signs of any material other than paper, framed or not; letters and numerals of any material other than paper.
503	Bird, squirrel and rat cages, of wire, and metal parts thereof.
	Planks, boards, clapboards, laths, plain pickets and other timber or lumber of wood, not further manufactured than sawn or split, whether creosoted, vulcanized, or treated by any other preserving process, or not.

Tariff
Item No.

Description

504	Planks, boards and other lumber of wood, sawn, split or cut, and dressed on one side only, but not further manufactured.
504a	Ponderosa pine lumber (<i>pinus ponderosa</i>) and California sugar pine lumber (<i>pinus Lambertiana</i>), not further manufactured than planed, dressed, or jointed, for use in Canadian manufactures.
505	Planks, boards, deals and other lumber of wood, not further manufactured than planed, dressed, jointed, tongued or grooved, n.o.p.
505a	Hardwood flooring, tongued and/grooved, or jointed, viz.:—beech, birch, maple and oak.
ex 506	Door and window frames and sash.
506a	Clothespins and parts thereof.
506b	Wooden doors of a height and width not less than 6 feet and 2 feet, respectively.
507	Single-ply, sliced or rotary-cut veneers of rosewood, mahogany or Spanish cedar, not over five-sixteenths of an inch in thickness, not taped nor jointed.
ex 507a	Single-ply, sliced or rotary-cut veneers of oak or walnut, n.o.p., not over five-sixteenths of an inch in thickness, not taped nor jointed.
507b	Veneers of wood of any kind, not over five-sixteenths of an inch in thickness, taped or jointed.
508	Mouldings of wood.
512	Picture frames, photograph frames and mirror frames, of any material.
ex 506 } et al }	
ex 514	Coffins and caskets.
ex 515	Show-cases of all kinds.
519	House, office, cabinet or store furniture of wood, iron or other material, and parts thereof, not to include forgings, castings, and stampings of metal, in the rough.
519a	Wire screens, wire doors and wire windows; cash registers; window cornices and cornice poles of all kinds; hair, spring and other mattresses; curtain stretchers, furniture springs and carpet sweepers.
597	Pianofortes and organs.
ex 597a	Phonographs, graphophones and gramophones.
602	Fur skins, wholly or partially dressed.
603 }	
ex 618b	Passenger automobile tires.
624	Bead ornaments, and ornaments of alabaster, spar, amber, terra cotta, composition, or other material; fans of all kinds, statues and statuettes of any material n.o.p.
et al }	
625	Caps, hats, muffs, tippets, capes, coats and cloaks of fur, and other manufactures of fur, n.o.p.
629	Umbrellas, parasols and sunshades of all kinds and materials.
634	Feathers and manufactures of feathers, n.o.p.; artificial feathers, fruits, grains, leaves and flowers suitable for ornamenting hats.
647	Jewellery of any material, for the adornment of the person, n.o.p.
648	Precious stones and imitations thereof, not mounted or set; and pearls and imitations thereof, pierced, split, strung or not, but not set or mounted.
ex 651	Buttons of all kinds, n.o.p. (except recognition buttons).
652	Toilet or dressing combs, n.o.p.; fancy combs, not being jewellery.
ex 655	Fountain and ball point pens.
ex 655a	Lead pencils.
665	Torpedoes, fire-crackers and fire-works of all kinds.
689a	Mineral wool.
ex 695	Paintings in oil or water colours and pastels (not to include paintings in oil or water colours and pastels to be used exclusively for printing or lithographic reproduction purposes).
ex 695a }	
ex 711	Synthetic casings for meat.
ex 711	Soda fountains; bars; ice-cream cabinets and beverage cabinets; beverage dispensing and mixing equipment gasoline pumps punch boards and pin-ball games; vending machines, games, amusement devices, phonographs, radios, musical instruments, scales, parking meters, locks and lockers, coin-, disc-, or token-operated; cigarette or cigar lighters (but not to include lighters provided for in Tariff Item 438 (c);
ex 362c	
ex 427	
ex 446a } et al }	

Tariff
Item No.

Description

ex 711 } ex 362c } ex 427 } ex 446a } et al }	Air-conditioning units and apparatus designed for household or office use; electric mixers, ironers and dish-washers, designed for household use; cases, boxes, bowls, baskets, bottles, dishes and trays adapted for personal, household or office use, or for the packaging of goods for retail sale of which the component of chief value is copper, brass, bronze or electroplated metal, not including industrial containers unsuitable for retail sale; Ash trays and receivers; desk sets and bases or holders for blotters, pens or pencils; book-ends; paper weights and paper knives; andirons, screens, tongs and other furnishings for fire-places; door knockers; Christmas tree decorations of all kinds, including lights and fittings therefor; vases and jardinieres; precious and semi-precious stones, including pearls, and all imitations or simulations thereof; articles composed wholly or in part of precious or semi-precious stones and imitations or simulations thereof. Electric heating pads and blankets; juice extractors; humidifiers; amusement rides and devices; hair waving and drying machines; display decorations; lipstick holders; electric fans; floor polishers; atomizers; pencil sharpeners; radio cabinets, finished or unfinished; door chimes; binoculars and opera glasses; domestic garbage disposal units; ski racks; watch straps; bowls, trays and dishes of wood.
ex 703 (b)	Goods enumerated elsewhere in Appendices VII and VIII. Provided that this prohibition shall not apply to goods entitled to entry under Tariff Item 703b which are included in the baggage of a returning resident who departed from Canada prior to November 18, 1947.

Goods Subject to Quota

Category I—Fruits and Vegetables—Quota Percentage, 200 Per Cent

Tariff Item No.	Description
83	Potatoes, as hereunder defined:— (a) In their natural state. (b) Dried, desiccated, or dehydrated. (c) Sweet potatoes in their natural state. (d) Sweet potatoes, n.o.p.
84	Onions, in their natural state, including onions grown with tops, shallots, and onion sets.
93	Apples, fresh, in their natural state.
100	Grapefruit, when imported from the place of growth by ship, direct to a Canadian port.
100a	Grape fruit, n.o.p.
101	Oranges, n.o.p.
101a	Lemons.
101b	Oranges, the produce of Palestine (when imported direct from the country of growth and production or from a country entitled to the benefits of the British Preferential Tariff) during the months of January, February, March and April.
102	Limes.
152.	Lime juice, fruit syrups and fruit juices, n.o.p.
152b	Orange juice, grapefruit juice, and blended orange and grapefruit juice, the product of the British West Indies, when imported direct from the country of production.

Category 2—Textiles—Quota Percentage 400 Per Cent

523	Woven fabrics, wholly of cotton, not bleached, mercerized nor coloured, n.o.p., and seamless cotton bags.
523a	Woven fabrics, wholly of cotton, bleached or mercerized, not coloured, n.o.p.
523b	Woven fabrics, wholly of cotton, printed, dyed or coloured, n.o.p.
523c	Woven fabrics wholly of cotton, composed of yarns of counts of 100 or more, including all such fabrics in which the average of the count of warp and weft yarns is 100 or more.
523e	Woven fabrics wholly of cotton with cut pile, n.o.p.
523j	Shadow cretonnes, wholly of cotton, with printed warp and plain weft.
523k	Gabardines, wholly of cotton, with not less than 280 ends and picks of ply yarn per square inch.

Tariff
Item No.

Description

- 523l Woven fabrics, wholly of cotton, composed of yarns of counts of not less than 80 and not more than 99, including all such fabrics in which the average count of the warp and weft yarns is not less than 80 and not more than 99.
- 524a Fabrics with cut weft pile, wholly of cotton or of cotton and synthetic textile fibres or filaments.
- 528 White cotton bobinet, plain, in the web.
- 529 Embroideries, lace, nets, nettings, bobinet, n.o.p., fringes and tassels, wholly of cotton.
- 529a Lace and embroideries, wholly of cotton, not coloured, when imported for use exclusively by manufacturers in the manufacture of clothing, in their own factories.
- 530 Lace and embroideries, wholly of cotton, coloured, when imported for use exclusively by manufacturers in the manufacture of clothing, in their own factories.
- 531 Knitted fabric wholly of cotton, in the web, imported by manufacturers of rubber boots and shoes for use exclusively in the manufacture of such articles in their own factories.
- 532 Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly of cotton, n.o.p.; fabrics wholly of cotton, coated or impregnated, n.o.p.
- 532a Handkerchiefs, wholly of cotton.
- 532b Woven fabrics, wholly of cotton, for covering books.
- 541a Woven fabrics, wholly of jute, n.o.p.
- 542 Woven fabrics, wholly or in part of vegetable fibres, and all such fabrics with cut pile, n.o.p., not containing silk, synthetic textile fibres or filaments, nor wool.
- 542a Woven or braided fabrics not exceeding twelve inches in width, wholly or in part of vegetable fibres, n.o.p., not to contain silk, synthetic textile fibres or filaments, nor wool.
- 545 Lace and embroideries, wholly of flax, or of hemp, or of flax, hemp and cotton, not coloured, imported by manufacturers for use exclusively in the manufacture of clothing in their own factories.
- 546 Articles made from fabrics, finished or unfinished, and all textile manufactures, wholly of jute, n.o.p.; fabrics wholly of jute, coated or impregnated, and jute fabric backed with paper.
- 548 Clothing, wearing apparel and articles, made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of vegetable fibres but not containing wool, n.o.p.; fabrics coated or impregnated, composed wholly or in part of vegetable fibre but not containing silk, synthetic textile fibres or filaments, nor wool, n.o.p.
- 553 Blankets of any material, not to include automobile rugs, steamer rugs, or similar articles.
- 554 Woven fabrics, composed wholly or in chief part by weight of yarns of wool or hair, not exceeding in weight six ounces to the square yard, n.o.p., when imported in the gray or unfinished condition, for the purpose of being dyed or finished in Canada.
- 554a Woven fabrics, consisting of cotton warps with wefts of lustre wool, mohair or alpaca, generally known as lustres or Italian linings, n.o.p.
- 554b Woven fabrics composed wholly or in part of yarns of wool or hair, n.o.p.
- 554c Woven fabrics, composed wholly or in chief part by weight of yarns of wool or hair, not exceeding in weight four ounces to the square yard, when imported in the gray or unfinished condition, for the purpose of being dyed or finished in Canada.
- 554d Woven or braided fabrics not exceeding twelve inches in width, whether with cut pile or not, wholly or in part of wool, the hair of the camel, alpaca, goat or other like animal.
- 554f Woven fabrics, composed wholly or in part of yarns of wool or hair, commonly known as billiard cloth.
- 555 Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly or in part of wool or similar animal fibres, but of which the component of chief value is not silk nor synthetic textile fibres or

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Description

- filaments, n.o.p.; fabrics, coated or impregnated, composed wholly or in part of yarns of wool or hair, but not containing silk nor synthetic textile fibres or filaments, n.o.p.
- 560a Woven fabrics wholly or in part of silk, not to contain wool, not including fabrics in chief part by weight of synthetic textile fibres or filaments, n.o.p.
- 560b Woven fabrics, wholly of silk, twenty-six inches in width, or less, n.o.p.
- 560c Woven fabrics, with cut pile, whether or not coated or impregnated, wholly or in part of silk or synthetic textile fibres or filaments, but not containing wool, n.o.p.
- 561 Woven fabrics wholly or in part of synthetic textile fibres or filaments, not to contain wool, not including fabrics in chief part by weight of silk, n.o.p.
- 561a Fabrics, coated or impregnated, n.o.p.:—
(i) Composed wholly or in part of silk
(ii) Composed wholly or in part of synthetic textile fibres or filaments, but not containing silk.
- 562 Woven fabrics not exceeding twelve inches in width generally known as "ribbons", whether with cut pile or not, wholly or in part of silk but not containing wool.
- 562a Woven fabrics not exceeding twelve inches in width, generally known as "ribbons", whether with cut pile or not, wholly or in part of synthetic textile fibres or filaments, but not containing silk nor wool.
- 564 Woven fabrics, of a kind not made in Canada, wholly, or in chief part, by weight, of silk or of synthetic textile fibres or filaments, or both, imported in the web in lengths of not less than five yards each by manufacturers of neckties, scarves, or mufflers, for use exclusively in the manufacture of such articles in their own factories.
- 564a Irish poplin, composing wholly of silk and wool, not exceeding twenty-five inches in width, imported in the web in lengths of not less than five yards each, under such regulations as the Minister may prescribe, by manufacturers of neckties, scarves or mufflers, for use exclusively in the manufacture of such articles in their own factories.
- 565 Embroideries, lace, braids, cords, chenille, gimp, fringes and tassels, whether containing tinsel or not, nets, nettings and bobinet, n.o.p.
- 566 Plaited or braided lines and cords, non-elastic, whether of tubular or of solid construction, not exceeding one inch in circumference, wholly or in chief part by weight of vegetable fibres.
- 567 Clothing, wearing apparel and articles, made from woven fabrics and all textile manufactures, wholly or partially manufactured, n.o.p., of which silk is the component of chief value.
- 567a Clothing, wearing apparel and articles, made from woven fabrics and all textile manufactures, wholly or partially manufactured, n.o.p., of which the component of chief value is synthetic textile fibres or filaments.
- 568 Knitted garments, knitted underwear and knitted goods, n.o.p.
- 568a Socks and stockings:—
(i) of wool.
(ii) n.o.p.
- 569 (i) Hats, hoods and shapes of fur felt or of wool-and-fur felt, under such regulations as the Minister may prescribe.
- 569 (ii) Hats, hoods and shapes of wool felt.
- 569 (iii) Hoods and shapes, knitted, crocheted, plaited or woven in a single piece, and hoods and shapes of braid, not sewn, under such regulations as the Minister may prescribe.
- 569 (iv) Hoods and shapes, n.o.p.
- 569 (v) Hats, n.o.p.
- 569a (i) Berets of wool, knitted and fulled.
- 569a (ii) Caps, bonnets and berets, n.o.p., under such regulations as the Minister may prescribe.
- 569c Hat braids, of a class or kind not made in Canada, whether woven, knitted or plaited, not exceeding six inches in width, imported for use exclusively in the manufacture of hat bodies or shapes, but not for use in the ornamentation or trimming of such bodies or shapes, under regulations prescribed by the Minister.

<i>Tariff Item No.</i>	<i>Description</i>
569d	Woven fabrics, not exceeding two inches in width, made with unserrated selvages, generally known as single, double or four shot corded ribbon, imported by the manufacturers of men's hats for use exclusively in their own factories in making the bands for, or in binding the edges of, men's hats only.
570	Mats, door or carriage, other than metal, n.o.p.
571	Carpeting, rugs, mats and matting of straw, hemp, flax tow, jute or paper; carpet lining and stair pads.
571a (i)	Mats with cut pile, of cocoa fibre.
(ii)	Mats, n.o.p., rugs, carpeting and matting of cocoa fibre.
572	Oriental and imitation Oriental rugs or carpets and carpeting, carpets and rugs, n.o.p.
573	Enamelled carriage, floor, shelf and table oilcloth, linoleum, and cork matting or carpets.
574a	Webbing, with strands of rubber interwoven, or braided therein, not exceeding twelve inches in width, n.o.p.; round elastic braid.
576	Window shades, mounted on rollers.
578	Regalia, badges and belts of all kinds, n.o.p.
619a	Rubber clothing and clothing made from waterproofed cotton fabrics.
818	Woven fabrics, wholly of cotton, bleached, when imported by manufacturers of handkerchiefs, for use exclusively in the manufacture of handkerchiefs wholly of cotton, in their own factories.
844	Woven fabrics, wholly of cotton, when imported by manufacturers of cotton bags for use exclusively in the manufacture of cotton bags in their own factories.

Category 3—Leather and Rubber Goods—Quota Percentage 200 Per Cent

<i>Tariff Item No.</i>	<i>Description</i>
568b	Gloves and mitts of all kinds, n.o.p.
568c	Women's dress gloves of kid, elbow length.
604	Belting leather in butts or bends; and all leather further finished than tanned, n.o.p.
604a	Crust oil leather, for use in manufacturing chamois leather.
604b	Sole leather.
605	Leather produced from East India tanned kip, uncoloured or coloured other than black, when imported for use exclusively in lining boots and shoes; genuine reptile leathers.
605a	Genuine pig leathers and genuine Morocco leathers; so-called roller leathers.
606	Leather produced from East India tanned kip, n.o.p.
607	Leather, when imported by manufacturers of gloves or leather clothing, for use exclusively in manufacturing gloves or leather clothing, in their own factories.
607 Pt. 2	Leather, consisting of beef-cattle hides, horse-hides or sheep-skins, but not including suedes, Cabrettas, Spanish capes or African capes, when imported by manufacturers of gloves or leather clothing, for use exclusively in manufacturing gloves or leather clothing in their own factories.
607a	Leather, not further finished than tanned, in whole hides, in grains, or splits, when imported by manufacturers of upholstering leathers, for use exclusively in the manufacture of upholstering leathers, in their own factories.
608	Leather not further finished than tanned, and skins, n.o.p.
608a	East India kip leather, not further finished than tanned, for use in Canadian manufactures.
608b	Sheepskin and goatskin leather, not further finished than tanned, when imported by tanners for processing in their own factories.
611	Boots and shoes, pegged or wire fastened, with unstitched soles close edged.
611a	Boots, shoes, slippers and insoles of any material, n.o.p.
611b	Leather garments, lined or unlined.
617	Rubber boots and shoes.
622	Trunks, valises, hat boxes, carpet bags, tool bags, and baskets of all kinds, n.o.p.
623	Musical instrument cases and fancy cases or boxes of all kinds, portfolios and fancy writing desks, satchels, reticules, card cases, purses, pocket-books, fly books and parts thereof.

Category 4—Miscellaneous—Quota percentage 200 Per Cent

<i>Tariff Item No.</i>	<i>Description</i>
326e	Articles of glass, not plate or sheet, designed to be cut or mounted; articles of glassware, when imported by manufacturers of silverware to be used in receptacles made of or electro-plated with precious metals or to be equipped with tops made of or electro-plated with precious metals, in their own factories.
366	Watches of all kinds.
366a	Watch actions and movements, finished or unfinished.
367	Watch cases, and parts thereof, finished or unfinished.
368	Clocks, time recorders, clock movements, clockwork mechanisms, and clock cases.
429	Cutlery of iron or steel, plated or not:— (a) Knife blades or blanks, and table forks of iron or steel, in the rough, not handled, ground nor otherwise manufactured; spoon blanks of iron or steel, not further manufactured than stamped to shape; blanks, of iron or steel, for scissors and shears, in the rough, not ground nor otherwise manufactured. (b) Table knives and table forks. (c) Penknives, jack-knives and pocket knives of all kinds. (d) Knives, n.o.p. (e) Spoons. (f) Scissors and shears, n.o.p. (g) Razor blades; razors and complete parts thereof.
440j	Trawls, trawling spoons, fly hooks, sinkers, swivels, sportsmen's fishing reels, bait, hooks, and fishing tackle, n.o.p.
441	Guns, rifles, including air guns and air rifles not being toys; muskets, cannons, pistols, revolvers, or other firearms, n.o.p.; cartridge cases, cartridges, primers, percussion caps, wads or other ammunition, n.o.p.; bayonets, swords, fencing foils and masks; gun or pistol covers or cases, game bags, loading tools and cartridge belts of any material.
441e	Guns and rifles of a class or kind not made in Canada.
450	Skates of all kinds, roller or other, and parts thereof.
511	Walking sticks and walking canes, of all kinds; golf clubs and finished parts thereof; skis; racquets and racquet frames and baseball bats; balls of all kinds for use in sports, games or athletics, n.o.p.
511b	Fishing rods.
518	Billiard tables, with or without pockets, and bagatelle and other game tables or boards, cues, balls, cue-racks and cue-tips.
624a	(i) Dolls; toys of all kinds, n.o.p. (ii) Mechanical toys of metal. (iii) Juvenile construction sets of metal or rubber, consisting of various stampings, punched or moulded, and connections therefor; parts of the foregoing.
656	Tobacco pipes of all kinds, pipe mounts, cigar and cigarette cases, cigar and cigarette holders, and cases for the same, smokers' sets and cases therefor, and tobacco pouches.

United Kingdom Budget Proposes Increased Duties

LONDON, November 13, 1947—(FTS)—The United Kingdom Budget introduced November 13 proposes the following increases in import duties: Whisky and other spirits by £1. 13s. 4d. per proof gallon; heavy wines by 10s. per gallon; light wines by 5s. per gallon; beer by 19s. 1½d. per 36 gallons. The increased duties become effective November 13.

From the same date, rates of purchase tax (except on motor cars) have been increased as follows: Rates of 16¾ per cent become 33¼ per cent; 33¼ per cent becomes 50 per cent; 66¾ per cent becomes 75 per cent; and 100 per cent becomes 125 per cent. Purchase tax applies on imports as well as on United Kingdom products.

Minister of Trade and Commerce Concludes Two-Month Mission

Hon. James A. MacKinnon covered 25,000 miles during official visit to Belgian Congo, South Africa, Southern Rhodesia, Egypt, Greece, Italy and Portugal—Presence of industrialists on mission, at own expense, commended—Members attended forty-nine functions, at which one or more addresses were delivered.

HON. James A. MacKinnon, Minister of Trade and Commerce, returned to Ottawa on November 12, bringing to an end the goodwill mission that enabled him to discuss matters of commercial concern with government officials, leading businessmen and many other nationals of eleven countries with a desire for friendship with Canada. During the short space of eight weeks, he travelled over 25,000 miles, of which more than 20,000 were covered by air. As head of the Canadian Trade Mission to South Africa, the Minister left New York on September 16 for Brussels, continuing thence by air to Leopoldville, in the Belgian Congo, where he was reunited with other members of the mission who had been delayed four days by a hurricane blowing up from the Caribbean. This was the only interruption of the program, planned over a period of months in conjunction with trade commissioners in the various countries to be visited.

Although Johannesburg was the immediate destination of the mission, and a stay of three weeks was arranged in the Union, official visits were made to the Belgian Congo, Southern Rhodesia, Egypt, Greece, Italy and Portugal. The initial delay in New York involved cancellation of a visit to Brazzaville, in French Equatorial Africa, and curtailment of the program in Leopoldville. Several members of the mission inspected the groundnut development in Kenya and Tanganyika, and the Minister continued from Lisbon to Paris and London with his secretary, Don W. Thomson, and George R. Heasman, Director of the Trade Commissioner Service.

Forty-nine Official Functions Attended

As explained by the Hon. Mr. MacKinnon on his return, members of the mission attended forty-nine official luncheons, dinners and receptions, at which one or more addresses were delivered by its members, some of which were in French. The mission worked as a unit and with great unanimity, he said. While government officials were conferring with government officials, the industrialists on the mission were discussing ways and means of expanding trade with leading businessmen in the various countries visited. All met with members of chambers of industries and chambers of commerce. Opinions were exchanged with personnel of tariff advisory committees, and helpful round table discussions were held.

The Hon. Mr. MacKinnon paid tribute to the Canadian businessmen who, at their own expense, accompanied the mission, and explained this was the first occasion on which a Canadian trade mission had consisted of government officials and businessmen, a fact that contributed materially to the success of the tour. Unlike most delegations that go abroad, this was the first time that emphasis was laid on Canada's desire to assist foreign exporters to sell their products in Canada, rather than to concentrate only on assisting Canadian exporters to sell their merchandise. "This attitude on our part was the more appreciated by the many countries visited,

because in many cases we have a balance of trade in our favour which is almost embarrassing", the Hon. Mr. MacKinnon said. "Never before have I been so impressed by the need of Canada to buy more from the countries who buy so much from us, especially those of the British Commonwealth. We must realize that, by so doing, we indirectly assist and strengthen the United Kingdom in her present financial difficulties and, of course, help ourselves.

"It is difficult to single out any particular country for comment. We were impressed with opportunities for trade development in the Belgian Congo, especially in foodstuffs. We found Greece mainly anxious for a long period of peace in order to re-establish her economy, while Italian production was showing a good upward trend. Portugal, although imposing import controls, appeared to be in a very strong financial position, and is a country with which we believe further trade can be developed, both ways. The Egyptian situation needs our closest attention."

Canadian Commodities in Demand

"Everywhere we found pressure for Canadian newsprint and wheat and generally a demand for western flour and cereal foods. We had many enquiries for canned salmon and western lumber. Dried fish, canned fish and potatoes would all have a ready sale in Mediterranean countries, while from all countries visited we had requests for a variety of manufactured goods, especially steel products.

"With the reimposition and extension of import licensing in the British colonies and many other countries, it is of course difficult to say at this time what the effect will be on these countries—or for that matter on our own Canadian export trade. The Union of South Africa, with its exports based largely on gold, is in a particularly sound position. The country, however, is going ahead with the development of secondary industries, but in a sound manner. We found that South Africa, Southern Rhodesia, and other countries were very anxious to encourage local investment of Canadian capital and the establishment of Canadian branch plants.

"I was much impressed with South Africa's use of her coal deposits. For example, the Union is developing her steel industry in close proximity to her coalfields. One huge electric power project has been constructed directly over a coal mine. I could not help thinking how my own province of Alberta might well study and apply this policy.

"Everywhere the Mission travelled, whether it was in the British Commonwealth of Nations, the Belgian Congo or in Egypt, Greece, Italy or Portugal, we were so cordially received that there is no doubt that Canada is held in the highest regard. Officials and businessmen alike were impressed by the fact that we are honestly trying to assist them in developing a market in Canada for their products, as well as trying to assist our own exporters. We were everywhere extended the greatest possible courtesy, and we believe that in strengthening the economy of these countries we place them in a position to increase their purchases from Canada."

Summary of Observations

Summarizing his observations, the Minister said: "We tried to convey to officials and businessmen of the countries visited just how much we appreciated past business, and left a desire on their part to place even larger orders in Canada. In fact, many millions of dollars of business for Canadian industry has definitely been arranged during the course of the mission.

"In British Empire countries, we were able to convey some idea of our own dollar difficulties and to impress both officials and the business community alike with the extent of the aid which we in Canada had already given and which we are still giving in one form or another to the United Kingdom.

"We were able to show, by trying to assist their exports, that we appreciated their own particular adverse balance of trade, and that we were really anxious to do everything possible to bring our trade into closer balance.

"We were able to draw attention to the Canadian International Trade Fair to be held in Toronto next summer, and received many indications and promises that buyers and exhibitors would attend.

"If the extent of the mission's success can be judged even in only a small measure by the reception we received in all countries, especially in the Union of South Africa, I can only say that the visit was definitely overdue. The goodwill resulting will be remembered for many years, and I am sure will have a most beneficial effect on our trading relations in the future."

Readjustment Continues in South Africa, But Improvement Seen

Industrial activity maintained at high level, and index of employment in secondary industries higher—Satisfactory returns received for wool and fruit exported—Sale of luxury products declines—Public expects prewar standards of price and quality—National exhibition and beauty contest popular.

By S. V. Allen, Commercial Secretary for Canada

CAPE TOWN, October 31, 1947:—Although readjustment trends affecting South African business during the first four months of the year were still apparent at the end of August, there are signs of improvement, particularly in certain phases of the domestic economy. While it is too soon to judge how far the temporary deflationary trend of the earlier part of the year has been arrested, there are grounds for belief that general business conditions will not become appreciably worse. The period of readjustment, particularly in the distribution trades, is expected to continue into 1948.

Industrial activity has been well maintained at a high level, particularly in engineering trades, and the employment situation has shown little deterioration, except in the furniture, footwear and clothing trades. The official overall index of employment in secondary industries has shown a steady increase during the first six months of this year. At the end of June, it stood at 1,441 for European (white) labour, as compared with 1,392 for December, 1946, and at 2,180 for non-European labour, as compared with 2,128 at the end of last year. (Base: 1935 Average 1,000). Building activity has been limited only by labour and material shortages and by a protracted strike in Transvaal cities.

The establishment of new industries and the increase of capital in existing concerns during the first seven months of the year showed only a relatively slight proportionate decline from the record levels of 1946. The Union of South Africa continues to attract many United Kingdom and other overseas manufacturers. Immigration from the United Kingdom



Cape Town—Table mountain towers over the legislative capital of South Africa, in which members of the Canadian Trade Mission held discussions with government officials and leading businessmen during their visit to the Union last September.

Photo by South African Railways and Harbours

and Europe, with special priority for skilled labour required by local industry, will soon reach the rate of approximately 2,000 persons every six weeks.

Prices for Wool and Fruits Satisfactory

Although shortages of bags, agricultural implements and fertilizers still adversely affect the farming community, prices received for shipments of wool and fruits overseas, and for produce sold domestically, have been extremely satisfactory. In spite of the usual extreme droughts in some areas, the overall crop outlook for maize and wheat is better than this time last year.

Bank deposits, which reached the peak figure of £350 million in August, 1946, and dropped to £337 million in March of this year, again increased to £348 million by July. Loans, discounts and cash reserves of the commercial banks have shown corresponding increases over the same period, while the South African Reserve Bank's portfolio of gold and foreign bills showed appreciable increases from June onwards. South Africa so far has not been adversely affected by the sterling area's dollar problem. Exports have continued at a healthy pace and no restrictions have been imposed on imports from dollar and other non-sterling areas, although much speculative newspaper and other comment has appeared on the subject.

Consumer Purchasing Power Declines

Increasing prices abroad, affecting the renewal and purchase of new industrial plant for factories, have been disappointing while consumer purchasing power has declined further. This has rendered the sale of luxury products in particular more difficult. Off-loading at sacrifice wholesale prices well below landed costs has continued in many lines, and importers have refused to confirm indents until their old stocks have been disposed of. This practice does not yet appear to have appreciably affected prices at the retail level. There seems to be a tendency on the part of the retail trade to await the outcome of Christmas buying, but many observers believe the consumer will benefit from lower prices on many items after the New Year.

Radio sets, wearing apparel and hosiery, toys and baby carriages, and certain imported foodstuffs are some of the lines which are not selling well, and which appear to have been overbought by importers. Competition is keen in most luxury lines, with the buying public expecting prewar standards of price and quality. On the other hand, there are still shortages of good quality textiles, building materials, especially electrical fittings, piping, plumbing and hardware; agricultural implements and supplies, including fertilizer, structural and sheet steel, and automobiles of American or Canadian design.

Wide Range and Selection of Goods in Stores

Visitors to South Africa are favourably impressed by the wide range and choice of goods available in shops, and not as readily obtainable in Australia and New Zealand. As a result of heavy imports in 1946 and early 1947, and improved agricultural conditions affecting the supply of local foodstuffs, the position of consumer goods is better than at this time last year, when rationing of foods was seriously considered.

Sugar crop conditions and the local production of vegetable and fish oils for soap and margarine (produced for lower income groups and sold recently for the first time in South Africa), and a well-maintained if not wholly adequate level of production in dairy products, have improved the supply picture. Meat supplies are spotty and are still subject to control at the trade level. Local wheat supplies, however, will have to be augmented by imports before the new crop becomes available. Supplies of about 6,600,000 bushels have been sought overseas, but receipts to the end of August were reported as only 309,000 bushels of wheat and 11,000 bags of flour. As a result, bakery quotas for wheat flour have been reduced by 10 per cent, and bread sales accordingly. No change in the legal flour extraction rate of 95 per cent has been permitted and white bread is still unobtainable.

The Minister of Economic Development warned the public in a recent speech that gasoline rationing was possible if consumption showed no falling off to the level set by the tanker tonnage available to transport supplies from the Persian Gulf.

National Exhibition and Beauty Contest Popular

The South African Federation of Industries held its first national exhibition at Durban of South African manufactured products in September. It is expected this will become an annual affair. A national beauty contest, backed by enthusiastic press support for the local candidates from various cities, greatly stimulated interest in this first concerted effort to educate and guide the public in their purchase of South African goods. Local chambers of commerce held window-dressing contests in support of the campaign, which concentrated on the display and sale of products of local manufacture. Prior to the Durban show, a similar and more local exhibition, the eighth of its kind, was held by the Northern Transvaal Chamber of Industries. A further move to overcome the consumer prejudice against some South African goods has been made by the Bureau of Standards. In co-operation with private industry, it is hoped to establish standards for the production and sale of selected consumer goods, which will engender confidence in articles made in this country. Also encouraged by the success of the recent campaign, an intensive drive will be launched by the Federated Chamber of Industries to publicize the range and quality of South African manufactures. Imported items, which in the past have benefited by the prejudice against competing South African goods, will have to depend more on quality and price than hitherto to retain their place in this market.

Britain Made Large Purchases in Canada During Six Months

Dominion was principal source of supply in first half of 1947 for oats, poultry, shell eggs, aluminum and copper ore—Reductions sustained by sixteen main commodities, including flour, meat, cheese, condensed milk, asbestos, furs and machinery.

By A. E. Bryan, Commercial Counsellor for Canada

LONDON, October 1, 1947.—British imports from Canada of nineteen leading commodities were larger during the first six months of the current calendar year than in the corresponding period of 1946. On the other hand, these increases were offset to some degree by a reduction in the value of sixteen other commodities purchased from Canada by the United Kingdom. Canada was the principal source of supply during the period under review for oats, poultry, shell eggs, copper ore, of which practically the entire supply was obtained from the Dominion; and aluminum, all of which was obtained from Canada. Despite the cut of 30 per cent in tobacco imports, purchases from Canada were not affected, nearly 19,000,000 pounds having been imported, which is more than twice the amount purchased during the first half of 1946. Deliveries by the United States were reduced by 44 per cent. Other products of which Great Britain obtained substantial quantities from Canada are: newsprint, beans, apples, canned salmon, timber, seeds for sowing, manufactured goods, unwrought nickel and zinc, cutlery, hardware, chemicals and leather.

Reductions in imports from Canada were recorded for flour, meat, both fresh and frozen; bacon, hams, cheese, condensed milk, asbestos, furs, machinery, electrical goods and apparatus, footwear, kraft paper, unwrought electrolytic copper and paper-making materials. Lead imports from Canada declined, but there was a 25 per cent increase in purchases from Australia.

Grain and Flour.—Total imports of wheat during the six months were 43,037,726 cwts., compared with 36,237,687 cwts., in the corresponding period of 1946 and 50,813,178 cwts. in 1938. Shipments from Canada amounted to 35,196,895 cwts., practically the same as last year and more than double the quantity in 1938. The rapidly mounting cost of wheat imports is reflected in the values: £47,020,460 this year, £33,405,335 last year and £19,313,778 in the first six months of 1938. Deliveries of oats by Canada have been on a much heavier scale, namely 1,590,865 cwts. out of a total of 1,740,865 cwts. Last year's arrivals from all sources were only 525,644 cwts. and Canada's share was 114,965 cwts.

Aggregate purchases from abroad of beans were 471,638 cwts., 50 per cent more than in the first half of 1946. The main supplier was the United States, with 316,501 cwts. Canada provided 57,563 cwts., against none in 1946 and 127,206 cwts. in the first six months of 1938.

The main feature of the flour trade has been the growth of imports from the United States, from 317,052 cwts. to 2,047,022 cwts. between January and June, 1947. There was also an advance in imports from Australia to 669,343 cwts., from 59,307 cwts. in 1946. Imports from Canada declined slightly to 5,957,051 cwts., which was more than three times the corresponding figure for 1938. Expenditures of foreign exchange on flour reached £13,214,363 in the six months under review. In the same period in 1938 the cost was £1,989,996, although the quantity involved in that year was less than half the total imports this year.

Meat.—Imports of frozen beef (fore and hind quarters, including cuts with bone), at 2,291,654 cwts., were practically unchanged as compared with the first six months of 1946, but there were substantial variations in the sources of supply. Purchases from Argentina increased by 75 per cent to 1,421,063 cwts., and imports from Australia (336,630 cwts.) more than doubled. Deliveries from Canada, however, dropped to 158,562 cwts. from 629,923 cwts.

In boned and boneless frozen beef, the tendencies were the same. Canada's contribution (102,159 cwts.) was less than half that for 1946, while the Argentine supplied 1,200,047 cwts., nearly twice the amount recorded in the first half of 1946.

Gross importations of bacon amounted to 1,533,685 cwts. in the six months, which was 25 per cent less than in 1946 and less than half the 1938 level. Canadian supplies (1,126,942 cwts.) fell away by some 30 per cent, as compared with last year. On the other hand, Denmark increased her contribution by 47,919 cwts. to 404,221 cwts., although this latter quantity was only a quarter the rate of prewar Danish trade.

United Kingdom imports of hams have been heavily cut. They amounted only to 1,865 cwts. in the six months, compared with a figure of 332,162 cwts. in the 1938 half year. Consignments from Canada were 1,459 cwts.

Chilled or frozen pork imports shrank to 156,748 cwts. from 1,179,143 cwts. in 1946. There were no imports credited to Canada in the half year, although in the first six months of 1946 deliveries from Canada were 75,565 cwts.

To offset these reductions, there was a jump in imports of dead poultry to 269,568 cwts., from 47,870 cwts. The trade was somewhat evenly distributed among a number of countries, Canada being the largest supplier, with 72,394 cwts.

Dairy Produce.—Compared with last year, there was a 14 per cent fall in total importations of cheese, which amounted to 1,878,847 cwts. between January and June. New Zealand was the chief supplier, with 1,080,021 cwts. Canadian shipments were of a much smaller order than normally, amounting to only 7,896 cwts., against 218,623 cwts. in 1946. The United States sent 512,144 cwts.

As regards shell eggs, Canada made a much better showing, increasing her consignments to 30,094 thousand dozen, which represented an increase of 30 per cent. Denmark was responsible for 16,769 thousand dozen, and this was more than twice the 1946 quantity. The total landings were 68,504 thousand dozen, valued at £7,649,429.

On the other hand, the Canadian dried egg trade ceased. In the first half of 1946, it was 28,571 cwts. Of the aggregate imports of 214,648 cwts. this year the United States provided 197,898 cwts.

There was a marked increase in imports of condensed milk (unsweetened), imports during the six months (495,072 cwts.) comparing with 77,272 cwts. in the previous year. The United States furnished practically the whole of this increase, but Canadian imports declined by some 10 per cent to 34,068 cwts.

Fruit.—In accordance with the existing policy of the Ministry of Food of adding variety to the diet, the volume of imports of fresh fruit and vegetables during the first six months of 1947 was expanded to 17,604,235 cwts., against 6,716,152 cwts. in the previous year, and 21,158,771 cwts. in the 1938 half year.

Reviewing the various items, it is seen that imports of fresh apples (1,331,818 cwts.) are nearly four times as high as a year ago. Consignments from Canada (663,746 cwts.) showed the same proportionate increase, while the United States shipped 592,955 cwts. against none between January and June, 1946.

Fish.—In the 1938 half year, the United Kingdom imported 817,692 cwts. of fresh or frozen fish. During the war, when home fishing operations were suspended, imports had to be developed. In the January to June period this year, imports were 2,165,205 cwts., a decline of some 20 per cent, compared with a year ago. Imports are, therefore, still proceeding on a very much higher level than prewar.

Canned salmon retains its popularity among the canned foods consumed in this country. While the Soviet Union and Japan contributed nearly 350,000 cwts. of the total imports of 575,914 cwts. in the first half of 1938, total imports were well sustained at 521,317 cwts., in the corresponding period of 1947, due entirely to bigger supplies from Canada and the United States. Canada sent 164,955 cwts. and the United States 356,358 cwts., thus making good the deficiency. Canned salmon from the Soviet Union is expected to reappear soon in the United Kingdom market, following recent purchases of 750,000 cases by the Ministry of Food.

The United Kingdom is beginning to receive substantial quantities of canned tomatoes from Italy, which shipped in 114,475 cwts. of a total of 161,168 cwts., against no Italian imports at all in 1946. Canadian supplies were only 24,646 cwts. this year, less than a quarter of the first half year's shipment in 1946.

Tobacco.—The United Kingdom Government's decision to reduce imports singled out tobacco as the first item to be cut. The results are already evident. The total quantity of tobacco of all kinds brought in during the six months was 149,566,752 pounds, which was 30 per cent less than last year. The United States tobacco deliveries were down by 44 per cent. The Canadian trade was not affected. On the contrary, imports amounted to 18,934,011 pounds, which was more than twice the quantity recorded in the first half of 1946.

Asbestos.—The tonnage of raw asbestos reaching the United Kingdom from all countries between January and June was 29,636 tons, a rise of 26 per cent. Imports from Southern Rhodesia went up substantially, but purchases from Canada dropped by some 20 per cent to 9,186 tons.

Copper Ore.—Copper ore imports, which originated almost entirely in Canada, were recorded at 11,831 tons, a rise of some 78 per cent, compared with last year.

Wood and Timber.—It is gratifying to report that Canadian exports to the United Kingdom of almost all categories of timber have improved. Before the war, the United Kingdom drew a large proportion of its timber requirements from the Baltic countries. Many factors have contributed to prevent the early recovery of these imports to the extent which the situation demands. The value of the Canadian effort to assist the United Kingdom in its reconstruction plans by providing the maximum quantity of lumber available is generally recognized. Wood is a raw material of the highest priority and its use in this country is carefully restricted to the more essential purposes.

United Kingdom Lumber Imports

	1946		1947	
	Total	From Canada	Total	From Canada
Wood and Timber				
Hewn hardwood other than mahogany (thous. cub. ft.)	1,742	228	3,571	569
Sawn hardwood other than mahogany (thous. cub. ft.)	1,836	614	3,401	737
Softwood, sawn (standards)	247,113	152,545	299,141	152,884
Softwood, planed or dressed (standards)	17,883	12,235	17,731	13,148
Boxboards (standards)	12,972	2,983	13,425	2,388
Pitprops (piled cub. fathoms)	108,656	59,431	159,974	56,244
Sleepers (standards)	11,573	11,368	19,711	15,185
Veneers (cwts.)	162,850	104,569	258,637	137,306
Plywood (cub. ft.)	4,537,425	1,900,498	4,352,923	1,501,758

United Kingdom Exports to Canada

THE following table provides some indication of the value of British exports to Canada during the first six months of the current calendar year, compared with corresponding figures for 1946. The statistics also indicate the proportion of the total exports being shipped to Canada, according to their different categories. The general upward trend is maintained.

Commodity	January to June			
	1946 Total	1946 To Canada	1947 Total	1947 To Canada
Beverages and cocoa preparations	£ 8,632,797	£ 431,185	£ 7,526,808	£ 461,420
Coal	4,872,779	18,650	1,113,053	38,002
Pottery, glass abrasives, etc.	12,742,531	1,232,511	14,973,038	1,598,001
Iron and steel and manufactures	39,969,728	268,012	38,956,647	404,635
Non-ferrous metals and manufactures	18,164,240	736,001	18,011,882	219,575
Cutlery, hardware, implements and instruments	11,336,756	237,106	15,811,681	452,198
Electrical goods and apparatus	16,239,511	84,607	21,054,463	192,750
Machinery	46,472,412	849,499	81,336,378	1,507,911
Cotton yarns, grey, unbleached	1,477,079	483,306	1,788,539	520,325
Cotton yarns, bleached and dyed	386,376	45,403	382,092	33,211
Cotton woven piece-goods	19,573,345	171,400	23,005,135	387,324
Woollen and worsted yarns and manufactures	20,556,171	3,191,143	24,727,833	4,048,819
Silk and artificial silk yarns and manufactures	13,051,980	814,976	14,064,955	1,069,693
Other textile materials	9,308,360	894,636	13,927,932	1,435,358
Apparel	10,362,370	353,301	16,969,372	1,008,806
Footwear	1,467,624	6,883	3,219,194	85,288
Chemicals, drugs, dyes and colours	31,695,027	557,579	30,974,632	653,328
Leather and manufactures	2,416,196	173,562	3,301,713	300,955
Paper, cardboard, etc.	6,030,509	86,154	7,989,906	156,463
Vehicles (including locomotives, ships and aircraft)	44,103,353	585,235	71,618,316	1,112,303
Printed books	1,663,164	75,963	2,070,322	93,794
Toys	520,089	40,043	1,180,555	178,180

Assistance Rendered Importers of United Kingdom Goods

By Import Division, Foreign Trade Service

The Import Division of the Foreign Trade Service, in conjunction with Canadian Trade Commissioners in the United Kingdom, has made an extensive survey of the present demand in Canada for British exports. Reports have also been obtained from London of improving supply conditions to meet some requirements of this market.

While the survey discloses many difficulties in the way of the return to even a prewar pattern of imports from Britain, the findings are more encouraging than at any previous time since the end of the war. An announcement of Britain's determination to increase dollar receipts from

exports is occurring simultaneously with some advances in the prices which Canadian business is prepared to pay. Previously, the exceptional level of demand in Canada had been faced with lower prices and quicker deliveries from hard currency sources and there is good reason to believe that inflated prices in soft currency markets have drawn offers of business away from Canada.

It is recognized that, in placement of orders for materials and equipment, many Canadian firms have been hesitant to rely on United Kingdom supplies due to the length of British order books. In some cases they have shown distrust of the immediate possibilities of the tracing of export priorities through all the intricacies of raw material allocations to contracts and sub-contracts under the United Kingdom's extensive industrial controls. This appears particularly true where complex equipment is concerned.

In this connection it may be important to note that Canadian Trade Commissioners in the United Kingdom have worked in close co-operation with the British Board of Trade officials and with industry. Some worthwhile results in expediting deliveries have been achieved.

Many such cases have been brought to the attention of the Import Division and dealt with through the trade commissioners. Reassurance on delivery possibilities is known to be of the utmost importance to many Canadian firms with orders placed in the United Kingdom under current general business conditions. A wider knowledge of the availability of this service may be advantageous.

Cuba Changes Price Control Method on Imported Flour to Cost-Plus Basis

System of rigid ceiling prices for imported flour changed to cost-plus basis—Importers now able to sell flour at prices based on delivered cost—Retail price of bread to be adjusted from time to time.

By R. G. C. Smith, Commercial Secretary, Canadian Legation

HAVANA, October 28, 1947.—A recent decree issued by the Cuban Government changes the method of price control for imported flour from a system of rigid ceiling prices to a cost-plus basis. In *Foreign Trade* of September 6, 1947, reference was made to the withdrawal of subsidies on imported flour, with the continuance of the system of ceiling prices, then set at \$19.20 per bag of 200 pounds of any flour on sale from the importer to the baker or dealer. With the continued rise in the price of flour, this ceiling price could not be maintained for No. 1 patent (although it was renewed in September), and a decree has just been issued removing ceiling prices and substituting a cost-plus arrangement. Under this decree, as from November 1, importers will be able to sell flour at prices based on the delivered cost to them (i.e., cost, freight, insurance, customs duties, internal taxes, monetary taxes, etc.) plus 10 per cent of that cost. Similarly, dealers in the interior may include all handling charges on this flour to their warehouse before calculating the 10 per cent.

Minister of Commerce Authorized to Adjust Retail Price of Bread

In order to cope with the higher cost of flour, the Minister of Commerce is authorized to adjust the retail price of bread from time to time. It is to be expected that an increase over the prices now in effect (18 cents per one-pound loaf, delivered at the house), will be announced shortly. It is to be noted that the c.i.f. price of No. 1 patent flour is now between

\$19 and \$20 per 200-pound bag, which is a considerable advance over the price of \$15.60 on which current bread prices were based. There is probably sufficient flour on the market for two and a half to three months' consumption, but most of this is of soft winter wheat. Until bread prices are increased, it is difficult to see how any baker could afford to use spring wheat flour, which is greatly preferred.

Committee Established to Assist Minister

In order to assist the Minister in the control of the flour and bread trade, a committee has been established, made up of the following: The director of food supply of the Ministry of Commerce; the chief of the price division of the aforementioned section; a delegate from the National Association of Foreign Commission Agents; a delegate of the Cuban Produce Exchange; a delegate of the Association of Industrial Bakers of Havana; and a delegate from the Provincial Union of Bakery Workers.

Many Countries Derive Large Part of Income from External Trade

New Zealand heads list with percentage of eighty—Canada equal with United Kingdom, with percentage of thirty-one—Formulae evolved for determining number of votes at conference of International Trade Organization to be considered at Havana.

CLAIMS by Canada that one-third of her national income is derived from foreign trade are substantiated by figures set forth in an appendix to the draft charter for the International Trade Organization of the United Nations. This document was approved on August 22, 1947, at Geneva, Switzerland, by the Preparatory Committee of the United Nations Conference on Trade and Employment, consisting of representatives of seventeen nations, and will form the basis of discussions at the conference that opened yesterday in Havana, Cuba.

The criterion formerly used in estimating the relative dependence of this and other countries on foreign trade was either the value of their trade per capita or the ratio that their external trade bore to total trade. As a result of recent improvements in the compilation of national statistics, a new method of estimating the degree of any country's dependence on external trade has taken the form of finding the ratio of their external trade figures to the national income figures.

The appendix to the draft charter, which contains a wide range of comparisons set forth in part below, also indicates the formulae to be considered at the Havana Conference as alternative bases for establishing the voting power for each member country of the International Trade Organization. It was felt that, in any method of vote allocation, some weight should be given to the participation by each country in external trade. Accordingly, a table was compiled to show for each country the relation between the value of its external trade and the total of its national income. The external trade figures used in this compilation are for 1937, whereas the national income figures are those for 1940, with the result that the ratio is not as reliable as if all the figures related to a normal, prewar year.

Some indication of the labour involved in determining the number of votes that should be allocated to each member is shown by Formula "A", on which the subsequent table is based, as follows:

- (a) One vote for every 10 millions of population.
- (b) One vote for every 50 million U.S. dollars of external trade.
- (c) One vote for every 500 million U.S. dollars of national income.
- (d) One vote for every 10 per cent of the percentage of external trade to national income.
- (e) 100 basic votes.

Although sixty-six countries are listed in the table to which reference is made, the external trade or national income figures for twenty-one were not available. The forty-five countries named below are listed according to the percentage of their external trade to their national income. It will be noted that New Zealand heads the list, with a percentage of eighty, followed by Cuba, Belgium and her Colonies, Finland and Chile. Canada is equal with the United Kingdom and her Colonies, with a percentage of thirty-one, while the United States is near the bottom of the list, with a percentage of only eight.

Percentage of Trade to National Income

Country	Population (latest (available) Millions	External trade 1937 \$ million	National income 1940 \$ million	Percentage of trade to income Per cent
New Zealand	2	482	600	80
Cuba	5	315	420	75
Belgium and Colonies.....	19	1,748	2,350	74
Finland	4	404	559	72
Chile	5	283	400	71
Norway	3	523	750	70
Union of South Africa.....	11	684	1,000	68
Netherlands and Colonies ...	80	2,284	3,500	65
Panama	1	26	40	65
Ceylon	6	205	375	55
Denmark	4	730	1,511	48
Costa Rica	1	23	50	46
Southern Rhodesia	1.8	67	150	45
Argentina	14	1,239	2,800	44
Paraguay	1	17	40	43
Bolivia	4	65	160	41
Honduras	1	20	50	40
Sweden	7	1,050	2,900	36
Peru	7	151	450	34
Australia	7	1,090	3,200	34
Salvador	2	26	80	33
United Kingdom and Colonies	106	8,115	26,400	31
CANADA	12	1,824	5,800	31
Mexico	22	423	1,400	30
Switzerland	4	706	2,400	29
Uruguay	2	100	340	29
Egypt	17	393	1,400	28
Venezuela	4	332	120	28
Brazil	45	677	2,500	27
Czechoslovakia	14	800	3,000	27
Italy	46	1,299	4,800	27
Colombia	10	182	700	26
Nicaragua	1	13	50	26
Guatemala	3	37	160	23
Greece	8	224	1,000	22
Ecuador	3	27	130	21
France and Colonies.....	106	2,306	11,300	20
Yugoslavia	16	263	1,500	18
Bulgaria	7	124	805	15
Haiti	3	18	130	14
India (before partition).....	419	1,369	9,600	14
Poland	24	463	4,000	12
United States of America....	142	6,379	77,800	8
China	455	535	12,000	4
U.S.S.R.	193	817	32,000	3

In any analysis of the above figures, consideration should be given to the fact that the national income figure for Belgium, the Netherlands, Norway and some other countries was below normal in 1940. There is a second group of countries, such as Cuba, Chile and South Africa, in which the standard of living of the mass of the people is very low. Although the value of their foreign trade is relatively high, it bears an abnormally high ratio to the total national income.

Chinese Export-Import Board to Dispose of Unlicensed Imports

Accumulation of goods in Chinese bonded warehouses for which import licences were not secured prior to shipment unofficially estimated at between U.S.\$40 million and U.S.\$70 million—Procedure for disposal of all such goods at present in China or en route outlined.

By L. M. Cosgrave, Commercial Counsellor for Canada

SHANGHAI, October 21, 1947.—Since the establishment of import controls by the Chinese Government on November 17, 1946, one of the major problems has been the accumulation in Chinese bonded warehouses of imported goods for which import licences were not secured prior to shipment but which have continued arriving in the hope that licences would be made available in due course. These goods were mostly financed by China importers with their own overseas exchange and, although no official figures are available, it is variously estimated that goods now in bond are worth between U.S.\$40 million and \$70 million, consisting mainly of machinery, newsprint, fertilizers, medicines, aluminium and raw materials.

As a result of the growing congestion in Customs warehouses, caused by the continued arrival of these unlicensed goods, a number of higher-level meetings have been held during the past two months to decide their disposition. Rumours were current that all shipments of this nature would be subject to confiscation or, alternatively, extremely heavy fines and increased customs duties. However, under date of August 21 the Export-Import Board issued the following official notification:

Importers Must Obtain Licences before Ordering Goods

In accordance with Article 9 of the Foreign Trade Regulations, importers are strictly forbidden to enter into purchase contracts or make shipments of any goods from abroad prior to their obtaining import licences. In the case of shipments made in violation of the above-mentioned regulation, arriving at any port in China after August 17, 1947, consignees shall not be permitted to take delivery; or alternatively they may be bought over by the government at a price fixed by the government in accordance with the official rate of exchange. In addition, in the case of the consignees of the shipments being registered importers or manufacturers as approved by the Board, their registration shall be cancelled.

For those goods having no import licence but which arrived in any port in China before August 16, 1947, and those goods having no import licence but shipment of which can be proved en route before August 16, 1947, consignees of such goods should register with the Registration Office of the Secretariat of the Board. Those consignees who have already applied for licence to import goods of such nature at the Import Quota



Shanghai—Wharf in front of the Customs House, one of the many fine buildings on The Bund, others in this photograph including the North China Daily News, Chartered Bank, Palace Hotel, Cathay Hotel and the tall Bank of China Building.

Photo by Paul Ettisheff

Allocation Department or Non-Quota Import Examination Department should withdraw their applications. The period of the said registration shall expire on August 31, 1947. Rulings regarding the disposition of such goods thus registered will be announced by the Board at a later date.

Thousands of Applications Registered with Export-Import Board

Since the date of this notification, thousands of applications have been registered with the Export-Import Board by individuals as well as organizations for importation of goods already paid for and arrived in harbour or en route to China prior to August 16 without licence. Following a further examination of such registrations, the Export-Import Board have now issued details of procedure for disposal of all unlicensed imports at present in China or en route, as follows:

Disposal Procedure for all Unlicensed Goods

1. The following rules apply to goods not on the Prohibited List that have been shipped without licence and paid for in foreign exchange, already arrived or shipped from abroad before August 16, 1947, and duly registered with the Export-Import Board. Similar goods shipped from abroad between August 16 and September 30 may also be registered upon production of documentary evidence.

Scrip Issued to Pay for Government Purchases

2. The goods referred to in Item 1, with the exception of machinery and equipment listed in Schedule I and Schedule IIIa and paid for by ultimate users, will be purchased by the government with three-year

special foreign exchange scrip to be issued by the Central Bank of China. One-sixth of such scrip shall become due at the end of each six months. Matured scrip may be presented by the importers to the Central Bank of China for foreign exchange required to pay for licensed imports. Matured scrip may, with the approval of the Export-Import Board, be transferred to registered importers, or it may be presented to the Central Bank of China for conversion into national currency at the open market rate.

3. The goods referred to in Item (1) shall be valued as follows:

(a) The c.i.f. cost of the goods to be paid in special scrip as aforementioned.

(b) Landing and storage charges incurred after the arrival of the goods to be paid in national currency.

(c) In addition, ten per cent of the c.i.f. cost of the goods to be paid in national currency figured at the open market rate of foreign exchange.

4. The goods shall be disposed of in an order of priority, taking account of the dates of shipment of the goods.

5. The goods shall be disposed of in accordance with the following principles:

(a) Raw materials, such as cotton and wool, etc., are to be disposed of by arrangements with the industries concerned.

(b) Disposal of other goods is to be arranged by the Central Trust of China by appointing business organizations to handle the sales under its supervision and priority may be given to the original importer.

(c) If, however, disposal as per "a" and "b" is not deemed feasible, the Central Trust of China may dispose of the goods by sale or public auction.

(d) The goods, in principle, shall be sold to direct users, sales prices being determined by market prices. In the case of raw materials for industries, however, the sales prices to the factories may be based on the c.i.f. cost plus a specified percentage, the goods to be regarded as part of the quotas to which such factories may be entitled.

(e) Detailed plans regarding the sale of these goods are to be drawn up separately.

Importer May Re-ship Goods

6. Any importer unwilling to accept the rules prescribed may re-ship the goods abroad within sixty days.

7. The Export-Import Board will prepare detailed plans to give effect to these rules.

The public is further notified that, in addition to the above rules, the Executive Yuan has adopted the following supplementary rules:

(1) Motor trucks shall be disposed of in accordance with the above rules. No licence shall be issued, however, for import of passenger motor-cars outside the quotas fixed for them.

(2) Henceforth all unlicensed imports shall be treated as contraband and subject to confiscation.

Detailed regulations supplementary to the above rulings have been issued for the guidance of applicants for import licences. Of chief interest to overseas shippers are:

(1) The fact that importers of these unlicensed goods may either re-export their products abroad or import under special licence on an

agreed basis of sale to an agent designated either by the Central Trust of China or the Export-Import Board.

(2) The period of effectiveness of the import licence covering the aforementioned goods shall be three months as from the date of issue. This may be extended, however, upon expiry if specially permitted by the Export-Import Board.

(3) The following machinery and equipment under Schedule I and IIIa for which foreign exchange has been paid by actual users shall not belong to the category of the goods to be purchased by the government:

Schedule I: Tariff No. 244, 245 (a and b), 246, 247, 252, 255 (part), 248, 181, 188, 257 (a, b, and c), 588, 249, 253.

Schedule IIIa: Tariff No. 629, 630, 263 (a, b and c) 265, 254, 266 (a, b, c, d) 268, 256 (c), 271 (b), 119.

Note.—The applicant for import licences covering goods of this category must, in his application, submit sales contract, together with documents relative to payments, for scrutiny and shall make note on the application "Payment for goods made by actual users".

(4) All imports not yet registered shall be permitted to be registered with the Board until November 4, 1947, provided that such applications for registration are supported by documentary evidence.

Numerous Protests Registered Against Government's Action

The foregoing decisions by the Chinese Government have been widely commented upon by leading foreign and Chinese trade associations. Numerous protests have been registered against the government's action, the chief complaint being that the purchase of this great quantity of goods by the government will place government agencies in direct competition with private trade at a time when the Chinese economic system should be divorced as far as possible from rigid government control. On the other hand, government circles claim that only orderly distribution and release of these accumulated commodities can prevent flooding the Chinese market and consequent acceleration of present inflationary tendencies. The majority of economists, however, point to the drastic import restrictions now prevalent in many countries and are of the opinion that goods shipped in contravention of existing import regulations are ordinarily subject to confiscation, immediate re-export or heavy supplementary fines.

Details are not as yet available covering terms of the government purchasing plan, but it is expected that in so far as raw materials are concerned, satisfactory allocation will be made to local industries in urgent need of raw materials and reasonable priority be given to established registered importers of technical machinery lines.

German Export Contracts Signed from January to September, 1947

Minden, October 29, 1947.—(FTS)—A total of \$135,842,086 in general export contracts have been concluded for the combined (U.S./U.K.) area of Germany from January 1, 1947, when the British and United States zones were merged, through September 30, 1947, according to the latest figures of the Joint (U.S./U.K.) Export-Import Agency. The figure does not include exports of coal, or timber from the British zone or any services for which no normal contracts have been made.

The United States zone accounted for \$69,695,785 and the British zone for \$53,774,143 in contracts signed, while the balance of the sales came from taxi services and railway charges in Berlin Sector (U.S.);

harbour services in Bremen, and the North German Timber Control. During the month of September, 1947, contracts were signed for \$32,080,214 worth of export products.

General export deliveries to September 30, 1947, totalled \$17,109,269 for the United States and United Kingdom zones. Delivery of coal, timber, electric power, port and freight charges, ship repairs, etc., brought this figure up to \$135,540,890. Sale of coal alone netted a total of \$74,468,227 during the corresponding period. Proceeds derived from the sale of exports are applied against the cost of importing raw materials into the combined area. Approximately 7,500,000 tons of food were imported into the two zones from VE-Day until October 16, 1947, at a cost to the taxpayers of the United States and Great Britain of \$967 million.

New Zealand Production of Footwear Has Favourable Effect on Tanning Industry

In 1937, there were thirteen tanning units employing 571 persons, while in 1944 there were eighteen units employing 949 persons—While footwear production is above prewar civilian consumption, industry is being protected—Local hides and skin products are made available at below world prices.

By M. R. M. Dale, Assistant Commercial Secretary for Canada

WELLINGTON, October 7, 1947.—The production of leather footwear in New Zealand has had a very favourable effect on the tanning industry. The wartime demand for leather expanded very rapidly, due to the restriction of imports and to the heavy demand for military footwear. There were thirteen tanning units with a capital of £N.Z.173,648 and a labour force of 571 in 1937. The number of units increased to eighteen in 1944, with a capital of £N.Z.364,031 and 949 employees. Until recent years, it had been the custom in New Zealand to export most of her hides and skins in an almost untreated condition. While these are still being exported in large numbers, there is also an increasing treatment of hides and skins and an expanding utilization in the manufacture of leather goods.

The following table shows the extent of the tanning industry, as well as materials operated on in recent years, indicating increased utilization in the case of other hides, calf skins and pelts:

New Zealand Tanning Industry

Year	No. of units	Capital value of assets	Operatives	Sheep-skins No.	Pelts No.	Calf and yearling No.	Other hides No.	Total value £
1937	14	173,648	571	248,112	221,268	52,001	173,974	309,265
1939	13	148,285	459	214,242	248,902	40,232	159,001	217,932
1941	15	193,205	655	276,133	86,120	103,434	258,348	463,770
1943	20	263,655	869	200,664	654,099	117,020	385,530	741,435
1944	18	364,031	949	192,008	706,420	145,135	400,234	764,340

New Zealand Production of Leather

Year	Sold by weight Pounds	Sold by area Feet	Basils and pelts Pounds	Total value £
1939	3,325,010	4,114,104	227,645	491,209
1941	5,400,670	7,387,279	282,629	914,072
1943	7,030,185	15,800,864	429,629	1,454,303
1944	854,605	15,530,369	Not available	1,535,822

It was felt during the war that, when wartime demand declined, there might be a slump in the footwear industry. However, while production is above prewar civilian consumption, the industry is being protected and local hides and skin products are being made available to the industry at below world prices. The industry, however, is a natural one for New Zealand and should be able to maintain its present level of production. It is carried on almost exclusively in the four main centres, with one-half of the output coming from Auckland. The industry made steady progress before the war, and had practically reached a point where it could take care of the entire New Zealand market. There is a possibility of over-production in some types of shoes once output catches up with the unsatisfied demand created during the war, when production was concentrated on utility footwear.

Most Machines and Equipment Supplied by British Company

Machines and equipment in use are mainly supplied by the British United Shoe Machinery Company, Limited, and as a rule the plants are laid out on the lines recommended by that organization. Factories vary in size from minor units employing six or seven hands to major concerns with up to three hundred employees.

There are good quality shoes made in New Zealand, but the overall production is not all that it could be. One large producing organization estimates that, while there will be an over-production of some types of shoes in the near future, the present rate of production can satisfy the demand for only 45 per cent of high-grade and 60 per cent of the medium-quality shoes. There is over-production even now of poor-quality shoes, which, because of shortages, have to be purchased.

Steady Improvement in Style and Quality of Materials Used

There is, however, a steady improvement in style and quality of materials used. A further improvement should be possible once the present shortage in machinery, equipment and lasts are met. There is one category in which shortages are expected to be of considerable duration and that is in children's shoes. The industry finds it impossible to reduce prices sufficiently to meet import prices. This is mainly due to small-scale production, which keeps costs high. Industry is still working on a quota, and shoes are rationed to give men 1½ pairs a year, women 2½ pairs, children 2 pairs and 1 pair of slippers.

In 1938, there were some 70 footwear establishments capitalized at £424,631, employing 3,081 hands. During 1945-46 the number of establishments had increased to 90, capitalized at £746,138 and employing 4,660 hands. The value of all products of the industry was £1,386,914 in 1938 and £3,562,309 in 1945-46.

Materials Used by Footwear Industry

There has been a revised classification showing materials used in the manufacture of footwear, so that comparative figures are not available for earlier years. The following table shows values for the financial years ending May 31, 1944, 1945 and 1946.

Year	Uppers Domestic	Uppers Imported	Sole	Total	Other materials	Total
1943-44	.....	.....	.....	£1,412,163	£595,507	£2,007,670
1944-45	£516,211	£210,349	£579,049	1,305,609	704,052	2,009,661
1945-46	475,947	182,741	537,169	1,195,857	663,692	1,859,549

Importation of fine leathers are still required and Canada still secures a share of the business.

The following table shows the types of footwear produced in New Zealand for the financial years ending May 31, 1941, 1944 and 1947, according to numbers:

Types of Footwear Produced in New Zealand

Types	1941	1944	1947
	Number of Pairs		
Men's heavy boots	504,676	687,721	242,430
Men's light and medium boots and shoes	490,435	645,773	544,660
Women's shoes	1,041,227	875,839	1,147,186
Maids', girls', youths', boys', infants' boots and shoes, excluding sandals	344,127	705,029	531,377
Sandals, all sizes	649,228	401,716	611,191
Lace, v.s. (men's and women's)			
Slippers, all sizes and types	517,657	1,775,386	2,023,552
Sundry footwear (canvas and rubber, clogs, football boots, specials, bowling and running shoes)...	592,389	228,802	704,936
Total production	5,139,739	5,320,266	5,805,332

Marked Decline in Men's Heavy Boot Production

Annual production has not increased very much, but there has been a marked decline in men's heavy boots and an increase in the manufacture of slippers and sundry footwear.

New Zealand Imports of Children's Footwear

	1937		1943		1946	
	Doz. prs.	£N.Z.	Doz. prs.	£N.Z.	Doz. prs.	£N.Z.
United Kingdom	22,554	34,624	24,881	55,828	9,700	31,395
Hong Kong	213	103	.....	.....	.....	.....
India	588	350	.....	.....	.....	.....
Canada	997	1,882	20	85	845	3,020
Australia	2,548	3,397	2	4	6	6
Czechoslovakia	151	264	.....	.....	.....	.....
Germany	2	2	.....	.....	.....	.....
Japan	15,499	5,978	.....	.....	.....	.....
United States	1	1	.....	1	1	11
Total	42,553	46,601	24,903	55,918	10,552	34,932

New Zealand Imports of Leather Footwear

	1937		1943		1946	
	Doz. prs.	£N.Z.	Doz. prs.	£N.Z.	Doz. prs.	£N.Z.
United Kingdom	62,404	341,142	6	59	121	978
Hong Kong	191	928	.....	.....	.....	.....
India .....	.....	1	.....	.....	1	15
Malaya .....	.....	3	.....	.....	.....	.....
Union of South Africa .....	.....	3	.....	1	1	4
Canada	3,841	28,279	2	25	13	134
Australia	4,117	30,869	15	159	62	616
Czechoslovakia	1,767	6,936	.....	.....	.....	.....
Germany	19	159	.....	.....	.....	.....
Italy	1	2	.....	.....	.....	.....
Switzerland	48	571	.....	.....	.....	.....
Japan	90	150	.....	.....	.....	3
Mexico .....	.....	.....	.....	.....	.....	3
United States	691	4,807	.....	.....	31	464
Total	73,169	413,850	23	244	229	2,217

Inadequate Supplies of Certain Sizes in Children's Shoes

Some concern has been shown recently by local authorities over the inadequate supplies of children's shoes, particularly sizes 0-6. Importers

should have little difficulty in obtaining licences, providing evidence of availability can be shown. Reasonable continuity of business can be expected.

However, apart from children's shoes, there is little hope of continuity of imports of footwear from Canada. Immediate requirements are estimated from time to time by the Industries Committee of the Department of Industries and Commerce. From this total is deducted quantities available from local production and from sterling sources. The committee may then recommend to the Customs Department, as they did this year, that licences be made available for footwear from Canada against definite evidence of availability.

It should be understood, however, that every dollar licence is carefully reviewed and finally approved only when evidence is supplied as to the vital nature of the goods and that there are no supplies available from sterling sources.

Argentine Production Falling Despite Rising Wage Trend

President tells labour if present state persists certain drastic action would have to be taken—Output per labourer greatly decreased as concessions in wages and working hours granted—Cost of living continues to increase—Argentina Insurance Law will affect trade.

By H. L. Brown, Commercial Secretary, Canadian Embassy

(Editor's Note—This is the last of two articles on economic conditions in Argentina. The first appeared in November 1 issue of *Foreign Trade*.)

BUENOS AIRES, September 20, 1947.—In a broadcast during the latter part of August, the President of Argentina did some plain speaking to Argentine labour. He told them that production was falling off despite the rising trend of wages and, if this state of affairs persisted, certain drastic action would have to be taken because "we have seen it proved that the worker who earns considerably more than he needs for his expenses is thereby encouraged in absenteeism and the reduction of his rate of output". The President indicated that a remedy might be the institution of production bonuses for the good worker and, possibly the extreme measure of reduced wages for slackers. In view of the fact that the President has found much political support in labour, these remarks are definitely strong.

In an earlier broadcast, the President had pointed out that, on the basis of 1943 as 100, the individual wage in April, 1947, was indexed at 173·1. It is not possible to analyse this figure in detail, but it is presumed that the increase of 73·1 per cent thus noted may not include the compulsory bonus of 8·33 per cent benefits of 5·83 per cent under the Dismissals Law, paid holidays and national holidays 6·67 per cent, employers' contribution to pension fund 11 per cent, and apprenticeship rulings 1 per cent, which total 32·83 per cent and represent an increase of 56·7 points in the index. If these items have not been included, the cost of labour relative to 1943 might now be expressed by the index 229·8. The President indicated that the index of production per man is down to 89·2. Hours of work, on the average, have decreased by about eight per cent. On the basis of 1943 as 100, hours per employed worker stood at 99·5 in 1944 and 94·3 in 1945 and steadily decreased in 1946 from 93·4 in January to 91·9 in December. They increased somewhat in 1947 and the index was 92·7 for March.

Employment Records Steady Increase

Employment for all industries recorded, based on 1943 as 100, gives an average index of 104 in 1944, 105.1 in 1945, 108.6 in 1946 and 115.6 in March, 1947, for workers employed. These averages are quite typical of many groups of industry. For example, petroleum and coal derivatives industry and earths, glass and ceramics industry attained 117.6 and 116.0 respectively. However in 1946, the foods, drinks and tobacco groups and mining were relatively low and the chemicals, vegetable oils and paints groups stood very high at 130.5. The index for man-hours worked, after rising to 103.4 in 1944, dropped to 99.1 in 1945 and 99.8 in 1946 and averaged about 99.6 for the first quarter of 1947. The index for aggregate salaries paid, in the industries recorded, rose steeply from 100 in 1943 to 112.7 in 1944, to 124.6 in 1945 and 160.6 in 1946 with monthly indexes of 199.4, 187.0 and 189.6 in the first three months of 1947. The effect on industrial costs will be obvious.

The number of strikes, in Buenos Aires only, are quite interesting. From 85 strikes affecting 6,754 workers and involving a loss of 86,290 days in 1943, the figures rose to 142 strikes affecting 333,929 workers and costing 1,813,357 days in 1946.

Industrial Production Has Appreciably Declined

The Argentine Chamber of Commerce reports an appreciable decline in the material and economic output of industry. Personnel difficulties have obliged many manufacturers to revise their plans. Despite high wages, there is a shortage of skilled workmen. A large proportion of workers are taking advantage of the Dismissals Law by getting themselves into positions where they have to be dismissed and then putting forward demands for heavy indemnities. Absenteeism is acquiring alarming proportions, particularly as a result of payment for sick leave. Industrial expansion has absorbed all the available technicians. Beginners are not interested in apprenticeship because they can obtain adequate wages without the delay resulting from apprenticeship. There is an acute shortage of raw materials resulting from the lack of railway rolling stock for internal transport and port congestion, as well as extended clearance delays for overseas supplies.

The Chamber also states that the measures taken by the Banco Central to restrict credit as a means of slowing down inflation are proving very detrimental to industry which is hampered from the fulfilment of expansion plans. On the other hand, the Chamber contends that little is done to restrict substantial official expenditure which makes its contribution to the inflationary process. The Chamber suggests that bank credit should not be denied to traders and industrialists who have bona fide expansion programs.

President Takes Active Part in Curbing Rising Cost of Living

The marked increase in the cost of living has caused so much concern to the government that the President himself has actively taken part in measures intended to level off the upward curve. The Retailers' Association addressed a note to the Anti-Profiteering Joint Commission pointing out that some features of the measures designed to suppress profiteering fall too heavily on retail stores, especially the large ones which have heavy operating costs. The retailers pointed out that the restriction of retail prices must be accompanied by steps to reduce costs, that measures directed against retail stores cannot be successful in the face of inadequate supplies and high production costs unless supported by similar controls earlier in

the distribution system. The government has recognized this principle in some trades, particularly cotton textiles, by going direct to the factories. The government has also recognized the principle in general by taking a number of consumer goods off the controlled list with resultant higher prices but definitely increased supply. It is still too early to give any useful information regarding the future trend of the cost of living because, although in some commodities it appears to be levelling off, in others the increases continue.

New Argentine Insurance Law Now Effective

The much-discussed new Insurance Law of Argentina came into effect on June 24. Although it has brought difficulties upon the operation of foreign companies in Argentina, the exact final effect is still not known and will not be accurately known until the regulations, which really make the Law effective, have been promulgated. From the point of view of international trade, one of the most important articles is No. 14 which provides that commodities imported to or exported from Argentina must be insured with purely Argentine companies, so long as the goods are the property of an Argentine concern. In other words, goods exported from Argentina on a c.i.f. basis must be insured in Argentina. Conversely, it is assumed that goods imported into Argentina must be insured in this country, if purchased f.o.b. the overseas country. The actual impact of this article is still indefinite and, at the time of writing, the article is definitely not being enforced. A number of Argentine insurance companies are very actively engaged in what has been termed a "scramble for the spoils" which the loss of business to foreign insurance companies is expected to produce. It should be made clear, however, that there is yet no compulsion and insurance may still be placed where desired.

Banco Central Holdings of Gold Have Decreased

Data is now available for the first half of the year regarding various phases of finance. The Banco Central, as at June, 1947, reported its holdings of gold at 1,893 million pesos. This is a drop from the peak figure of 2,203 million pesos three months before. Holdings of foreign exchange and gold abroad totalled 2,356 million pesos in June as compared with the peak figure of 4,893 million pesos in July, 1946. Currency in circulation as at June totalled 4,404 million pesos, the highest figure in many years thus giving indication of an inflationary condition. The reserve against currency, which was 165.3 per cent in December, 1943, has steadily decreased to 95.4 per cent in June, 1947, while the combined reserve in the same month was 72.6 per cent (the legal minimum is 33 per cent).

Stock exchange turnover in June, 1947, was 351 million pesos, a low figure, and was exceeded in both May and July, though activity in those months was not comparable with the peak of 693 million pesos in April. Total liabilities under bankruptcy stood at 3 million pesos in June, 1947, which is roughly about the average for recent years. Railroad gross earnings continue high and amounted to nearly 73 million pesos in April. Customs receipts from import duties continue at the same high rate prevailing since the war and in June amounted to over 39 million pesos.

An official statement made at the end of July indicates that, as of May 31, 1947, the total national debt stood at 11,130 million pesos compared with 10,830 million pesos at the end of 1946. It is important to note that only 110 million pesos are now accounted for by foreign indebtedness. This relatively inconsequential figure represented a marked change from Argentina's formerly quite heavy foreign debt.

Central Americas Separated Due to Insufficient Communications

Completion of international highway may reverse situation and cause bottleneck if traffic becomes heavy—Airlines only efficient means of reasonable communication for mail and passengers—Each country has own coinage and own groups of firms.

By C. B. Birkett, Canadian Trade Commissioner

(Editor's Note—This is the first of four articles on Central American Republics. Information contained in this series is supplementary to that given in the postwar trade review "Central America", which is available upon request to the Trade Publicity Division, Department of Trade and Commerce, Ottawa.)

GUATEMALA CITY, October 15, 1947.—To most Canadians Central America is a vague mass of land, narrow in structure, joining North America to South America and whose main claim to fame is that somewhere in its long length the Panama Canal joins the Atlantic Ocean to the Pacific. Moreover, it is little realized that this "stretch" of land, which one day may become a bottleneck, if traffic between the two Americas ever becomes heavy with completion of the international highway and the looked-for greater intercourse between the South and North, is the cradle of civilization in the Western Hemisphere. In the seventeenth century, Central America was known to Europeans as "America". During the first century A.D. the "Old Empire" of the Mayas was created in the area mainly occupied now by Honduras. Years later came the "New Empire", which was the "Old" moved to the northern regions of what is now Guatemala, and covered the province of Yucatan. This was centuries before Columbus. Then came Cortés in 1520. His conquest of Mexico and the further conquest of what is now Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama and Peru is well known to historians. In 1821, the power of Spain was overthrown and replaced by a confederation of states independent of Spain and independent of Mexico. To this federation, ruled by a National Constitutional Assembly meeting in Guatemala City, adhered the five provinces, Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. Doomed from the start, owing to inexperience in political affairs, the union broke up in 1837. After one or two attempts at re-establishment, the five provinces became completely separated and truly nationalistic by 1863. Today, each republic is independent, with its own ideas of government, business, living and foreign policy. For this reason, each has its own particular attraction for the visitor, even though the topography of the land is much the same throughout—mountain ranges, volcanoes, high altitude plateaus, and fertile valleys, with low flat lands on each coast.

Population is Mixture of Indians, Latins and Some Foreigners

The population throughout these five republics is a mixture of Indians, Latin Americans or Spaniards, and a small number of foreigners, comprising mainly Americans, English, Dutch and Germans. Immigration is not encouraged. The majority of the people are Indians, mixed Indians and Spanish, and pure Spanish. The percentage of pure Indians lessens towards the equator. The distribution of the population is approximately as follows:



Guatemala City—Office of the Canadian Trade Commissioner, which is located on the upper floor of this building, designated by the Canadian flag. Mr. C. B. Birkett arrived in Guatemala City on September 19, 1946, to open an office of the Canadian Trade Commissioner Service. His territory includes Costa Rica, El Salvador, Honduras and Nicaragua.

Distribution of Population

	Indian Per cent	Latin American Per cent	Foreign Per cent	Total
Guatemala	66	31	3	3,450,800
El Salvador	10	85	5	1,704,500
Honduras	50	48	2	1,201,300
Nicaragua	57	40	3	1,060,000
Costa Rica	32	62	6	725,200

The predominant language throughout the republics is Spanish, though considerable English is spoken and understood. It is a distinct advantage for a foreign businessman to speak Spanish.

Five Republics Widely Separated Due to Poor Communications

The five republics, though closely knit into a comparatively small area, are in reality widely separated. This is due to the poor communications existing prior to the advent of air travel. The very inadequate road and rail services still tend to keep the countries apart. The only means of reasonable communication for mail and passengers are the airlines. There is a railway joining Guatemala City, San José, Puerto Barrios and San Salvador. There is also a railway joining San José, Costa Rica, with Port Limón on the east coast and the port of Puntarenas on the West. In Nicaragua, Corinto, the Pacific port, is connected with Managua, but there is no line to the Atlantic port of Bluefields. Honduras possesses no railways at all, except for a short coastal line. Its capital, Tegucigalpa, is served by air lines and a very poor road system.

Intercourse Between Countries Has Been Difficult

Intercourse between the countries, therefore, has been difficult, not to say dangerous, with the result that each community has grown up with little regard for its neighbours. Years ago their only connection, a connection which still exists, was by coastal vessel. It is by this means that surface mail is carried today between Guatemala, Honduras, Nicaragua and Costa Rica, owing to the absence of through rail connections. For instance, it takes about two weeks for mail to reach Managua from Guatemala City, a distance of approximately 300 air miles. Distribution of literature and advertising material is therefore very slow.

Having regard to representation of foreign manufacturers and importing, each republic has its own group of firms, though there are exceptions where a firm of agents or representatives maintains branches or sub-agents in each country. Such organizations are very few in number, owing to the difficulties of communications and the different conditions existing in each market. It is of interest to note that each country operates a different set of tariff, tax, business and trade regulations, which are a study in themselves. Foreign traders have usually found it more satisfactory to maintain separate agents for each market rather than one for the group.

Each Republic Has Own Coinage

This nationalism is demonstrated by the fact that each republic has its own coinage. In Guatemala, it is the quetzal, named after the national bird, a beautiful and rare creature. This unit, with its divisions into 25, 10 and 5 centavo pieces, equals the U.S. dollar. El Salvador's unit of exchange is the colon—named after Columbus. It has been quoted for some time at two and a half to the dollar. As in the case of the other Central American currency, the colon breaks down decimally into 25, 10 and 5 and 1 centavo pieces. Honduras' lempira is worth half a U.S. dollar, Nicaragua's córboda is valued at 5.00 to the dollar and Costa Rica's colon at 5.67 (official rate) to the dollar. Owing to the shortages of United States dollars in Nicaragua and Costa Rica, black markets in exchange exist in these countries without interference by the governments. In the latter the U.S. dollar is worth about 6.15 colons, and in the former about 5.30 córdobas (late quotations 13.00).

Dollar Shortage Exists in Nicaragua and Costa Rica

The question of exchange shortage, as mentioned above, arises only in Nicaragua and Costa Rica, where government control of foreign payments in dollars has been in force for a considerable time. Foreign shippers to these markets have been advised to beware of enquiries from uninvestigated firms or individuals who may not have arranged their financing satisfactorily. In Nicaragua, the situation was up until recently regulated by the government, which demanded that 60 per cent of the invoice cost of goods imported be deposited with the bank before the order could be sent forward. This money was earmarked for the importer's account, purchased on the black market, or a lien established on dollar funds held abroad. On receipt of the goods, the documents were surrendered by the bank on deposit of the remaining 40 per cent of the invoice value. In this manner, Nicaragua's current trading account was for a year or two kept in order, and irresponsible traders prevented from taking cover behind the shortage of exchange. The situation today is much more out of order. Since September 8, 1947, the granting of import licences has been suspended owing to insufficient funds. In fact, imports on licence to come forward cannot by any means be all paid for. Business therefore is at a standstill, and traders are cautioned to ship only on the basis of a letter of credit.

Import Control System Introduced in Costa Rica

In Costa Rica, the situation is also serious. Here a system of import control was introduced in June, 1946. Based on their importance to the health and economy of the republic, all imports are divided into three categories. Payment has been made four months after receipt in the first, five to six months after receipt in the second, and the exporter has to wait anywhere from nine months to a year for his money in the third. This system of financing trade has been so unsatisfactory for both the exporter and importer that it became the practice for responsible representatives of foreign firms to refuse orders for goods in the second and third categories, unless dollars for their payment were deposited with the bank or a definite assurance given that they would be forthcoming at the required time. Prompt payments can be made from funds held abroad, and second and third category goods qualify as first category when dollars, usually purchased on the extensive black market, were deposited with the bank. A serious delay in imported goods appearing for sale is avoided by the banks releasing documents against payment in colones.

Conditions in Costa Rica Have Steadily Deteriorated

Since the recent political disturbance, which assumed serious proportions in July, 1947, conditions in Costa Rica have steadily deteriorated. The U.S. dollar rate in the black market fluctuates between 6.10 and 6.45 colones. The system of foreign payments described above, though still in force, is operating at a low efficiency to the cost of many overseas suppliers, though to the advantage of more than one unscrupulous importer. From the scanty and for the most part unreliable information that is received, it is impossible to forecast the outcome. In the meantime, exporters to Costa Rica should take every precaution against non-payment or over-extended delays in payment for goods received.

The exchange position of Guatemala, El Salvador, and Honduras is satisfactory, the result of favourable trade balances. Foreign exchange is freely negotiable in these countries without any restriction other than the licensed export of gold.

Trade of Trinidad Sets Record During First Half of 1947

Improved shipping and supply facilities helped boost imports and exports—Business has begun to slow down—Canada is chief supplier—Trade with Canada should not be too badly affected by new import restrictions, but price competition with Australia will be severe.

By A. W. Evans, Assistant Canadian Trade Commissioner

PORT-OF-SPAIN, October 2, 1947.—Improved shipping and supply facilities helped both imports and exports in Trinidad to reach a record figure for the first half of the year. The arrival of plentiful supplies has resulted in an overstocked position in certain lines, but with the recent suspension of import licences, this situation is now considerably improved. Business, however, is continuing at a relatively high level and, despite drought conditions, exports have increased and the next crop of citrus fruit is expected to set a new record.

The latest estimate for the sugar crop is 110,000 tons, down considerably from earlier estimates. Plants for the 1948 crop suffered a severe setback from the very dry weather, but have improved remarkably with the coming of the rainy season.

Citrus has suffered far less from the drought than sugar, and the prospects for the next crop are very favourable. The area in citrus fruits is being extended and conditions are most propitious for a record yield.

Present high prices make cocoa an attractive crop and some new plantings are being made, although on a fairly minor scale. Until the swollen shoot disease is brought under control, however, growers are not likely to make any large outlay. The yield has been disappointing this year, due to the drought.

Coconut Production Suffers from Lack of Water

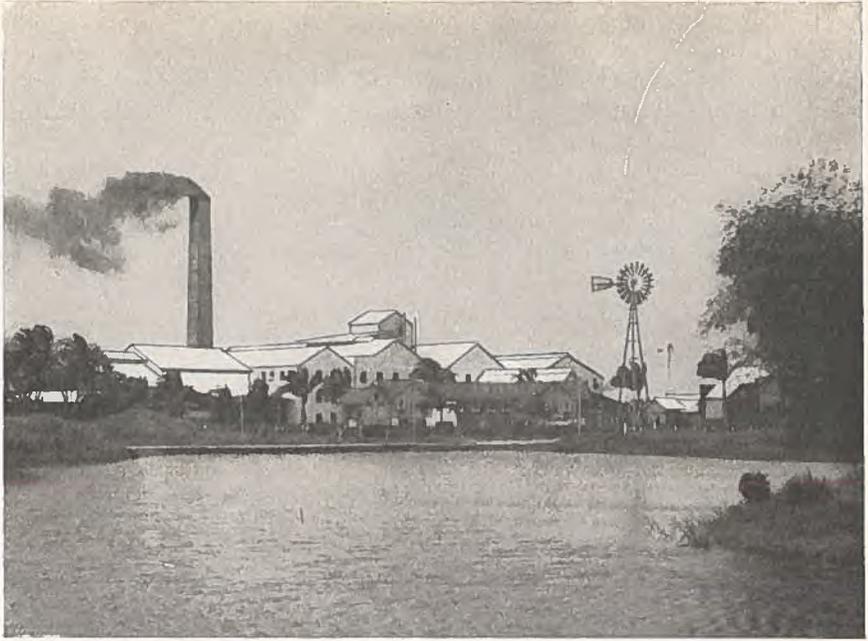
Coconuts have suffered most heavily from the lack of water. Not only has the size of the nut been reduced, but it will take some time to overcome the setback to growth. There has been little new planting and wilt is taking a heavy toll.

Unfavourable markets have caused planters to lose interest in rubber and tonca beans. Most, if not all, rubber producers have ceased tapping operations, while tonca bean proprietors in many cases have not reaped their crops.

Business Has Begun to Slow Down

While continuing at a high level, business has begun to slow down. The continued contraction of personnel employed at the American and British military establishments has been one of the leading causes. Resumption of the tourist trade has been an offsetting factor, with the return of the Canadian National Steamship "Lady boats" and the commencing of regularly scheduled passenger service from New York and New Orleans by the Alcoa Steamship Company. However, no new facilities for the handling of the tourist trade are in sight, with the one exception of the construction of a tourist reception centre on the Port-of-Spain wharves.

The recent suspension of import licences has had little effect as yet, due to a fairly well stocked position and large outstanding orders presently



Trinidad—Sugar factories similar to this one will soon be engaged in processing the current crop of sugar cane. Latest estimates for the crop indicate that it will be 110,000 tons, considerably lower than had been anticipated earlier in the year.

on the way. Permits are now being granted for the importation of essential supplies only. The ban on travel for pleasure outside the sterling area will mean considerably more money spent at home.

Construction continues to be hindered by shortages of nails, cement and roofing materials.

Canada Chief Supplier as External Trade Greatly Expanded

As a result of the almost insatiable demand and better shipping facilities and increased supplies, external trade has greatly expanded. Canada continues to retain her wartime position as chief supplier, followed closely by the United States and the United Kingdom.

Domestic Imports into Trinidad

	January-June, 1947
Great Britain and Northern Ireland	\$14,414,934
Canada	17,761,786
British Guiana	1,133,793
British West Indies	426,292
India (including Ceylon)	616,999
Other British countries	1,521,787
Argentina	914,253
United States	14,513,003
Venezuela	2,565,847
Other foreign countries	5,413,519
Total imports	\$59,282,213

Foodstuffs Constituted Main Imports

Foodstuffs highlighted the imports for the first half of 1947, being five times greater than the next largest item, machinery. Supplies of foodstuffs from Canada have been supplemented by Australia, South Africa,

the United States and specialty lines from England. All other imports, with the exception of cotton piece-goods and boots and shoes, have been hindered by supply shortages. Luxury goods, of course, were only imported in token quantities and, at the present time, their import is prohibited altogether.

The overstocked position in the above lines has been brought about by the sudden influx of long-standing orders, placed mainly in the United States. The present restriction of import licences on essential supplies will tend to greatly reduce this flow of imports.

Principal Imports into Trinidad

	January-June	
	1946	1947
Foodstuffs	\$ 8,812,035	\$15,436,582
Tobacco leaf, manufactured	428,128	348,918
Spirits	225,085	427,880
Wines, beer and stout	375,315	702,962
Coal	565,587	957,550
Machinery	2,012,280	3,110,171
Cotton piece-goods	1,316,298	2,869,828
Fertilizers	273,418	441,873
Wood and timber, unmanufactured	1,129,047	2,793,998
Tubes, pipes and fittings	1,077,763	1,630,689
Motor cars	238,622	1,250,176
Motor lorries, vans and chassis	472,419	1,053,934
Boots, shoes, etc.	917,362	1,508,192
Cement	534,773	598,321
Galvanized iron sheets	64,684	159,437
Artificial silk piece-goods	735,806	1,761,837
Apparel, other than boots and shoes.....	826,248	1,531,352

Exports of Fresh Grapefruit to United Kingdom Resumed

The export of fresh grapefruit to the United Kingdom was resumed this year. Almost the total citrus crop in the form of juice or fresh fruit is being purchased under a contract with the British Ministry of Food. Practically no juice was exported to Canada this year because of the Canadian market being flooded with the American product. It is reported that a contract is being negotiated with Canada for the coming juice pack.

Marmalade and jelly are now being exported in small quantities and it is hoped to increase these shipments if the sugar can be made available. Practically all the exports have increased over last year, both in quantity and value. It is worthy of note that petroleum products are being exported to Canada in increasing volume.

Chief Exports from Trinidad

	January-June	
	1946	1947
Petroleum—		
Crude oil	\$ 40	\$ 697,125
Fuel oil	7,714,893	12,019,753
Gas oil	775,212	1,650,149
Kerosene	3,303,437	3,542,670
Motor spirit	6,803,209	8,978,587
Road oil	220,105	264,871
Sugar	3,430,090	6,021,495
Cocoa, raw	704,246	2,439,808
Asphalt and products	1,747,426	1,071,501
Rum	696,758	640,889
Bitters	262,792	165,200
Coffee, raw	140,280	152,992
Grapefruit	6,088	360,133

Cost of Living Has Continued to Rise

The cost of living has continued to rise and, with the recent price increases in Canada and the United States, will continue to do so, as the bulk of foodstuffs and practically all manufactured goods are imported. Business generally should be good until around the end of the year, when the full effect of the new import restrictions will be felt. As the bulk of the Canadian commodities shipped to Trinidad are in the essential category, Canadian trade should not be too badly affected, although price competition with Australia will be severe.

Rio Grande do Sul Leading State Producing Potatoes in Brazil

State accounts for about 31 per cent of total production—Principal growing areas located in States of Rio Grande do Sul, São Paulo and Paraná—Total average production is 456,700 metric tons annually—Yellow flesh varieties mainly grown but limited quantities of white flesh also cultivated.

By W. B. McCullough, Commercial Secretary (Agricultural Specialist),
Canadian Embassy, Buenos Aires

(Editor's Note—This is the second of four articles on market conditions for certified seed and table potatoes in Brazil, prepared by Mr. McCullough during a survey of this area earlier in the year. The first appeared in the November 15th issue of *Foreign Trade*.)

(One metric ton equals 2,204 pounds; one kilo equals 2.2 pounds; one hectare equals 2.47 acres; one cruzeiro equals \$0.0544 Canadian.)

RIO DE JANEIRO.—According to statistics supplied by the Federal Department of Agriculture, the average area planted to potatoes annually in Brazil averages about 78,800 hectares. The acreage in recent years has varied from a low of 66,420 hectares in 1940 to a high of 101,995 hectares in 1943. The average production is around 456,700 metric tons per year. The three states, Rio Grande do Sul, São Paulo and Paraná in the extreme south of Brazil, account for over 80 per cent of the total production.

Potatoes are also cultivated in the Southern states of Santa Catharina and Minas Gerais. The latter state being just North of Rio de Janeiro.

Rio Grande do Sul is one of the most important agricultural states of Brazil. It is located in the extreme south of the republic forming the boundaries of Uruguay, Argentina and Paraguay. This state leads in the production of such agricultural products as cattle, wheat, grapes and is the largest producer of potatoes, accounting for about 31 per cent of the total annual production. As in the other potato producing areas of Brazil, two crops are produced annually. The "summer crop" planted in January and February is considered the main crop. Potatoes from this harvest are marketed in Rio from June to October, transportation being by coastal steamer from Porto Alegre or Rio Grande.

Potatoes can be cultivated in most parts of the state but the chief centres are in the vicinity of Santa Maria, extending along the railway to J. de Castilho and Cruz Alta and to Jaceguay and to Cachoeira. Another area of importance is centred around Pelotas.

Limited Quantities of White Flesh Varieties also Cultivated

The yellow flesh variety predominates in this State but limited quantities of the white flesh are also cultivated. The population includes many people of German and Polish extraction who accept the white flesh varieties. The proximity of Argentina and Uruguay is probably an influence in this direction as well as the fact that their chief market in Rio accepts quantities of the white varieties.

Shipments of certified seed destined for Rio Grande do Sul would have to be shipped to the port of Rio Grande or Porto Alegre. The long distance by rail from Santos or the high cost of coastal ocean freight renders the price of imported seed by such routes too expensive for the growers.

Potatoes Grown in Two Zones of Paraná

The state of Paraná ranks second in the production of potatoes in Brazil, although in 1943 the State of São Paulo exceeded them. For a five-year average Paraná accounted for 31 per cent of the total production. In this State there are two agricultural zones which are also the chief potato zones, the north including the areas in the vicinity of Sant. Ba. Platina, Tavora and Venc. Braz, and the south zone which is an area extending west from Curitiba including Lapa, M. Mallet, Rio Azul, Iraty, Palmeira and Prudentópolis.

As in the State of São Paulo potatoes may be planted in any month of the year except May and June. The main crop in the northern zone is planted during February and in the south during August-September.

Paraná Ouro Principal Variety Grown

The principal variety grown in this State is named Paraná Ouro (Paraná gold). While many authorities in Paraná claim that this variety originated in this State, its probable origin is Europe. Now the variety is rather a mixture of varieties having similar characteristics. There is no seed potato certification service in this State, and under the methods potatoes are grown, it is inconceivable that a variety could be free of mixtures for so long a period. The variety is yellow-fleshed but not as deep coloured as the Eigenhimer. It has no particular resistance to virus or fungus diseases. When cultivated under favourable conditions in the high regions in the north zone however, the variety does give comparatively good yields. It will be noted that in the tests carried out at Taubaté in the State of São Paulo that this variety outyielded the Irish Cobbler, Katahdin and Green Mountain.

After supplying local requirements, the chief outlet for seed is for the winter crop. The Japanese co-operative at Cotia (near São Paulo) is the largest single purchaser and since the market calls for the yellow flesh types, the growers are inclined to maintain these varieties.

State of São Paulo is Third Largest Producer

The State of São Paulo is the third large producer of potatoes in Brazil and accounts for about 20 per cent of the total. About 60 per cent of the State's potato production is within a radius of about 60 miles from the city of São Paulo, while about 20 per cent are produced in the vicinity of Presidente Prudente in the western part of the State. While potatoes can be grown in most parts of the State except the low coastal plain, the leading areas are Cotia, Mogi das Cruzes, Paraíba valley, Itú, Campinas, Boa Vista and Presidente Prudente.

Potatoes may be planted during all months of the year except May and June which are the coldest and driest months. In practice two main crops are cultivated each year. The "summer crop" is planted during the months of December to February and the "winter crop" between July and September. Imported certified seed from Europe, mainly Holland, generally arrives during October and November which supplements the growers' own seed for the summer crop. Imported seed will give good yields for three generations. In limited areas located at high altitudes, the spread of virus diseases is not so great and seed may be multiplied for as many as fifteen times. For the winter crop planting growers use the small tubers from the previous crop and potatoes from Paraná.

This State supplies the cities of São Paulo, one of the largest consuming centres and Santos and is also leading supplier of Rio de Janeiro's requirements. These potatoes are transported to Rio in 60-kilo sacks by rail and truck. Of all the potato consumers in Brazil none have a more definite preference for the yellow flesh varieties than the people of São Paulo. Many of the wholesalers state that the white flesh varieties are not marketable in this State. This consumer feature has dominated the choice of varieties cultivated in the States of São Paulo and Paraná. However since this State markets large quantities in Rio, an outlet for white flesh, there is the possibility of the production of these varieties being encouraged.

Many Varieties of Potatoes Cultivated

Many varieties of potatoes are cultivated in Brazil, ranging from the yellow flesh of European origin which predominates to some white flesh including red skin varieties. Of the varieties from Holland, the Eigenheimer, Binje and Ersteling are the most popular and are grown in all States. The Konsuragis from Germany is widely cultivated particularly in the relatively small seed zone. In the State of Paraná, the climatic conditions are more favourable with the result that many of the varieties have been maintained for many years. The variety called Paraná Ouro, probably of European origin, is very popular in this State and it is also widely cultivated in São Paulo.

Of the limited quantities of the white flesh varieties cultivated the White Rose predominates. The seed was imported from Argentina and is referred to locally as the "Mar del Plata" or "Argentina". This variety gives comparatively good yields but, due to the fact that it is white flesh, it has never become as popular as the other types. It is interesting to note that some growers claim that they can use less fertilizer on the White Rose and equal the yield of the European varieties. Also that they only spray this variety once as compared with two to three applications on the European.

The Konsuragis variety as well as all the yellow flesh varieties cultivated are very susceptible to a disease locally called "Chocolate". The Katahdin showed a marked resistance to this disease in Argentina, which facts were also borne out in experimental tests in Brazil. The fungus disease "wilt" is very common in practically all zones, and each year is the cause of a considerable reduction in yield.

None of the varieties now cultivated in Brazil are claimed to have any resistance to the common potato diseases caused by virus, fungi or bacteria. The problems for the growers in this respect are many, and there are indications that some of the North American varieties which have been bred for certain disease resistance would be welcomed by the growers in this country. Some growers prefer the white flesh but, due to the fact that the consumers in the large centres demand the yellow flesh, they are virtually compelled to grow these varieties.

Fish Canning Is Important Source of Portuguese National Income

Industry is long established and well developed—Catch in 1946 valued at over \$14,000,000, and exports of preserved fish totalled \$20,500,000—Sardines most important type processed—Other chief varieties are anchovies, tuna and mackerel—Several processing methods in use.

By P. E. Morin, Acting Canadian Trade Commissioner

(Unless otherwise indicated, the export prices quoted in this report are for cases containing one hundred tins.)

LISBON, September 15, 1947.—(FTS)—Waters off the extensive Portuguese coastline abound in sardines, tuna, anchovies, stickleback, mackerel and a variety of other species less numerous, such as squid, cuttlefish, antipasto, crayfish, etc. With such an abundance of fish, it is natural that it should be the most important item in the Portuguese diet and one of the main sources of the country's income. In 1946 the total catch was valued at over fourteen million dollars.

The Portuguese canned-fish industry dates from 1880, the first factory being located at Setubal, some 26 miles southeast of Lisbon. In 1896 the factories numbered 76, all engaged in preserving sardines.

At present the largest group of canning centres, numbering 113 in all, is located in the south of Portugal overlooking the Sea of Cadiz. There are 56 factories at Olhão, 21 at Portimão, 20 at Villa Real de Santo Antonio, and 13 at Lagos. In the Lisbon district is another important group, comprising 76 factories at Setubal, 21 at Lisbon, and 8 at Peniche. North of Oporto and overlooking the Atlantic is Matozinhos with 68 factories. All told there are 254 factories, of which 171 are engaged in canning fish in oil and sauce. There are 78 salting plants and 5 equipped for freezing fish.

Preserved Fish Leading Export Product

Today fish preserving has become one of the most important of Portuguese industries. In 1946 exports of fish preserved in oil were valued at \$20.5 million, salted fish were valued at nearly \$300,000, and frozen fish valued at \$140,000. The most important types of fish packed are sardines, anchovies or "biqueirão", tuna, bonito, albacore and similar kinds and mackerel. Stickleback, sardine and tuna roe are also packed.

In 1946 the total production of fish in oil was 1,902,759 cases of one hundred 4½-ounce tins to the case. Of this production, three-quarters were sardines. The scarcity of the essential materials, tinplate and oils, has prevented full-time operation of the present plants, which otherwise would probably have an annual output of between three and four million cases. A total of 2,284,378 cases of canned fish was exported in 1946. Exports exceeded production by 356,887 cases, the surplus being drawn from reserve stocks. In addition, nearly three thousand metric tons of fish were preserved in brine, two-thirds of which was exported.

Frozen-fish Industry Undeveloped

The frozen-fish industry has not yet been developed to any extent in Portugal, but it is gradually gaining in importance. In 1946 there were 543 metric tons of frozen fish processed, of which 177 tons were sardines.

Although not of great importance in the canned-fish industry, Madeira produced in 1946 over two tons of sardines, representing 119 cases valued at \$1,040, and the Azores is credited with an output of over 130 tons of tuna, representing 2,580 cases valued at \$85,153. This is the only contribution to the industry made by these islands.

The Portuguese canned-fish industry offers a large variety of products. Marketing usually begins with the fishing season and is carried on throughout the year until the pack has been exhausted.

Sardines Most Important of all Types Packed

Sardines are by far the most important of all types packed. The season usually begins early in May and continues until the end of December. In 1946 a total of 97,725 metric tons of sardines valued at over \$11.5 million were taken, of which 31,773 tons, or 34.5 per cent, were canned.

Total production of canned sardines during 1946 was 1,481,603 cases, a decrease of 316,092 cases as compared with the number recorded for 1945. Production in brine was 1,895 metric tons, a decrease of 326 tons from the 1945 figure.

Sardines are canned whole, skinless and boneless, in pure olive oil, in other edible oils and in tomato sauce. They are also pickled in brine and frozen. Fillets of sardines are processed and put up like anchovies and are then known as "biqueirão sardines". The roe is canned also in pure olive oil. They are packed in tins containing $3\frac{3}{4}$, $4\frac{1}{4}$, $4\frac{1}{2}$, $7\frac{1}{4}$ and 8 ounces of fish, but the most popular size is the 4-ounce tin.

Average export prices are as follows: in pure olive oil, $4\frac{1}{2}$ -ounce tins, from \$18.25 to \$20 a case; in other edible oils, from \$17.50 to \$19 for $4\frac{1}{2}$ -ounce tins; skinless and boneless, \$19.80 to \$28 for tins of $3\frac{3}{4}$ ounces; in tomato sauce, \$20 for $4\frac{1}{2}$ -ounce tins; roe in $4\frac{1}{2}$ -ounce tins, \$22.

In 1946, the chief export markets for sardines in oil and sauce were: United Kingdom, 13,554 metric tons; Belgium, 4,445 tons; France, 4,103 tons. Greece was Portugal's best market for sardines in brine, purchasing 1,041 tons. Italy was next with 646 tons. Argentina and Brazil each imported 167 tons of frozen sardines.

United States Chief Market for Anchovies

The best anchovies are those caught in cold weather before they get fat and oily. After canning they are stored for several months to mature, or "ripen", at an even cold temperature. Although shipments of anchovies may be made at any time during the year, it is recommended that they be made during the cold season.

The season for anchovies is April and May. In 1946 a total of 989 metric tons of anchovies were caught, their value being \$208,000. Whereas the production of fillets of anchovies in oil in 1946 was only 280,560 cases, exports totalled 328,559 cases (3,297 metric tins) valued at over \$2.5 million. The fillets are packed in oil, rolled with or without capers, or flat and come in tins containing $\frac{3}{4}$, 1, 2, $4\frac{1}{2}$, 13 and 28 ounces.

The chief markets for anchovies in 1946 were: United States, 1,802 tons; Belgium, 390 tons; and the United Kingdom, 210 tons. In addition, 1,008 tons of anchovies were pickled in brine, of which only five tons went to the United States for \$1,255.

Three Grades of Tuna are Exported

In Portugal the word "atum", which is Portuguese for tuna, means specifically the *orcynus thymus*. The flesh of this fish is not the white

meat of the tuna known to Canadians, but it has a dark greyish colour and a stronger flavour. Under "similar species" are listed the "albacore", the "bonito" and a number of others.

There are two seasons for tuna: April to May, when the fish is on its way to the Mediterranean; and September to October, when it returns to the Atlantic Ocean. The catch last year, practically all of which was canned, totalled 3,996 metric tons valued at approximately \$1,479,000. There were 2,851 tons of "tuna" proper valued at \$1,043,316; "albacore", 491 tons to the value of \$192,000; "bonito", 114 tons valued at \$27,256; "atuarro", 525 tons worth \$210,316; and 15 tons of "cachorreta" valued at \$6,392.

In 1946 the production of tuna canned in oil and in oil and sauce was 88,420 cases valued at approximately two million dollars. In addition slightly over five tons were preserved in brine.

The Portuguese use and pack nearly every part of the tuna, hence the various qualities in the pack. For export, however, the industry generally offers a choice of three grades. Canadian "prime cut" corresponds to the Portuguese "tronco", "Grade B" is probably "ventresca", and "tips and tails" is "pedacinhos". Tuna is packed in pure olive oil in 4½- and 4¾-ounce tins. The average export price of tuna in pure olive oil, 4½-ounce tins, is \$20 to \$24 a case; of roe, 4½-ounce tins, \$30.

A total of 49,831 cases (1,332 metric tons) of canned tuna worth \$868,840 was exported in 1946, and 10 tons in brine to a value of \$3,120. The chief importers of canned tuna in that year were: Belgium, 469 tons; France, 300 tons; and United States, 269 tons. The exports of tuna in brine went practically all to Macao.

Mackerel Exported to Eleven Countries

Mackerel is known in Portugal as "cavala". The season is from May to November, and the total catch in 1946 was 1,418 metric tons valued at \$319,140. Production of canned mackerel in 1945 reached 103,123 cases; in 1946 it was only 25,112, a decrease of 78,011 cases.

Mackerel is canned in pure olive oil, in tomato sauce and in other oils. Tins are of various sizes, the most common being 4½ and 13 ounces. The average export price for mackerel packed in olive oil or other edible oils in 4½-ounce tins is \$14 a case.

In 1946, exports of canned mackerel totalled 85,146 cases (1,990 tons) with a value of \$1,098,720. Mackerel in tins was exported to more than eleven countries, chief among which were: Belgium, 1,226 tons (61 per cent); and France, 729 tons (36 per cent).

Stickleback Less Important than Other Types

The season for stickleback, May to December, is more or less the same as for sardines, and the two types of fish are often caught together. The total catch in 1946 was over 4,472 metric tons valued at \$650,217.

Total production in 1946 was 27,064 cases of canned fish, a decrease of 9,357 cases from the figure for 1945. This resulted in part from a poor catch and the fact that manufacturers preferred to keep tinplate and oil for more profitable packing, probably sardines and anchovies.

Stickleback is canned in pure olive and other edible oils, and the roe is also canned in olive oil. Tins are of various sizes, the most common being the 4½- and 4¾-ounce sizes. The average export price of stickleback in olive oil, 4½-ounce tins, is \$14 a case.

A total of 53,768 cases of stickleback in tins was exported in 1946 and brought \$304,280. The chief buyers were: Belgium, 451 tons; Palestine,

425 tons; and Mozambique, 28 tons. Stickleback in brine was exported to: France, 42 tons; Greece, 29 tons; and Hungary, 2 tons.

Several Methods Employed for Preserving Fish

The processing methods employed in Portugal are canning, dry salting, pickling in vinegar and brine, freezing, and smoking.

Canning.—The sardines, on receipt at the factory, are sorted according to size, and the heads and entrails are removed. The sardines are then placed in tanks containing brine and remain there as long as necessary, according to size, so that the flesh may harden and acquire savour and the scales become solid. They are then removed from the salt solution and placed on grills in tanks, where they are washed by the action of water jets. If the sardines are to be canned without bones or skins, the bones are now removed and the fish washed anew; the skins are not removed until after cooking and drying. The sardines are cooked for five to fifteen minutes in steam cookers at a temperature of 100 degrees centigrade, while for better quality preserves they are fried in pure olive oil for two to three minutes at a temperature of 110 to 125 degrees centigrade and then left to dry in the open air.

If sardines are to be canned boneless only, the bones are removed at this stage. Next the fish is placed in tins and carried on an automatic conveyor under small taps of running oil. Then the cans are sealed by an automatic machine at a rate of 2,400 cans per hour. Finally the cans are sterilized for some time, according to their size, at a temperature of 110 to 115 degrees centigrade.

Salting.—Salting is done with light brine and by pressing. In the first case the fish is submerged in a brine solution at a temperature of 24 to 25 degrees centigrade for ten to fifteen days and then salted in layers in water-tight barrels or metal drums. Pressing is done in barrels and drums. The fish is either kept under light pressure for a period of twelve to eighteen months, during which time salt is added and the contents sprinkled with brine, or it is kept in brine during 10 to 30 days, then placed in barrels or drums in layers, without salt, and subjected to considerable pressure by means of a screw-press for twenty-four to forty-eight hours.

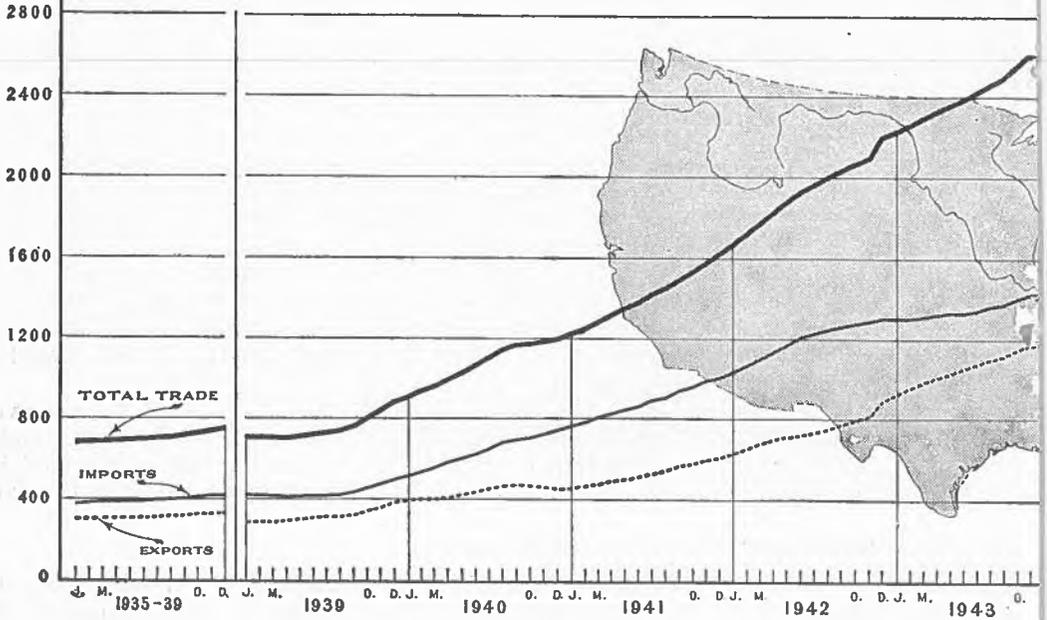
The best tuna for salting is called "de revès", being caught when it returns thin from the Mediterranean after the spawning season. The other called the "direito", is caught before it migrates into the sea. Fillets of anchovies and sardines are processed by treating with salt for a period of eighteen to twenty-four months, after which they are cut in half, the skin and bones extracted by means of a sponge, fillets cut, placed in cans either in layers or rolled, and pure olive oil poured in to fill the cans. These two products are not subjected to sterilization after canning.

Letters to China Should Have Proper Postage

Shanghai, November 10, 1947.—The attention of Canadian exporters is directed to the fact that the minimum postage to China from Canada for first-class surface mail, up to one ounce in weight, is 5 cents Canadian currency. An additional 3 cents per ounce or any fraction thereof is payable upon letters in excess of the minimum weight of one ounce. A surcharge of 25 cents per quarter ounce is made for airmail postage. Any deficiency of postage is chargeable to the recipient at double rate.

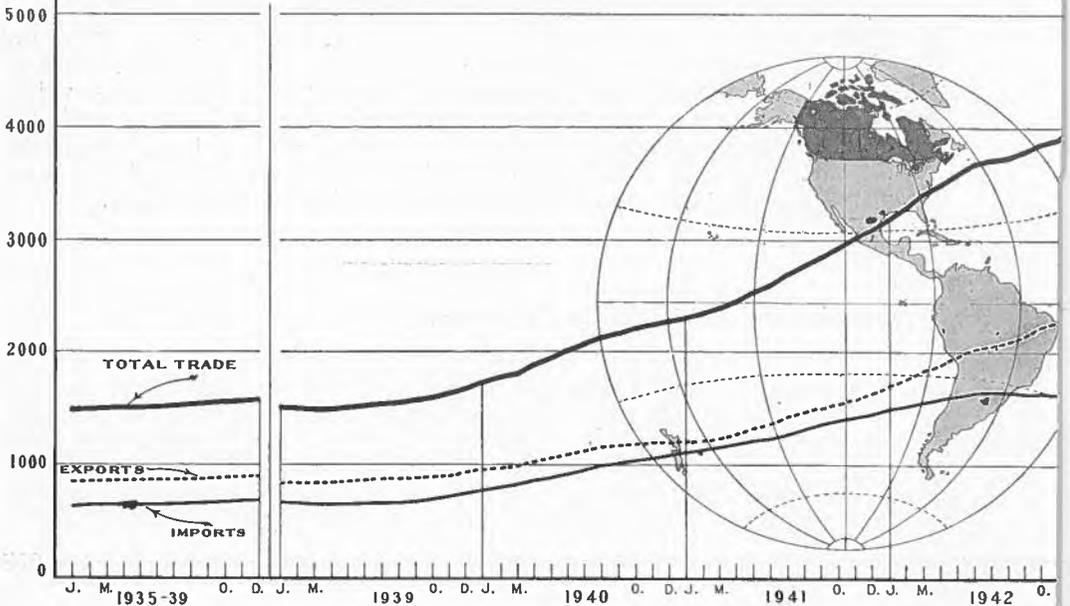
MILLION DOLLARS

CANADIAN TRADE WITH UNITED STATES, 1939-47 WITH AVERAGE RUNNING TWELVE-MONTH



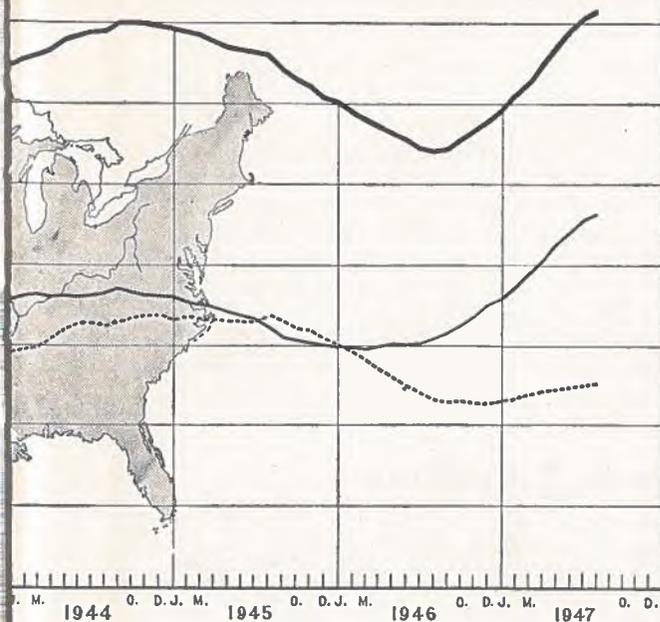
MILLION DOLLARS

EXTERNAL COMMODITY TRADE OF CANADA (EXCLUSIVE OF GOLD) RUNNING TWELVE-MONTH



AVERAGE FOR THE BASE PERIOD, 1935-39

TOTALS

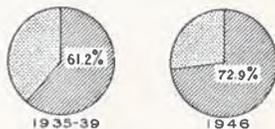


RELATIVE PROPORTIONS OF TRADE WITH UNITED STATES TO TOTAL CANADIAN TRADE AVERAGE FOR THE BASE PERIOD 1935-39 COMPARED WITH LATEST COMPLETED CALENDAR YEAR

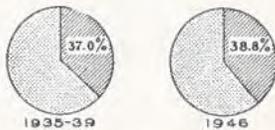
TOTAL



IMPORTS



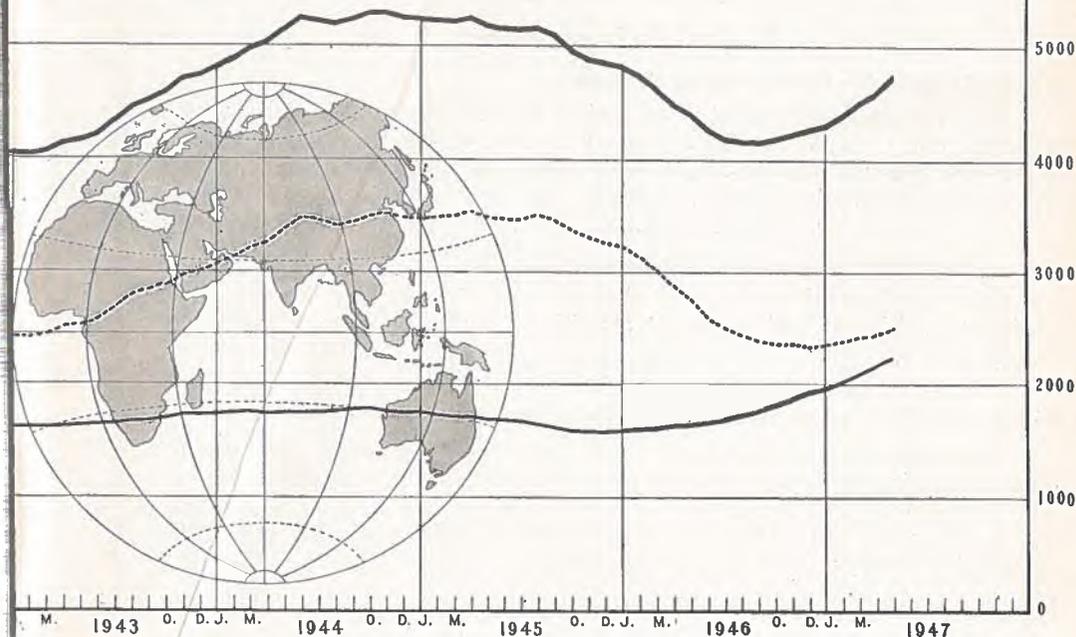
EXPORTS



MILLION DOLLARS

1939-47 WITH AVERAGE FOR THE BASE PERIOD, 1935-39

MONTH TOTALS



Trade and Tariff Regulations

Mexico Establishes New System of Import Tariffs

Mexico City, November 13, 1947.—(F.T.S.)—The *Official Gazette* today published the text of a Mexican law introducing a new system of tariffs which embodies specific duties levied on a kilogram weight basis plus *ad valorem* duties levied on the c.i.f. value. Previously Mexican duties were wholly specific. It is claimed that specific duties alone are no longer adequate to produce customs revenue proportionate to the increasing value of importations. As there is no definite pattern in the new duties, it is impossible to estimate the effect on Canadian trade until a comparison with the old system item by item can be made.

The new tariff is to go into force 30 days after its publication in the *Official Gazette*, that is, on December 13, 1947. It is understood that all goods, whether ordered before November 13 or now in transit will be subject to the new duties if they arrive at the Mexican port of entry after December 13.

No minimum prices to prevent dumping have as yet been set, but the Minister of Finance is to issue an official list of prices of all the tariff items, presumably before December 13.

Foreign Trade Enquiries

Canadian firms interested in any enquiries listed in this section are requested to communicate directly with the companies or individuals concerned. As far as can be ascertained, they are in good standing, though the Foreign Trade Service cannot assume responsibility for business transactions undertaken with them. A copy of the initial reply from the enquirer should be forwarded to the Department of Trade and Commerce for follow-up purposes. Confidential information concerning the financial status of enquirers may be secured from this Department by bona fide Canadian manufacturers and exporters. In writing this Department in connection with enquiries, the name of the enquirer, file number of the enquiry and the date of issue of *Foreign Trade* in which it was shown should be supplied.

64. **Belgian Congo**—L. M. Benzakein, Elizabethville, Belgian Congo, is interested in contacting Canadian manufacturers of household metal furniture on a purchase and/or agency basis. File: TE 271.

Postal Information

Correct Designation for Manchuria Necessary

The Postal Administration of China has advised that mail matter for Manchuria should not be addressed to "Manchukuo", and any correspondence bearing this name will be returned to origin. "Manchuria" is the correct designation for this territory.

Sample Post Service Resumed to Dodecanese Islands

Effective immediately, the service for sample post is resumed to the Dodecanese Islands under normal conditions, including the weight limit of one pound.

Netherlands West Indies Suspends Certain Letter Package Service

The Postal Administration of the Netherlands West Indies has advised that the service for letter packages containing articles of commercial value has been temporarily suspended to that territory. Saba lace, films sent for development, and articles forwarded for repair will, however, still be permitted entry in such letter packages.

Trade Commissioners on Tour

CANADIAN Trade Commissioners return periodically from their posts in foreign lands to familiarize themselves with conditions in this country and the special requirements of the commercial community. They are in a position to furnish information concerning markets in their respective territories and possible sources of supply. Exporters and importers are urged to communicate with these officers, when in their vicinity, with a view to establishing connections that will assist in the promotion of their particular commercial interests, now and in the future. Arrangements for interviews with these trade commissioners should be made directly through the following offices in the areas concerned:

Ottawa—Foreign Trade Service, Department of Trade and Commerce

Belleville—Chamber of Commerce.
Brantford—Board of Trade.
Brockville—Chamber of Commerce.
Calgary—Board of Trade.
Edmonton—Can. Manufacturers' Association.

Fredericton—Board of Trade.
Galt—Board of Trade.
Gananoque—Chamber of Commerce.
Granby—Board of Trade.
Guelph—Board of Trade.
Halifax—Board of Trade.
Hamilton—Chamber of Commerce.
Ingersoll—Chamber of Commerce.
Kingston—Chamber of Commerce.
Kitchener—Chamber of Commerce.
London—Chamber of Commerce.
Montreal—Montreal Board of Trade.
Niagara Falls—Chamber of Commerce.
Oshawa—Chamber of Commerce.

Paris—Board of Trade.
Pembroke—Chamber of Commerce.
Quebec City—Board of Trade.
Regina—Board of Trade.
Renfrew—Board of Trade.
Saint John—Board of Trade.
St. Catharines—Chamber of Commerce.
Sarnia—Chamber of Commerce.
Stratford—Board of Trade.
Toronto—Can. Manufacturers' Association.
Vancouver—H. W. Brighton, Foreign Trade Service, Room 318, Marine Building.
Victoria—Dept. of Trade and Industry.
Welland—Board of Trade.
Windsor—Chamber of Commerce.
Winnipeg—Can. Manufacturers' Association.
Woodstock—Board of Trade.

M. T. Stewart, Canadian Trade Commissioner in New York, began his Canadian tour in Halifax on September 8. Until recently, Mr. Stewart was trade commissioner in Bogotá, Columbia, and is in a position to advise Canadians on trade with that area.

W. G. Stark, former Commercial Secretary, Canadian Embassy, Lima, Peru, continued his Canadian tour in Edmonton on November 14. During the course of the next few months he will discuss trade of Peru and Ecuador with businessmen across the country.

M. T. Stewart

(Canadian Trade Commissioner, New York)

Montreal—November 24-29.

W. G. Stark

(Former Commercial Secretary, Canadian Embassy, Lima)

Vancouver—November 17-26.
 Victoria—November 27-29.
 Calgary—December 1.
 Regina—December 2.
 Winnipeg—December 3-5.
 Guelph—December 9.
 Galt and Preston—December 10.
 Kitchener and Waterloo—December 11-12
 Stratford—December 13.
 Windsor, Walkerville—December 15.
 Sarnia—December 16.
 London—December 17.

Ingersoll, Woodstock, Paris—December 18.
 Brantford—December 19-20.
 Hamilton—January 5-7.
 St. Catharines—January 8.
 Welland—January 9.
 Toronto—January 10-28.
 Belleville and Batawa—January 29.
 Kingston—January 30.
 Gananoque—January 31.
 Montreal—February 2-21.
 Pembroke—February 23.
 Renfrew—February 24.
 Ottawa—February 25-28.

Multilateral Trade Agreement Between Seventeen Countries Has Wide Application Here

Press release, issued on November 17, 1947, provides comprehensive introduction, with summary of concessions secured by Canada and granted by this Dominion to other countries.

(Editor's Note.—In order that the important information contained in this press release might be made available to readers of *Foreign Trade* this week, the original type was preserved. No effort has been made to summarize this "summary", as it has such wide application. Readers can readily find those sections or items in which they are particularly interested.)

On Wednesday, October 29, it was announced by the Prime Minister that Canada had successfully concluded at Geneva, Switzerland, tariff and trade negotiations with a number of countries and that on the following day there would be signed on behalf of Canada a multilateral General Agreement on Tariffs and Trade, together with a Protocol of Provisional Application. On October 30 those instruments were duly signed by L. D. Wilgress, Canadian Minister to Switzerland.

The Prime Minister's statement indicated those countries with which Canada had completed negotiations, viz.: United States of America, Belgium-Luxembourg and the Netherlands (comprising the new customs union of "Benelux"), Brazil, Chile, China, Cuba, Czechoslovakia, France, Lebanon-Syria, and Norway, as well as the United Kingdom, the Union of South Africa, Ceylon, India, and Pakistan.

The General Agreement on Tariffs and Trade and the Protocol of Provisional Application, which together constitute the Final Act of the proceedings of the Preparatory Committee for the World Conference on Trade and Employment, represent the culmination of intensive tariff negotiations which began in Geneva last May. The Draft Charter for an International Trade Organization, published earlier, signifies the fruits of seven months of effort by the members of the Preparatory Committee to formulate a code of international conduct in respect of commercial policy, commodity policy, restrictive business practices, employment, and development. The Draft Charter will go forward for adoption to the World Conference to be convened at Havana on November 21.

The General Agreement on Tariffs and Trade, which includes the schedules of tariff concessions, will be brought into force provisionally on January 1, 1948, by the countries which have signed the Protocol of Provisional Application. This Protocol has been signed by Australia, Belgium, Canada, France, Luxembourg, Netherlands, United Kingdom, and the United States. It remains open to the other countries which have participated in the Geneva negotiations to sign the Protocol at a later date.

As formulated at Geneva, the General Agreement on Tariffs and Trade is a substantive international agreement—*independent of but complementary to the Draft Charter*—which can, if necessary, stand by itself. It comes into force, provisionally, by itself, and is so framed as to permit its continuance in operation in a definitive sense even though the Havana Conference should fail to produce an acceptable Charter. It contains such provisions regarding commercial policy as have for years been standard in most bilateral trade agreements, as well as many of the provisions of the Draft Charter which were approved by the negotiating countries at Geneva as essential and desirable provisions of a multilateral trade agreement.

Reference to the text of the General Agreement on Tariffs and Trade will reveal that various Parts and Articles thereof formulate principles and rules fundamental to the application and enforcement of what is in effect an international code. Those relative to Commercial Policy in the broadest sense of the phrase deal with such matters as Most-Favored-Nation Treatment, Preferences, Customs Duties and other duties and charges, National Treatment on Internal Taxa-

tion and Regulation, Freedom of Transit, Anti-Dumping and Countervailing Duties, Valuation for Customs Purposes, Formalities connected with Importation and Exportation of Goods, Marks of Origin, Publication and Administration of Trade Regulations, etc.

Interlocking closely with the more standard provisions respecting Commercial Policy above referred to, are those relevant portions of the Draft Charter on Quantitative Restrictions which have been embodied in the General Agreement. In general, quantitative restrictions are prohibited. There are, however, exceptions to this basic rule which are carefully defined, including exceptions which are permitted in respect of countries involved in balance of payments difficulties. The provisions regarding Non-Discriminatory Administration of Quantitative Restrictions and the Exceptions to the Rule of Non-Discrimination which are important features of the basic rules regarding the use of quantitative restrictions in any form, are carefully formulated and set forth in the General Agreement.

Other important Articles of the General Agreement relate to Exchange Arrangements, Export Subsidies, State-Trading Enterprises, Adjustments in Connection with Economic Development, Emergency Action on Imports of Particular Products, General and Security Exceptions, Consultation, Nullification or Impairment, Joint Action by the Contracting Parties, Entry into Force, Withholding or Withdrawing of Concessions, Modification of (Tariff) Schedules, etc.

The General Agreement includes a provision entitled "Relation of this Agreement to the Charter for an International Trade Organization." Under this provision, the signatories to the General Agreement undertake that, "pending their acceptance of such a Charter in accordance with their constitutional procedures," they will "observe to the fullest extent of their executive authority the general principles of the *draft* Charter submitted to the (Havana) Conference by the Preparatory Committee." It is further provided that on the coming into force of the Charter after the Havana Conference, certain parts and sections of the General Agreement shall be superseded by the corresponding provisions of the Charter. However, any contracting party to the General Agreement may lodge an objection to any provision of the

Agreement being so suspended or superseded, in which case all the contracting parties shall confer to consider the objection in order to agree whether the provisions of the Charter to which objection has been lodged, or the corresponding provisions of the Agreement in its existing form or any amended form, shall apply. Any contracting party may on or after January 1, 1951, withdraw from the General Agreement upon the expiration of six months prior notification of such intention.

Under the terms of the Protocol of Provisional Applications, Canada will bring into force on January 1, 1948, Parts I and III of the General Agreement—that is (1) those Articles thereof which provide for Most-Favored-Nation Treatment in administration of the text and the Schedule of Tariff Concessions; (2) the Schedule of Tariff Concessions (Schedule V); and (3) the general Articles relative to Acceptance, Entry into Force, Withdrawal, etc. Also on January 1, 1948, Canada will bring provisionally into force Part II of the General Agreement (i.e.—all other provisions thereof) "to the fullest extent not inconsistent with existing legislation."

An illustration of the manner in which this safeguarding proviso will apply is afforded in the case of oleomargarine: this is at present prohibited from importation by statute, which prohibition will continue to apply unless and until dealt with by Parliament.

Preferences, no less than rates of duty, played a vital part in the negotiations at Geneva, and the General Agreement sets forth the basic principles agreed upon as governing in future, and during the life of the new Agreement, the manner in which and the extent to which preferences may be a feature of bilateral agreements among the units of any preferential area. Very briefly, these are that no new preferences may be created, that no existing preferences may be enlarged, and that such preferences as remain after the conclusion of the Geneva negotiations shall be negotiable—that is, they may be reduced or narrowed by negotiations with foreign countries, in return for the granting by such negotiating foreign countries of concessions or benefits to the giver or the holder, or both, of such preferences.

Just as preferences remaining "after Geneva" are negotiable (i.e.—subject to elimination or impairment only by the process of negotiation),

so were preferences "pre-Geneva" negotiable during the past summer. In many instances, the foreign country negotiating with Canada expressed chief interest in a reduction of the rate of duty; in others, the "margin of preference," as distinct from the favored-nation rate, was the desideratum; in not a few, negotiations concerned both the rate of duty and the preference. Naturally, Canada was involved, preference-wise, on two fronts: demands by foreign countries upon other Commonwealth areas for elimination or reduction of preferences enjoyed by Canada in those areas; and demands by foreign countries for elimination or narrowing (by reduction of the favored-nation rate) of preference enjoyed in the Canadian tariff by other Commonwealth countries. From the outset, Canada strongly opposed the narrowing of preferential margins by the device of raising preferential rates and it will be seen from a study of the Schedule that, in so far as concerns the Canadian tariff, there is only a single instance of the raising or imposing of a duty under the British Preferential Tariff; in all other instances, the preferential margin, if narrowed at all, has been narrowed by the reduction of the rate applicable to favored-nations. This principle relative to her own tariff, Canada was content to have apply equally in respect of the preferences enjoyed by her products in various Commonwealth countries and in order to do her part in making it possible for the latter to reach agreement with other negotiating nations, the Canadian Government assented in several instances to the elimination or the reduction of those preferential margins to which she had been entitled and to which her producers had become accustomed. The extent to which such preferences in other Commonwealth areas have been modified under the new Agreement is fully set forth in later sections of this statement as are also the number and magnitude of the concessions secured by Canada in many countries of the world.

Although more than one hundred separate and distinct agreements respecting tariffs and preferences were worked out at Geneva, the results of *all* those appear as one comprehensive Schedule (numbered Schedules I to XX, inclusive) to the General Agreement. The Schedule allotted to Canada, Schedule No. V, consolidates the concessions granted by Canada to all the countries with which negotiations were successfully concluded;

therefore, the rates of customs duty set forth therein are generalized among the participating nations or countries. As was the case with many of the countries, parties to preferential tariff arrangements, the Canadian Schedule (No. V) is in two parts: Part I comprises all items of the Canadian tariff negotiated with any or all countries, and the rates set forth therein will apply to all "members of the Club" not entitled to lower or special preferential rates; Part II comprises those tariff items which were the subject of negotiation with Commonwealth countries, and the rates set forth therein will apply to those areas of the Commonwealth entitled to the benefits of the British Preferential Tariff. No item appears in Part II, bearing a preferential rate, which does not appear also in Part I, bearing the rate applicable to those other countries parties to the Geneva negotiations. The rates of duty specified in Part I are designated as the duties under the "Most-Favored Nation Tariff" and (subject to such revision of the Draft Charter as may be made at Havana) may be applied provisionally to those countries, not participants at Geneva, with which Canada has in the past exchanged most-favored-nation treatment.

The term of the General Agreement is the standard one of three years (i.e.—to January 1, 1951) but the Agreement contains the usual provision for continuance in force thereafter, subject to six months' notice of termination.

Study of the terms of the new Agreement and of the Schedules thereto will reveal that it is the most far-reaching and comprehensive agreement of its kind in Canadian history. Further, that the Canadian portion of the multilateral instrument is a vital part of what is probably the most comprehensive multilateral trade agreement ever attempted. From the Canadian point of view, the achievement of a multilateral understanding among so many countries, representing as they do such a large percentage of the total world trade, is particularly gratifying, not merely because of the potentialities it offers in respect of enlarged markets abroad for Canadian exports but no less because of the fact, that from the inception of the idea of a multilateral effort to reduce barriers to trade throughout the world as a foundation for world peace, the Canadian Government and the Canadian public have shown intense interest in the objective and have consistently assisted in its attainment.

Representatives of Canada joined in the earliest informal and exploratory discussions, both at London and Washington, in 1943, 1944, and 1945. A Canadian delegation participated in the first session of the Preparatory Committee at London in October and November of 1946; and again a Canadian delegation has been an active participant at Geneva during the past seven or eight months. In all these conferences, the outstanding importance of Canada's place in world trade has been recognized and is evidenced by the fact that Schedule V to the General Agreement is one of the largest and most comprehensive in the series of twenty such marking the culmination of the negotiations.

Needless to say, the conclusion by Canada of mutually-satisfactory negotiations with other countries would not have been easy—indeed, might have been impossible—had it not been for the co-operation extended by those other countries of the Commonwealth with which she has trade agreements, notably the United Kingdom, Australia, South Africa, New Zealand, and the West Indies. Throughout the long and complicated series of negotiations, there was on the part of all the Commonwealth countries a readiness to understand and appreciate one another's problems and a joint determination to assist one another in arriving at agreements which all could recommend as being in the interests of each and of the world at large.

One result of this co-operative attitude is that there has been concluded on Canada's initiative a revision of the Canada-United Kingdom Trade Agreement (1937). The exchange of letters in this regard is being made public with this announcement. Under this exchange of letters each country undertakes, with respect to goods covered by the relevant Schedules of the multilateral Agreement (Schedules V and XIX), to continue to accord to the products of the other treatment no less favourable in general than has been accorded under the existing Agreement of 1937, but in which also each government recognizes the right of the other to reduce or eliminate preferences. In taking such initiative, the Canadian government has had in mind the historic Canadian attitude respecting preferences, namely, that these concessions, freely given, are not matters of rigid contractual right or obligation. It is the intention of the Canadian government to propose to the other Commonwealth governments concerned agreements with them simi-

lar to that now concluded between this country and the United Kingdom.

In studying the Schedules attributed by number to countries other than Canada—that is, those which indicate the tariff treatment to be granted to Canadian products entering such countries—one must realize that they are in terms of the tariffs of those countries, just as Schedule V is in terms of the Canadian tariff. With many of these foreign countries, Canada had not hitherto negotiated tariff rates but had merely exchanged most-favored-nation treatment, with the consequence that the form and appearance of many of the Schedules will be unfamiliar to Canadian eyes. While inquiries in detail in this regard should be submitted to the Foreign Tariffs Division of the Department of Trade and Commerce, Ottawa, attention might here be drawn to certain basic considerations which should be born in mind in analyzing the contents of each country-schedule:

(1) In the case of concessions granted by the United States (Schedule XX), the rate of duty shown in the third column does not in many instances tell the entire story of the results of Canada's continuing efforts to secure access to that great market. Very frequently the rate indicated as the one now to apply is only one-half or even one-quarter of the duty which applied in, say, 1930. An example is afforded by the item *re Turnips*: prior to 1935, the rate of duty was 25 cts. per 100 pounds; in the 1935 Agreement, Canada secured a 50 per cent reduction in rate, to 12½ cts.; in the 1938 Agreement, the 12½ ct. rate was bound; and in this new Agreement there has been secured a second reduction by 50 per cent, namely,—a rate of 6¼ cents per 100 pounds. Successive reductions of which this is an illustration do not appear in the Schedule now published but in most important instances detailed explanations in later sections of this statement indicate where the new and lowest rate is the result of one, two or more reductions by agreement.

(2) In not a few instances, Canada stands to benefit materially, although indirectly, by virtue of the multilateral character of the negotiations and the generalization of the benefits. A good illustration is the concession granted by the United States on *fresh beef and veal*, the rate on which is reduced from 6 cts. to 3 cts. per lb. Here the negotiating country, as principal supplier,—or potential

principal supplier—was Australia, but the concession extends to all the “members of the club” and Canada may expect to derive substantial benefits from this reduction in duty.

(3) The Schedules which include the concessions granted to Canada by Benelux (Schedule II), France (Schedule XI) or Norway (Schedule XIV), for example, indicate the maximum import duty to apply in future on imports of *wheat*. Only by reference to the explanations given in the appropriate section of this statement, however, can one understand and appreciate the achievement represented by such scheduled rates. The attainment of the tariff treatment specified came only after long and persistent effort on the part of Canada's negotiators to arrive at a workable formula by which to measure and restrict the net protection afforded by state-monopolies to their own producers of bread grains.

(4) Under the provisions of the Trade Agreements Act, the power of the President of the United States to negotiate changes in the United States is subject to definite limitations. In particular, he is expressly forbidden to remove any article from the dutiable list to the free list, or from the free to the dutiable list. In addition, he is not permitted to take any action which would have the effect of reducing any duty by more than 50 per cent of the rate applicable at the beginning of 1945. The United States negotiators were limited also to a list of items on which they were specifically authorized to negotiate. While this so-called “statutory list” was very extensive, some important items were excluded from it and therefore could not be discussed at Geneva. One of the principal reasons for excluding such items from the list was the “principal supplier” rule, which although not prescribed by any law or international agreement, was for obvious reasons followed in practice to a very large extent by all the participating countries. Under the principal-supplier rule, each country tended to negotiate prospective tariff concessions on any particular item not with any minor producer but with the country mainly interested in supplying that item, which would also presumably be the country most likely to offer concessions in exchange. When the principal supplier of any article was for any reason not among the countries represented at Geneva (although it may be represented in future trade con-

ferences), there was a tendency to postpone the discussion of the tariff on that article until the principal supplier could be present to take part in the discussion and to make offers of reciprocal concessions. Thus, in the absence of such countries as Argentina, Sweden, Denmark, Switzerland, Italy, and Turkey (to mention only a few countries at random), there was a general inclination to postpone till a future occasion the negotiation of tariff reductions on items of which such countries have been or are likely to be the principal suppliers.

Ancillary to the General Agreement are certain exchanges of notes and letters, additional to the one elsewhere referred to respecting a revision of the Canada-United Kingdom Trade Agreement of 1937.

One of these, entitled “Agreement between Canada and the United States of America Supplementary to the General Agreement on Tariffs and Trade,” is included in today's release. It provides for the suspension rather than the termination of the Canada-United States Trade Agreement of 1938, the instruments exchanged making clear that the 1938 Agreement shall be inoperative for such time as Canada and the United States are both contracting parties to the (new) General Agreement on Tariffs and Trade. The second letter (also published today) records the intention of the Government of Canada to invite Parliament at its forthcoming session to amend Section 5 of the Customs Tariff to provide that the discount of 10 per cent therein provided for in respect of goods imported under the British Preferential Tariff shall not apply in respect of imports on which the British Preferential rate is the same as the Most-Favoured-Nation rate.

CONCESSIONS SECURED BY CANADA

Concessions secured for Canadian products in the various countries with which negotiations were concluded cover an extremely wide range and will be of interest to all parts of the Dominion. Since it is necessary in this portion of the statement to deal with commodities (or groups of commodities) as well as with countries, it may be in the interest of clarity and brevity to begin by summarizing the principal concessions—in terms of chief export commodities—granted by various countries to Canada.

PRINCIPAL CONCESSIONS

Wheat: Maximum reduction in the United States duty and substantial reductions in the customs duty and/or "monopoly charges" in France, Belgium and Luxembourg, Netherlands, Cuba, and Norway, with binding of free entry or existing duty in China and Brazil.

Coarse grains: Maximum reductions in the United States duties on oats, barley, rye, bran, shorts, middlings, grain hulls, screenings and scalplings.

Cattle: Binding of the United States rate of 1½ cts. per lb. on cattle weighing 700 lbs. or more each, together with an enlargement of the quota from 225,000 head to 400,000 head; and binding of the rate of 1½ cts. per lb. on calves with an enlargement of the quota from 100,000 head to 200,000 head.

Cod fillets: Continuance in the United States of the existing quota and quota rate but with a binding of the ex-quota rate of 2½ cts. per pound (not bound under the existing Agreement).

Other fisheries products: Maximum reductions in United States duties on fresh or frozen salmon and halibut; reductions in duties on other fresh fish, on smoked or kippered herring, on pickled salmon, and on cod, dry or green salted, pickled, etc.

Binding by Benelux of free entry of fish, fresh or chilled, salted, smoked or dried; reduction by France on canned salmon and canned lobster; reduction by Brazil on dry salted codfish and by Cuba on dried codfish; reductions by Czechoslovakia on salted herrings and preserved salmon; by India on canned fish; and by Norway on canned lobster, canned salmon and salted salmon.

Lumber: Maximum reductions in United States duty, as well as in I.R.C. tax, on sawn and dressed boards, planks, etc. of fir, hemlock, spruce, pine, and larch. Maximum reductions also in duties on red cedar plywood, veneers (other than of birch or maple, which are bound at 10 p.c.), and binding of free entry for wood pulp, poles, ties, staves, etc.

Binding by Benelux of free entry for logs, pulpwood and wood pulp and of low rates on veneer sheets and tongued and grooved wood; reductions in French duties on logs, pulpwood, veneer leaves, tongued and grooved wood, and wood pulp; and by India on Douglas fir timber.

Base metals: Reduction by one-third of United States duty on

aluminum metal and by 50 per cent of the duties on aluminum plates, sheet, scrap, etc. Maximum reduction on magnesium, tantalum, cadmium, nickel in all forms except tubes and tubing, and zinc sheets, scrap and dross, together with binding of free entry and maximum reduction in I.R.C. tax on all copper.

Binding by Benelux of free entry for lead and zinc ores; copper in pigs, ingots, etc.; nickel in ingots, plates, etc.; aluminum in ingots, plates, etc.; and zinc ingots.

Binding by France of free entry for important ores and reductions in duty on various forms of copper, nickel, aluminum and zinc and free entry for lead ingots.

Binding by Czechoslovakia and Norway of free entry for certain forms of copper, nickel, aluminum, and cadmium.

Seed potatoes: Continuance in United States of existing quota rate on certified seed potatoes with increase in quota from 1,500,000 bushels to 2,500,000 bushels.

Free entry for seed potatoes bound in Brazil and in Cuba on seasonal basis.

Turnips: Maximum reduction in United States duty.

Wheat flour: Maximum reduction in United States duty and reductions in duty and/or monopoly tax in Benelux and Cuba, as well as reduction in duties in French colonial possessions.

Seeds: Maximum reductions in United States duties on alfalfa, red clover, alsike clover, sweet clover, and timothy, with reductions on other grass and forage seeds. Binding in Benelux of free entry for clover and forage crop seeds; reduction in Czechoslovakia on lucerne and grass seeds; and binding in France of free entry of clover and other forage seeds.

Non-metallic minerals: Numerous reductions in various countries in duties on mica, tale, and corundum, with continuance of free entry of asbestos in United States, Benelux, and Czechoslovakia, and of free entry in United States of coal and coke, artificial abrasives (crude), calcium cyanide, gypsum, stone, and sand (including nepheline syenite).

Chemicals: Maximum reductions in United States duties on acetic anhydride, vinyl acetate and synthetic resins, selenium dioxide and tellurium compounds, aluminum hydroxide, ammonium nitrate, calcium carbide, acetylene and other blacks, and salt, with reductions in duties on acetic acid and crude barytes.

Apples: Reduction in duties in United States on fresh apples and maximum reduction on dried and canned apples. Reductions by Benelux on fresh and dried apples; by France on fresh and dried apples and apple juice; and by Norway on fresh apples.

Berries: Reductions in United States duties on blueberries, both frozen and canned, as well as on other frozen berries.

Dairy Products, Eggs, Etc.: Maximum reduction in United States duties on live poultry of all kinds; on all dressed poultry other than turkeys; and on baby chicks, canned chicken and dead game birds.

Quota retained on fresh cream but quota rate reduced from 28.3 cts. per gallon to 20 cts. Quota retained on whole milk, but quota rate reduced from 3½ cts. per gallon to 2 cts. Reductions in rates on skimmed milk and buttermilk, condensed milk (sweetened and unsweetened), whole milk dried, and skim milk and buttermilk, dried.

Cheese: United States duty reduced on cheddar cheese.

Butter: United States duty reduced from 14 cts. to 7 cts. per lb. on global quota of 50,000,000 pounds.

Reductions in duties in France on concentrated milk, butter and cheese.

General Products: Reductions in United States duties on maple syrup, maple sugar, honey, hay, straw, millet, dried peas, beef and veal, edible offal, lamb, mutton, wool, dried and frozen eggs, canned fruits, dried potatoes, potato starch, onions, various fresh vegetables, certain processed and canned vegetables, soups, juices and sauces, most vegetable seeds, tobacco, etc.

Spirituos Liquors: Substantial reduction in United States duties on whisky and gin.

Manufactured Goods: Reductions in United States duties on electric stoves and many other appliances employing an electric element; aircraft and parts, pleasure craft, reciprocating locomotives, many articles and wares of metal, paint-brush handles, baby carriages, canoes and paddles, mop handles, skis, hockey sticks, toboggans, and equipment for exercise or play; pipe organs and parts, rubber substitutes and synthetic rubber. Continuance of free entry for agricultural implements.

Reductions or binding of free entry or low rates in one or several of Benelux, France, India, Norway, Brazil, Chile, China, Cuba, and Czechoslovakia on such goods as soaps,

synthetic rubber, rubber belting, agricultural implements, lamps and lanterns, heating and cooking apparatus, insulators, ice skates, aircraft and parts, domestic refrigerators, rubber tires, sewing machines, electrodes and batteries, knitting-machine needles, bronze powder, and skis.

As regards the United States, it should be stated in general that the new Agreement preserves and continues for Canada practically all the advantages obtained in former trade agreements (including the binding of free entry of goods of the kinds which represented approximately two-thirds of all Canadian exports to the United States during 1939) and embodies new and often maximum concessions on a large proportion of the remainder.

CONCESSIONS ON AGRICULTURAL PRODUCTS

Grain, Grain Products and Hay

United States: Under the Geneva Agreement concessions are obtained on 33 commodities in the grain, grain products and hay group. The maximum reduction of 50 per cent of the rate of duty in effect at the beginning of the year 1945 applies to 18 products, some reduction is obtained on 9 commodities and a binding by inclusion in the Schedule of new duties with no change in the rate, is provided for in the case of 6 products.

The duty on wheat is reduced from 42 cents a bushel to 21 cents a bushel and the quota provision which limited imports to 800,000 bushels annually is to be removed. There is no change in the Canadian most-favoured-nation tariff which remains at 12 cents per bushel. The duty on wheat flour is reduced from \$1.04 per barrel to 52 cents per barrel and the quota is to be removed. Prior to this agreement United States imports of wheat flour were limited to 4,000,000 pounds annually. The Canadian tariff remains unchanged at 50 cents per barrel. The United States import duty on barley is reduced from 15 cents a bushel to 7½ cents, on oats from 8 cents to 4 cents and on rye from 12 cents to 6 cents a bushel. Canada reciprocates by reducing import duties on coarse grains to the same level as the United States. Canada also reduces the duty on imported corn by 2 cents to 8 cents a bushel. The former rate was 10 cents a bushel.

The maximum reduction of 50 per cent is obtained also from the United States on semolina from \$1.04 to 52 cents per barrel; pearl barley from 1

cent to $\frac{1}{2}$ cent per pound; millet from 1 cent to $\frac{1}{2}$ cent per pound; dried beans from 3 cents to $1\frac{1}{2}$ cents per pound during the period May 1 to the following August 31; dried peas from $1\frac{3}{4}$ cents to $\frac{7}{8}$ cent per pound; soya beans from 2 cents to 1 cent per pound; hay from \$2.50 to \$1.25 per ton; bran, shorts and middlings from 5 per cent to $2\frac{1}{2}$ per cent; dried beet pulp from \$3.75 to \$1.90 per ton; malt sprouts and brewers' grains from \$2.50 to \$1.25 per ton; grain hulls from 5 cents to $2\frac{1}{2}$ cents per 100 pounds; screenings and scalplings from 5 per cent to $2\frac{1}{2}$ per cent *ad valorem*.

Some reduction in the United States tariff rate is received on wheat starch from $1\frac{1}{2}$ cents to 1 cent per pound; barley malt from 40 cents to 30 cents per 100 pounds; rye flour from 45 cents to 30 cents per 100 pounds; rye malt from 35 cents to 30 cents per 100 pounds; buckwheat from 15 cents to 10 cents per 100 pounds; buckwheat flour from 30 cents to 20 cents per 100 pounds; split peas from $1\frac{1}{4}$ cents to 1 cent per pound; rape seed from free plus 2 cents revenue tax to free plus 1 cent per pound; straw from 75 cents to 50 cents per ton.

On the following grain and grain products there are no changes in the rates of duty which have been bound against increase by inclusion in the Schedule. The bound items include, wheat, unfit for human consumption at 5 per cent; wheat when manufactured into flour in the United States and the flour exported, exempt from duty; unhulled ground oats at 25 cents per 100 pounds; rolled oats and oat meal at 10 per cent, but not less than 40 cents nor more than 80 cents per 100 pounds; cereal breakfast foods at 10 per cent; and mixed feeds at 5 per cent *ad valorem*.

Benelux: Although in past years wheat imported into the Netherlands, Belgium and Luxembourg has been admitted free of any customs duty, imports have been subject to a varying monopoly fee in the Netherlands and a corresponding duty in the Belgium-Luxembourg Economic Union. These restrictive devices had the same effect as a customs duty and due to their variability made trading in wheat and wheat flour with these countries uncertain and speculative. Under their stabilization programs the domestic selling prices of wheat and flour were frequently maintained at levels considerably above the world prices for these products.

At Geneva, Canada negotiated a wheat agreement with Benelux which provides that imported wheat will

continue to be admitted free of customs duty and the selling price of wheat in the Netherlands, Belgium and Luxembourg shall not exceed the average landed cost of imported wheat by more than 4 florins per 100 kilograms in the Netherlands and 66.08 francs per 100 kilograms in Belgium and Luxembourg. This maximum import duty corresponds to about 40 cents per bushel. In order to carry out their price stabilization program, in the event of a sharp decline in world wheat prices, the agreement provides that the selling price shall not be required to be reduced by more than 1 florin or 16.52 francs respectively or 10 per cent, whichever is the less, in any six-week period. This means that the domestic selling price of wheat in the Benelux countries must follow world prices down on a graduated scale and when prices move to lower levels by reason of the agreement they will have the intended effect of discouraging domestic production.

The agreement contains a mixing regulation which provides that not more than an average of 35 per cent per annum of domestic wheat or similar domestic products including potato flour, shall be required to be mixed with imported wheat in the production of flour.

The wheat flour agreement with the Netherlands provides for the free entry of a quantity not in excess of 50,000 metric tons per year and 3 per cent *ad valorem* for imports in excess of this quantity. Imports into Belgium and Luxembourg are subject to a duty of 3 per cent. The monopoly and corresponding charges on imported flour are limited to the equivalent of those imposed on wheat.

Belgian Congo: Continued free entry is obtained for wheat flour, oat meal and rolled oats.

Brazil: The tariff on wheat, wheat flour and barley malt is bound against increase.

China: The rate of duty on wheat and wheat flour is bound against increase in the tariff schedule at 15 per cent. The duty on malt is reduced from 15 per cent to $12\frac{1}{2}$ per cent and the duty on oat meal continues at 25 per cent *ad valorem*.

Cuba: Substantial concessions are obtained from Cuba. The duty on wheat is reduced from 40 cents per 100 kilograms to 16 cents and on wheat flour the duty is reduced from \$1.30 to 83 cents per 100 kilograms. It is further provided that the United States preference on wheat

flour shall not exceed 20 cents per 100 kilograms. The duty on rolled oats is bound at \$1.625 per 100 kilograms and the duty on brewers' malt is reduced from 30 cents to 25 cents per 100 kilograms.

France: Before the war France imposed an *ad valorem* duty of 50 per cent on imported wheat and in order to encourage increased home production France maintained the domestic price of wheat 100 to 200 per cent above the world price. In the agreement which Canada negotiated with France at Geneva important concessions in the rate of duty and the domestic selling price are obtained. France agrees to reduce the import duty to 30 per cent and further agrees that the selling price shall not exceed by more than 15 per cent the average landed cost duty-paid of imported wheat. The agreement provides further that in the event of wide fluctuations in world wheat prices the amount of the negotiated maximum protection may be adjusted subject to agreement between Canada and France.

Other concessions on grain and grain products obtained from France under the General Agreement are a reduction of the import duty on barley from 50 to 40 per cent, rolled oats 50 to 30 per cent and flax seed 12 to 8 per cent *ad valorem*.

French Colonies: Concessions obtained from the French Colonies on wheat flour are as follows: French West Africa from 7 per cent to 5 per cent; French Guiana from 3 per cent to free; Guadeloupe from 10 per cent to 5 per cent and in Martinique from 12 per cent to 8 per cent *ad valorem*.

Norway: Free entry of wheat, wheat flour, oats and barley is bound against change in the General Agreement. Canada negotiated a special wheat agreement with Norway which limits the price paid to producers of wheat. The Agreement provides that during the next three years the average purchase price of domestic wheat shall not exceed by more than 30 per cent the average price paid for imported wheat, c.i.f. Norwegian ports, during the same period.

LIVESTOCK AND LIVESTOCK PRODUCTS

United States: Concessions in the United States tariff are obtained under the General Agreement on 24 products in the livestock and livestock products group. On 6 products the full 50 per cent reduction is

obtained. Some reduction is received on 5 products and for 13 products the rate is unchanged but as these items are included in the Schedule the import duties are bound against increase.

The tariff quota on live cattle over 700 pounds in weight is increased from 225,000 head per calendar year to 400,000 head for the twelve months commencing April 1. Under the 1938 Trade Agreement with the United States imports were limited to 60,000 head per calendar quarter. If quotas were filled in the first nine months of the year this would leave 45,000 head in the annual quota for admission at the reduced rate of duty in the last calendar quarter. The agreement negotiated with the United States at Geneva provides for a quarterly quota of 120,000 head with a possible residual of 40,000 head in the last three months of the quota year if earlier quarterly quotas are filled. Under the present arrangement it is agreed that the quota year will start on April 1, thus assuring a full quota of 120,000 head in the three months October, November and December, the period of heavy marketings.

Within the tariff quota of 400,000 head the rate of duty continues at 1½ cents per pound. On imports of heavy cattle in excess of the quota the duty is reduced from 3 cents to 2½ cents per pound.

Under the General Agreement the tariff quota for calves weighing up to 200 pounds each is increased from 100,000 head to 200,000 head. The rates of duty continue unchanged at 1½ cents per pound within the quota and 2½ cents per pound on imports in excess of the 200,000 head. No quota limitation is placed on imports of dairy cows and the rate of duty continues at 1½ cents per pound.

A concession of major importance to beef producers and the meat packing industry in Canada is obtained under the General Agreement on beef and veal fresh, chilled or frozen. The United States import duty is reduced from 6 cents per pound to 3 cents per pound. In the year 1927 when the import duty on dressed beef entering the United States was 3 cents per pound Canada exported 53 million pounds for which the cattle equivalent was approximately 100,000 head. If as a result of the Geneva agreement trade is resumed on this scale it will ease the pressure on the United States live cattle import quotas, increase returns to producers and provide employment in Canada for workers in the meat packing industry.

DAIRY PRODUCTS

The Geneva agreement provides for a reduction in the effective duty from 3 cents per pound with a minimum of 15 per cent to $1\frac{1}{2}$ cents per pound with a minimum *ad valorem* duty of $7\frac{1}{2}$ per cent on edible animal livers, kidneys, tongues, hearts, sweetbreads, tripes and brains, fresh, chilled or frozen. On practically all livestock and livestock products Canada has reciprocated by tariff reductions to the same level as the United States.

Under the General Agreement the maximum reduction of 50 per cent in the United States duty is also obtained for lamb from 7 cents to $3\frac{1}{2}$ cents per pound; mutton from 5 cents to $2\frac{1}{2}$ cents per pound; frozen pork from $2\frac{1}{2}$ cents to $1\frac{1}{2}$ cents per pound; and meat pastes, except beef, from 6 cents per pound with a minimum of 10 per cent to 3 cents per pound with a minimum of 10 per cent *ad valorem*.

Some reduction in duty is obtained for horses, from \$15 to \$10 per head for horses valued at less than \$150 per animal and from $17\frac{1}{2}$ per cent to 15 per cent for horses valued over \$150 each; canned meats, except canned beef, from 3 cents per pound but not less than 20 per cent to 3 cents with a minimum rate of 10 per cent. In the case of the wool tariff which the United States negotiated with Australia there is a general reduction of 25 per cent in import duties. Although this concession was granted directly to Australia, Canada as a contracting party to the General Agreement and all other signatories will enjoy the same reduced rates on a most-favoured-nation basis.

The United States import duty continues unchanged on the following livestock and livestock products which by inclusion in the Schedule of the General Agreement are bound against increase; live hogs 1 cent per pound; fresh and chilled pork $1\frac{1}{2}$ cents per pound; bacon and hams 2 cents per pound; sausage casings, free entry; pure bred animals (except silver and black foxes) for breeding purposes, free.

Other Countries: Concessions in countries, other than the United States, of importance to Canadian livestock producers and the industry include a continuation of free entry for cattle, calf, horse and sheep hides into France; the duty on frozen and chilled beef imported by France is fixed in the agreement at 40 per cent *ad valorem*. Indo-China establishes a rate of 10 per cent for salted hams and bacon, and Cuba continues to provide free entry for pure bred cattle.

United States: Concessions are obtained from the United States on 15 products in the dairy products group. On 5 products the maximum reduction of 50 per cent is obtained through the General Agreement. Some reduction is received on 6 products and a binding of the rates by inclusion in the Schedule of the General Agreement applies to four products.

The United States import duty on skin milk powder is reduced from 3 cents per pound to $1\frac{1}{2}$ cents per pound. The former rate for whole milk powder was $6\frac{1}{2}$ cents, the effective new rate is $3\frac{1}{10}$ cents per pound. The corresponding Canadian duty on these products continues at 5 cents per pound. The United States import duty for cream powder is reduced from $12\frac{1}{2}$ cents to $6\frac{1}{2}$ cents per pound and for lactose the rate is cut from 50 per cent to 25 per cent *ad valorem*. The concession on butter received by New Zealand from the United States is of interest to Canada. The rate of 14 cents per pound is reduced to 7 cents per pound on a tariff quota of 50 million pounds imported during the period November 1 to the following March 31. Canada can participate in the quota which is open to all most-favoured-nation countries at the reduced rate. When the quota is filled, and outside the quota period, the import duty rate of 14 cents per pound is applicable.

The concession obtained from the United States on cheddar cheese is of particular interest to the dairy industry. The former rate of duty was 4 cents per pound with a minimum *ad valorem* rate of 25 per cent. The new rate is $3\frac{1}{2}$ cents per pound with a minimum of $17\frac{1}{2}$ per cent *ad valorem*. The corresponding Canadian import duty is reduced from 7 cents to $3\frac{1}{2}$ cents per pound.

The tariff quota on whole milk continues at 3,000,000 gallons but the rate of duty on this quantity is reduced from $3\frac{1}{2}$ cents per gallon to 2 cents per gallon. The rate on any quantity imported into the United States in excess of 3,000,000 gallons continues at $6\frac{1}{2}$ cents per gallon.

The tariff quota on cream is unchanged at 1,500,000 gallons. The duty on this quantity is reduced from 28% cents per gallon to 20 cents per gallon. Cream in excess of the quota continues to be subject to a duty of 56% cents per gallon.

Under the General Agreement Canada benefits from a reduction in

the rate on unsweetened evaporated milk from $1\frac{3}{4}$ cents to 1 cent per pound and a reduction on sweetened condensed milk from $2\frac{3}{4}$ cents per pound to $1\frac{3}{4}$ cents. The Canadian import duty on these products continues at $3\frac{3}{4}$ cents per pound. The duty on buttermilk powder imported into the United States remains unchanged at $1\frac{1}{2}$ cents.

Benelux: Cheese, hard or medium hard which includes Canadian cheddar has been subject to an import duty of 15 per cent and in addition a monopoly duty equivalent to 10 cents per pound in the Netherlands. Under the General Agreement the monopoly duty is eliminated and the only duty imposed is the *ad valorem* rate of 15 per cent. In the Belgian Congo evaporated, condensed and dried milk continue to enter free of duty.

France: Under the Agreement unsweetened evaporated milk is subject to a duty of 10 per cent. The rate on condensed milk is reduced from 20 per cent to 15 per cent. The duty on cheese is cut from 20 per cent to 15 per cent and the butter duty is reduced from 30 per cent to 25 per cent.

Norway: The import duty on cheese remains unchanged at Kr. 1.20 per kilogram.

EGGS AND POULTRY

United States: Substantial reductions in duty were obtained from the United States on all products of interest to Canada in the egg and poultry group. For 5 products the maximum reduction of 50 per cent is received and on 7 products some reduction is obtained. The duty on live poultry entering the United States is reduced from 4 cents a pound to 2 cents. The corresponding Canadian import duty is 15 per cent. The former duty on baby chicks imported into the United States was 4 cents each. Canada obtains a new rate of 2 cents each and reciprocates. For dressed poultry, exclusive of dressed turkeys, the United States rate is reduced from 6 cents a pound to 3 cents a pound. On other dead birds, except turkeys, the rate is cut from 5 cents to $2\frac{1}{2}$ cents per pound. The Canadian rates on these items continue at 15 per cent. On canned chicken the United States rate which formerly was 10 cents a pound is now 5 cents a pound. The Canadian rate is reduced from 30 per cent to 20 per cent.

Canada obtains an important concession in fresh eggs by the reduction in the United States duty from 5 cents per dozen to $3\frac{1}{2}$ cents per dozen. Canada reciprocates in this reduction. The import duty on frozen whole eggs, frozen egg yolk, and frozen egg albumen entering the United States is cut from 11 cents per pound to 7 cents. Through the Geneva agreement the following reductions are received from the United States: dried whole eggs, dried egg yolk and dried egg albumen from 27 cents to 17 cents per pound. The Canadian duty is maintained at 25 per cent *ad valorem* on dried egg products.

APPLES

One of Canada's most important contributions to the General Agreement on Tariffs and Trade which has for its purpose the reduction of tariffs, the elimination of tariff preferences and other trade restrictions is the relinquishing of the apple preference in the United Kingdom. Canadian apples have always enjoyed free entry into the United Kingdom market. Through the Ottawa agreement in 1932 a duty of 4s. 6d. per hundredweight was imposed on non-Empire apples. In the 1938 Trade Agreement between the United States and the United Kingdom this duty was reduced to 3s. per hundredweight for the period August 16 to April 15. At Geneva Canada agreed to the elimination of the apple preference during the Northern Hemisphere marketing season so that now apples from all sources enter the United Kingdom market free of duty from August 16 to April 15 inclusive. During the balance of the year the duty continues at 4s. 6d. per 112 pounds.

Compensation for the apple concession is obtained mainly from the United States but it cannot be matched with any single item among the United States concessions. It is a part of a mutually advantageous agreement between Canada and its neighbour and other contracting parties.

Apart from the treatment of the preference in the United Kingdom market Canada and the United States entered into negotiations at Geneva with a view to reducing their existing tariffs on apples. The Canadian duty has amounted to approximately 60 cents per bushel compared with the United States duty of 15 cents per bushel of 50 pounds. In the Geneva

agreement the United States agrees to reduce its duty to 12½ cents per bushel and Canada agrees to a rate of ¾ cent per pound equivalent to 37½ cents per bushel of 50 pounds for the period July 13 to May 19 inclusive. During the period May 20 to July 12 inclusive Canada agrees to admit apples free of duty.

For canned apples the United States duty is reduced the maximum of 50 per cent from 2½ cents per pound to 1½ cents per pound. The maximum reduction of 50 per cent is also obtained from the United States for dried apples. The former rate of 2 cents per pound now becomes 1 cent per pound.

Benelux: An important concession on fresh apples and pears is obtained in Benelux where a customs duty of 12 per cent and a monopoly charge of 40 per cent were imposed on imports. Under the Geneva agreement the customs duty and Netherlands monopoly duty or corresponding Belgium-Luxembourg charge together shall not exceed 20 per cent during the period from June 1 to January 31 inclusive. From February 1 to May 31 the customs duty is limited to 6 per cent without any monopoly duty or corresponding charge. On dried apples and pears Benelux cuts the duty from 15 per cent to 12 per cent and the rate on apple juice continues at 20 per cent *ad valorem*.

Brazil: Brazil agrees to the continued free entry of fresh and dried apples.

Czechoslovakia: The customs duty on fresh apples entering Czechoslovakia is reduced from Kcs. 300 per 100 kilograms to Kcs. 75 from November 1 to May 31 and on dried apples and pears from Kcs. 300 to Kcs. 50 per 100 kilograms. On other dried fruits the former rate of Kcs. 300 becomes Kcs. 100 per 100 kilograms.

France: The effective rate of duty on fresh apples imported into France has been 15 per cent *ad valorem*. In the Geneva agreement France agrees to a rate of 12 per cent from August 1 to February 14, then 8 per cent from February 15 to March 31 and 6 per cent from April 1 to May 31. From June 1 to July 31 the duty is 8 per cent. France further agrees to reduce the duty on dried apples from 15 per cent to 10 per cent and on apple juice from 20 per cent to 10 per cent. In Indo-China the *ad valorem* duty of 15 per cent which was effective throughout the year now applies to the period July 1 to March 31 with

free entry guaranteed from April 1 to June 30.

Norway: The effective duty on fresh apples imported into Norway was 80 Kr. per 100 kilograms from August 1 to March 15 and 40 Kr. from March 16 to July 31. The new rates are 80 Kr. per 100 kilograms from August 1 to February 15, 40 Kr. from February 16 to March 15 and 20 Kr. per 100 kilograms from March 16 to July 31.

While the United Kingdom will continue to be an important export market for Canadian apples they will meet more competition there in future from outside sources and from increasing domestic production. Since 1932 Canada has relied almost entirely on a single export market in the United Kingdom where competition from a large English crop has at times resulted in low returns to producers. The Geneva agreement opens up new and wider markets which in the long run will compensate and should be to the advantage of the Canadian apple growers.

POTATOES

United States: Canada obtains an important concession from the United States on certified seed potatoes through the enlargement of the tariff quota from 1,500,000 bushels to 2,500,000 bushels for importation during the twelve months commencing September 15. The rates of duty remain unchanged at 37½ cents per 100 pounds or 22½ cents per bushel within the quota. Imports of certified seed potatoes in excess of 2,500,000 bushels are subject to the full duty of 75 cents per 100 pounds which is equivalent to 45 cents per bushel.

With respect to table potatoes the United States removes the intermediate rate of 60 cents per 100 pounds which applied from December 1 to the last day of the following February. No concession is obtained in the United States quota tariff and the quota of 1,000,000 bushels remains unchanged. The rate of 37½ cents per 100 pounds or 22½ cents per bushel now applies throughout the year commencing September 15 to the quota of 1,000,000 bushels. Imports in excess of this quantity pay the full rate of duty of 75 cents per 100 pounds.

The Geneva agreement provides for a reduction in the United States duty on dried potatoes from 2½ cents to 1½ cents per pound and the duty on potato starch is reduced from 1½ cents per pound to 1 cent.

Other Countries: Brazil binds free entry of certified seed potatoes. With respect to certified seed potatoes Canada obtains from Cuba treatment similar to that accorded to the United States with free entry guaranteed from September 1 to January 31. France reduces the date of duty on certified seed potatoes from 30 per cent to 15 per cent within the limits of a quota. Seed potatoes in excess of the quota and table potatoes are subject to a duty of 30 per cent from July 1 to the last day of February. Outside this period the duty is 25 per cent. In French Guiana the rate of duty on all fresh potatoes is reduced from 15 per cent to free.

Canada: The Canadian tariff on potatoes remains unchanged. From June 15 to July 31 a duty of 37½ cents per 100 pounds continues to be imposed on table potatoes. During the balance of the year table potatoes enter Canada free of duty. Under the Canadian tariff certified seed potatoes are admitted duty free.

TURNIPS AND BLUEBERRIES

The Maritime Provinces and Ontario will be particularly interested in the concessions obtained from the United States on turnips and rutabagas and blueberries and the province of Quebec will share this interest in the case of blueberries.

In 1946 Canada exported over 3 million bushels of turnips and rutabagas valued at \$2 million to the United States. This trade originated mainly in Ontario and Prince Edward Island. In the 1935 Trade Agreement with the United States the import duty on turnips was reduced from 25 cents per 100 pounds to 12½ cents. In the 1938 agreement this reduced rate was confirmed. The new Geneva agreement provides for the maximum reduction in the United States duty on turnips and rutabagas from 12½ cents to 6¼ cents per 100 pounds.

Approximately 15 million pounds of blueberries were shipped to the United States in 1946 from Eastern Canada valued at over \$3 million. The 1930 United States Tariff Act imposed a duty of 35 per cent on frozen and canned blueberries and 1¼ cents per pound on fresh blueberries. In the 1935 Agreement the duty on frozen and canned blueberries was reduced to 25 per cent. When the Agreement with the United States was negotiated in 1938 a reduction to 17½ per cent was obtained for the frozen and canned berries and the duty on fresh blue-

berries was cut to 1 cent per pound. As a result of tariff discussions at Geneva the United States duty on frozen and canned blueberries now becomes 10 per cent *ad valorem* and the duty on fresh blueberries is confirmed at 1 cent per pound.

OTHER FRUITS AND VEGETABLES

Under the General Agreement the basic *ad valorem* rate of 10 per cent continues to apply on fresh fruits, other than citrus fruits, and vegetables imported into Canada. The system of affording additional seasonal protection to fruit and vegetable growers by means of advances in the dutiable value of imports during the period when the domestic crop is coming on the market is discontinued. In place of this system a straight specific import duty for each fruit or vegetable applies for a maximum period of time, the effective dates of its application being dependent on the Canadian marketing season. For certain vegetables the agreement provides a division of the period into two parts when the specific duty applies in order to give protection to the producers of early vegetables and later to main crop producers or holders of stored stocks. The split period arrangement applies to the following vegetables: green beans, cabbage, carrots, beets, cauliflower, celery and lettuce.

OTHER TREE FRUITS AND GRAPES

United States: Through the General Agreement the following concessions on tree fruits, other than apples, and on grapes were obtained from the United States. The import duty on fresh cherries is reduced from 1 cent to ½ cent per pound and on maraschino cherries from 9½ cents per pound plus 20 per cent to 7 cents plus 10 per cent. The United States duty on peaches remains unchanged at ½ cent per pound and the duty on canned peaches is reduced from 35 per cent to 20 per cent. The duty on canned pears is reduced from 35 per cent to 20 per cent and for dried apricots the duty is cut from 2 cents to 1 cent per pound. For canned plums and prunes the duty is reduced from 35 per cent to 17½ per cent, and on fresh fruits for which no specific provision is made in the United States tariff the duty is reduced from 35 per cent to 17½ per cent. The new duty on fresh grapes entering the United States is 17½ cents per cubic foot in place of the former rate of 25 cents per cubic foot.

Canada: Canadian specific rates of duty on tree fruits and grapes, which become effective with the entry into force of the General Agreement, are as follows: Apricots 1 cent per pound for 10 weeks; cherries 2 cents per pound for 7 weeks; peaches $1\frac{1}{2}$ cents per pound for 9 weeks; pears 1 cent per pound for 15 weeks; plums and prunes 1 cent per pound for 10 weeks. Imports of grapes of the *Vitis Labrusca* species which is the type grown commercially in Canada are dutiable at 1 cent per pound for 15 weeks. Grapes of the *Vitis Vinifera* species commonly known as the European or California type are admitted into Canada duty free. During the period of the year when the specific rates on the foregoing fruits are not in effect the basic duty of 10 per cent *ad valorem* applies. Fresh fruits not otherwise provided for in the Canadian tariff which formerly were subject to a duty of 10 per cent now enter Canada free of duty. Canada also removes import duties on grapefruit and oranges and grants free entry to these fruits the year round. Lemons and pineapples are retained on the free list.

Canada agrees to reduce the 1938 Agreement rate of duty on imports of canned peaches from $3\frac{1}{2}$ cents to $2\frac{1}{2}$ cents per pound, on canned apricots and pears from 3 cents to 2 cents per pound and on canned pineapple from 3 cents to 2 cents per pound. On canned fruits not otherwise provided for the rate is reduced from 3 cents to 1 cent per pound. Dried plums and prunes on which a duty of 1 cent per pound formerly applied will now be admitted into Canada free of duty. The 1938 Agreement rate of 15 per cent for dried fruits not otherwise provided for is reduced to 10 per cent *ad valorem*. Canada makes a substantial reduction in the most-favored-nation duty on raisins from 4 cents to 3 cents per pound, Commonwealth raisins remaining duty free. Other reductions in the Canadian tariff are as follows: dried apricots, nectarines, pears and peaches from $22\frac{1}{2}$ per cent to 15 per cent; canned fruit pulp, other than grape pulp, not sweetened, from $2\frac{1}{2}$ cents to $1\frac{1}{2}$ cents per pound; fruit pulp not otherwise provided for and crushed fruits from $2\frac{1}{2}$ cents to 2 cents per pound; frozen fruits from $2\frac{1}{2}$ cents to 2 cents per pound; jellies, jams and marmalades from $3\frac{1}{2}$ cents to $3\frac{1}{4}$ cents per pound.

British Tariff Preference: At Geneva Canada agreed to the elimination of the tariff preference of 7s. per hundred-weight in the United Kingdom on

dried apples, pears and peaches. Canada will continue to enjoy free entry into the United Kingdom for canned pears but agreed to a reduction from 15 per cent to 12 per cent *ad valorem* for non-Commonwealth countries.

OTHER BERRIES

United States: Apart from the concession on blueberries which is dealt with in an earlier section of this statement the following reductions in United States duties on berries are of importance to Canadian fruit growers: strawberries, reduced from $\frac{3}{4}$ cent per pound to $\frac{1}{2}$ cent per pound for the period June 15 to September 15; raspberries and loganberries, from $\frac{3}{4}$ cent to $\frac{1}{2}$ cent per pound, July 1 to August 31; lingon and part-ridge berries, from $\frac{5}{8}$ cent to $\frac{3}{8}$ cent per pound; other fresh berries, rate unchanged at $\frac{3}{4}$ cent per pound; other frozen berries, from $17\frac{1}{2}$ per cent to 14 per cent; other canned berries, from $17\frac{1}{2}$ per cent to 14 per cent; cantaloupes, from 35 per cent to 25 per cent, August 1 to September 15; fruit pulp, from 35 per cent to $17\frac{1}{2}$ per cent; currant and other berry jellies from 20 per cent to 10 per cent *ad valorem*.

Canada: New Canadian specific rates for a definite period are as follows, otherwise the rate is 10 per cent *ad valorem*: strawberries $1\frac{3}{8}$ cents per pound for 6 weeks; raspberries and loganberries 2 cents per pound for 6 weeks; the rate is unchanged at 10 per cent *ad valorem* for edible berries not otherwise provided for; cranberries, 1 cent per pound for 12 weeks; cantaloupes and muskmelons, $1\frac{1}{4}$ cents per pound for 8 weeks.

OTHER FRESH VEGETABLES

United States: In addition to concessions obtained from the United States on potatoes and turnips which are treated separately in this statement the following reductions were negotiated. The import duty on cabbage is reduced from $1\frac{1}{2}$ cents to $\frac{3}{4}$ cent per pound; carrots from 25 to $12\frac{1}{2}$ per cent; cauliflower from 25 to $12\frac{1}{2}$ per cent from June 5 to August 5; celery from 2 cents to 1 cent per pound from August 1 to April 14 and from 1 cent to $\frac{1}{2}$ cent per pound from April 15 to July 31; cucumbers from 3 cents to $1\frac{1}{2}$ cents per pound from July 1 to August 31;

lettuce from 2 cents to 1 cent per pound from June 1 to October 31; onions from $2\frac{1}{2}$ cents to $1\frac{3}{4}$ cents per pound; green peas from 2 cents to 1 cent per pound from July 1 to September 30; radishes from 25 to $12\frac{1}{2}$ per cent from July 1 to August 31; beets are unchanged at 10 per cent; the rate on tomatoes is unchanged at $1\frac{1}{2}$ cents per pound but the season commencing July 15 is extended from August 15 to August 31; mushrooms from 10 cents plus 45 per cent to 5 cents per pound plus 25 per cent. On the following fresh vegetables a reduction from 50 per cent *ad valorem* to 25 per cent is obtained; asparagus, brussels sprouts, parsley, rhubarb, spinach and okra.

Canada: New Canadian specific rates of duty on imported fresh vegetables are established in the Geneva agreement. During the period when the specific duty is not effective the basic rate of 10 per cent *ad valorem* applies. The new rates are as follows: asparagus $3\frac{1}{2}$ cents per pound for 8 weeks; cabbage $\frac{9}{10}$ cent per pound for 26 weeks; cauliflower $\frac{3}{4}$ cent per pound for 20 weeks; celery 1 cent per pound for 24 weeks; cucumbers $2\frac{1}{4}$ cents per pound for 12 weeks; lettuce 1 cent per pound for 18 weeks; green peas 2 cents per pound for 12 weeks; carrots and beets 1 cent per pound for 26 weeks; green beans $1\frac{1}{2}$ cents per pound for 14 weeks; tomatoes $1\frac{1}{2}$ cents per pound for 32 weeks; mushrooms $3\frac{1}{2}$ cents per pound for 52 weeks; onions 1 cent per pound for 40 weeks; rhubarb $\frac{1}{2}$ cent per pound for 10 weeks; the rate of 10 per cent *ad valorem* continues unchanged for brussels sprouts, parsley, spinach, watercress and vegetables not otherwise provided for. The duty on onion sets and shallots is reduced from 30 to 15 per cent; truffles take a rate of 10 per cent *ad valorem*; eggplant, sweet potatoes and yams, whitloof or endive, artichokes, horseradish and okra enter Canada duty free.

PROCESSED VEGETABLES

United States: Through the Geneva agreement a reduction in duty from 2 cents to 1 cent per pound is obtained in the United States tariff for canned peas. Other concessions in the United States tariff on processed vegetables are as follows: tomato juice from 10 cents to 5 cents per gallon; canned mushrooms from 8 cents plus 25 per cent to 5 cents per pound plus 15 per

cent; canned and dried vegetables not specifically provided for, from 35 per cent to $17\frac{1}{2}$ per cent; soups from 35 to $17\frac{1}{2}$ per cent; pickled onions from 25 to 15 per cent and sauces from 35 to $17\frac{1}{2}$ per cent.

Canada: Tariff concessions made by Canada on processed vegetables are as follows: canned peas, beans and corn bound against increase in duty at $1\frac{1}{2}$ cents per pound; canned and dried mushrooms reduced from $20\frac{3}{4}$ per cent to 15 per cent; canned vegetables, not otherwise provided for, reduced from 20 per cent to 15 per cent; dried vegetables reduced from $22\frac{1}{4}$ per cent to 20 per cent; frozen vegetables reduced from 25 to 20 per cent; vegetable pickles are reduced from $32\frac{1}{2}$ to $22\frac{1}{2}$ per cent; vegetable juices and sauces from $27\frac{1}{2}$ per cent to 20 per cent.

British Tariff Preference: Through the General Agreement Canada and other Commonwealth countries retain free entry in the United Kingdom for canned peas, asparagus, beans and corn, but relinquish one-half of the preference of 20 per cent on these canned products and entry into the United Kingdom market at 10 per cent *ad valorem* is now extended to all countries.

FORAGE CROP SEEDS

The tariff concessions on clover and grass seeds provide a good example of reciprocal treatment on the part of Canada and the United States in their tariff negotiations at Geneva with respect to agricultural products. In most instances duties have been reduced on a mutually advantageous basis to the same level.

United States: The United States duty on red clover seed is reduced from 4 cents to 2 cents per pound; alsike clover from 4 cents to 2 cents per pound; alfalfa from 4 cents to 2 cents per pound; sweet clover from 2 cents to 1 cent per pound; crimson clover from 2 cents to 1 cent per pound; timothy seed from 1 cent to $\frac{1}{2}$ cent per pound; bent grass from 20 cents to 15 cents per pound; Canada bluegrass and Kentucky bluegrass seed from $2\frac{1}{2}$ cents to 2 cents per pound; meadow fescue from 2 cents to 1 cent per pound; Chewings fescue from 2 cents to 1 cent per pound; other fescues from 2 cents to 1 cent per pound; rye grass is bound against increase at $1\frac{1}{2}$ cents per pound; brome and crested wheat grass are bound against increase at 1 cent

per pound; grass seeds not specifically provided for from 2 cents to 1 cent per pound.

Other Countries: Benelux binds the free entry of clover and alfalfa seed. Grass seeds are admitted free of customs duty with a monopoly fee of 15 florins or 247.80 francs per 100 kilograms. Czechoslovakia reduces the duty on alfalfa from Kcs 350 per 100 kilograms to Kcs 85 per 100 kilograms and the duty on grass seeds from Kcs 500 to Kcs 440 per 100 kilograms. France binds the free entry of clover and other forage crop seeds. Flax seed for sowing is free within quota limits. India reduces the import duty on clover and grass seeds from 30 per cent to 15 per cent.

Canada: In the agreement Canada reduces the import duty on all clover and alfalfa seed from 2½ cents to 2 cents a pound; timothy seed from 2 cents to ½ cent per pound; bent grass seed from 27 per cent to 22½ per cent; millet and rape seed from 9 per cent to 7½ per cent; field seeds, not otherwise provided for, from 9 per cent to 7½ per cent *ad valorem*.

VEGETABLE SEEDS

United States: As a result of negotiations with various countries the following reductions in import duties on vegetable seeds are received from the United States on a poundage basis: mangel seed from 2 cents to 1 cent; celery from 2 cents to 1 cent; beet, except sugar beet, from 3 cents to 2 cents; parsnip from 4 cents to 3 cents; turnip and rutabaga from 3 cents to 2 cents; cabbage from 6 cents to 5 cents; radish from 3 cents to 2 cents; kale from 3 cents to 2 cents; pepper from 15 cents to 10 cents; kohlrabi from 8 cents to 5 cents. The duty on the following vegetable seeds are bound against increase, parsley at 2 cents; carrot at 3 cents; cauliflower at 25 cents; spinach at ½ cent; vegetable seeds not specifically provided for, from 3 cents to 2 cents per pound.

Canada: The following concessions are agreed to by Canada on a poundage basis when in packages weighing more than one pound each: mangel and turnip seed from 4 cents to 2 cents; beet, not including sugar beet, from 3 cents to 2 cents; parsley and parsnip are bound against increase at 2 cents; radish, leek, lettuce, carrot, borecole or kale from 3 cents to 2 cents; cabbage and cucumber from 5 cents to 4 cents; tomato and pepper, from 10 cents to 7½ cents; cauliflower from

15 cents to 12½ cents; onion from 20 cents to 15 cents; root, garden and other seeds not otherwise provided for, from 5 cents to 2½ cents per pound. Field, root, garden and other seeds in packages weighing one pound each, or less, from 25 per cent to 20 per cent *ad valorem*.

NURSERY AND GREENHOUSE STOCK

United States: Growers of nursery and greenhouse stock and bulb growers receive substantial concessions from the United States through the Geneva agreement. United States import duties are reduced as follows: grafted or budded fruit trees, cuttings and seedlings of fruit vines, plants or bushes, from 25 per cent to 12½ per cent; grafted roses from 4 cents to 2 cents each; grafted or budded plants, cuttings and seedlings of ornamental trees, shrubs and vines, and all nursery or greenhouse stock, not specifically provided for, from 25 per cent to 12½ per cent; cut flowers, except orchids, from 25 per cent to 12½ per cent; hyacinth bulbs from \$4 to \$2 per thousand; crocus corms from \$1 to 50 cents per thousand; narcissus bulbs from \$6 to \$5 per thousand; bulbs, roots, etc., not elsewhere specified, from 15 per cent to 10 per cent; tulip bulbs are bound against increase at \$3 per thousand; seedlings, layers, and cuttings of tree fruit stock are bound against increase at \$2 per thousand; and a binding rate applies to seedling roses at \$1 per thousand. The duty on tree and shrub seeds is reduced from 4 cents to 3 cents per pound. The tariff rate on flower seeds remains unchanged at 3 cents per pound; and on seeds not specifically provided for the duty is reduced from 3 cents to 2 cents per pound.

Canada: The Canadian duties on most nursery and florist stock items remain unchanged and are bound against increase in the new agreement. In the case of the florist stock tariff item which includes palms, ferns, rubber plants, gladioli, cannas, dahlias and peonies, the duty is reduced from 20½ per cent to 17½ per cent. The duty on azaleas, rhododendrons, rose stock and other stock for grafting or budding, not otherwise provided for, is reduced from 15 to 12½ per cent; cut flowers, except orchids, take a new rate of 12½ per cent, the former rate was 25 per cent. The duty on trees, shrubs, vines, plants, roots and cuttings commonly known as florist or nursery stock, not otherwise provided for, is reduced from 17½ per cent to 12½ per cent *ad valorem*.

FURS AND FUR BEARING ANIMALS

United States: The duty of 15 per cent *ad valorem* on live silver or black foxes imported into the United States is bound against increase. In the 1938 Trade Agreement with Canada the United States reduced the duty on dressed or undressed silver or black fox furs or skins from 50 per cent to 37½ per cent. In the Geneva agreement this rate is confirmed and bound against increase. Other undressed furs and fur skins, not specifically provided for, including mink and muskrat are free of duty on importation into the United States and in the Geneva agreement the duty-free entry is bound.

Substantial reductions are received from the United States on dressed furs and fur skins. If not dyed, marten, otter, beaver, fisher, raccoon, wolf, ermine, lynx, chinchilla, sable, fox, other than silver or black, and mink take a rate of 7½ per cent in the General Agreement. If not dyed, muskrat, squirrel, skunk, badger and weasel are admitted at a rate of 12½ per cent. When dyed the rates of duty set forth above are increased by 2½ per cent.

Other Countries: Benelux continues to admit raw furs free of duty, dressed furs at 6 per cent and made-up furs at 24 per cent. Brazil reduces the rate of 58.24 cr. per legal kilogram on whole skins prepared or tanned to 29.12 cr. China binds a duty of 10 per cent on undressed furs and 20 per cent on dressed or dyed furs. Czechoslovakia confirms free entry for fox skins. France binds the free entry of raw furs, reduces an *ad valorem* rate of 15 per cent on prepared sea otter and beaver skins to free entry and the import duty on other prepared furs is reduced from 15 per cent to 10 per cent.

SPECIAL PRODUCTS, INCLUDING MAPLE PRODUCTS, HONEY AND TOBACCO

United States: The concessions received from the United States on maple sugar and maple syrup will be of interest to producers in the province of Quebec particularly. Prior to the 1935 Trade Agreement the rates of duty on these products were 6 cents and 4 cents per pound respectively. The duty on maple sugar was reduced in the 1935 Trade Agreement to 4 cents per pound without any reduction in the duty on maple syrup. The 1938 Trade Agreement provided for a 50 per cent reduction from the rates

on both products in force prior to the conclusion of the 1935 Trade Agreement, or effective rates of 3 cents per pound on maple sugar and 2 cents per pound on maple syrup. The 1938 Agreement rates of duty are reduced in the Geneva Agreement to 2 cents per pound on maple sugar and 1½ cents per pound on maple syrup. The duty on honey imported into the United States is reduced from 1½ cents per pound to 1 cent per pound. The United States duties on most types of tobacco are reduced substantially. On manufactured and unmanufactured tobacco, not specially provided for, the duty is reduced from 35 cents per pound to 17½ cents per pound. In the agreement the United States binds the duty of unmanufactured flax, hackled, at 1½ cents per pound; flax, not hackled, at ¾ cent per pound; flax tow at ½ cent per pound and flax straw at \$1.50 per ton. The duty on flax noils is reduced from ½ cent per pound to ¼ cent per pound. The duty on hops, valued at 50 cents or more per pound, is reduced from 24 cents to 12 cents per pound. Peat moss of poultry and stable grade is bound at 50 cents per ton and the free entry of peat moss, fertilizer grade, is bound. Evergreen Christmas trees imported into the United States are subject to a duty of 5 per cent *ad valorem*. This rate is confirmed in the Geneva Agreement.

France: In the General Agreement France reduces the duty on maple syrup and maple sugar from 130 per cent to 30 per cent *ad valorem*.

Canada: The duty on honey entering Canada continues at 1½ cents per pound and the rate is bound against increase. The duty on beeswax, unrefined, is reduced from 18 per cent to duty free and beeswax, not otherwise provided for, from 18 to 15 per cent. The Canadian import duty on unmanufactured tobacco of the Turkish type, unstemmed, is reduced from 40 cents per pound to 30 cents per pound; on unmanufactured, stemmed tobacco of the Turkish type, the duty is reduced from 60 cents per pound to 40 cents per pound. With respect to unmanufactured tobacco, not otherwise provided for, the duty on unstemmed leaf is reduced from 40 cents per pound to 20 cents per pound; and the duty on stemmed tobacco is reduced from 60 cents per pound to 30 cents per pound. The Canadian import duty on hops remains unchanged at 10 cents per pound and this rate is bound against increase.

CONCESSIONS ON FOREST PRODUCTS

Lumber and Shingles: Under the Geneva Agreement, Canada obtains a number of new concessions on lumber and its products, particularly with regard to exports to the United States. These concessions apply not only to the tariff but also to the Internal Revenue Code tax imposed on imports, which has for some time past been more burdensome than the tariff proper.

An outstanding concession in this field is that affecting imports into the United States of softwood lumber of fir, hemlock, spruce, pine and larch. On sawed and dressed boards, planks, deals and sawn timber of these kinds, not separately provided for, the tariff rates conceded under former agreements have been reduced by the maximum 50 per cent permitted under United States law (i.e. from 50 cents to 25 cents per thousand board feet), and the I.R.C. tax has been reduced by 50 per cent (i.e. from \$1.50 to 75 cents per thousand board feet), bringing down the total impost on imports of these types of lumber from \$2 to \$1 per thousand board feet. On lumber of other species of soft woods, duty-free entry is bound and the revenue tax on lumber of cedar is reduced to 75 cents per thousand board feet. Duty-free entry for lumber of certain hard woods is bound as is also the revenue tax of \$1.50 per thousand board feet.

Under the 1938 Agreement, red cedar shingles were admitted duty free under a quota equal to 30 per cent of average United States consumption over the previous three years, the duty on imports in excess of this quota being 25 cents per square of 100 square feet. The quota and the ex-quota duty were imposed by Act of Congress to remain so long as red cedar shingles continue to be included in any trade agreement entered into by the United States under authority of Section 350 of the Tariff Act of 1930 as amended. Accordingly, if the United States should cease to have a trade agreement obligation respecting the importation of red cedar shingles, the duty would not apply. In these circumstances, it was agreed to omit any reference to red cedar shingles from the Geneva Agreement, thus securing immediate elimination of the existing ex-quota duty.

In the Benelux customs union, pulpwood and logs as well as woodpulp were already free of duty and have

been bound free. The rate on tongued and grooved wood has been bound at 10 per cent, and that on veneer sheets has been bound at 6 per cent.

A number of reductions in tariff duties on lumber and wood products have been conceded by France. On logs and pulpwood the duty has been reduced from 15 per cent to 10 per cent, on leaves of veneer from 20 per cent to 15 per cent, on tongued and grooved wood from 20 per cent to 18 per cent, and on wood pulp the duty has been reduced from rates of 25 per cent and 30 per cent to 22 per cent and 24 per cent respectively. The duty on veneer and plywood panels has been bound at 25 per cent and that on tool handles has been bound at 8 per cent.

India and Pakistan have reduced their rates on wooden railway sleepers from 18½ per cent to 15 per cent and on timber of Douglas fir from 30 per cent to 20 per cent.

Chile has bound its duty on pine, rough or sawn, including Douglas fir, at 70 gold pesos per cubic meter. Czechoslovakia has bound free its duties on building woods in logs or rough blocks. Lebanon and Syria have bound at 25 per cent their duties on boxes and box shooks. China has bound a number of lumber and timber items at rates which were already comparatively low.

Other wood and manufactures thereof:

In addition to concessions on lumber and shingles, the Geneva Agreement covers a large variety of wood and manufactures of wood. The United States has again bound free entry as in the 1935 and 1938 Trade Agreements for logs, unmanufactured round timber, pulpwood, firewood, handle bolts, shingle bolts, laths, posts, railroad ties, telephone, trolley, electric light and telegraph poles, pickets, palings, hoops and staves. The reduction from 8 to 4 per cent in the duty on maple, birch and beech flooring, first secured in the 1935 Trade Agreement, is confirmed. The maximum reduction from 20 to 10 per cent *ad valorem* obtained in the 1938 Trade Agreement on veneers of birch and maple has now been extended to cover veneers of all woods.

Maximum reductions are provided on red cedar plywood, reduced from 40 to 20 per cent; on wooden chairs reduced from 40 to 20 per cent; on other furniture, except bentwood, and on wood flour reduced from 25 to 12½ per cent.

The existing rates obtained in a former trade agreement of 5 per cent

ad valorem on hubs for wheels, heading bolts, stove bolts, last blocks, wagon blocks, heading blocks, match blocks, sticks, etc., and of 7½ per cent *ad valorem* on casks, barrels (other than beer barrels), and hogsheds are confirmed in the new agreement.

The duty on a number of manufactures of wood including paint brush handles, broom and mop handles, ice-hockey sticks, toboggans, canoes and canoe paddles, baby carriages, and wheelbarrows, which was reduced from 33½ to 20 per cent in the 1938 Trade Agreement, is now further reduced to 15 per cent. There is a maximum reduction from 33½ to 16½ per cent *ad valorem* on badminton and tennis racket frames valued at less than \$1.75 and from 20 to 10 per cent on those valued at \$1.75 or more. On picture and mirror frames, shuttles, bobbins, badminton rackets, golf club shafts, skis and parts of skis, snowshoes, and fruit picking trays whether or not in knocked-down condition the maximum reduction from 33½ to 16½ per cent *ad valorem* has been conceded in the new agreement.

On manufactures of wood not specially provided for, the duty is reduced from 33½ to 25 per cent.

In consequence of the action of the United States in making a 50 per cent reduction of its Internal Revenue Code tax on imported lumber, and in conformity with the Lumber Declaration to which Canada, the United States and Great Britain all agreed in 1938, Canada has accepted a corresponding reduction of 50 per cent in the margins of preference on lumber enjoyed in the United Kingdom and other parts of the British Commonwealth.

Pulp and Paper: The Geneva Trade Agreement continues the binding of duty-free entry into the United States of standard newsprint which is Canada's largest export to that market, and of wood pulps of all kinds. The reduction from ½ cent per pound plus 10 per cent *ad valorem* to ½ cent per pound plus 5 per cent *ad valorem* obtained in the 1938 Trade Agreement on uncoated printing paper is confirmed in the new trade agreement. The reduced duties provided for in the 1938 Trade Agreement on hanging paper, the raw material for wallpaper, and on certain classes of tissue papers are confirmed in the new agreement. On pulpboard in rolls for use in the manufacture of wallboard the duty of 5 per cent *ad valorem* in the case of unfinished board is bound, and in the case of finished board a further

reduction from 15 to 10 per cent is secured. In the 1938 Trade Agreement the duty on tourist literature of bona fide foreign authorship and not consisting principally of illustrations, maps or charts, was reduced from 15 to 7½ per cent, and the duty on other kinds from 25 to 12½ per cent. The new agreement provides for further maximum reductions in these duties, bringing the new rates to 3½ per cent on tourist literature of bona fide foreign authorship, and 6½ per cent in other cases. On other types of printed matter including books, the duties are substantially reduced. The duty on crepe paper valued at not more than 12½ cents per pound is reduced from 3 cents per pound and 7½ per cent to 1½ cents per pound and 3½ per cent. The maximum reduction has been made on correspondence cards, note and letter paper, bringing the rate from 3 cents per pound and 25 per cent *ad valorem* to 1½ cents per pound and 12½ per cent.

Canada has also secured the binding of duty-free entry of newsprint in Brazil, Cuba, Lebanon, and Syria. Another concession is the binding free of duty of wood pulp in Benelux. A reduction in duty from 40 to 35 per cent on kraft paper and cardboard, and the binding of duty-free entry for books are accorded by France.

CONCESSIONS ON FISHERY PRODUCTS

Under the Geneva Agreement Canada has obtained tariff concessions on practically all species of fish, both fresh and salt water, and whether fresh, frozen, dried, smoked, or canned.

In the United States, the duties on fresh or frozen white fish, yellow pike, jack or grass pike, lake trout, yellow perch, tullibees, lake herring and ciscoes, chubs, mullet, saugers, blue pike, cod, haddock, hake pollock and cusk without fins removed, have been reduced from ¾ cent to ½ cent per pound. On fresh or frozen salmon and halibut the duty has been reduced from 1 cent to ½ cent per pound. The duties on fresh mackerel, formerly 1 cent per pound, and frozen mackerel, formerly 1½ cents, have both been reduced to ¾ cent per pound. The duty on fresh swordfish is bound at 1 cent per pound and that on frozen swordfish reduced from 3 cents to 1½ cents per pound. On fresh sturgeon, the duty is bound at ½ cent per pound and on frozen sturgeon it has been reduced from 1 cent to ½ cent per pound. On shad and eels the duty is

bound at $\frac{1}{2}$ cent per pound and on fresh water fish not elsewhere provided for the duty is reduced from 1 cent to $\frac{1}{2}$ cent per pound.

On fresh or frozen fillets of cod, haddock, hake, pollock, cusk and rose fish, a very important export trade, the duty has been bound at $1\frac{1}{2}$ cents per pound on the existing quota of 15 per cent of average United States consumption for the preceding three years, and the duty of $2\frac{1}{2}$ cents on fish fillets in excess of the quota, which was not bound under the former trade agreement, has now been bound against increase.

A change advantageous to Canada has been made in the arrangements for administration of the quota on these fish fillets. This is a trade in which Canada, Newfoundland, Iceland and Norway all have an interest. The main fishing season for Norway and Iceland is in the first half of the calendar year while the Canadian and Newfoundland fisheries are normally active during the second half. In the absence of any arrangement for allocation of the quota, there was a possibility that the year's quota might be largely filled by one group of countries to the exclusion of the other. Arrangements have now been made by agreement at Geneva to ensure an equitable division of the market by a provision that not more than 25 per cent of the annual quota may be filled during the first three months of the calendar year, not more than 50 per cent in the first six, not more than 75 per cent in the first nine, and any part of the year's quota that has not been filled in previous quarters may be utilized in the final quarter of the year. In this way, it has been ensured that although fish caught early in the year will not be charged against the quota for subsequent months, any part of the quota unused during the early months can be carried forward to the later months, but no part of the quota for any year can be carried forward to a subsequent year. On fillets of other fresh fish the duty is reduced from $2\frac{1}{2}$ to $1\frac{1}{2}$ cents per pound.

The United States duty on herring, smoked or kippered, or in tomato sauce, packed in immediate containers weighing with contents more than 1 pound each, has been reduced from 15 to 10 per cent, and other fish in airtight containers has been bound at the existing rate of $12\frac{1}{2}$ per cent. This does not, however, apply to canned salmon, of which the United States ordinarily has a large exportable surplus, where the duty is bound at the existing rate of 25 per cent *ad valorem*.

On sardines, neither skinned nor boned, the new reduced rate is to vary according to value, being 44 per cent where the value is not over 13 cents per pound, 30 per cent where the value is over 13 but not over 18 cents per pound, 20 per cent where the value is over 18 but not over 23 cents per pound, and 15 per cent where the value is over 23 cents per pound.

On pickled or salted salmon the rate has been reduced from $12\frac{1}{2}$ per cent to 10 per cent.

On pickled or salted ground fish (cod, haddock, hake, pollock and cusk), neither skinned nor boned, the rate depends on the moisture content. Where the fish contains not more than 43 per cent moisture, the rate has been reduced from $\frac{3}{8}$ cent to $\frac{1}{2}$ cent per pound and where it contains more than 43 per cent moisture the rate has been reduced from $\frac{3}{8}$ cent to $\frac{1}{2}$ cent per pound. On pickled or salted ground fish, skinned or boned, the rate has been reduced from $1\frac{1}{2}$ cents to $1\frac{1}{4}$ cents per pound. On the so-called "full herring" pickled or salted and in containers containing each more than 10 pounds of herring, the rate of $\frac{1}{2}$ cent per pound has been bound and in containers containing less than 10 pounds of herring, the rate has been reduced from $\frac{3}{4}$ cent to $\frac{1}{2}$ cent per pound. Split herring has been bound at $\frac{1}{2}$ cent per pound. Pickled or salted mackerel in bulk or in containers weighing with contents more than 15 pounds each has been reduced from 1 cent to $\frac{1}{2}$ cent per pound, and when in containers not airtight weighing with contents not more than 15 pounds each, the rate has been reduced from 25 per cent to $12\frac{1}{2}$ per cent *ad valorem*. On alewives, a kind of river herring, the rate has been reduced from $\frac{3}{8}$ cent to $\frac{1}{2}$ cent per pound.

Smoked or kippered salmon has been reduced from 15 per cent to 10 per cent *ad valorem*. Smoked or kippered herring (hard dry smoked) has been reduced from $\frac{3}{8}$ cent to $\frac{1}{2}$ cent per pound, and other than hard dry smoked from $1\frac{1}{4}$ cents to 1 cent per pound.

Smoked or kippered herring, boned or not, has been reduced from $1\frac{1}{2}$ and 2 cents per pound respectively to a uniform rate of $1\frac{1}{4}$ cents per pound. Smoked or kippered ground fish have been reduced from $1\frac{1}{4}$ cents to 1 cent per pound, and smoked or kippered fillets of ground fish have been reduced from 2 cents to $1\frac{1}{2}$ cents per pound, uniform with the quota rate on fresh or frozen fillets of ground fish. The so-called Alaska cod has been

reduced from 12½ per cent to 10 per cent *ad valorem*. Canned razor clams have been reduced from 15 per cent to 10 per cent.

All the varieties of fish which were already free of duty have been bound duty free. These include sea herring and smelts, lobsters, fresh or canned, clams, oysters, and scallops.

In Benelux, the duty on lobsters and chilled fish not canned has been reduced from 20 to 15 per cent, and that on canned crustaceous species from 30 to 25 per cent. The duty on canned salmon and pilchards has been bound at 25 per cent, and fresh, chilled, salted, dried or smoked fish, which were already free of duty, have been bound free up to a quota to be established on the basis of 150 per cent of prewar imports.

In France, the duty on fresh and frozen salmon has been bound at 10 per cent, that on canned salmon has been reduced from 30 per cent to 25 per cent, and that on canned lobster has been reduced from 15 per cent to 10 per cent.

In Brazil, there is a very substantial reduction in the duties on dry salt codfish, of which Canada is a substantial exporter. Before the Geneva negotiations the rate was 616 cruzeiros per metric ton plus several surtaxes. As a result of the Geneva negotiations the customs duty has been reduced to 200 cruzeiros per ton and one of the principal surtaxes, namely the consumption tax, formerly 200 cruzeiros per ton, is to be eliminated.

In Cuba also, there is a reduction in the duty on imports of dried codfish from Canada, the rate having been reduced from 5.50 pesos to 4.125 pesos per 100 kilograms. This reduction incidentally eliminates a former preference in favour of the United States.

In Chile, the duty on dried codfish is bound at 1 gold peso per kilogram.

Several substantial reductions of duty on fish have been accorded by Czechoslovakia. On salted herrings the rate is being reduced from 20 crowns to 14 crowns per 100 kilograms, while the rate on smoked herrings is bound at 70 crowns per 100 kilograms. The duty on canned salmon is reduced from 2000 to 600 crowns per 100 kilograms, that on canned lobster from 2000 to 1000 crowns per 100 kilograms and the duty on sardines is being reduced from 2000 to 600 crowns per kilograms. There is also a reduction in the duty

on canned pilchards to 600 crowns per 100 kilograms if in oil and to 400 crowns if in tomato sauce.

In India and Pakistan, the duty on canned fish is being reduced from 30 per cent to 20 per cent.

Norway is itself an exporter of various species of fish, but has cut in half its duties on canned lobster and canned salmon, the reduction being from 1.50 kroner per kilogram to 0.75 kroner and from 0.60 kroner to 0.30 kroner per kilogram respectively. There is also a reduction from 0.40 kroner to 0.30 kroner per kilogram in the duties on salted salmon.

On the other hand, certain preferences on fish enjoyed by Canada in various Commonwealth markets have been reduced or eliminated.

In the United Kingdom, the preferential margin of ¾d. per pound on chilled or frozen salmon has been eliminated, and this product becomes duty free from all sources. On canned salmon the preferential margin has been reduced from 10 per cent to 5 per cent but the product remains free of duty from Canada.

In Australia, while the rate of duty on Canadian canned salmon remains at 1d. per pound, the most-favoured-nation rate has been reduced from 4d. to 2½d. per pound, reducing the preferential margin from 3d. to 1½d. per pound.

In New Zealand the tariff rate on canned salmon from Canada remains at 1¾d. per pound while the most-favoured-nation rate has been reduced from 3d. to 2½d. per pound. The former surcharge of 9/40 of the duty has been removed from both rates. Thus the margin of preference is being reduced by two-fifths, but the duties collected on imports from both Canada and non-Commonwealth countries are simultaneously being reduced.

In the British Colonies a reduction of 25 per cent in the margin of preference is provided on certain canned fish imported into Gambia, Sierra Leone, Malayan Union, Bahamas, British Guiana, Jamaica, Trinidad, and Fiji.

Fish Oils: The concessions obtained in the 1935 and 1938 Trade Agreements on sperm, shark and shark-liver oil are increased in the new Trade Agreement, and the United States tariff rates on these oils will now be: on crude sperm oil, 1¼ cents per gallon, on refined sperm oil 3½ cents per gallon, on shark oil and shark-liver oil, including dogfish-liver oil, 5 per cent *ad valorem* and ¾ cent per pound Internal Revenue Tax.

In the Trade Agreement with Iceland, the United States duty on herring oil including pilchard was reduced by the maximum amount to 2½ cents per gallon. This rate is confirmed and a reduction made in the Revenue tax from 1½ cents to ¾ cent per pound.

CONCESSIONS ON MINERALS AND METALS

Non-Metallic Minerals: The 1938 Trade Agreement reduced the duty on ground nepheline syenite from 30 to 15 per cent *ad valorem*. The United States Customs Court in 1942 (C.D. 685) ruled ground nepheline syenite to be free of duty as manufactured sand. The new Trade Agreement confirms this classification during the effective period of the agreement. The duty on crude feldspar of 25 cents per ton secured in the 1938 Trade Agreement is confirmed. This duty had been reduced from 50 cents to 35 cents per ton in the 1935 Trade Agreement. On ground feldspar there is a reduction in duty from 15 to 10 per cent. Previous to the 1938 Trade Agreement ground feldspar was dutiable at 30 per cent. The 1935 Trade Agreement reduced the duty on dead-burned basic refractory material from 30 to 27½ per cent, which rate was further reduced to 20 per cent in the 1938 Trade Agreement; in the new Trade Agreement the rate is further reduced to 15 per cent. In the 1935 Trade Agreement the duty on talc valued at not more than \$12.50 per ton was reduced from 35 to 25 per cent *ad valorem*. In the 1938 Trade Agreement this duty was reduced to 17½ per cent and the concession was applied to talc valued at not more than \$14 per ton. The new Trade Agreement reduces the duty on talc valued at not more than \$14 per ton to 10 per cent. The concessions on mica secured in the 1938 Trade Agreement are either extended or confirmed in the new Trade Agreement. On small sizes of untrimmed phlogopite mica the rate is reduced from 10 to 5 per cent. Previous to the 1938 Trade Agreement this duty had been 15 per cent. On phlogopite mica waste and scrap valued at not more than 5 cents per pound the reduction in duty from 25 to 15 per cent obtained in the 1938 Trade Agreement is confirmed. The duty on ground or pulverized mica was reduced from 20 to 15 per cent in the 1938 Trade Agreement, and this reduced rate is continued in the new Trade Agreement. The new Trade Agreement

provides for maximum reductions in the duties on crude or crushed limestone, lime and hydrated lime. In the 1935 Trade Agreement the duty on crude or crushed limestone was reduced from 5 cents to 2½ cents per 100 pounds. This rate was confirmed in the 1938 Trade Agreement and is now further reduced to 1½ cents per 100 pounds. On lime, not specially provided for, the duty was reduced from 10 cents to 7 cents per 100 pounds in the 1935 Trade Agreement and to 5 cents per 100 pounds in the 1938 Trade Agreement. This rate is now reduced to 2½ cents per 100 pounds.

On hydrated lime the new agreement accords a duty of 3 cents per 100 pounds. This compares with a rate of 6 cents per 100 pounds under the 1938 Trade Agreement, 8 cents per 100 pounds under the 1935 Trade Agreement and 12 cents per 100 pounds under the 1930 Tariff Act. In the 1938 Trade Agreement the duty on unmanufactured bentonite was reduced from \$1.50 to 75 cents per ton, and on manufactured bentonite from \$3.35 to \$1.62½ per ton. These reduced duties are continued in the new Trade Agreement. The duty on fire brick which was reduced from 25 to 15 per cent in the 1935 Agreement, and to 12½ per cent in the 1938 Agreement, is further reduced by the maximum to 6½ per cent *ad valorem* in the new Trade Agreement. On ordinary brick the new Trade Agreement confirms the reduction in duty from \$1.25 to \$1 per 1000 secured in the 1938 Agreement. The new Trade Agreement reduces the duty on cement, not specially provided for, from 10 to 5 per cent. This duty had been reduced from 20 to 10 per cent *ad valorem* in the 1938 Trade Agreement. On ground or crushed stone the 1938 Trade Agreement provided for a reduction in the duty from 30 to 15 per cent and the new agreement makes a further reduction to 10 per cent. The new Trade Agreement reduces the duty on corundum, emery, and garnets in grains from 1 cent to ½ cent per pound, and on wheels of corundum or silicon carbide from 20 to 10 per cent *ad valorem*. The maximum reduction in the duty on caustic calcined magnesite from 15/16 cent to 15/32 cent per pound is also secured. Binding on the free list is continued in the new Trade Agreement on unmanufactured asbestos, crude nepheline syenite, lignite, natural gas, gravel, stone, and sand of various kinds, radium and selenite. A new binding of duty-free entry is also secured on coal and coke.

Concessions on non-metallic minerals secured in countries other than the United States include the binding of the present Benelux duty of 2 per cent on carbon electrodes of 50 kilograms or over and 6 per cent on other carbon electrodes. Other concessions on carbon electrodes are reduction from 20 to 15 per cent in France, reduction from 40 to 32 crowns per 100 kilograms in Czechoslovakia, and the binding of duty-free entry in Norway. In Benelux the binding of duty-free entry of raw asbestos and mica in sheets or ground, and the present rate of 10 per cent *ad valorem* on artificial abrasives and porcelain insulators has been secured. In France duty-free entry of coal tar pitch is bound, and the duty on silicon carbide reduced from 15 to 10 per cent *ad valorem*. In Brazil a reduction in the duty on certain manufactures of asbestos from 9.24 cruzeiros to 6.47 cruzeiros per kilogram is provided in the new Trade Agreement. In Czechoslovakia crude asbestos is bound duty-free, and the duty of 10 crowns per 100 kilograms on silicon carbide is also bound.

Non-Ferrous Metals: Substantial tariff concessions have been obtained in several countries for Canadian exports of non-ferrous metals. On nickel in pigs and ingots the United States duty has been reduced by 50 per cent from 2½ cents to 1¼ cents per pound, on nickel bars and rods it has been reduced from 25 per cent to 12½ per cent *ad valorem*, and nickel ore, matte and oxide have been bound free of duty. In Benelux, nickel in primary forms has been bound free of duty. In France, nickel ores and matte have been bound free of duty, while on nickel in more advanced forms the rates have been bound or decreased. In China the rate on nickel has been reduced from 12½ per cent to 10 per cent *ad valorem*, in Czechoslovakia it has been bound free, and in Norway the rate on matte has been bound free.

On aluminum metal and alloys, the United States duty is reduced from 3 cents to 2 cents per pound, on aluminum scrap from 3 cents to 1½ cents per pound, and on plates from 6 cents to 3 cents per pound. Benelux has bound aluminum ingot, plate and scrap duty free. France has reduced its rate on aluminum ingot and scrap from 35 per cent to 21 per cent and on aluminum bars, wires, etc., from 30 to 15 per cent. In Chile the rate on aluminum bars and sheets is bound at 0.15 gold pesos per kilogram. China

has reduced its rate on aluminum ingot and grains from 7½ per cent to 5 per cent and has bound its rates on other aluminum items. Czechoslovakia and Norway have bound aluminum on their free lists. Smelted alumina (artificial corundum) has been bound free by Benelux.

On copper ore and refined copper the United States has bound free entry and is reducing the Internal Revenue Code Tax from 4 cents to 2 cents per pound. Benelux is binding free entry of copper in pigs and ingots, and France is binding free entry of copper ores, matte and ingots, with a number of reductions on the metal in other forms. Czechoslovakia, India, Pakistan and Norway are also binding free entry of crude copper and Czechoslovakia has reduced the duty on copper sheets by amounts varying according to thickness.

Concessions on lead were obtained from Benelux (where lead ore has been bound duty free), France (where lead ore is bound duty free and the duty on ingot has been reduced from 12 per cent to free), Brazil (where the rate on lead blocks, pigs, etc., is bound at 196 cruzeiros per gross ton), and China (where the rate on lead in pigs and bars has been reduced from 25 per cent to 22½ per cent *ad valorem*).

Substantial concessions have been obtained on zinc. In the United States the rate of duty on zinc ores has been reduced from 1½ to ¾ cent per pound and on blocks and pigs from 1½ to ¾ cent per pound, while maximum reductions of 50 per cent have been made from the 1930 rates on zinc sheets, scrap, dross and skimmings. In Benelux, zinc ore and ingot are bound duty free. In France, the duty on zinc ingot has been reduced from 20 to 15 per cent, on bars, wires and shapes from 20 to 16 per cent, and on zinc oxide the rate has been bound at 20 per cent. China has bound its present rate of 15 per cent on zinc and spelter.

On cadmium, the United States had reduced its rate from 7½ to 3½ cents per pound, and a concession of a 50 per cent reduction has also been obtained from Brazil. Czechoslovakia has bound this metal duty free.

Cobalt ore and metal are bound free in the United States tariff. The ore has been bound free in France, and a concession has been obtained in Brazil of a 50 per cent reduction in the duties on cobalt metal.

On tungsten in various forms the United States has had a compound duty of 60 cents per pound plus rates

of 25 to 50 per cent *ad valorem*. The specific rate has now been reduced from 60 to 42 cents per pound, and the *ad valorem* rates cut in half. Tungsten ores have also been bound free of duty in France.

On tantalum metal and alloy the United States duty has been reduced from 25 to 12½ per cent. On magnesium metal, scrap, alloys, powder, sheets, wire, etc., the United States has made the maximum reduction of 50 per cent.

Ferrous metals: On pig iron and spiegeleisen the United States has bound the existing duty of 75 cents per ton, while the duty of 75 cents per ton on scrap iron and steel has been cut in half. There have been substantial reductions in the duty on ferromanganese and ferrochrome. On boron carbide the duty of 12½ per cent has been cut in half. On hollow drill steel bars valued at 8 to 12 cents a pound, which are of importance to a Canadian producer, the rate, which was formerly 20 per cent with a minimum of 1⅓ cents per pound, has been cut in half, the new rates being 10 per cent with a minimum of ½ cent per pound. Iron and steel rails are bound at ⅓ cent a pound, and fish plates have been reduced from ¼ to ⅓ cent per pound.

CONCESSIONS ON CHEMICALS

The United States duty on acetic acid, containing more than 65 per cent of acetic acid, which was reduced from 2 cents to 1½ cents per pound in the 1935 Trade Agreement and to 1 cent per pound in the 1938 Trade Agreement has now been further reduced to ⅓ cent per pound. On acetic acid of a strength 65 per cent or less, reduced from 1⅓ cents to ⅓ cent per pound in the 1938 Trade Agreement the rate is now reduced to ½ cent per pound. A maximum reduction from ½ cent to ¼ cent per pound has been made on crude calcium acetate. In the 1938 Trade Agreement the duty on crude calcium acetate was reduced from 1 cent to ½ cent per pound. The duty on vinyl acetate and synthetic resins made therefrom, which was reduced from 6 cents per pound and 30 per cent *ad valorem* to 3 cents per pound and 15 per cent *ad valorem* in the 1935 Trade Agreement and confirmed in the 1938 Trade Agreement, is now further reduced to 1½ cents per pound and 7½ per cent *ad valorem*. Maximum reductions from 20 cents to 10 cents per pound in the duty on cobalt oxide secured in the 1935 Trade Agreement

and continued in the 1938 Trade Agreement, and from 10 to 5 per cent *ad valorem* in the duty on Canada balsam secured in the 1938 Trade Agreement are confirmed in the new Trade Agreement. A maximum reduction from 10 to 5 per cent in the duty on gas black, including carbon black and acetylene black, is provided for in the new Trade Agreement. In the 1935 Trade Agreement the duty on acetylene black had previously been reduced from 20 to 15 per cent *ad valorem*. The duty on cedar-leaf oil is reduced from 12½ to 7½ per cent in the Geneva Agreement. This duty had been previously reduced from 25 to 12½ per cent in the Trade Agreement between the United States and France. The 1938 Trade Agreement reduced the rate on packaged salt from 11 cents to 7 cents per 100 pounds and that on bulk salt from 7 cents to 4 cents per 100 pounds. These rates are further reduced by the maximum amount in the Geneva Agreement making the duty on packaged salt 3½ cents per 100 pounds, and on crude salt 2 cents per 100 pounds. A reduction from \$4 to \$3.50 per ton has been secured on crude barytes but the duty on ground barytes remains unchanged. The new Trade Agreement reduces by the maximum amount the United States duties on acetic anhydride to 1⅓ cents per pound, on ethyl alcohol to 7½ cents per gal., on selenium dioxide and tellurium compounds to 12½ per cent *ad valorem*, on aluminum hydroxide to ¼ cent per pound, on aluminum sulphate to ⅓ cent per pound, on ammonium nitrate to ½ cent per pound, on calcium carbide to ½ cent per pound, on phthalic anhydride to 3½ cents per pound and 20 per cent *ad valorem*, on naphthalene solidifying at or above 79 degrees centigrade to 1⅓ cents per pound and 10 per cent *ad valorem*, on cresylic acid to 1⅓ cents per pound and 10 per cent *ad valorem*, on explosives to 3½ cents per pound and 22½ per cent *ad valorem*, on drugs of animal origin to 5 per cent *ad valorem*, on ethyl acetate to 1½ cents per pound. The Geneva Trade Agreement provides for the rebinding of free entry of a number of chemicals including sulphuric acid, calcium cyanamid, certain crude coal-tar products, sodium cyanide, drugs of animal origin, including fish livers, crude artificial abrasives, radium salts, and for new bindings of free entry of crude drugs of vegetable origin, of chemical fertilizers, of crude sodium sulphate, and of selenium and selenium salts.

Concessions secured on chemicals in countries other than the United States include a binding of duty-free entry of blacks in Benelux, a reduction in the duty on chemical fertilizers from 15 to 12 per cent *ad valorem* in France, a reduction from 10 to 8 per cent in the Cuban duty on calcium carbide involving the elimination of the preferential margin formerly granted to the United States, a binding of the duty of 40 crowns per 100 kilograms on lamp and acetylene black in Czechoslovakia, and a reduction from 36 to 30 per cent in the duty on penicillin entering India and Pakistan.

CONCESSIONS ON MANUFACTURED GOODS

Reference has already been made to concessions obtained in connection with primary products which have undergone a preliminary manufacturing process, such as newsprint paper and wood pulp, lumber and other wood products, metals and certain processed foods, etc.

On miscellaneous manufactured products, many substantial reductions have been made in the United States tariff. Thus, on the whole range of metal articles or wares, the rate of duty has been reduced from 45 per cent to 22½ per cent. On the "basket item" of machinery not elsewhere specified, the rate has been reduced from 27½ per cent to 15 per cent. On another "basket item", articles or wares composed wholly or in part of carbon or of graphite, the rate has been reduced from 30 per cent to 15 per cent. This is the item under which many articles manufactured of rubber substitutes are presently classified. On a wide range of machines and appliances employing an electrical element or device, such as motors, fans, electrical shavers, etc., the rate has been reduced from 27½ per cent to 15 per cent, and on electric stoves the reduction is from 17½ per cent to 10 per cent.

On rubber substitutes and synthetic rubber there is a reduction from 20 per cent to 10 per cent. Aircraft and parts are reduced from 30 per cent to 15 per cent. Pleasure boats valued at more than \$15,000 each will pay a duty of 15 per cent instead of the former 30 per cent, and the rate of 15 per cent, accorded in a previous trade agreement on pleasure craft valued at \$15,000 or less, is bound at the present level.

Rates have been reduced on a number of manufactures of wood in which Canada is interested. These have already been summarized under the heading of wood and manufactures thereof.

A wide range of equipment for exercise and play formerly dutiable at 30 per cent will henceforth be dutiable at 15 per cent, and the duty on ice skates and parts has been bound at the same rate.

Pipe organs and parts, formerly dutiable at 17½ per cent will now pay 15 per cent and the rate of duty on player actions and parts has also been reduced from 20 per cent to 15 per cent.

Binder twine and agricultural implements, already free of duty, are bound free. Cream separators valued at more than \$50 and not more than \$100 each, and parts thereof, formerly dutiable at 17½ per cent will now agree with Finland, have been reduced to 6½ per cent, the maximum reduction possible under the Trade Agreements Act. While parts of agricultural implements do not enjoy free entry into the United States if they are specifically named as being dutiable under other tariff items, many of them will benefit by reductions in the other items concerned. Thus the duties on nuts and bolts, rivets and hinges, have been cut in half and those on power transmission chains and parts when valued at less than 40 cents per pound have been reduced from 40 per cent to 30 per cent and when valued at more than 40 cents per pound have been reduced from 25 per cent to 15 per cent. Tires and inner tubes for agricultural implements, formerly dutiable at 25 per cent, will now pay 12½ per cent.

Certain alcoholic beverages have in the past constituted an important class of Canadian exports to the United States and on whisky the duty has been reduced from \$2.50 to \$1.50, a concession which is also of interest to the United Kingdom.

The new Trade Agreement provides for concessions in the United States duties on articles wholly or in chief value of fur including fur coats, fur collars and fur cuffs. The former rate of 50 per cent is now reduced to 37½ per cent in the case of articles of silver and black fox and to 25 per cent for articles of other furs.

A wide range of plastic articles are dutiable in the United States as manufactures of products having a binding

agent of synthetic resin. The present Trade Agreement reduces the duty on these articles from 50 cents per pound and 40 per cent *ad valorem* to 35 cents per pound and 30 per cent *ad valorem*. On manufactures of cellulose acetate, the duty, which had been reduced from 80 to 40 per cent in the United States—French Trade Agreement, is further reduced to 20 per cent.

While the manufactured articles mentioned have been among those of greatest importance in former trade with the United States, extensive reductions on other items should give scope to Canadian producers for the establishment and development of new lines of production.

A number of concessions affecting manufactured items have been obtained through negotiations with countries other than the United States. In Benelux the rates on soaps, powder and toilet goods have been bound at 24 per cent. Synthetic rubber continues to enter duty free, rubber belting has been bound at 10 per cent, socks of silk and artificial silk have been bound at 24 per cent, and a number of agricultural implements of importance to Canada have been bound at a rate of 6 per cent. In the Belgian Congo, lamps and lanterns, already enjoying low rates of duty, have been bound at existing rates.

In France, synthetic rubber has been bound duty free. On rubber belting, the duty has been reduced from 25 per cent to 14 per cent. Many types of agricultural machinery, formerly dutiable at 20 to 25 per cent, have been reduced to 15 per cent, and combines have been reduced to 12 per cent. Cream separators and parts formerly dutiable at 25 per cent will pay 22 per cent. Domestic heating and cooking apparatus, formerly dutiable at 25 per cent, will pay 18 per cent. Porcelain insulators, formerly dutiable at 25 per cent, will pay 20 per cent. Ice skates, formerly dutiable at 25 per cent, will pay 20 per cent *ad valorem*. The duty on organs, church and cinema, has been reduced.

In India and Pakistan, the duty on stoves, kerosene and gasoline, has been reduced from 30 per cent to 20 per cent, and that on domestic refrigerators and parts has been reduced from 36 per cent to 30 per cent. The duty on aeroplanes and parts is bound at 3 per cent. Plows and parts, agricultural tractors and parts, hay presses and milking machines, already free of duty, have been bound free.

In Lebanon and Syria, a concession has been granted on rubber tires, the rate being bound at 15 per cent.

In Norway the rate on aircraft has been reduced from 24 per cent to 12 per cent.

In Brazil, agricultural implements have been bound duty free and the duty on sewing machines has been bound at 1.30 cruzeiros per kilogram.

In Chile, the rates on agricultural implements and parts are already low and have been bound at their existing levels. Similar concessions have been made on carbon electrodes and storage batteries.

In Cuba, a special concession has been granted on needles for machines where the rate has been reduced from 5 per cent to 4 per cent, eliminating a small preferential margin formerly enjoyed by the United States.

In China, the rates of duty were in general already low. Many of these rates have been bound. One rate of some interest to Canada is that on bronze powder which has been bound at 15 per cent.

In Czechoslovakia, the rate on synthetic rubber has been bound free, and that on driving belts of rubber has been bound at 2000 crowns per 1000 kilograms. Bicycle tires are bound at 1500 crowns per 100 kilograms and inner tubes for other types of tires are bound at 2000 crowns per 100 kilograms. On tire casings for vehicles other than bicycles, the rate has been reduced from 3000 to 1700 crowns per 100 kilograms. Canadian manufacturers may also benefit by a reduction in the rate on skis from 1000 to 700 crowns per 100 kilograms.

Several preferential margins formerly enjoyed by Canadian producers of miscellaneous manufactured goods have been eliminated or reduced. In the United Kingdom, the margin on silk and artificial silk dresses has been eliminated but at the same time the protective duties imposed on Canadian products have also been reduced. The preferential margin on agricultural tractors has also been eliminated. In New Zealand, the preferential margins on adding and computing machines and refrigerator units for domestic type cabinets have been eliminated, but there is no increase in the rate of duty on Canadian products. In South Africa, the preferential margin of 5 per cent on socks has been eliminated but that on silk and artificial silk stockings has been left unchanged.

Reductions in preferential margins on manufactured products imported

into the United Kingdom cover certain machine tools and parts (where free entry is retained but the margin has been reduced from 20 per cent to 15 per cent), electric stoves and heating apparatus (where free entry has been retained but the margin has been reduced from 15 to 10 per cent). Cash registers from Canada will continue to enter the United Kingdom free of duty but the preferential margin has been reduced from 15 per cent to 10 per cent. On cash register parts the preferential margin has been reduced from 20 per cent to 15 per cent, Canadian products remaining duty free. On welding machinery, Canadian products remain free but the most-favoured-nation rate has been reduced from 20 per cent to 15 per cent. On paper face and hand towels the most-favoured-nation rate has been reduced from 16½ per cent to 10 per cent, Canadian products remaining free.

On a number of iron and steel items, Canada continues to enjoy free entry and the existing margin of preference within a quota to be established on the basis of prewar imports. The United Kingdom however reserves the right to impose a duty on imports from all countries in excess of the quota, but the preferential rate on such imports is not to exceed ⅓ of the most-favoured-nation rate to be eventually established.

In Australia, Canadian preferential margins have been reduced from 20 per cent to 10 per cent on typewriters, from 20 per cent to 15 per cent on ribbons, from 17½ per cent to 10 per cent on felt base floor covers, from 27½ per cent to 20 per cent on electric stoves and elements, from 32½ per cent to 20 per cent to electric refrigerators and parts, from 20 per cent to 15 per cent on bandsaws, from 3d. to 2d. per pound on car chassis unassembled, from 2½d. to 1½d. per pound on truck chassis unassembled, and from 3d. to 2d. per pound on chassis assembled. On vehicle parts, rates of duty have been reduced for both Commonwealth and non-Commonwealth countries with no change in existing margins. Canada benefits by a slight reduction in the most-favoured-nation rate on gears, since this is an item on which Canada has not in the past enjoyed a preferential rate. On toys imported into Australia, the most-favoured-nation rate including primage has been reduced from 70 per cent to 50 per cent while the rate to Canada has been reduced from 25 per cent to 20 per cent, involving a reduction

from 35 per cent to 30 per cent in the preferential margin.

CANADIAN CONCESSIONS TO OTHER COUNTRIES

The tariff treatment to be accorded by Canada to goods, the produce of the negotiating countries above named, is set forth in the Canadian schedule to the General Agreement on Tariffs and Trade, designated "Schedule V" in the multilateral instrument.

Schedule V (Parts I and II) consists of some 1,050 items or sub-items; of these 590 provide for reductions in M.F.N. tariff below existing rates, and about 460 for the binding or consolidation of M.F.N. rates at present effective. The B.P. rates are reduced directly in respect of some 100 items or sub-items, and indirectly in respect of some 50 items or sub-items (in cases where the new M.F.N. rates are lower than existing B.P. rates). As compared with the present tariff structure, the adoption of the duties specified in the Schedule means, in the case of the Canadian Tariff, the elimination of the preference in 94 items or sub-items.

Schedule V provides for one increase in duty, viz.: in the preferential rate on tin-plate under tariff item 383 (b). This is accompanied by a reduction in the most-favoured-nation rate.

Part II of Schedule V relates solely to the British Preferential column in the Canadian Tariff and segregates those items in which concessions were made in favor of various Commonwealth countries. Each reduction in the preferential rate necessitated a corresponding or compensatory reduction in the rate applicable to favored-nations since, under the provisions of the Charter and the General Agreement, no existing preferential margin could be increased and no new such margin could be created.

Following in order the commodity-group divisions of the Customs Tariff of Canada, the more important concessions included in Parts I and II of Schedule V to the General Agreement may be summarized as follows:

Agricultural Products: Concessions by Canada in respect of agricultural products reflect concessions secured in various countries on the like or similar goods, a general outline of which has been given. In this field, and as regards the United States in particular, Canada has continued to apply as widely as possible a basic principle followed in working out the

1938 Agreement with that country, namely: That wherever possible, *identical* duties should prevail in the two countries. Thus in Schedule V, Canadian duties specified on the following products will "match" those now to prevail in the United States: live cattle (1½ cts.); live hogs (1 ct.); beef and veal (3 cts.); baby chicks (2 cts.); eggs in shell (3½ cts.); cheese (3½ cts.); barley (7½ cts.); oats (4 cts.); rye (6 cts.); hay (\$1.25); straw (50 cts.); red clover seed (2 cts.); alsike clover seed (2 cts.); alfalfa seed (2 cts.); and timothy seed (¾ ct.).

Apart from identical ratings of which these above are illustrative, important reductions in the Canadian duties on agricultural products include the following: certain canned meats, other than beef or pork, from 30 p. c. to 20 p. c.; cocoa butter, from 3 cts. to 2½ cts.; coffee, green, from 3 cts. to 2 cts.; tea, from 8 cts. to 6 cts.; potato starch and flour, from 2 cts. to 1½ cts.; bulk salt, from 4 cts. to 3 cts.; prepared cereal foods, packaged, from 25 p. c. to 20 p. c.; and Indian corn, from 10 cts. to 8 cts.

Of significance to Canadian consumers are the substantial reductions effected on certain fresh and dried fruits not produced in this country. Oranges, hitherto free during a part of the year but dutiable at 35 cts. per cubic foot otherwise, are accorded free entry, as also are dried prunes, fresh grapefruit and table grapes (*Vitis Vinifera* species). The most-favored nation duty on raisins is reduced from 4 cts. to 3 cts. per pound.

Items in the Canadian tariff of very great importance to Canadians, either as producers or consumers, are those covering the importation of all the more common kinds of fresh fruits and vegetables. This tariff group comprises a considerable number of items, and a precise understanding of its nature can be reached only by reference to the detailed classifications and duties set forth in Schedule V, Part I. The new tariff treatment may, however, be summarized as follows: The system at present prevailing, whereby seasonal protection to Canadian growers is afforded by means of advances in invoice values immediately before or during the period of domestic production, is replaced by a scheme of *specific duties on a seasonal basis*, with provision in most instances for a revenue duty (10 p. c. *ad valorem*) to be applied whenever the specific duty indicated in the Schedule is not levied. Canada has, therefore, at

Geneva taken advantage of a proviso in the 1938 Agreement with the United States, whereby she reserved the right to substitute for the "valuation method" a system of seasonal specific duties. It is believed that the duties now provided will reserve for the Canadian producer his position as principal supplier in his own market during his own season, at the same time giving to consumers greater access to imported fruits and vegetables during those periods of the year when the domestic product is not readily available, if at all.

In the field of processed fruits and vegetables, reductions are effected on canned mushrooms, from 20½ p. c. to 15 p. c.; on pickled vegetables, from 32½ p. c. to 22½ p. c.; on vegetable juices, sauces, and mustards, from 27½ to 20 p. c. in the m.f.n. rate and from 15 to 12½ p. c. in the B.P. rate; and on frozen vegetables, from 25 to 20 p. c. Canned peaches are reduced from 3½ to 2½ cts. per pound; canned apricots, pears, and pineapples, from 3 to 2 cts.; and jellies, jams, marmalades, etc., from 3½ cts. to 3¼ cts. under the m.f.n. tariff and from 2 cts. to 1½ cts. under the B.P. Tariff. Nuts of all kinds (other than peanuts not further processed than shelled) will bear a uniform rate of 1 ct. per lb.; and cocoanuts are reduced from \$1 or 75 cts. per one hundred (depending on route of shipment) to 50 cts. There are reductions in duty on a wide range of field and garden seeds, certain milk foods, and various kinds of nursery or florist stock. Included in this tariff group are also the items covering fruit juices of all kinds, in respect of which rates are changed as follows: lime, orange, lemon, and passion fruit juices, from 25 p. c. to 10 p. c.; pineapple juice, from 15 p. c. to 10 p. c.; and juices not otherwise provided for, including blends, from 15 p. c. to 10 p. c. Grapefruit juice is bound at the rate in the existing Agreement with the United States, viz., 15 p. c.

Fisheries Products: Reflecting concessions gained by Canada in various countries for products of her fisheries, are reductions in the Canadian tariff, the more important of which follow: halibut, fresh, pickled or salted, from 1 ct. to ½ ct.; anchovies, sardines, and pilchards, packed in oil or otherwise—various reduced rates, including a reduction to 1½ cts. on the ordinary 8-ounce box; herring (not including kippered herring) in sealed containers, from 30 p. c. to 25 p. c.; kippered herring in sealed containers,

from 27½ to 17½ p.c.; and fish, prepared or preserved, n.o.p. (including lobsters and shell fish) from 27½ p.c. to 22½ p.c. Canned salmon is bound in rate at 27½ p.c.; and fresh lobsters are put on the free list.

Sugar and Its Products: No reductions are effected in the favoured-nation rates on raw or refined sugar but the incidence of the existing duties is bound against increase in the event of a re-wording of the classifications. In this general group, sugar candy and sugar confectionery, including sweetened gums, candied nuts, custard and jelly powders, sweetened breads, cakes, etc., are reduced under both tariffs: the B.P. rate from ½ ct. plus 15 p.c. to 15 p.c. and the m.f.n. rate from ½ ct. plus 30 p.c. to 25 p.c.

Tobacco and Its Products: The favored-nation duties on unmanufactured tobacco are reduced as follows: Turkish types: from 40 cts. to 30 cts. per pound on unstemmed and from 60 cts. to 40 cts. on stemmed; other types: from 40 cts. to 20 cts. on unstemmed and from 60 cts. to 30 cts. on stemmed. The present duty on cigars of \$3.50 per pound plus 25 p.c. is reduced to \$1.75 plus 15 p.c.; that on cut tobacco, from 95 cts. to 80 cts.; and duties on cigarettes are lowered under both tariffs; under the preferential, from \$3.50 to \$2 plus 15 p.c., and under the m.f.n. tariff, from \$3 per pound plus 15 p.c. to \$2 plus 15 p.c.

Spirituous Liquors, Wines, etc.: Under the new Agreement, the duties on spirits, both preferential and favored-nation, are reduced by varying amounts. The existing rates on whisky of \$5 and \$6 per proof gallon, become \$4.50 and \$5, respectively; those on gin, of \$5 and \$10, become \$4.50 and \$5, respectively; those on rum, of \$5 and \$7, become \$4.50 and \$6, respectively. The British preferential rate of \$5 on brandy is reduced to \$4; and all brandy under the favored-nation tariff will now bear duty of \$4 per proof gallon, as compared with existing rates of \$5 on Cognac and Armagnac and \$10 on other brandies. Liqueurs, at present \$5 and \$6, become dutiable at \$4.50 under both tariffs. The favored-nation rate on Angostura bitters is reduced from \$10 to \$5 per proof gallon. Reductions under both tariffs will apply to spirits and strong waters, n.o.p. The reduction in duty on rum is of special interest to Cuba; those on brandy and liqueurs, to France; and that on gin, to the

Netherlands. Of significance to France also are graduated reductions on champagnes and sparkling wines (e.g.: quart sizes—from \$7.44 to \$5 per dozen bottles), as well as a reduction from 55 cts. to 20 cts. per gallon on various still wines; and the application of the wine-rate to vermouth up to 28 per cent proof content, heretofore dutiable under all tariffs at 80 per cent. As a consequence of the negotiations with France, the favored-nation rate on alcoholic perfumes in small containers is reduced to the level of the preferential rate, 30 per cent; and that on such perfumes in bulk to \$5 per gallon plus 30 p.c.

Pulp, Paper, Books, etc.: In this group, numerous Canadian items providing for free entry or low duties on periodical publications, tourist literature, and books are bound in the Schedule. Reductions in both the British Preferential and favored-nation rates are effected on labels, tags, tickets, etc., from 22½ p.c. and 27½ p.c. to 17½ and 22½ p.c., respectively; on bank notes, bonds and similar commercial forms, from 22½ p.c. and 27½ p.c. to 17½ p.c. and 22½ p.c., respectively; on greeting and similar cards, from 20 p.c. and 29½ p.c. to 15 p.c. and 25 p.c., respectively; on ruled, boxed and coated paper, from 20 p.c. and 27½ p.c. to 17½ p.c. and 25 p.c., respectively; and on papeteries and manufactures of paper, n.o.p., from 20 p.c. and 27½ p.c. to 17½ p.c. and 25 p.c., respectively. Reductions in the favored-nation rate will apply also in respect of roofing and shingles of saturated felt, from 25 p.c. to 22½ p.c.; on paper bags, from 30 p.c. to 22½ p.c.; on wall-paper, from 30 p.c. to 22½ p.c.; on wrapping paper from 25 p.c. to 22½ p.c.; on cigarette papers in tubes or packages, from 29½ p.c. to 20 p.c.; on containers of fibreboard or paperboard, from 1 ct. per pound but not less than 25 p.c. to ½ ct. but not less than 20 p.c.; and on advertising and printed matter, n.o.p., from 12½ cts. per pound but not less than 27½ p.c. to 10 cts. per pound but not less than 25 p.c.

Chemicals, Drugs, Paints, etc.: About a score of tariff items in this group which are at present free of duty are bound in Schedule V and almost as many more with rates not exceeding 10 to 12½ p.c. are similarly bound against increase during the life of the new Agreement. Commodities on which the favored-nation rate is reduced include the following: Oxalic acid, from 20 p.c. to 10 p.c.; butyl

alcohol, n.o.p., from 25 p.c. to 20 p.c.; various sodium compounds, from 15 p.c. to 12½ p.c.; crude salt cake, from ¾ ct. to ¼ ct. per pound; stearic acid, from 17½ p.c. to 12½ p.c.; non-alcoholic chemicals or preparations for spraying, disinfecting, etc., from 20 p.c. to 12½ p.c.; castile soap, from 2 cts. to 1 ct. per pound; vegetable glue, from 35 p.c. to 27½ p.c.; edible gelatine, from 35 p.c. to 25 p.c.; mucilage and adhesive paste, from 25 p.c. plus 2½ cts. to 20 p.c. plus 2½ cts.; non-alcoholic perfumery, hair oils, skin lotions, etc., from 30 p.c. to 25 p.c.; manufactures of pyroxylin plastics, n.o.p. from 27½ p.c. to 25 p.c.; motion-picture films, negatives, from 27½ p.c. to 10 p.c.; regenerated cellulose, and cellulose acetate, in sheets, etc., from 30 p.c. to 25 p.c.; dry red lead, antimony oxide, zinc oxide, etc., from 15 p.c. to 12½ p.c.; rough stuff, fillers and dry colours, from 20 p.c. to 17½ p.c.; ground and liquid paints, n.o.p., from 25 p.c. to 20 p.c.; putty, from 27½ p.c. to 22½ p.c.; various natural gums, from 10 p.c. to free; printing ink, from 17½ p.c. to 15 p.c.; olive oil, n.o.p., from 17 p.c. to 10 p.c.; various essential oils, natural, from 7½ p.c. to free; whale oil, from 30 p.c. to 15 p.c.; and castor oil, from varying rates to free. Two of the most important "basket items" in the entire group are reduced: acids, n.o.p. of a kind not produced in Canada, from 20 p.c. to 15 p.c.; and chemicals and drugs, n.o.p., not produced in Canada, from 17½ p.c. to 15 p.c. Some five items in this large and varied tariff group are reduced under both preferential and favored-nation tariffs; all medicinal and pharmaceutical preparations compounded of more than one substance, liquid, from 20 p.c. and 27½ p.c. to 17½ p.c. and 22½ p.c., respectively; toilet soap, from 20 p.c. and 29¼ p.c. to 15 p.c. and 22½ p.c., respectively; soap powders and soap, n.o.p., from 20 p.c. and 25 p.c. to 15 p.c. and 20 p.c., respectively; glue, n.o.p., from 17½ p.c. plus 2 cts. and 25 p.c. plus 5 cts. to 15 p.c. plus 2 cts. and 22½ p.c. plus 5 cts., respectively; and varnishes, lacquers, etc., from 15 cts. per gallon plus 10 p.c. and 15 cts. plus 20 p.c. to 15 cts. plus 5 p.c. and 15 cts. plus 15 p.c., respectively.

Crude vegetable oils of cotton seed, palm and palm kernel, peanut and cocoanut, when imported to be refined for edible purposes, are bound at the rate of 10 p.c. hitherto applicable; and in connection therewith, cotton

seed, palm kernels, peanuts and copra (cocoanut meat)—all raw materials for the crushing industry—are placed on the free list.

Earthen and Glassware, Etc.: In this group there are several reductions in rates that will be of especial interest to Canadian housewives; moreover, the more noteworthy of these relate to goods of which this country is not an important producer. The favored-nation rate on all tableware of china, porcelain, or semi-porcelain is reduced from 35 p.c. to 25 p.c.; rates of 27½ p.c. and 25 p.c. applicable at present to a wide range of glass products etc. (including glass tableware; cutglass ware, opal glassware; bottles, lamp-chimneys and machine-made tumblers) are consolidated in a flat rate of 22½ p.c.; window glass of all kinds is reduced from 15 p.c. to 10 p.c., and plate glass in panes or sheets not exceeding seven square feet each is reduced from 20 p.c. to 10 p.c. Other reductions in duty under the favored-nation column include: manufactures of clay or cement, n.o.p., from 20 to 17½ p.c.; earthen roofing tiles, from 32½ p.c. to 20 p.c.; earthen churns, crocks, etc., from 30 p.c. to 20 p.c.; all sanitary earthenware, from 27½ p.c. to 25 p.c.; dead-burned or sintered magnesite, from 27½ to 15 p.c.; marble, sawn or sand-rubbed, from 20 p.c. to 10 p.c.; all manufactures of asbestos, n.o.p., from 20 p.c. to 12½ p.c.; electric light and arc carbons, from 32½ p.c. plus 20 cts. lb. to 25 p.c. plus 10 cts.; incandescent bulbs, from 7½ p.c. to 5 p.c.; sheet glass, from 25 p.c. to 20 p.c.; plate glass, n.o.p., from 30 p.c. to 25 p.c.; mirrors of glass, from 30 p.c. to 22½ p.c.; stained or ornamental windows, from 27½ p.c. to 15 p.c.; and spectacles and eyeglass lenses, from 24¾ p.c. to 22½ p.c. A few products in this group are reduced under both preferential and favored-nation tariffs: drain pipe, sewer pipe, earthen blocks, etc., from 20 p.c. and 30 p.c. to 15 p.c. and 22½ p.c., respectively; earthenware wall tile, from 20 p.c. and 30 p.c. to 15 p.c. and 25 p.c., respectively; and earthenware, n.o.p., (including ordinary table earthenware), from 20 p.c. and 35 p.c. to 17½ p.c. and 25 p.c. respectively. Crude asbestos is placed on the free list.

Various Metals and their Products: The principle of reciprocity in tariff treatment so far as concerns the United States in particular has been applied over one broad sector of this highly important Metals group: the primary and rolling-mill products of aluminum. Concessions in duties have

been made by both countries (as well as by several other negotiating countries) and the Canadian rates have been reduced on the more common forms of aluminum as follows: aluminum pigs, blocks, ingots, slabs, wire-bars, etc., from 27½ p.c. to 2 cts. per lb.; bars, rods, plates, sheets, strip, etc., from 27½ p.c. to 3 cts. per lb.; angles, channels and other rolled, drawn or extruded sections and shapes, from 27½ p.c. to 22½ p.c.; wire and cable, whether or not twisted or stranded, from 27½ p.c. and 30 p.c. to 22½ p.c.; pipes and tubes, from 27½ p.c. to 22½ p.c.; kitchen or household hollow-ware of aluminum, from 27½ to 22½ p.c.; and manufactures of aluminum, n.o.p., from 27½ p.c. to 22½ p.c. In zinc products, the existing free entry has been bound in respect of zinc dust, strip, sheets and marine-boiler plates; and manufactures of zinc, n.o.p. have been reduced in rate from 20 p.c. to 17½ p.c. Wire of all metals and kinds (other than iron or steel or aluminum) is reduced from 30 p.c. to 20 p.c.; such wire, if covered, from 27½ p.c. to 20 p.c.; wire cloth or screen, from 22½ p.c. to 20 p.c.; and all manufactures of brass or copper, n.o.p., from 24¾ p.c. to 20 p.c. In the precious-metal field, reductions apply under both preferential and favored-nation tariffs. As regards articles consisting wholly or in part of sterling or other silverware, n.o.p. and all manufactures of gold or silver, n.o.p., from existing rates of 20 p.c. and 32½ p.c. to 17½ p.c. and 27½ p.c., respectively. Reductions under both tariffs apply also in the case of nickel-plated ware and gilt or electro-plated ware, from duties of 17½ p.c. and 30 p.c. to 15 p.c. and 22½ p.c., respectively. Toilet articles of all kinds of which the manufactured component of chief value is sterling silver are reduced from two existing favored-nation rates of 33¾ p.c. and 37½ p.c. to a flat rate of 30 p.c. A very wide range of so-called "jewellery findings" of metal will be dutiable at 20 p.c. instead of 25 p.c. as at present and many types and kinds of wire or strip used in the jewellery industry are reduced from 20 p.c. to 15 p.c. Watch cases are reduced under both tariffs: from existing rates of 20 p.c. and 32½ p.c. to rates of 15 p.c. and 25 p.c.

In the ferro-alloy group, the favored-nation rate or ferro-silicon containing more than 8 per cent by weight of silicon but less than 60 per cent, is reduced from 1½ cts. to 1 ct. per lb.

Iron and Steel, and Products Thereof: In any tariff negotiations to which Canada is a party, all forms of

iron and steel and articles produced therefrom play a vital part. That this was the case at Geneva is illustrated by the simple fact that the Schedule to the Agreement includes no fewer than 350 items relating to this tariff group, some 10 of which appear also in Part II of the Schedule. Many of the items are included in the Schedule for the purpose of binding the existing tariff treatment but reductions in duty (chiefly in the favored-nation rate only) are numerous and important.

Considering first the primary forms of iron and steel, up to and including rolling-mill products, it will be seen from a perusal of Schedule V that tin-plate of a class or kind not made in Canada is reduced from 15 p.c. to 10 p.c.; and that tin-plate, n.o.p., will be subject to a duty of 15 p.c. on imports under both tariffs as soon as the necessary legislation to that end can be enacted. Flat steels of rust, acid or heat-resistant qualities are reduced from 17½ p.c. to 12½ p.c. and structural shapes if punched, drilled or further manufactured than rolled or cast, from 35 p.c. to 30 p.c. Other reductions provided in respect of basic iron and steel forms include: castings of iron, from 22½ p.c. to 20 p.c.; castings of steel, from 22½ p.c. to 20 p.c.; forgings of steel, n.o.p., from 27½ p.c. to 25 p.c.; axles and bars for railway vehicles, from 25 p.c. to 22½ p.c.; axles and bars for other vehicles, n.o.p., from 30 p.c. to 22½ p.c.; cast-iron pipe, from \$10.80 to \$10 per ton; pipes and tubes, welded or seamless, not more than 10½ inches in diameter, from 25 p.c. to 22½ p.c.; fittings and couplings for pipes and tubes, from 25 p.c. to 22½ p.c.; springs, for the running gear of other than railway vehicles, n.o.p., from 30 p.c. to 27½ p.c.; silent and roller chain, from 20 p.c. to 15 p.c.; and steel chain, n.o.p., from 30 p.c. to 25 p.c.

All farm implements and machinery at present entitled to entry free of duty are bound against imposition of duty. Ore and rock crushers, rock drills and similar mining and quarrying equipment are reduced from 17½ p.c. to 15 p.c.; and machinery, logging cars, cranes, etc. for use in logging operations, from 15 p.c. to 12½ p.c.

In office machinery and equipment, "parts" of typewriters are reduced from 20 p.c. to 15 p.c.; book-keeping, calculating and invoicing machines, from 12½ p.c. to 10 p.c.; adding machines, from 20 p.c. to 17½ p.c.; and "parts" for adding machines from 20 p.c. to 15 p.c.

While the favored-nation rate of 20 p.c. on vacuum cleaners is bound against increase, the duties on many articles of household equipment are reduced; electric or other refrigerators, from 25 p.c. to 22½ p.c.; washing machines, from 25 p.c. to 22½ p.c.; clothes wringers, from 25 p.c. to 22½ p.c.; lawn mowers, from 30 p.c. to 25 p.c.; hollow-ware of iron or steel, coated with vitreous enamel, from 30 p.c. to 22½ p.c.; kitchen and dairy hollow-ware, including milk cans, from 25 p.c. to 20 p.c.; bicycles, from 27½ p.c. to 25 p.c.; children's carriages, sleds, etc., from 30 p.c. to 22½ p.c.; all kinds of apparatus designed for cooking or for heating buildings, from 25 p.c. to 22½ p.c.; gas burners and mantles, from 27½ to 22½ p.c.; lamp shades and holders, and electric light fixtures and appliances, n.o.p., from 27½ p.c. to 22½ p.c. Other electrical equipment to which reductions will apply includes the following: arc and incandescent lamps, from 30 p.c. to 25 p.c.; electric torches or flashlights, from 27½ p.c. to 22½ p.c.; electric telegraph apparatus, from 25 p.c. to 20 p.c.; electric telephone apparatus, from 25 p.c. to 22½ p.c.; electric wireless or radio apparatus, from 25 p.c. to 20 p.c.; dynamos, generators and transformers, from 25 p.c. to 22½ p.c.; electric motors, electric insulators, and all electric apparatus, n.o.p., from 25 p.c. to 22½ p.c.

Other reductions in the favored-nation rates applicable to commodities the chief component of which is steel include the following: electric dental engines, from 30 p.c. to 22½ p.c.; fire engines and fire fighting apparatus, from 30 p.c. to 25 p.c.; table knives and forks, from 30 p.c. to 25 p.c.; all other knives, from 30 p.c. to 20 p.c.; spoons, from 30 p.c. to 25 p.c.; scissors and shears, from 30 p.c. to 20 p.c.; razors, from 30 p.c. to 27½ p.c.; safety razor blades, from 25 p.c. to 20 p.c.; many hand tools, from 27½ p.c. to 25 p.c.; baths, basins, closets, etc. of steel, coated or not, from 25 p.c. to 20 p.c.; railway locomotives, n.o.p., from 30 p.c. to 25 p.c.; locomotives and cars for mining and sawmill operations: if made in Canada, from 30 p.c. to 20 p.c. and if not made in Canada from 12½ p.c. to free; railway cars, from 27½ p.c. to 22½ p.c.; aircraft, from 20 p.c. to 15 p.c. and aircraft engines, from 17½ p.c. to 15 p.c.; water pumps for domestic purposes, from 25 p.c. to 22½ p.c.; buckles and clasps of all kinds (not being jewelry) from 27½ p.c. to 25 p.c.; and household, office or store furniture,

substantially of metal, from 27½ p.c. to 25 p.c.

A very few items in the Iron and Steel group appear, as stated above, in Part II of the Schedule, and reductions in both preferential and favored-nation rates include these: woven or welded wire fencing and wire cloth or netting, from 20 p.c. and 30 p.c. to 17½ p.c. and 25 p.c., respectively; cars, n.o.p., and wheelbarrows, trucks, scrapers, etc., from 15 p.c. and 27½ p.c. to 10 p.c. and 22½ p.c., respectively; and slide, hookless or zipper fasteners, from 30 p.c. and 37½ p.c. to 25 p.c. and 30 p.c., respectively.

The present Canadian duties on motor vehicles are bound against increase.

Wood and Manufactures thereof: This group is represented in Schedule V by items which are few in number but which cover an important field, both import and domestic. The favored-nation rate on hardwood flooring is reduced from 17½ p.c. to 12½ p.c.; certain plywood, from 22½ p.c. to 20 p.c.; skis and fittings, from 30 p.c. to 22½ p.c.; fishing rods, from 25 p.c. to 20 p.c.; picture and photograph frames from 27½ p.c. to 20 p.c.; and furniture substantially of wood from 32½ p.c. to 27½ p.c.

Textile Products of all Kinds: Although represented in Schedule V by only some 125 tariff items, the Textile Group of the Canadian tariff has contributed one of the most vitally-important sections of the entire General Agreement between Canada and other negotiating countries. Negotiations in respect of textiles and textile products—whether as regards the primary forms of yarns and filaments, fabrics of all kinds, or made-up garments and articles—were conducted not only with the United States, Belgium and Luxembourg, the Netherlands, France, China and Czechoslovakia, but with the United Kingdom; all these countries have in the past been important suppliers of the Canadian market and the particular position of the United Kingdom in this respect is evidenced by the fact that, out of a total of about 125 scheduled items, no fewer than 30 appear in Part II (as well as in Part I) of the Schedule to the Agreement. The items listed cover textile products of cotton, vegetable fibres other than cotton, wool, rayon and other synthetic fibres other than cotton, wool, rayon and other synthetic fibres, and silk, including admixtures of any or all of these.

The favored-nation rate is reduced on certain cotton yarns, including cords and twines, from 20 p.c. plus 3 cts. per lb. to 17½ p.c. plus 3 cts.; on cotton sewing thread on spools, from 22½ p.c. to 20 p.c.; and on mercerized cotton yarns, from 22½ p.c. to 20 p.c. Both rates on cotton-thread yarns (Item 522e) are reduced, from 7½ p.c. and 12½ p.c. to 5 p.c. and 10 p.c., respectively.

Woven fabrics of cotton, not bleached (Item 523) are reduced under the favored-nation tariff from 17½ p.c. plus 3 cts. per lb. to 15 p.c. plus 3 cts. No reduction in the preferential rate is accorded on this item. Seamless cotton bags are similarly reduced, from 27½ p.c. to 22½ p.c.

In bleached, mercerized, printed and colored cotton fabrics, reductions apply under both tariffs. In respect of bleached or mercerized fabrics (Item 523a) existing preferential and favored-nation rates of 20 p.c. and 20 p.c. plus 3 cts. per lb., respectively, become 17½ p.c. and 17½ p.c. plus 3 cts. On all printed, dyed or colored cottons (Item 523b) the existing preferential rate of 20 p.c. is reduced to 17½ p.c.; and favored-nation rates on such fabrics are reduced as follows:

(i) Fabrics valued over 80 cts. per lb.: to 17½ p.c. plus 3 cts.; (ii) Fabrics valued at 50 cts. to 80 cts. per lb.: to 22½ p.c. plus 3 cts.; (iii) Fabrics valued at less than 50 cts. per lb.: to 25 p.c. plus 3½ cts.; (iv) fabrics known as denims: to 17½ p.c. plus 3 cts.; the reduction in respect of each sub-item being one of 2½ p.c. in the *ad valorem* rate, but with no change in the specific duty.

Cotton cretonnes and gabardines (Items 523j and 523k) are reduced under both tariffs, from 12½ p.c. and 27½ p.c. plus 3½ cts. per lb., respectively, to 10 p.c. and 25 p.c. plus 3½ cts. per lb.

Cotton bobbinet, plain, in the web, is reduced under the favored-nation tariff only, from 25 p.c. to 12½ p.c.

In the case of embroideries, lace, nets, etc. of cotton (Item 529) the preferential rate is reduced from 20 p.c. to 15 p.c., and the m.f.n. rate from 27½ p.c. plus 3½ cts. per lb. to 20 p.c. plus 3 cts. Coloured cotton laces for use in Canadian industries (Item 530) are reduced under the m.f.n. tariff only, from 17½ p.c. to 15 p.c.

The most important "basket item" of the cotton group, covering clothing and wearing apparel and all manu-

factures of cotton not separately classified, (Item 532), on which the existing rates are 25 p.c. preferential and 30 p.c. favored-nation, has been subdivided to provide (a) reduced preferential rates of 22½ p.c. on cotton curtains and impregnated cotton fabrics and of 20 p.c. on cotton bags, not seamless and (b) a favored-nation rate of 25 p.c. on clothing, wearing apparel and manufactures of cotton, n.o.p., of 27½ p.c. on cotton curtains and impregnated cotton fabrics, and of 22½ p.c. on cotton bags. This new subdivision of the item means the elimination of preference on that part thereof which covers clothing and manufactures of cotton, n.o.p. Cotton handkerchiefs, presently dutiable at 15 p.c. and 30 p.c., respectively, will now bear rates of 12½ p.c. and 27½ p.c.

Twine for *baling* farm produce is put on the free list and the favored-nation rate on linen thread is reduced from 22½ p.c. to 17½ p.c.

Jute yarns (other than singles) and twines, (Item 537e), are reduced under both tariffs from 25 p.c. and 30 p.c. to 20 p.c. and 25 p.c., respectively.

The free entry at present accorded under the preferential tariff to certain fine linens and linen articles under sub-items (a) and (b) of Tariff Item 540 is continued and the favored-nation rates thereon are reduced in respect of sub-item (a), from 30 p.c. plus 3½ cents per lb. to 22½ p.c. plus 3 cents and in respect of sub-item (b), from 30 p.c. plus 3½ cents to 20 p.c. plus 3 cents. As regards sub-items (c) and (d) of the same item, reductions affect both preferential and favored-nation tariffs, the new preferential rate on each of these sub-items being 15 p.c. plus 3 cents per lb. and the new favored-nation rate, 20 p.c. plus 3½ cents.

Reductions in favored-nation rates, only, apply to linen fire hose, from 32½ p.c. to 30 p.c.; to all clothing, wearing apparel and manufactures, n.o.p., wholly or in part of vegetable fibres other than cotton (Item 548), from 30 p.c. to 25 p.c.; and on woven dress linens (Item 548a).

In the wool group, an important provision is for the free entry under both tariffs of carpet wools. Hair, curled or dyed, is reduced from 17½ p.c. to 15 p.c. and nets made of human hair from 30 p.c. to 15 p.c. Changes in duties on wool yarns are three in number. On the "n.o.p." yarns under Item 551 the preferential rate is reduced by 1 cent per lb. to 15 p.c.

and 5 cents and the favored-nation rate from 20 p.c. plus 20 cents per lb. to 17½ p.c. plus 20 cents. Manufacturing yarns (Item 551a) are reduced under the m.f.n. tariff only, from 17½ p.c. plus 15 cents per lb. to 15 p.c. plus 15 cents, and worsted yarns for six-ounce fabrics (Item 551d) in exactly the same amount.

In the wool fabric group, six-ounce cloths imported for furnishing (Item 554) are reduced under both tariffs by 2½ p.c., with no change in the specific duty, the resulting duties being 15 p.c. plus 7½ cents per lb. and 20 p.c. plus 17½ cents. Similarly, four-ounce fabrics imported for finishing in Canada (Item 554c) are reduced—but only under the m.f.n. tariff—from 25 p.c. plus 17½ cents per lb. to 20 p.c. plus 15 cents.

The chief item in the wool fabric group is Item 554b, under which enters the largest part of the total imports of woollen and worsted cloths and on which the existing preferential rate is 22½ p.c. plus 12 cents per lb. and the favored-nation rate, 35 p.c. plus 30 cents, the former having a proviso to the effect that the maximum duty per pound of cloth shall not exceed fifty cents. Under the new Agreement, the preferential rate on the item is reduced to 20 p.c. plus 12 cents per lb. (with the maximum duty proviso unchanged); the favored-nation rate is reduced to 27½ p.c. plus 30 cents and, as respects fabrics weighing not more than eight ounces to the square yard, there is now provided under the m.f.n. tariff a maximum duty of \$1 per pound. Other favored-nation rates reduced include those on billiard cloth, melton cloth and slipper cloth.

On the main "finished goods" item in the wool group (Item 555), which covers in general imports of clothing, wearing apparel and articles made from woven wool fabrics, as well as all non-specified manufactures composed wholly or in part of wool, the preferential rate is reduced from 30 p.c. to 25 p.c. and the favored-nation rate from 32½ p.c. on women's and children's outer garments and from 40 p.c. plus 32½ cents per lb. on all other clothing and manufactured goods, to 27½ p.c. Wool blankets (Item 553) are reduced under the m.f.n. tariff only, from 30 p.c. plus 25 cents per lb. to 25 p.c. plus 20 cents; and cotton blankets from 20 p.c. plus 5 cents per lb. to 17½ p.c. plus 5 cents.

Yarns of synthetic fibres or filaments appear only in Part I of the Schedule; that is, they are affected only in

respect of the favored-nation rate. All single and plied yarns (whether viscose, acetate, cupramonium, etc.) are reduced from the present rate of 30 p.c. but not less than 28 cents per lb. to one of 25 p.c. but not less than 24 cents per lb. So-called "spun rayon" yarns (Item 558f) are reduced in an identical manner.

In accord with a reduction on silk fabrics "in the gum" imported for the purpose of being finished in Canada (Item 560), there is a reduction in the m.f.n. rate on two silk fabric items: the rate on Item 560a is reduced from 36 p.c. plus 10 cents per yard to 30 p.c. plus 7½ cents; and that on Item 560b, from 29¼ p.c. to 25 p.c.

One of the most important items in the textile group is that relative to fabrics woven from synthetic yarns or filaments (Item 561), imports under which have come in former years from a dozen countries but of which normally the United Kingdom was the principal source of supply. The existing preferential rate is an ad valorem only, of 27½ p.c., whereas the favored-nation rate is a compound one: 36 p.c. plus 40 cents per lb. The Agreement provides for a preferential rate of 22½ p.c. and an m.f.n. rate of 27½ p.c. plus 40 cents.

Ribbons of pure silk and of synthetic silk, and necktie silks, are reduced under the favored-nation tariff, the two former from 27½ p.c. to 25 p.c. and the latter from 18 p.c. to 15 p.c. Embroideries, lace and nets n.o.p. (i.e.—as distinct from those wholly of cotton referred to earlier in this statement), dutiable under Item 565 at 22½ p.c. preferential, and 32½ p.c. or 27½ p.c. favored-nation, are reduced to 17½ p.c. and 22½ p.c., respectively.

Under the existing Agreement with the United States, silk clothing and wearing apparel is dutiable at 30 p.c. and other manufactured silk products n.o.p. (Item 567) at 30 p.c. plus 7 cts. per ounce. The new Agreement sets a flat rate of 30 p.c. on the entire item, with no change in the existing preferential rate of 27½ p.c. As respects similar clothing and articles of synthetic silk (Item 567a), the existing preferential rate is 25 p.c., while the m.f.n. rate on clothing and apparel is 32½ p.c. and on other products, 31½ p.c. plus 4½ cts. per ounce. In the new Agreement, "split" rates are discontinued; the preferential rate on the entire item will be 20 p.c. and the favored-nation rate, 27½ p.c.

Products of the knitting industry—whether of cotton, wool, silk, artificial silk or admixtures thereof—are dutiable for the most part under tariff item 568, on which the preferential rate is 20 p.c. and the favored-nation rate either 35 p.c. (if clothing or apparel) or 35 p.c. plus 25 cts. per lb. (if articles other than clothing). In the new Agreement, the B.P. rate is unchanged, and the favored-nation rate is 35 p.c., without any specific component. The closely related item (568a) covering hosiery has two sub-items; wool hosiery, with preferential and m.f.n. rates of 20 p.c. plus 30 cts. per dozen pairs and 32½ p.c. plus \$1.35 per dozen pairs, respectively, the latter (only) of which is reduced to 27½ p.c. and \$1.20 per dozen pairs; and other hosiery, with preferential and m.f.n. rates of 20 p.c. (no specific duty) and 20 p.c. plus \$1.00 per dozen pairs, the latter (only) of which is reduced to 20 p.c. plus 75 cts. per dozen pairs.

Other reductions in favored-nation duties in the textile group include the following: church vestments, from 15½ p.c. to 10 p.c.; hats, n.o.p. (Item 569 (v)) from 30 p.c. plus \$1.50 per dozen to 27½ p.c. plus \$1.00 per dozen; wool berets, from 27 p.c. plus 58½ cts. per dozen to 22½ p.c. plus 50 cts. per dozen; and hats, hoods or shapes of fur-felt, or of wool-and-fur felt, on which the preferential rate is reduced from 22½ p.c. to 17½ p.c. and the m.f.n. rate from 30 p.c. to 22½ p.c.

Existing preferential rates on cut-pile cocoa mats, and on cocoa mats or matting n.o.p., of 3 cts. per square foot and 7½ cts. per square yard, respectively, are reduced to 2½ cts. and 6½ cts., with reductions in the m.f.n. rates. Other textile floor-coverings which appear in the Schedule are carpets and linoleums. The former enter under Item 572, with a preferential duty of 30 p.c. and a favored-nation rate of 30 p.c. plus 7½ cts. per square foot; these are reduced to 25 p.c. preferential and 25 p.c. plus 5 cts., favored-nation. The favored-nation rate on oilcloth and linoleum (Item 573) is reduced from 30 p.c. to 27½ p.c.

Hides, skins and leather goods: Free entry under both tariffs is continued in respect of hides, skins and plates (Items 599, 601 and 602). A reduction is provided on fur skins wholly or partially dressed (Item 603) from 13½ p.c. to 12½ p.c. and free entry is accorded to karakul skins, formerly dutiable under this Item at rates of 10 p.c. and 13½ p.c., respectively. Sheepskin or lambskin leather, further finished than tanned, is reduced under the m.f.n. tariff only, from 25 p.c. to

22½ p.c.; and all belting leather as well as leather further finished than tanned, n.o.p. (Item 604) from 20 p.c. to 17½ p.c., favored-nation only. The favored-nation rate only on sole leather (Item 604b) is reduced from 25 p.c. to 22½ p.c.; genuine reptile leathers, from 15 p.c. to 7½ p.c.; and pig and morocco leathers (Item 605a), from 25 p.c. to 20 p.c. Leather produced from East India tanned kip (Item 606) bears at present a preferential rate of 20 p.c. plus 4 cts. per square foot and a favored-nation rate of 25 p.c. plus 4 cts.; these are reduced to 20 p.c. plus 2 cts. and 25 p.c. plus 2 cts., respectively. The m.f.n. rate on leather belting (Item 609) drops from 25 p.c. to 22½ p.c. The existing rates on leather garments (Item 611b) of 20 p.c. and 30 p.c. become 17½ p.c. and 27½ p.c. respectively; and those on harness and saddlery (Item 612) of 17½ p.c. and 22½ p.c. become 15 p.c. and 20 p.c., respectively.

Leather footwear (Item 611a) bears duties at present of 22½ p.c. and 30 p.c., preferential and favored-nation, and these are reduced in Schedule V to rates of 20 p.c. and 27½ p.c., respectively. Canvas shoes with rubber soles, also under Item 611a, dutiable at present at 22½ p.c. and 35 p.c. will in future carry the same ratings as those attaching to leather footwear, namely: 20 p.c. and 27½ p.c. All non-specified manufactures of leather (Item 613) with rates, preferential and favored-nation, of 20 p.c. and 25 p.c. will be dutiable at rates of 17½ p.c. and 22½ p.c., respectively.

Rubber and Products: The favored-nation rate of 22½ p.c. on all non-enumerated manufactures of rubber (Item 618) is reduced to 20 p.c. and that on belting, n.o.p. (i.e.—all other than leather belting, Item 610) is reduced from 25 p.c. to 20 p.c. Both tariffs are reduced on rubber clothing and clothing made from waterproofed cotton fabrics (Item 619a), from 25 p.c. and 30 p.c. respectively, to 22½ p.c. and 27½ p.c.

Miscellaneous commodities: Scores of commodities not particularly related to any tariff group but of significance in the daily life of Canadians appear in Schedule V with reduced rates. Illustrative of the reductions are the following: anthracite coal, from 50 cts. per ton to free; bituminous coal, from 75 cts. to 50 cts.; pianos and organs, from 25 p.c. to 22½ p.c.; musical instruments of all kinds not specially enumerated, from 24½ p.c. to 17½ p.c.; brass band instruments, n.o.p., from 22½ p.c. to 20 p.c.; dolls, from 30 p.c. to 25 p.c.; caps, coats

and all manufactures of fur, n.o.p., from 30 p.c. to 25 p.c.; braces and suspenders, from 27 p.c. to 22½ p.c.; umbrellas, parasols, etc., from 27 p.c. to 25 p.c.; jewellery for adornment of the person, from 35 p.c. to 32½ p.c. under the m.f.n. tariff and from 25 p.c. to 22½ p.c. under the preferential tariff; buttons of vegetable ivory, from 30 p.c. plus 10 cts. per gross to 25 p.c. plus 10 cts.; other buttons, from 30 p.c. plus 5 cts. per gross to 25 p.c. plus 5 cts.; toilet and dressing combs, from 25 p.c. but not less than \$1.50 per gross to 20 p.c. but not less than \$1.44 per gross; brushes of all kinds, n.o.p., from 30 p.c. to 25 p.c.; pens and penholders, from 25 p.c. to 22½ p.c.; lead pencils, from 35 p.c. to 30 p.c.; tobacco pipes of all kinds, from 29½ p.c. to 22½ p.c.; cigar and cigarette holders, from 29½ p.c. to 25 p.c.; cigar and cigarette cases, smokers' sets, tobacco pouches, etc., from 29½ p.c. to 25 p.c.; motion-picture films, positives, one and one-eighth inches and over (Item 657a) from 2½ cts. to 1½ cts. per linear foot; photographic dry plates, from 27½ p.c. to 25 p.c.; grinding wheels, blocks or stones and manufactures of emery or of artificial abrasives (Item 670), from 22½ p.c. to 20 p.c.; sponges of marine production, from 17½ p.c. to 15 p.c.; roofing granules, whether or not colored or coated, from 20 p.c. to 15 p.c.; hominy grits, corn grits and

hominy feeds, from 20 p.c. to 10 p.c.; mineral and medicinal waters, natural, from 20 p.c. to free; potassic nitrate of soda, n.o.p., from 20 p.c. to free; certain products or articles of quartz, from 20 p.c. to free if not further processed than cut into slabs and ground to shape and from 20 p.c. to 10 p.c. if fully manufactured; woven tire cord fabric chiefly of synthetic fibres or filaments, coated with rubber composition, from 17½ p.c. plus 3½ cts. per lb. to 15 p.c.; wire-drawing dies, in the rough, from 10 p.c. to 5 p.c. and oiticica oil, from 20 p.c. to free.

Trunks, valises, bags and baskets of all kinds (Item 622) and musical instrument cases, fancy boxes and cases of all kinds, portfolios, satchels, etc. (Item 623), are reduced under both tariffs: the preferential rate from 15 p.c. to 12½ p.c. and the favored-nation rate from 30 p.c. to 22½ p.c.

A considerable change in the tariff treatment of containers (under Item 710) is provided for in the Schedule. The existing duties of 10 p.c. and 18 p.c. on usual coverings containing goods, not machinery, subject to an *ad valorem* duty, when not included in the invoice value of the goods (710b) are reduced to free and 7½ p.c., respectively; and the existing duties of 5 p.c. and 15 p.c. on machinery coverings (710bb) are reduced to the same rates of free and 7½ p.c.

Air Travel from Egypt Restricted

Cairo, October 27, 1947.—(FTS)—Restrictions have been imposed on travel by air from Cairo to Bulgaria, Cyprus, Ethiopia, Greece, Iran, Iraq, Saudi Arabia, Syria and the Lebanon, and Turkey, as a result of the cholera epidemic in Egypt. These countries have refused permission for aircraft commencing their flights from Egypt, or calling at airports in this country, to enter their respective territories. "Misr", an Egyptian air line, is permitted to land at Haifa, in Palestine, but passengers from Egypt must possess a government certificate of cholera inoculation not less than six days old.

Additions may be made to this list, so it is suggested that Canadian businessmen contemplating a visit to or through Egypt communicate by cable with the Canadian Trade Commissioner in Cairo, to ascertain whether transit to their planned destination is possible.

It should be noted that anti-cholera certificates are not valid for more than six months.

Travellers proceeding from Cairo to other points in Africa, or vice versa, are required to possess an international yellow fever certificate over ten days old. These certificates are valid for four years.

Smallpox vaccination certificates should be carried for all destinations out of Egypt. These must be at least fourteen days old, and show the type of vaccine used, and its batch number. They are valid for three years.



Ocean-Going Sailing Schedules

Information contained in the following list of sailings, such as destination, port of departure, loading date, name of ship and operator, is furnished by steamship companies and agents concerned. This is the latest available and subject to change after *Foreign Trade* has gone to press, particularly as this relates to the loading date and name of vessel. All ships are not as yet under the complete control of operators, and one or other may have to be withdrawn to fulfil a government demand for space. A substitute ship is normally provided, and the operator will immediately notify shippers of any change in the date of departure. If no substitute is available, operators will advise shippers of an alternative sailing by another line.

The loading date and name of ship are not indicated in some instances, due to the fact that on certain routes information available is not sufficiently definite to mention the steamer that will be placed on a berth for the destination shown. The name of the probable operator is given, however, and exporters should seek further particulars from the operator or agent indicated.

Departures from Montreal

* Calls at Halifax about five days later.

Destination	Loading Date	Vessel	Operator or Agent
Belgium—			
Antwerp.....	November 24	<i>Brant County</i>	Canada Steamships
Antwerp.....	November 25	<i>Mont Alta</i>	Montreal Shipping
Antwerp.....	November 27	<i>Carmelbjell</i>	Brock Shipping
Antwerp.....	November 27	<i>A Ship</i>	Montreal Shipping
Antwerp.....	November 28	<i>Grey County</i>	Canada Steamships
Antwerp.....	November 28	<i>Prins Maurits</i>	Shipping Limited
Ceylon—			
Colombo.....	November 25	<i>City of Agra</i>	McLean Kennedy
Colombo.....	November 28	<i>Gulfside</i>	March Shipping
China—			
Shanghai.....	November 28	<i>Gulfside</i>	March Shipping
Denmark—			
Copenhagen.....	November 20-27	<i>Braheholm</i>	Swedish American
Egypt—			
Alexandria.....	November 28	<i>Gulfside</i>	March Shipping
Finland—			
Helsinki.....	November 20-27	<i>Braheholm</i>	Swedish American
France—			
Le Havre.....	November 15-23	<i>Kent County</i>	Canada Steamships
Le Havre.....	November 24	<i>Brant County</i>	Canada Steamships
Le Havre.....	November 25	<i>Mont Alta</i>	Montreal Shipping
Le Havre.....	November 27	<i>A Ship</i>	Montreal Shipping
Germany—			
Hamburg.....	November 25	<i>Mont Alta</i>	Montreal Shipping
Hamburg.....	November 27	<i>A Ship</i>	Montreal Shipping
Greece—			
Piraeus.....	November 25	<i>A Ship</i>	Montreal Shipping
Hong Kong.....	November 28	<i>Gulfside</i>	March Shipping
India and Pakistan—			
Bombay.....	November 28	<i>Gulfside</i>	March Shipping
Calcutta.....			
Madras.....			

Departures from Montreal—Continued

Destination	Loading Date	Vessel	Operator or Agent
India and Pakistan—			
Con.			
Karachi.....	November 25	<i>City of Agra</i> <i>A Ship</i>	McLean Kennedy March Shipping
Bombay.....			
Calcutta.....			
Madras.....			
Italy—			
West Coast Ports...	November 23	<i>A Ship</i>	March Shipping
	November 25	<i>A Ship</i>	Montreal Shipping
Mediterranean—			
Central and Western Areas.....	November 25	<i>A Ship</i>	Montreal Shipping
Netherlands—			
Amsterdam.....	November 24	<i>Brant County</i>	Canada Steamships
Rotterdam.....			
Rotterdam.....	November 24	<i>Brant County</i>	Canada Steamships
Rotterdam.....	November 26	<i>Mont Alta</i>	Montreal Shipping
Rotterdam.....	November 27	<i>A Ship</i>	Montreal Shipping
Rotterdam.....	November 27	<i>Carmelfjell</i>	Brock Shipping
Rotterdam.....	November 28	<i>Prins Maurits</i>	Shipping Limited
Rotterdam.....	November 28	<i>Grey County</i>	Canada Steamships
Rotterdam.....	November 30	<i>Mont Sandra</i>	Montreal Shipping
Norway—			
Oslo.....	November 20-27	<i>Braeholm</i>	Swedish American
Stavanger.....			
Bergen.....			
Poland—			
Gdansk.....	November 20-27	<i>Braeholm</i>	Swedish American
Singapore.....			
	November 28	<i>Gulfside</i>	March Shipping
Sweden—			
Gothenburg.....	November 20-27	<i>Braeholm</i>	Swedish American
Malmö.....			
Norrköping.....			
Stockholm.....			
Trieste.....			
	November 23	<i>A Ship</i>	Montreal Shipping
United Kingdom—			
Liverpool.....	November 29	<i>Empress of Canada</i>	Canadian Pacific
London.....	November 27	<i>Port Sydney</i>	Cunard Donaldson
London.....	November 27	<i>Carmelfjell</i>	Brock Shipping
London.....	November 28	<i>Beaverglen</i>	Canadian Pacific
Manchester.....	November 26	<i>Manchester City</i>	Furness Withy
Manchester.....	November 28	<i>Manchester Shipper</i>	Furness Withy
West Indies—			
Antigua.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Barbados.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Bermuda.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
British Guiana.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Dominica.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Grenada.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Guadeloupe.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Martinique.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Montserrat.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
St. Kitts.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
St. Lucia.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National

Departures from Montreal—Concluded

Destination	Loading Date	Vessel	Operator or Agent
West Indies—con.			
St. Vincent.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National
Trinidad.....	November 16-24	* <i>Canadian Cruiser</i>	Canadian National

Departures from Halifax

*Sails from Saint John about three days earlier.

Destination	Loading Date	Vessel	Operator or Agent
Belgium—			
Antwerp.....	December 13	<i>Mortain</i>	Furness Withy
Antwerp.....	December 30	* <i>Twickenham</i>	Cunard Donaldson
Antwerp.....	January 20-21	* <i>Beckenham</i>	Cunard Donaldson
Cuba—			
Santiago.....	December 8-10	<i>Armina</i>	Pickford and Black
Santiago.....	December 24-30	<i>Dufferin Bell</i>	Pickford and Black
Ceylon—			
Colombo.....	December 25	<i>Islandside</i>	March Shipping
China—			
Shanghai.....	December 25	<i>Islandside</i>	March Shipping
Egypt—			
Port Said.....	December 15-17	<i>Calchas</i>	Cunard Donaldson
Suez.....			
France—			
Le Havre.....	December 13	<i>Mortain</i>	Furness Withy
Germany—			
Hamburg.....	December 30	* <i>Twickenham</i>	Cunard Donaldson
Hamburg.....	January 20-21	* <i>Beckenham</i>	Cunard Donaldson
Gibraltar.....	December 15	<i>Mont Clair</i>	Montreal Shipping
Hong Kong.....	December 25	<i>Islandside</i>	March Shipping
Iceland—			
Reykjavik.....	December 6-9	<i>True Knot</i>	F. K. Warren
India and Pakistan—			
Bombay.....	December 25	<i>Islandside</i>	March Shipping
Calcutta.....			
Madras.....			
Italy			
Genoa.....	December 15	<i>Mont Clair</i>	Montreal Shipping
Malayan Union—			
Penang.....	December 15-17	<i>Calchas</i>	Cunard Donaldson
Port Swettenham..			
Mediterranean—			
Central and Western Areas.....	December 15	<i>Mont Clair</i>	Montreal Shipping
Netherlands—			
Amsterdam.....	December 30	* <i>Twickenham</i>	Cunard Donaldson
Rotterdam.....	January 20-21	* <i>Beckenham</i>	Cunard Donaldson
Netherlands East Indies—			
Batavia.....	December 15-17	<i>Calchas</i>	Cunard Donaldson
Samarang.....			
Soerabaya.....			

Departures from Halifax—Continued

Destination	Loading Date	Vessel	Operator or Agent
Newfoundland—			
St. John's.....	November 21-24	<i>Fort Townshend</i>	Furness Withy
St. John's.....	November 27-29	<i>Mayfall</i>	Shaw Steamships
St. John's.....	Nov. 28-Dec. 1	<i>Fort Amherst</i>	Furness Withy
St. John's.....	Nov. 28-Dec. 2	<i>Nova Scotia</i>	Furness Withy
St. John's.....	December 6-8	<i>Mayfall</i>	Furness Withy
Portugal—			
Lisbon.....	December 15	<i>Mont Clair</i>	Montreal Shipping
St. Pierre et Miquelon.....			
	{ November 27-29	<i>Mayfall</i>	Shaw Steamships
	{ December 6-8	<i>Mayfall</i>	Shaw Steamships
Singapore.....			
	{ December 15-17	<i>Calchas</i>	Cunard Donaldson
	{ December 25	<i>Islandside</i>	March Shipping
United Kingdom—			
Avonmouth.....	December 30	<i>Boston City</i>	Furness Withy
Liverpool.....	Nov. 28-Dec. 2	<i>Nova Scotia</i>	Furness Withy
Liverpool.....	December 11	* <i>Hillcrest Park</i>	Cunard Donaldson
Liverpool.....	December 24	* <i>Fort Cadotte</i>	Cunard Donaldson
Liverpool.....	December 31	<i>Asia</i>	Cunard Donaldson
London.....	December 19	* <i>Fort Miami</i>	Cunard Donaldson
London.....	December 31	* <i>Sibley Park</i>	Cunard Donaldson
London.....	January 5	* <i>Valacia</i>	Cunard Donaldson
Southampton.....	December 5	<i>Aquitania</i>	Cunard Donaldson
Southampton.....	December 23	<i>Aquitania</i>	Cunard Donaldson
West Indies—			
Antigua.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
Antigua.....	December 1-9	<i>Alcoa Pennant</i>	Alcoa Steamships
Antigua.....	December 10-18	<i>Canadian Constructor</i>	Canadian National
Antigua.....	December 14-23	<i>A Ship</i>	Alcoa Steamships
Barbados.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
Barbados.....	December 1-9	<i>Alcoa Pennant</i>	Alcoa Steamships
Barbados.....	December 10-18	<i>Canadian Constructor</i>	Canadian National
Bahamas.....	November 28	<i>Canadian Challenger</i>	Canadian National
Bahamas.....	December 12	<i>Canadian Observer</i>	Canadian National
Bahamas.....	December 26	<i>Canadian Observer</i>	Canadian National
Bermuda.....	November 27-30	<i>Fort Townshend</i>	Furness Withy
Bermuda.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
Bermuda.....	December 1-9	<i>Alcoa Pennant</i>	Alcoa Steamships
Bermuda.....	December 10-18	<i>Canadian Constructor</i>	Canadian National
Bermuda.....	December 14-23	<i>A Ship</i>	Alcoa Steamships
British Guiana.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
British Guiana.....	December 1-9	<i>Alcoa Pennant</i>	Alcoa Steamships
British Guiana.....	December 10-18	<i>Canadian Constructor</i>	Canadian National
British Guiana.....	December 14-23	<i>A Ship</i>	Alcoa Steamships
Dominica.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
Dominica.....	December 10-18	<i>Canadian Constructor</i>	Canadian National
Grenada.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
Grenada.....	December 1-9	<i>Alcoa Pennant</i>	Alcoa Steamships
Grenada.....	December 10-18	<i>Canadian Constructor</i>	Canadian National
Grenada.....	December 14-23	<i>A Ship</i>	Alcoa Steamships
Jamaica.....	November 28	<i>Canadian Challenger</i>	Canadian National
Jamaica.....	December 3-6	<i>Colister</i>	Pickford and Black
Jamaica.....	December 8-10	<i>Arminda</i>	Pickford and Black
Jamaica.....	December 12	<i>Canadian Observer</i>	Canadian National
Jamaica.....	December 24-30	<i>Dufferin Bell</i>	Pickford and Black
Jamaica.....	December 26	<i>Canadian Challenger</i>	Canadian National
Montserrat.....	Nov. 28-Dec. 3	* <i>Lady Rodney</i>	Canadian National
Montserrat.....	December 10-18	<i>Canadian Challenger</i>	Canadian National

Departures from Halifax—Concluded

Destination	Loading Date	Vessel	Operator or Agent
West Indies—Con.			
St. Kitts.....	Nov. 28–Dec. 3	* <i>Lady Rodney</i> <i>Alcoa Pennant</i> <i>Canadian Constructor</i> <i>A Ship</i>	Canadian National Alcoa Steamships Canadian National Alcoa Steamships
St. Kitts.....	December 1–9		
St. Kitts.....	December 10–18		
St. Kitts.....	December 14–23		
St. Lucia.....	Nov. 28–Dec. 3	* <i>Lady Rodney</i> <i>Alcoa Pennant</i> <i>Canadian Constructor</i> <i>A Ship</i>	Canadian National Alcoa Steamships Canadian National Alcoa Steamships
St. Lucia.....	December 1–9		
St. Lucia.....	December 10–18		
St. Lucia.....	December 14–23		
St. Vincent.....	Nov. 28–Dec. 3	* <i>Lady Rodney</i> <i>Alcoa Pennant</i> <i>Canadian Constructor</i> <i>A Ship</i>	Canadian National Alcoa Steamships Canadian National Alcoa Steamships
St. Vincent.....	December 1–9		
St. Vincent.....	December 10–18		
St. Vincent.....	December 14–23		
Trinidad.....	Nov. 28–Dec. 3	* <i>Lady Rodney</i> <i>Alcoa Pennant</i> <i>Canadian Constructor</i> <i>A Ship</i>	Canadian National Alcoa Steamships Canadian National Alcoa Steamships
Trinidad.....	December 1–9		
Trinidad.....	December 10–18		
Trinidad.....	December 14–23		

Departures from Saint John

Destination	Loading Date	Vessel	Operator or Agent
Africa-East—			
Lourenço Marques...	December 5–15	<i>Lochdee</i> <i>Chandler</i>	Elder Dempster Elder Dempster
Lourenço Marques...	December 17–28		
Beira.....	December 17–28	<i>Chandler</i>	Elder Dempster
Africa South—			
Cape Town.....	December 5–15 December 17–28	<i>Lochdee</i> <i>Chandler</i>	Elder Dempster Elder Dempster
Port Elizabeth.....			
East London.....			
Durban.....			
Belgium—			
Antwerp.....	December 18	<i>Mont Rolland</i> <i>Rigoletto</i> <i>Hedel</i>	Montreal Shipping Shipping Limited Shipping Limited
Antwerp.....	December 20		
Antwerp.....	January 5		
Ceylon—			
Colombo.....	December 10	<i>Merchant Prince</i> <i>City of Leeds</i> <i>Johilla</i> <i>Forest</i>	McLean Kennedy McLean Kennedy McLean Kennedy McLean Kennedy
Colombo.....	December 20		
Colombo.....	December 25		
Colombo.....	January 10		
China—			
Shanghai.....	December 15	<i>City of Khartoum</i>	McLean Kennedy
Colombia—			
Barranquilla.....	November 26–29	<i>Feggen</i>	Saguenay Terminals
Erle—			
Cork.....	December 17	<i>Irish Poplar</i>	Shipping Limited
Dublin.....			
Dublin.....	December 8–13	<i>Fanad Head</i>	McLean Kennedy
France—			
Le Havre.....	December 18	<i>Mont Rolland</i>	Montreal Shipping
Germany—			
Hamburg.....	December 18	<i>Mont Rolland</i>	Montreal Shipping
Hong Kong.....	December 15	<i>City of Khartoum</i>	McLean Kennedy

Departures from Saint John—Continued

Destination	Loading Date	Vessel	Operator or Agent
India and Pakistan—			
Bombay.....	December 10	<i>Merchant Prince</i>	McLean Kennedy
Calcutta.....	December 20	<i>City Of Leeds</i>	McLean Kennedy
Madras.....	December 25	<i>Johilla</i>	McLean Kennedy
Karachi.....	January 10	<i>Forest</i>	McLean Kennedy
Mexico—			
Tampico.....	December 22-25	<i>Federal Pioneer</i>	McLean Kennedy
Veraacruz.....			
Netherlands—			
Antwerp.....	December 20	<i>Rigoletto</i>	Shipping Limited
Rotterdam.....	January 5	<i>Hedel</i>	Shipping Limited
Rotterdam.....	December 18	<i>Mont Rolland</i>	Montreal Shipping
Netherlands West Indies—			
Curacao.....	November 26-29	<i>Feggen</i>	Saguenay Terminals
Northern Ireland—			
Belfast.....	December 8-13	<i>Fanad Head</i>	McLean Kennedy
Philippines—			
Manila.....	December 15	<i>City of Khartoum</i>	McLean Kennedy
United Kingdom—			
Avonmouth.....	December 16	<i>Gracia</i>	Cunard Donaldson
Avonmouth.....	December 17-26	<i>Delitium</i>	Cunard Donaldson
Glasgow.....	December 10-18	<i>Norwegian</i>	Cunard Donaldson
Glasgow.....	Dec. 26-Jan. 2	<i>Salacia</i>	Cunard Donaldson
Hull.....	December 3-8	<i>Marengo</i>	McLean Kennedy
Hull.....	December 20-27	<i>Consuelo</i>	McLean Kennedy
Leith.....	December 19	<i>Cairnavon</i>	Furness Withy
Leith.....	January 3	<i>Cairnesk</i>	Furness Withy
Liverpool.....	December 6	<i>Beverburn</i>	Canadian Pacific
Liverpool.....	December 8-13	<i>Fanad Head</i>	McLean Kennedy
Liverpool.....	December 20	<i>Empress of Canada</i>	Canadian Pacific
Liverpool.....	December 23	<i>Beverford</i>	Canadian Pacific
London.....	December 1	<i>Bevercove</i>	Canadian Pacific
London.....	December 14	<i>Beverdell</i>	Canadian Pacific
London.....	December 27	<i>Beverlake</i>	Canadian Pacific
London.....	January 1	<i>Valacia</i>	Cunard Donaldson
Manchester.....	December 11	<i>Manchester Commerce</i>	Furness Withy
Manchester.....	December 25	<i>Manchester Regiment</i>	Furness Withy
Manchester.....	January 1	<i>Manchester Progress</i>	Furness Withy
Newcastle.....	December 19	<i>Cairnavon</i>	Furness Withy
Newcastle.....	January 3	<i>Cairnesk</i>	Furness Withy
Venezuela—			
La Guaira.....	November 26-29	<i>Feggen</i>	Saguenay Terminals
West Indies—			
British Guiana.....	November 26-29	<i>Feggen</i>	Saguenay Terminals
Trinidad.....	November 26-29	<i>Feggen</i>	Saguenay Terminals

DIRECTORY INFORMATION

The Foreign Trade Service head office directory, as well as the directory of Foreign Commercial Representatives in Canada appears in the last issue of *Foreign Trade* each month.

Departures from Vancouver

Ships listed under "Departures from Vancouver" may possibly be loading in addition at New Westminster. Exporters should communicate with agents in Vancouver to obtain information concerning loading dates, berths, available cargo space and rates.

Destination	Loading Date	Vessel	Operator or Agent
Africa-East—			
Lourenço Marques...	December 12	<i>Utrecht</i>	Dingwall Cotts
Lourenço Marques...	January	<i>Silverwalnut</i>	Dingwall Cotts
Africa-South—			
Cape Town.....			
Port Elizabeth.....	December 12	<i>Utrecht</i>	Dingwall Cotts
East London.....	January	<i>Silverwalnut</i>	Dingwall Cotts
Durban.....			
Argentina—			
Buenos Aires.....	December 21	<i>Falkanger</i>	General Steamships
Australia—			
Sydney.....			
Melbourne.....	December 20	<i>Narrandera</i>	General Steamships
Adelaide.....			
Melbourne.....			
Sydney.....	November 26	<i>Waitemata</i>	Canadian Australasian
Hobart.....			
Melbourne.....	December 4	<i>Waikawa</i>	Canadian Australasian
Sydney.....			
Belgium—			
Antwerp.....	December	<i>Rouen</i>	General Steamships
Antwerp.....	December 5	<i>Panama</i>	Gardner Johnson
Antwerp.....	December 22	<i>Bolivia</i>	Gardner Johnson
Antwerp.....	January 5	<i>Seattle</i>	Gardner Johnson
Ceylon—			
Colombo.....	December 12	<i>Höegh Silverlight</i>	Dingwall Cotts
Chile—			
Valparaiso.....	December 21	<i>Falkanger</i>	General Steamships
China—			
Shanghai.....	December 4	<i>Vilja</i>	Empire Shipping
Taku Bar.....	January	<i>Vingnes</i>	General Steamships
Shanghai.....	Nov. 20—Dec. 6	<i>Lake Winnipeg</i>	Anglo Canadian
Chinwangtao.....	December 4	<i>Vilja</i>	Empire Shipping
Dairen.....			
Taku Bar.....			
Tsingtao.....	December 5	<i>China Mail</i>	American Mail Line
Jinsen.....	December 19	<i>Washington Mail</i>	American Mail Line
Keelung.....			
Cheefu.....			
Cyprus.....	December 23	<i>William Glackens</i>	General Steamships
France—			
Le Havre.....	December	<i>Rouen</i>	General Steamships
Hong Kong.....	November 9-24	<i>Lake Sumas</i>	Anglo Canadian
	December 5	<i>China Mail</i>	American Mail Line
	December 19	<i>Washington Mail</i>	American Mail Line
India and Pakistan—			
Bombay.....	November 27	<i>Höegh Trader</i>	Dingwall Cotts
Karachi.....	December 12	<i>Höegh Silverlight</i>	Dingwall Cotts
Madras.....	December 12	<i>Höegh Silverlight</i>	Dingwall Cotts
Italy—			
Genoa.....	December 2	<i>Aristotelis</i>	General Steamships
Genoa.....	December 23	<i>William Glackens</i>	General Steamships

Departures from Vancouver—Concluded

Destination	Loading Date	Vessel	Operator or Agent
Japan—			
Kobe	December 5	<i>China Mail</i>	American Mail Line
Yokohama	December 17	<i>Washington Mail</i>	American Mail Line
Morocco—			
Casablanca	December 2	<i>Aristotelis</i>	General Steamships
Casablanca	December 23	<i>William Glackens</i>	General Steamships
Netherlands—			
Rotterdam	December	<i>Rouen</i>	General Steamships
Netherlands East Indies—			
Batavia	November 27	<i>Høegh Trader</i>	Dingwall Cotts
Socrabaya	December 12	<i>Høegh Silverlight</i>	Dingwall Cotts
New Zealand—			
Auckland	November 29	<i>Waitemata</i>	Canadian Australasian
Dunedin	December 15	<i>Waihemo</i>	Canadian Australasian
Lyttelton			
Wellington			
Wellington	December 3	<i>Waikawa</i>	Canadian Australasian
Palestine—			
Haiifa	Nov. 18–Dec. 3	<i>Lake Shawnigan</i>	Anglo Canadian
Jaffa			
Haiifa	December 2	<i>Aristotelis</i>	General Steamships
Philippines—			
Manilla	December 5	<i>China Mail</i>	American Mail Line
Iloilo	December 12	<i>Høegh Silverlight</i>	Dingwall Cotts
Cebu			
Manila	November 27	<i>Høegh Trader</i>	Dingwall Cotts
Manila	December 4	<i>Vilja</i>	Empire Shipping
Manila	December 12	<i>Høegh Silverlight</i>	Dingwall Cotts
Manila	December 19	<i>Washington Mail</i>	American Mail Line
Manila	January	<i>Vingnes</i>	General Steamships
Singapore.			
	November 27	<i>Høegh Trader</i>	Dingwall Cotts
	December 12	<i>Høegh Silverlight</i>	Dingwall Cotts
South Seas—			
Papeete	November 26	<i>Waitemata</i>	Canadian Australasian
Apia			
Lautoka	December 4	<i>Waikawa</i>	Canadian Australasian
Suva			
Sweden—			
Gothenburg	December 5	<i>Panama</i>	Gardner Johnson
Stockholm	December 22	<i>Bolivia</i>	Gardner Johnson
	January 5	<i>Seattle</i>	Gardner Johnson
Syria—			
Beyrouth	December 2	<i>Aristotelis</i>	General Steamships
Taiwan.			
	November 9–24	<i>Lake Sumas</i>	Anglo Canadian
	Nov. 20–Dec. 6	<i>Lake Winnipeg</i>	Anglo Canadian
United Kingdom—			
Liverpool	Late November	<i>Pacific Exporter</i>	Furness Pacific
Liverpool	Nov. 27–Dec. 12	<i>Lake Nipigon</i>	Canada Shipping
London			
Manchester			

Foreign Trade Service Abroad

Cable address:—*Canadian*, unless otherwise shown.

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Argentina

Buenos Aires—H. L. BROWN, Commercial Secretary, Canadian Embassy, Bartolomé Mitre 478.

Territory includes Uruguay and Paraguay.

Australia

Sydney—C. M. CROFT, Commercial Counsellor for Canada, City Mutual Life Building, Hunter and Bligh Streets. Address for letters: Post Office Box 3952V.

Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.

Melbourne—F. W. FRASER, Commercial Secretary for Canada, 83 William Street.

Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.

Belgian Congo

Leopoldville—L. H. AUSMAN, Canadian Government Trade Commissioner, Palace Hotel. Address for letters: Boîte Postale 373.

Territory includes Kenya, Uganda, Tanganyika, Angola and French Equatorial Africa.

Belgium

Brussels—B. A. MACDONALD, Commercial Secretary, Canadian Embassy, 46 rue Montoyer.

Brazil

Rio de Janeiro—MAURICE BÉLANGER, Commercial Secretary, Canadian Embassy, Ed. Métropole, Avenida Presidente Wilson, 165. Address for letters: Caixa Postal 2164.

São Paulo—J. C. DEPOCAS, Canadian Government Trade Commissioner, Canadian Consulate, Edificio Alois, Rua 7 de Abril 252. Address for letters: Caixa Postal 6034.

Chile

Santiago—J. L. MUTTER, Commercial Secretary, Canadian Embassy, Bank of London and South America Building. Address for letters: Casilla 771.

Territory includes Bolivia.

China

Shanghai—L. M. COSGRAVE, Commercial Counsellor for Canada, 27 The Bund, Postal District (0).

Colombia

Bogotá—H. W. RICHARDSON, Acting Canadian Government Trade Commissioner, Edificio Colombiana de Seguros. Address for letters: Apartado 1618. Address for air mail: Apartado Aereo 3562.

Territory includes Republic of Panama and the Canal Zone.

Cuba

Havana—R. G. C. SMITH, Commercial Secretary, Canadian Legation, Avenida de las Misiones 17. Address for letters: Apartado 1945.

Territory includes Haiti, Dominican Republic and Puerto Rico.

Egypt

Cairo—J. M. BOYER, Canadian Government Trade Commissioner, 22 Shari Kasr el Nil. Address for letters: Post Office Box 1770.

Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria and Iran.

France

Paris—YVES LAMONTAGNE, Commercial Secretary, Canadian Embassy, 3 rue Scribe.

Territory includes Switzerland, Algeria, French Morocco and Tunisia.

Greece

Athens—T. J. MONTY, Commercial Secretary, Canadian Embassy, 31 Vassilissis Sophias Avenue.

Territory includes Turkey.

Guatemala

Guatemala City—C. B. BIRKETT, Canadian Government Trade Commissioner, Post Office Box 400.

Territory includes Costa Rica, El Salvador, Honduras and Nicaragua.

Hong Kong

Hong Kong—K. F. NOBLE, Canadian Government Trade Commissioner, Hong Kong Bank Building. Address for letters: Post Office Box 126.

Territory includes South China, the Philippine Islands and French Indo-China.

India

Bombay—RICHARD GREW, Commercial Secretary for Canada, Gresham Assurance House, Mint Road. Address for letters: Post Office Box 886.

Territory includes Burma and Ceylon.

Ireland

Dublin—H. L. E. PRIESTMAN, Commercial Secretary for Canada, 66 Upper O'Connell Street.

Belfast—H. L. E. PRIESTMAN, Canadian Government Trade Commissioner, 36 Victoria Square.

Italy

Rome—J. P. MANION, Commercial Secretary, Canadian Legation, via Saverio Mercadante 15-17. Address for letters: Casella Postale 475.

Territory includes Czechoslovakia, Malta, Yugoslavia and Libya.

Foreign Trade Service Abroad—Concluded

Jamaica

Kingston—M. B. PALMER, Canadian Government Trade Commissioner, Canadian Bank of Commerce Chambers. Address for letters: Post Office Box 225.

Territory includes the Bahamas and British Honduras.

Malayan Union

Singapore—PAUL SYKES, Canadian Government Trade Commissioner, Room D-2, Union Building. Address for letters: Post Office Box 845.

Territory includes North Borneo, Brunei, Sarawak, Siam and Neth. East Indies.

Mexico

Mexico City—D. S. COLE, Commercial Counsellor, Canadian Embassy, Edificio Internacional, Paseo de la Reforma. Address for letters: Apartado Num. 126-Bis.

Netherlands

The Hague—J. A. LANGLEY, Commercial Counsellor, Canadian Embassy, Sophialaan 1-A.

Newfoundland

St. John's—J. C. BRITTON, Commercial Secretary, Office of the High Commissioner for Canada, Circular Road.

New Zealand

Wellington—P. V. McLANE, Commercial Secretary, Office of the High Commissioner for Canada, Post Office Box 1660.

Territory includes Fiji and Western Samoa.

Norway

Oslo—S. G. MACDONALD, Commercial Secretary, Canadian Legation, Fridtjof Nansens Plass 5.

Territory includes Denmark.

Pakistan

Karachi—G. A. BROWNE, Acting Canadian Government Trade Commissioner. Address for letters: Post Office Box 531.

Peru

Lima—C. J. VAN TIGHEM, Commercial Secretary, Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin. Address for letters: Casilla 1212.

Territory includes Ecuador.

Portugal

Lisbon—L. S. GLASS, Canadian Government Trade Commissioner, Canadian Consulate General, Rua Rodrigo da Fonseca 103.

Territory includes the Azores and Madeira, Spain, Spanish Morocco, the Canary Islands and Gibraltar.

South Africa

Johannesburg—J. H. ENGLISH, Commercial Counsellor for Canada, Mutual Buildings, Harrison Street. Address for letters: Post Office Box 715.

Territory includes Transvaal, Natal, Southern Rhodesia, Northern Rhodesia, Mozambique or Portuguese East Africa, and Nyasaland.

Cable Address, Cantracom.

Cape Town—S. V. ALLEN, Commercial Secretary for Canada, New South African Mutual Buildings, 21 Parliament Street.

Address for letters: Post Office Box 683.

Territory includes Cape Province, Orange Free State, South-West Africa, Mauritius and Madagascar.

Cable address, Cantracom.

Sweden

Stockholm—F. H. PALMER, Commercial Counsellor, Canadian Legation, Strandvägen 7-C. Address for letters: Post Office Box 14042.

Territory includes Finland.

Trinidad

Port-of-Spain—T. G. MAJOR, Canadian Government Trade Commissioner, Colonial Life Insurance Building. Address for letters: Post Office Box 125.

Territory includes Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, and the French West Indies.

United Kingdom

London—A. E. BRYAN, Commercial Counsellor, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, Sleighing, London.

London—R. P. BOWER, Commercial Secretary, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Territory includes the South of England, East Anglia and British West Africa (Gold Coast, Sierra Leone and Nigeria).

Cable address, Sleighing, London.

Liverpool—M. J. VECHSLER, Canadian Government Trade Commissioner, Martins Bank Building, Water Street.

Territory includes the Midlands, North of England and Wales.

Glasgow—G. F. G. HUGHES, Acting Canadian Government Trade Commissioner, 200 St. Vincent Street.

Territory covers Scotland and Iceland.

Cable address, Cantracom.

United States

Washington—H. A. SCOTT, Commercial Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

New York City—M. T. STEWART, Canadian Government Trade Commissioner, British Empire Building, Rockefeller Centre.

Territory includes Bermuda.

Cable address, Cantracom.

Los Angeles—V. E. DUCLOS, Canadian Government Trade Commissioner, Associated Realty Building, 510 West Sixth Street.

Venezuela

Caracas—C. S. BISSETT, Canadian Government Trade Commissioner, Canadian Consulate General, Edificio America.

Address for letters: 8° Piso. Esq. Veroes.

Territory includes Netherlands West Indies.

Foreign Exchange Quotations

The following are nominal quotations, based on rates available in London or New York and converted into Canadian terms at the mid-rate for sterling or par for United States dollars, as furnished by the Foreign Exchange Division of the Bank of Canada. These quotations may be found useful in considering statistics and prices generally, but Canadian exporters are reminded that the kinds of currency which may be accepted for exports to different countries are specifically covered by the Foreign Exchange Control Act and Regulations, and that funds may sometimes be tendered in payment for exports, which cannot, in fact, be transferred to Canada. Both importers and exporters are advised to communicate with their bankers before completing financial arrangements for the sale or purchase of commodities, to ensure that the method of payment contemplated is not only possible but that it is in accordance with the Foreign Exchange Control Act and Regulations.

Country	Monetary Unit		Nominal Quotations Nov. 10	Nominal Quotations Nov. 17
Argentina.....	Peso	Off.	.2977	.2977
		Free	.2485	.2485
Australia.....	Pound	.....	3.2240	3.2240
Belgium and Belgian Congo.....	Franc	.....	.0228	.0228
Bolivia.....	Boliviano	.....	.2038	.0238
British West Indies (except Jamaica).....	Dollar	.....	.8396	.8396
Brazil.....	Cruzeiro	.....	.0544	.0544
Chile.....	Peso	Off.	.0517	.0517
		Export	.0322	.0322
Colombia.....	Peso	.....	.5714	.5714
Cuba.....	Peso	.....	1.0000	1.0000
Czechoslovakia.....	Koruna	.....	.0200	.0200
Denmark.....	Krone	.....	.2083	.2083
Ecuador.....	Sucre	.....	.0740	.0740
Egypt.....	Pound	.....	4.1330	4.1330
Eire.....	Pound	.....	4.0300	4.0300
Fiji.....	Pound	.....	3.6306	3.6306
Finland.....	Markka	.....	.0073	.0073
France and French North Africa.....	Franc	.....	.0084	.0084
French Empire—African.....	Franc	.....	.0142	.0142
French Pacific Possessions.....	Franc	.....	.0201	.0201
Haiti.....	Gourde	.....	.2000	.2000
Hong Kong.....	Dollar	.....	.2518	.2518
Iceland.....	Krona	.....	.1541	.1541
India.....	Rupee	.....	.3022	.3022
Iraq.....	Dinar	.....	4.0300	4.0300
Italy.....	Lira	.....	.0028	.0028
Jamaica.....	Pound	.....	4.0300	4.0300
Malayan Union.....	Dollar	.....	.4701	.4701
Mexico.....	Peso	.....	.2059	.2059
Netherlands.....	Florin	.....	.3769	.3769
Netherlands East Indies.....	Florin	.....	.3769	.3769
Netherlands West Indies.....	Florin	.....	.5302	.5302
New Zealand.....	Pound	.....	3.2402	3.2402
Norway.....	Krone	.....	.2015	.2015
Pakistan.....	Rupee	.....	.3022	.3022
Palestine.....	Pound	.....	4.0300	4.0300
Peru.....	Sol	.....	.1538	.1538
Philippines.....	Peso	.....	.5000	.5000
Portugal.....	Escudo	.....	.0403	.0403
Siam.....	Baht	.....	.1000	.1000
Spain.....	Peseta	.....	.0916	.0916
Sweden.....	Krona	.....	.2783	.2783
Switzerland.....	Franc	.....	.2336	.2336
Turkey.....	Piastre	.....	.0035	.0035
Union of South Africa.....	Pound	.....	4.0300	4.0300
United Kingdom.....	Pound	.....	4.0300	4.0300
United States.....	Dollar	.....	1.0000	1.0000
Uruguay.....	Peso	Controlled	.6583	.6583
		Uncontrolled	.5629	.5629
Venezuela.....	Bolivar	.....	.2985	.2985