FOREIGN TRADE

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In This Issue

Regular Features

COVER SUBJECT—Canadian apples on display at the London Dairy Show, where they created a favourable impression. Twenty-two ships were scheduled to load 1,680,000 boxes of Canadian and United States apples last month at West Coast ports for shipment to the United Kingdom, deliveries from British Columbia being estimated at 1,250,000 boxes. British Food Minister Maurice Webb recently expressed appreciation to fruit growers in British Columbia for a million boxes of gift apples received in Great Britain.

Price 10 cents

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Future of Canadian Trade With Middle and Far East Discussed

George R. Heasman, Director of Canadian Trade Commissioner Service, tells Canadian Exporters' Association about trade conditions in Pakistan, India, Malaya, Indonesia, Hong Kong, the Philippines and Japan, as he found them on recent visit.

TRADE conditions in Pakistan, India, Malaya, Indonesia, Hong Kong, the Philippines and Japan were discussed by George R. Heasman, director of the Canadian Trade Commissioner Service, in an address on March 16 in Montreal to members of the Canadian Exporters' Association. Mr. Heasman explained that he had taken advantage of the visit of a Canadian delegation to Colombo for the Commonwealth Conference of Ministers to inspect offices of the Canadian Trade Commissioner Service in Karachi, New Delhi, Bombay, Singapore, Hong Kong, Manila and Tokyo. The trip was made in a special "North Star" aircraft of the Royal Canadian Air Force which, incidentally, was the first R.C.A.F. plane to encircle the globe.

"Pakistan, a Moslem state of some 70,000,000 inhabitants, consists of two parts, one in the northwest of old India and the other clean across the sub-continent," said Mr. Heasman. It was just as though Nova Scotia and British Columbia comprised a single state, separated by foreign territory. "Try to imagine this small Dominion setting up a complete federal system of government from scratch, in addition to its provincial governments," he observed. "If you can also imagine something like 4,000,000 Moslems fleeing from India and pouring into Pakistan—poor and rich, labourers, farmers, doctors, lawyers and teachers—you will have some idea of the problem which faced Pakistan two years ago. The refugee problem presented a terrific task, and is not likely to be solved for some time to come, although the country is doing a marvellous job at trying to absorb these people, who left their homes in India, either because they wished to do so, or because they were fearful of physical harm. On the other hand, there are large numbers of Moslems who remained in India and are continuing to live a peaceful life, unmolested.

"The city of Karachi, incidentally, had its population swollen in two years from 320,000 to about 1,200,000. Then there was the difficulty caused by Hindus leaving Pakistan for India. Large numbers of Hindu

Pakistan—Control tower at the airport in Karachi.

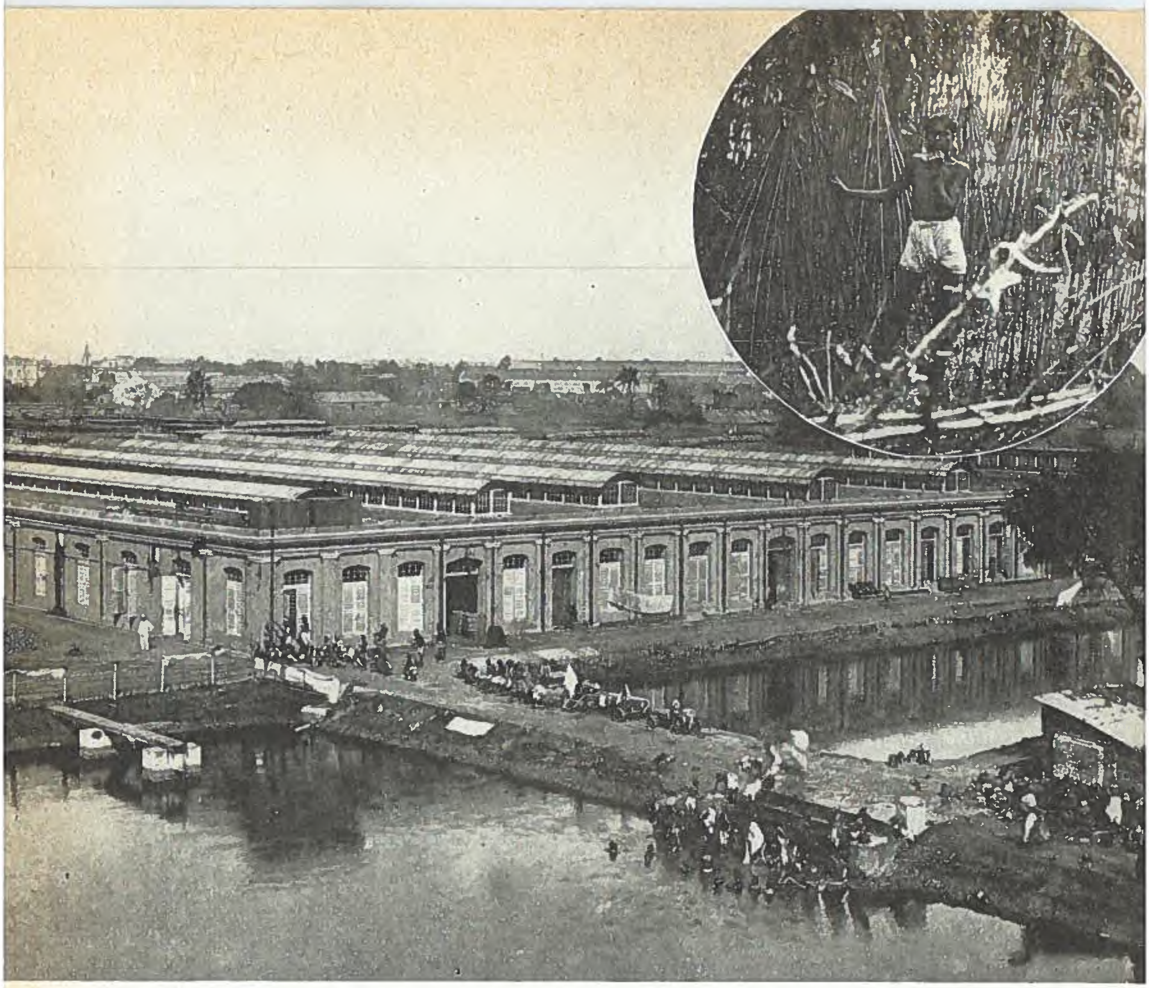
Pakistan—Camel carts handle almost the entire tonnage of shipments through the port of Karachi.

doctors, lawyers and mechanics left Karachi. The banks, for instance, whose clerks were largely Hindu, lost 90 per cent of their staff overnight. They had to hire practically a complete new staff. Signatures became available to untried help, forgeries became frequent throughout the following year, and one bank estimates its loss in forgeries in Karachi at 600,000 rupees. Only now are they beginning to function properly, but still thousands of cheques remain uncashed and bank accounts unclaimed, as a result of this tremendous exodus in the reverse direction—that is, from Pakistan to India. This young Dominion was faced with a colossal task right from its birth.

Ownership of Kashmir is Great Problem

"Even now, the great problem of who owns Kashmir—the province to the north, claimed by both India and Pakistan—seems to occupy everyone's thoughts, to the exclusion of all else. It is not up to Canadians to take sides in a dispute of this kind, and we can only look on with a sad heart, hoping that these two nations will be able to settle their differences and turn their attention to the development of their respective countries.

"A second problem between Pakistan and India is over the subject of devaluation. The Indian rupee is worth approximately twenty-three Canadian cents today. The Pakistan rupee, because Pakistan did not devalue, is worth ten cents more—thirty-three Canadian cents. The businessmen and officials with whom I spoke in Karachi feel that they pursued the right course in not devaluing their currency. On the other hand, those who buy Pakistan exports take a very dark view of Pakistan not devaluing her currency. The economy of Pakistan is wrapped up largely in three or four products: raw jute, cotton, hides and skins and tea. These are the big export commodities that produce the necessary exchange with which to buy her imports. It so happens, however, that the jute and cotton mills are both located in India. India needs these two raw products but refuses to pay on the basis of a 33-cent rupee. The coal, which Pakistan needs so badly for her railways, comes largely from India, and India refuses to sell on the basis of a 23-cent rupee. So, trade between these two countries, whose economy is so complementary, is at a standstill. India, where the cotton mills are located, imposes a duty of 60 per cent to keep out imports of cotton goods; but Pakistan, an area that formerly was supplied from the Indian cotton mills, has reduced the tariff to 30 per cent and is now importing cotton goods from almost any country except India. Japanese cotton goods are making pronounced headway in the area.



Jute mill, on the Hooghly, commercially the most important channel by which the Ganges reaches the Bay of Bengal.
Courtesy Canadian Geographical Society.

"Pakistan will require from Canada industrial equipment, technical 'know-how' and capital. Pakistan hopes to industrialize her country as rapidly as possible, and she is in the fortunate position, I am informed, of producing enough food to feed her population, and so is in a somewhat better position in this regard than India, which of recent years has had to spend large sums of foreign exchange for imported foodstuffs. Pakistan has so far been able to devote her dollar exchange to the purchase of capital equipment and industrial supplies. India, on the other hand, has spent large amounts of dollar exchange on the purchase of wheat from Canada and raw cotton from the United States. I had inquiries for a variety of products which Canada produces, and I am hopeful that, once the Kashmir problem and the argument over the devaluation of currency is settled, we will be able to develop a satisfactory trade with Pakistan.

"I found in New Delhi, Bombay and Calcutta the same overhanging shadow of the Kashmiri problem, but not to the same degree. Who is to own and control this rich province to the north? I found Indian officials and businessmen without any feeling of animosity to Pakistan but, rather, with a great sadness and a heavy heart that it has not been possible to settle this problem.

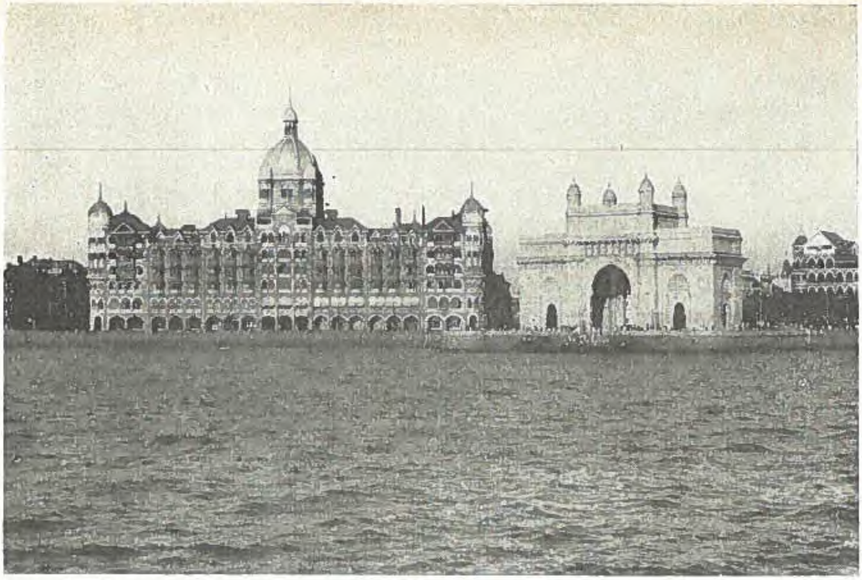
Foreign Exchange Situation Serious

"India, like Pakistan, is also having tremendous difficulties. Her large cotton industry has been buying dollar cotton, instead of using cotton from Pakistan. Her jute mills are dependent to a great extent upon the raw jute which also comes from Pakistan. Until, however, the dispute over the non-devaluation of the Pakistan rupee is settled, trading difficulties between the two countries will continue, and are bound to affect the Indian economy if prolonged indefinitely. India has been obliged to import cereals because, unlike Pakistan, she is not self-supporting in foods. India hopes to reach a more favourable position with regard to food production within the next few years. I also found in several cities of India a terrible refugee problem. But because India is so much larger than Pakistan, the impact of the refugees on India does not appear, to an outsider, to be as great as the impact of the refugees on Pakistan.

"I found the officials with whom I spoke anxious to attract foreign capital, but admitting that, until domestic capital showed a greater interest in helping to industrialize the country, India would have difficulty in attracting foreign capital. Many of those interviewed expressed the opinion that taxation was too high and that, if foreign capital was to be attracted, conditions would have to be made more attractive. I was informed by leading industrialists that, whereas formerly it was a simple matter to raise substantial amounts of capital in India for industrial development, it has now become difficult. They attributed this to a fear of nationalization. While it is true that there is a strong element that does favour nationalization of many industries, and that, furthermore, the government itself should take a leading part in building up new industries, there is also an equally strong element against nationalization.

Tata Organization Important to India

I was much impressed with the TATA organization in Bombay. TATA is, I think, even more to India than the CPR is to Canada. Many of you have heard of the Tata Steel Mills, near Calcutta—one of the largest self-contained iron and steel plants in the world. Where there was a small jungle town thirty years ago there is now a city built around the steelworks of 150,000 people. During the war, annual production reached one-quarter million tons of pig iron and over a million tons of steel ingots. This is approximately one-third of the steel ingot production in Canada. The TATA organization also owns and controls the Tata Locomotive and Engineering Company. The Tata hydro-electric companies claim to be among the cheapest producers of hydro-electric power in the world—incidentally, managed by a Canadian. This company supplies the whole of the city of Bombay with power. Then there are the large Tata textile mills, in Bombay, with over 37,000 employees. The textile mills, alone, have a capital of over $27,000,000. Then, there are the Tata oil mills, the Tata chemical companies. The TCA of India, known as Air India, with lines running in all directions, is owned and controlled by TATA, in addition to which there is a Tata aircraft company, and a Tata radio and engineering company. They own hotels throughout India, of which the best known is the Taj Mahal, in Bombay. This corporation owns printing companies, cement factories, insurance companies, and many other smaller corporations. One of the notable features of this tremendous commercial octopus is that the largest share of its profits reverts to charity, as provided by the founder. The TATA organization is a great power for good throughout India. It is an organization for which India can well be proud, in much the same way as we are of the CPR.



Taj Mahal Hotel and Gateway of India, in Bombay.

"So far as India's trade with Canada is concerned, I do not see any immediate prospects of any substantial increase. In fact, during 1950 our exports may be somewhat lower. India, as you know, is owed a substantial sum of money by the United Kingdom, and there will be a tendency for a long time to come to purchase materials in the United Kingdom. There is also now the question of devaluation, which makes our goods more expensive in relation to those from countries which have devalued to a greater extent than Canada. On the other hand, if an article has to be purchased in North America, then we should be, other factors being equal, somewhat lower in price than similar products from the United States. However, our exports last year were made up very substantially of two items: wheat—$23,000,000; and railway rolling stock—$27,000,000. The railway material orders are not likely to be repeated in 1950. For this reason alone, our exports will probably be down. On the other hand, I am still hopeful that our exports of wheat will remain substantial, even if they do not equal last year's exports. There will be a further falling away in exports of automobiles, but I am hopeful that our exports of the majority of our other products will at least be maintained. Our chief imports from India have been tea, jute fabrics, oriental carpets, nuts and pepper. Anything we can do to buy more from India will be all to the good in providing the necessary goodwill, not to mention the dollars with which to purchase, in turn, larger supplies from Canada.

Dollar Difficulties More Pronounced in Malay Peninsula

"Dollar difficulties become even more pronounced as you move on to the Malay Peninsula, with Singapore at the tip. Singapore is prosperous looking. The streets are clean, buildings newly calcimined or painted, and much construction is in evidence, both of private homes and office buildings. Singapore harbour, with its hundreds of small boats and ships lying out in full view of the city, looks no different than it did before the war. It is true, if you go inland, you find a number of rubber factories that have been burned, and a few signs of war, but Singapore did not

Singapore—Harbour scene, from the office of the Canadian Government Trade Commissioner. The Inner Harbour, enclosed by a breakwater, is the anchorage for auxiliary craft and inter-island (coastal) craft, while the Outer Harbour is an ideal anchorage for ocean-going vessels.

suffer great material damage. The bandit menace of which we read, is real. It is, however, restricted to up-country, where it is difficult to afford protection to outlying communities. The casualties inflicted by the bandits are out of proportion to their number. This is due largely to the fact that their attacks are of a surprise nature and many of their victims are not properly armed. The latest reports, while we were in Singapore, indicated that the authorities had the upper hand. Although the marauding bands have been a great hindrance to the efforts of the estates to produce rubber again to the utmost capacity, it is interesting to note that rubber production is, nevertheless, back to a prewar level. The rest that many of the rubber trees had during the occupation of the Japanese resulted in substantial yields when the trees were again tapped. Tin production also, both in the dredging and in the open cast mining, is doing very well, although much of this area is in bandit country.

"Singapore is probably Great Britain's largest single net producer of dollars, with the export of rubber, tin and other products. I found that, as in Canada, a great many businessmen either do not understand or do not wish to understand the sterling problem when it affects their own particular business. Just as in Ottawa, where the authorities are frequently asked to press the British Government to allow the import of a particular product because Canada has been a traditional supplier to a particular sterling market, so in Singapore I met businessmen suggesting that the Canadian Government should bring pressure to bear on the British authorities to allow the import of certain Canadian products because Singapore is such a large producer of dollars. They say it is unfair that Singapore should be penalized and not allowed to import to the maximum extent of the dollars she is producing. I cannot help having some sympathy for the British officials who, in their dilemma to find enough dollars with which to purchase the essentials, are constantly under pressure from both foreign businessmen and their own businessmen to allow the entry of a particular product from a dollar country when they haven't the dollars to spend for that purpose.

"I do not look for any improvement in our trade with Malaya until the overall sterling problem is solved. Although, admittedly, Canadian products are now more competitive than those of the United States. They are still less competitive with sterling area products—such as foodstuffs from Australia and New Zealand, and manufactured products from the United Kingdom. Due, however, to the severe restrictions that existed throughout 1949, I do not anticipate that our exports in 1950 to Malaya will be very much less, and my prophecy would be that our exports would be, roughly, about the same in 1950 as they were in 1949.

Indonesia Offers Great Prospects for Canadian Business

"I look to Indonesia, formerly called the Netherlands East Indies, and where I spent three days, as a country offering great prospects for Canadian business, once law and order is restored to that area. This young new republic is going to have a difficult time for several years, from an economic point of view, and, maybe, from a political point of view. There is no question, however, that, while the short-term view may be uncertain, the long-term view is good. Java and the other islands that make up the new Republic of the United States of Indonesia are a proverbial gold mine. They have always been large producers for export of petroleum, rubber, palm oil, tea, kapock, sugar, coffee, tin, tobacco and spices—all products of which the world is in need, and products which are likely to have a sale in a dollar market. Given law and order, Indonesia can become a hard-currency country in a space of two or three years. This country, with its seventy million people, can provide a market for a wide range of Canadian products, from capital equipment to consumer goods, even though admitting that the consumer goods will be on a limited scale. Indonesia, like other countries in the East, is going to be very much in need of foreign capital and technical assistance. Indonesia also, to my way of thinking, will provide a great outlet for Japanese manufactured goods.

"Although I am hopeful that Indonesia will make a rapid recovery, I do not wish to minimize the terrific effort that will be required. Java, as you know, was one of the world's largest producers of sugar, with probably over 100 sugar mills. Today, Java's production of sugar is probably not more than 25 per cent of what it was prewar, with no more than 30 sugar refineries operating. A large number of these refineries were destroyed and can only be replaced at great expenditure of capital. It is unlikely that Java will ever again produce the quantity of sugar which she produced prewar.

"Rubber production, on the other hand, has made a rapid recovery. While many rubber estates were burned, what is known as native rubber production has more than made up for the deficiency in estate rubber. There is, furthermore, the fact that the trees which were not tapped during the Japanese occupation benefited materially from the long rest, with the result that the overall production of rubber in Indonesia today is greater than prewar.

"Tea estates also suffered considerably and large numbers were burned or destroyed by the guerilla forces prior to independence. A tea estate, however, does not suffer to quite the same extent as a sugar estate. There is not the same capital investment in a tea factory. If a tea bush is not picked, it simply grows into a tall tree which, if cut back, will produce quite readily the following year.

"In the same way, one could go through product after product, indicating where some are making very rapid strides in production because

Malay Archipelago—Indonesia, including Borneo, Celebes, Java and Sumatra, offers favourable prospects for trade with Canada, provided law and order prevail. *Courtesy Canadian Geographical Society.*

they were not materially affected during the period of unrest preceding independence, and mentioning other products that will take some years to recover from the effects of destruction or neglect.

Exchange Restrictions Make Trading with Indonesia Difficult

"Trading with Indonesia at the present time is difficult, owing to the severe exchange restrictions which exist. Goods are scarce, and the cost of living, particularly for imported products, is extremely high. The official exchange rate for the guilder is approximately Can. 30 cents, but the same guilder can be bought on the black market for U.S. 5 cents. Bulk buying is in the hands of the government. The government does not actually pay out the money to the foreign exporter. The importer submits a tender, and if he is successful he is permitted to place an order with a foreign exporter and the necessary foreign exchange is made available. When the material arrives, the importer, in many cases, can only sell it to those who have received government licences and at a price set by the government. As you can well imagine, this form of trading does not appeal very much to the businessman. The import/export trade and banks still are in the hands of Europeans, chiefly Dutch. The retail trade is largely in the hands of the Chinese.

"Indonesians, up to the present, have not taken a prominent part in commercial matters. It remains to be seen if Indonesian firms will now come into existence, and whether or not they will have any advantage over the European firms. It also remains to be seen whether or not this new Republic, with its many young inexperienced Indonesian administrative officers, will be able to cope with the problems that will now be placed before them in their official positions.

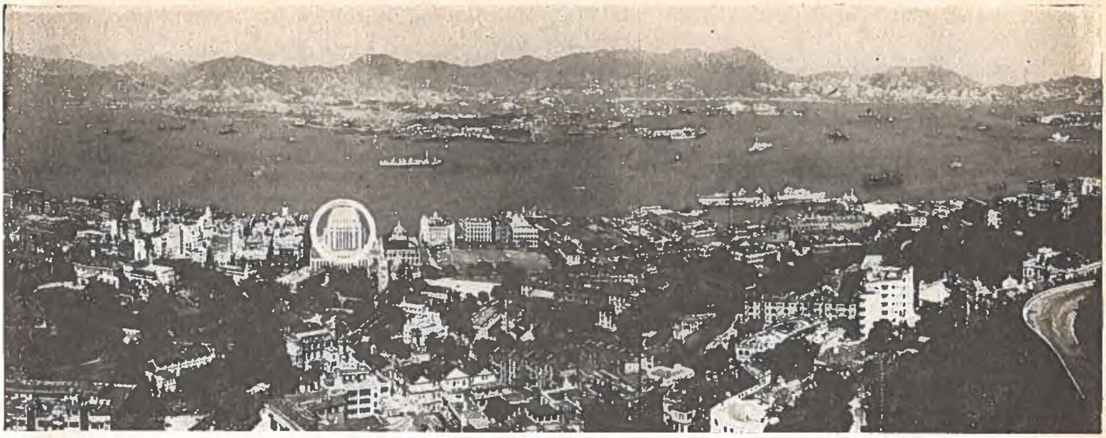
"It is the expressed intention of the authorities to retain for some years the former Dutch officials as advisers. It is my own opinion that, if they pursue the course of wisdom, they will retain their Dutch advisers for many, many long years to come, because it is too much to expect that a comparatively small number of well-educated Indonesians will be in a position to carry on the complicated mechanism of government without the benefit of training and experience which they must of necessity lack. As one who lived in the Netherlands East Indies for many years, I am keenly interested in everything that pertains to this new Republic. I sincerely hope, therefore, that the new administrators and rulers will be able to maintain order and govern with wisdom. In so far as Canadian exporters and importers are concerned, they would also be well advised to watch developments and be ready to take advantage of the tremendous requirements of these Islands in the future.

Trade Booming in Hong Kong

"Hong Kong, which carries memories of a gallant defence by our own Canadian soldiers, is similar to Singapore in many respects, in that there is an atmosphere of law and order, notwithstanding the fact that the population of this small Island is such that the streets are crowded night and day. It is just a moving mass of humanity. I found trade booming, notwithstanding all the difficulties of currency exchange. I found an air of optimism and confidence. I found buildings going up, both residential and office, the latter involving heavy investments by European firms. I saw a cotton mill that had just transferred from Shanghai to Hong Kong being constructed at a cost of $1 million. It was in Hong Kong that we found two rates of exchange, one official and one unofficial, both of which are recognized. Although Hong Kong is in the sterling area, nevertheless a great many products may be imported from Canada that cannot be imported by any other country in the sterling area, due to the existence of this unofficial rate of exchange. Merchants in Singapore are also enabled to take advantage of this unofficial rate, in order to obtain commodities that could not otherwise be imported under existing regulations.

"Hong Kong is, as you know, an island, and the city is situated around the base of a cliff with many of the more beautiful homes located around the cliff, called "The Peak". It is in these lovely homes that the heads of business firms and wealthy Europeans and Chinese resided. During the war years, these houses were either looted by the Chinese or occupied by the Japanese forces. The result was the same, namely, that most of the inhabitants lost everything. This would have been bad enough, but when the Japanese forbade the thousands of Chinese to gather firewood from the outer islands, the Chinese had no other alternative but to look for wood around the small confines of Hong Kong. This resulted in their tearing wooden beams out of these houses, pulling out the window sashes, tearing up the floors, and, in fact, pulling any and every piece of wood out of a house.

"Unlike Manila, in the Philippines, which I also visited, the large majority of these houses have now been rebuilt. Much of the city has been repainted and it has something of the affluent appearance of prewar,



Hong Kong, photographed from The Peak, showing the roadstead in which many ships lie at anchor, with Kowloon and the mainland of China beyond.
Photo courtesy Mee Cheung Studio.

the general feeling being that the armies of the People's Government of China are not likely to molest the Colony for some years to come. This, however, still remains to be seen. Certainly, many of those who have capital in the Colony are continuing to invest it there.

Canadian Trade with Hong Kong Increasing

"Despite restrictions on official exchange, Canada's trade with Hong Kong has increased progressively each year since 1946, and I do not anticipate that there will be any falling off during 1950. Incidentally, I have never seen so many watches and fountain pens in my life. Every second store appears to be stocked with watches and fountain pens at cheaper prices than you can buy them in New York.

"Our exports to Hong Kong of fountain pens, by the way, were over $625,000 last year and, judging by the store windows, they are all still there. I understand that part of the explanation is that they have not been able to ship the watches and pens inland as rapidly as they had hoped.

"Food in Hong Kong was the best we had seen anywhere: Russian caviar, Canadian smoked salmon, United States canned hams and Australian milk-fed chicken.

Lawlessness Evident in the Philippines

"Conditions in Hong Kong are in contrast to those in Manila, in the Philippines, where law and order still leave something to be desired. This point is impressed upon you as soon as you register at the Manila Hotel—the main hotel in the Philippines—when you are greeted by a large sign which says: "Please check your revolvers before entering the dining-room". The following day, probably just to impress upon us that this was no idle advice, two revolver shots came from the cocktail lounge, where it was found that a trigger-happy Filipino had been trying to put out the lights in true western style!

"There is a considerable amount of lawlessness in the country, which is seriously affecting production. Farmers are flocking to the cities from outlying districts, fearful of being killed by roving bandits, and equally fearful of being taken by the police as a possible member of a lawless band, because it is claimed that members of these gangs sometimes consist of part-time farmers.

"Manila took a terrific beating, but it has to be seen to be really understood. The relieving forces, rather than sacrifice the lives of American soldiers, pounded building after building and home after home with artillery shells to dislodge the resisting Japs. The United States authorities, on the other hand, have poured large sums of money into Manila to help rebuild it, and it is generally acknowledged that much of this money has been wasted.

"The Philippines, from a trade point of view, have been importing at the rate of about 2 to 1 over exports. This situation could not continue. Import licensing was first imposed in January, 1949, and supplemented in August. But, as this did not provide the desired results, extensive import and exchange controls were introduced last December. It is hoped that these measures will really control imports to essentials. Recent advices indicate that further restrictions have been imposed but so far no details have been released.

"Those in a position to know feel that the Philippines, like Indonesia, can rapidly become a hard-currency area if only given a chance. This means not only law and order, but efficient and honest administration. The Philippines are probably better prepared for the heavy task of administration than Indonesia. For this reason, there will not be the same excuse if the country does not make a rapid recovery, as there would be in the case of Indonesia. Current opinion seems to be that the Philippines will have a small deficit on trading account for some years to come, but that eventually they will have a surplus. When that time comes, that should be a good market for a larger variety of Canadian products. We have been shipping substantial quantities of flour to the Philippines and I hope that trade will continue, at least during 1950. We are also hopeful that substantial imports of fertilizers for the sugar estates will be purchased from Canada. The United States still has a substantial tariff preference over Canadian imports, but we in turn now have a slight advantage through the devaluation of the Canadian dollar.

Tokyo Suffered Severe War Damage

"The destruction witnessed in Manila was exceeded in Tokyo, where large numbers of cement smoke-stacks are to be seen standing alone. You will see a tall cement chimney sitting out in practically the middle of a field, mute evidence that Tokyo was subject to fire bombs which burned out the flimsy factory structures but left intact the tall chimneys. The rapid growth of vegetation in a country like Japan has hidden the debris. Because Tokyo suffered so severely from war damage, accommodation of all kinds is very scarce. Hotels are filled with permanent residents and there is comparatively little room for transients. Taxi-cabs are hard to find and transportation is a constant problem.

"We had every facility placed at our disposal to hear and see as much as we could in the three days we were in Tokyo, including a luncheon with the Supreme Commander himself. It is not generally known that General MacArthur had his 70th birthday on January 26. He is a fine looking soldier for his age, but not quite the equal of the pictures which we see and that were probably taken ten years ago.

"I think the United States authorities have done and are doing a splendid job, considering the magnitude of the problem with which they have been faced. They are subject, as one might expect, to criticism, and some of it is no doubt justified.

Japan—Business centre of Tokyo, the capital.

"During the three days we were in Japan it was made abundantly clear to us by SCAP authorities that they would endeavour to keep our exports to Japan in balance with our imports. They did, however, indicate that there would be no discrimination in the placing of orders that had to be paid for in dollars as between the United States and Canada. The Occupation Authorities have entered into a large number of trade agreements on behalf of Japan in an effort to assist in developing Japan's export trade. We, on the other hand, made it quite clear that Canada was not interested in entering into a trade agreement at this time.

"Private trade has been resumed between Canada and Japan. In other words, it is now possible for a Canadian exporter to enter into direct negotiations with an importer in Japan. It is true the Japanese importer will have to obtain an import licence, and it is at this stage that the Japanese authorities and SCAP, directly or indirectly, make certain that dollars are not being spent in Canada for a product that could be obtained from a soft-currency country. The authorities list the products that may be purchased in Canada or the United States. This list is being added to constantly, but always in keeping with the budget limit of the amount of dollars available for spending in Canada.

"They have no objection to barter trade arrangements, and in this respect SCAP authorities pointed out that we are in a more favoured position than the United States, as SCAP is reluctant to agree to any barter arrangement between Japanese and firms in the United States.

Japan Has Three Kinds of Currency

"The currency situation is somewhat difficult to understand on first arrival, as there are three kinds: one issued by the British authorities; one by SCAP; and one for Japanese nationals. Each currency can be spent only in certain stores, which means that when you go shopping, you have to carry a real purseful of an assortment of currencies.

"Japan in the past has been essentially a manufacturing country. On the profits of her manufactures and on the earnings of her ships and services she has been able to import raw materials for the factories and food for her people. Prior to the war, Japan had two important areas under her influence which had a considerable effect on her economy: Korea and Formosa. She also had access to raw materials in Manchuria. With Formosa now returned to China, Korea an independent country, and Manchuria dominated by the Soviet Union, Japan has been forced to obtain raw materials from other countries and very often hard-currency countries.

"Obviously, Japan, having no raw materials of her own, can, like the United Kingdom, only earn foreign exchange by exporting her manufactures. Prewar, in addition to shipping, raw silk was a large earner of foreign exchange for Japan, running into many hundreds of millions of dollars. This trade, largely in the silk hosiery industry, is lost, the chief users now preferring artificial yarns. Where and how, then, is Japan to develop her exports of manufactured goods? Western manufacturers fear a repetition of prewar Japanese competition. In fact, there is already evidence of some very low-priced imports from Japan appearing on the market in many countries of the world, including Canada. On the other hand, Japanese businessmen whom I interviewed in Tokyo stated that there would be no repetition of the low prices offered prewar, and that they would not be a party to some of the prewar practices, such as naming towns in Japan as "Sheffield" or "Sweden", so as to be able to mark the goods "Made in Sheffield" or "Made in Sweden". If we make it too difficult for Japanese exports to enter Canada, we must be prepared for restricted export trade to Japan for some years to come, bearing in mind the present policy of SCAP to balance imports with exports.

"Last year, our exports to Japan consisted largely of sulphite pulp, nickel, coal and linseed oil, with a value of approximately $5·5 million. Our imports from Japan amounted to slightly less, and consisted largely of toys, silk fabrics, fur skins, chinaware, tea and textiles. In connection with the textile industry it is interesting to note that Japan has not made so rapid a recovery in developing her textile industry as she has some of her other industries. I was informed that prewar Japan had approximately some twelve million spindles in operation, and that at the present time only slightly more than 25 per cent were in use. Japan is definitely looking to her textile industry to provide a major share of her foreign exchange. Outside of manufactured goods, Japan has very little to offer with which to accumulate the necessary dollars to buy our raw materials or our agricultural produce. I feel that Japan will eventually find the largest market for her low-priced manufactured goods in the East. Pakistan has already cut the duty on imports of cotton goods from 60 to 30 per cent, and Japanese cotton goods are much in evidence. In Ceylon, the return of low-priced Japanese footwear is eagerly awaited.

"It seems to me that our best hope for a full resumption of exports to Japan will depend on the latter's ability to market the bulk of her products in those areas where low-priced goods are most necessary, namely, in Southeast Asia, paid for out of our purchases of raw materials from the same area, that is, from Indonesia and Malaya. This means that, while I believe Indonesia will also be a good market for Canadian manufactured goods, we must also be prepared to meet in that market the competition of Japan. In other words, if manufacturers of the Western World succeed in keeping Japanese manufactured goods out of their home market, then these same manufacturers must be prepared to meet competition to the full extent, without tariff preferences or other advantages, in such areas as Indonesia, because Japan, like the United Kingdom, must export to live.

"In conclusion, I would say that of all the countries I visited, Indonesia, given law and order, probably will offer the best prospects for a large variety of Canadian exports. This does not necessarily mean that Indonesia would take the place of India as our largest single customer in the East, but, rather, that it does offer a market in which we could make the largest percentage increase in our export trade with that part of the world," Mr. Heasman said.

Exports from the Philippines Declined Last Year

Manila, February 21, 1950.—(FTS)—Exports from the Philippines substantially declined from 638,410,456 pesos in 1948 to 521,000,000 pesos in 1949. The most striking decrease occurred in the estimated value of copra exports, which declined from 309,000,000 pesos to 178,000,000 pesos in the period. Decreases were also recorded for exports of coconut oil, desiccated coconut and abaca (hemp). While these decreases were attributed to lower prices, some declines reflected decreased production.

The following table shows the approximate values in pesos of exports of more important commodities from the Philippines in 1949 and 1948:

(One peso equals $0.55 Canadian)

	1949	1948
	(Pesos)	
Copra	178,000,000	309,400,124
Sugar	94,000,000	41,580,077
Abaca (unmanufactured)	50,000,000	60,294,087
Desiccated coconut	42,000,000	57,491,099
Coconut oil	37,000,000	40,738,581
Canned pineapples	16,000,000	7,648,327
Embroideries	15,000,000	13,917,276
Copra meal or cake	11,000,000	7,425,325
Chromite ore	10,000,000	5,191,779
Rope	5,000,000	4,066,577
All other exports	63,000,000	90,657,204
Grand total	521,000,000	638,410,456

Japanese Exports to Canada Were Substantially Higher Last Year

Shipments more than double the corresponding figure for 1948—Most important Canadian exports to Japan were sulphite pulp, iron pyrites, nickel, coal and linseed—Several barter contracts based on Canadian wheat approved in past year.

By J. C. Britton, Commercial Representative for Canada

TOKYO, February 1, 1950.—Trade between Canada and Japan increased during the past year, the most noteworthy feature being the substantial increase in the value of Japan's exports to Canada, which were more than double the corresponding figures for 1948. Relatively few commodities comprised the list of imports from Canada, the more important being sulphite pulp, iron pyrites, nickel, coal and linseeds. Japanese products exported to Canada covered a very wide range, the more important items being Japanese mandarin oranges, furs, porcelainware, silk fabrics, toys, green tea and cotton fabrics. The trade between Canada and Japan in 1949 was approximately balanced in line with SCAP's trading policy which calls for balanced trading between Japan and other overseas trading nations.

The total value of imports into Japan from Canada during 1949 amounted to $5,443,118, as compared with $4,018,786 in 1948.

Japanese Imports from Canada

	1949	1948
Total	U.S.$5,443,118	U.S.$4,018,786
Sulphite pulp	2,693,921	545,740
Linseed	1,383,176	......
Coal	718,239	3,279,295
Iron pyrites	406,549	......
Nickel	173,614	......
Calfskins	28,610	......
Asbestos	25,931	......
Aluminum ingots	13,048	......
Other paper manufactures	20	......
Writing paper	10	......
Vegetables, food products and beverages	......	3,299
Magnesite	......	93,550
Miscellaneous	......	94,381
Photographic and projection goods	......	2,521

Shipments of Canadian sulphite pulp, linseed and coal in the past year increased under contracts negotiated in 1948. The only purchases of Canadian raw materials authorized in 1949 of worthwhile proportions were for iron pyrites, nickel and asbestos. The policy of the Occupation Authorities was to rigidly restrict imports from countries involving expenditure of United States dollars. The only items procured from Canada, therefore, were products which could not be obtained on a barter basis from countries with whom Japan has concluded trade and/or financial agreements. The Occupation Authorities in 1949 were prepared to consider private barter transactions involving Canadian raw materials and, prior to the end of the year, several private barter contracts based on Canadian wheat were approved and the wheat shipments will be made in 1950. The question of future private barter agreements at the moment is receiving the active attention of the Japanese Government, and it is anticipated that uniform regulations for transactions of this type will be established shortly. The policy being followed is to procure the largest possible percentage of the raw materials and foodstuffs in exchange for Japanese manufactured products.

Japanese Exports to Canada Rose Sharply

The value of Japan's exports to Canada in 1949 rose sharply by comparison with the previous year. The list of commodities purchased was quite extensive, but the value of the majority of the individual items was not high. The demand for cotton textiles was quite strong and several worthwhile orders were placed. Toy and silk purchases in 1949 were considerably above the totals for 1948. Several Canadian buyers visited Japan during the year on buying trips. A substantial number of importers contacted Japanese export firms and placed orders after receiving samples and prices by mail. The export regulations were progressively eased during the year and on December 1, 1949, export trade was restored to private channels. It is still necessary to establish a letter of credit in Japan covering all purchases before shipments are released for export.

Japanese Exports to Canada

	1949	1948
Total	U.S.$5,102,934	U.S.$1,911,698
Toys	1,154,392	271,171
Silk and silk fabrics	594,026	324,181
Fresh mandarin oranges	420,914	316,500
Porcelainware	353,797	247,561
Cotton fabrics	328,679	22,128
Tea	203,774	200,010
Artificial fibre fabrics	180,287	171
Knitted woollen gloves	179,242	51,285
Glass products	153,306	38,539
Furs	143,065	......
Ajinomoto (food seasoning)	51,312	528

The policy of balanced trading and the rigid curtailment of purchases requiring United States dollar expenditures will continue to restrict sales of Canadian products to Japan in 1950. The sale of additional Canadian raw materials for essential Japanese export industries on a private barter basis will receive consideration by the Japanese Department of International Trade and Industry. The restoration of Japan's import trade to private channels, which became effective on January 1, 1950, does not appear to have altered the position materially. The first import list contained only one or two items for the purchase of which United States dollars will be made available and on which Canadian firms can submit offers. Japan's import trade is to be carried on to an increasing extent in 1950 with trade agreement countries.

Shirt Industry in Trinidad Expects to Enter Export Trade

Port of Spain, February 28, 1950.—(FTS)—Trinidad's shirt industry anticipates a $750,000 a year export trade for the near future. Normal output of the factories, which have so far been operating to supply a domestic and West Indian demand for some 1,500 dozen shirts a month, will have to be geared to meet a demand for some 3,000 dozen shirts a month if expectations materialize. The six main factories operating in and around Port of Spain are estimated to possess machinery and equipment worth $250,000 with a further $300,000 invested in property acquisition and building programs. The total labour force numbers about 500 men and women. In 1939, 114,643 dozen shirts entered Trinidad. In 1943, imports had fallen to 35,840 dozen, and in 1946 they had dropped still further to 23,396 dozen as a result of increased domestic production.

Canada Maintains Lead as Source Of Wheat Required by Britain

Substantial supplies obtained from Australia, and United States regained position in market last year—No barley imported from Canada in past three years—Australia and Soviet Union principal suppliers of oats—Purchases of wheat flour have declined, but Canada retains dominant position among sources of supply.

By M. J. Vechsler, Canadian Government Trade Commissioner

LONDON, February 16, 1950.—British imports of grain and flour are still controlled by government purchasing agencies. Recent returns for 1949 indicate that, although imports in this group were lower than in 1948, they were substantially higher than the value for 1947. Canada's dominant position as a source of supply of wheat for Great Britain was maintained, though substantial supplies were obtained from Australia in 1948 and 1949. There was a marked decline in purchases from Argentina. Imports from the United States, which were drastically reduced in 1948, compared with the previous year, were resumed in 1949.

United Kingdom Imports of Grain and Flour

	Cwts.	£
1947	118,881,999	141,533,143
1948	152,313,495	201,153,743
1949	135,772,686	182,835,292

United Kingdom Imports of Wheat, by Volume

	1947 Cwts.	1948 Cwts.	1949 Cwts.
Australia	......	15,419,925	16,326,312
Canada	68,761,248	66,541,877	73,223,136
Other British countries and the Irish Republic	......	13,652	2
United States	6,930,109	183,240	5,548,357
Argentina	7,740,743	2,098,701	......
Other foreign countries	447,376	359,046	633,911
Total	83,879,476	84,616,441	95,731,718

United Kingdom Imports of Wheat, by Value

	1947	1948	1949
Australia	£	£ 23,587,443	£ 21,489,850
Canada	67,600,767	67,477,273	92,824,564
Other British countries and the Irish Republic	......	14,245	5
United States	9,385,738	269,620	7,550,098
Argentina	13,477,718	3,653,763	......
Other foreign countries	891,397	528,694	951,319
Total	£ 91,355,620	£ 95,531,038	£ 122,815,836

Canada does not appear as a supplier of barley to the United Kingdom during the past three years. There has been considerable variation in the quantities imported. For example, total imports in 1947 amounted to 2,256,800 hundredweights valued at £3,049,105; in 1948 they rose to 15,618,248 hundredweights valued at £24,499,278, while in 1949 imports fell to 9,226,707 hundredweights worth £9,708,632.

United Kingdom Imports of Barley

	1947 Cwts.	1948 Cwts.	1949 Cwts.	1947 £	1948 £	1949 £
Australia	191,283	1,142,523	1,587,914	287,882	2,414,000	1,811,282
Other British countries	4	......	......	9	......	......
Soviet Union	......	8,603,418	2,854,981	......	13,892,744	2,933,495
Argentina	2,065,244	5,872,273	......	182,761,032	8,192,477	13
Other foreign countries	269	34	4,783,794	182	57	4,963,842
Total	2,256,800	15,618,248	9,226,707	3,049,105	24,499,278	9,708,632

The import position with respect to oats also shows considerable variation. No supplies were purchased from Canada in 1948 or 1949, although the bulk of the imports in 1947 was of Canadian origin. During the past two years, oats were imported almost entirely from Australia and the Soviet Union.

United Kingdom Imports of Oats

	1947 Cwts.	1948 Cwts.	1949 Cwts.	1947 £	1948 £	1949 £
Australia	......	3,823,661	1,104,852	......	6,222,841	1,176,462
Canada	1,868,638	......	......	1,997,268	......	......
Other British countries and the Irish Republic	......	60	192	......	84	175
Soviet Union	......	2,053,280	199,117	......	3,206,121	173,730
United States	249,629	......	......	269,124	......	......
Other foreign countries	......	1,084	60	......	1,580	129
Total	2,118,267	5,878,085	1,304,221	2,266,392	9,430,626	1,350,496

Although maize is not ordinarily imported from Canada, it is nevertheless an important item in the cereals group of imports into the United Kingdom. Both quantities and values of imports have varied greatly during the past three years, as have also sources of supply.

United Kingdom Imports of Maize

	1947 Cwts.	1948 Cwts.	1949 Cwts.	1947 £	1948 £	1949 £
British countries and the Irish Republic	......	10,775	63,072	......	18,302	63,200
Soviet Union	......	2,783,579	1,018,413	......	4,533,263	1,031,161
Roumania	......	955,841	......	......	1,568,772	......
United States	2,404,578	......	1,858,926	2,466,233	......	1,753,664
Argentina	6,506,989	22,817,198	8,355,848	7,161,912	31,381,030	13,766,267
Other foreign countries	648,281	31,290	2,722,348	725,689	39,894	2,982,148
Total	9,559,848	26,598,683	14,018,607	10,353,834	37,541,261	19,596,440

Imports of Canadian Wheat Flour Declined

Imports of wheat flour have declined steadily during the past three years, although Canada retained its dominant position as a source of supply. There was substantial reduction in the quantity imported from Canada in 1949 as compared with 1948 imports.

United Kingdom Imports of Flour

	1947 Cwts.	1948 Cwts.	1949 Cwts.	1947 £	1948 £	1949 £
Australia	2,023,536	3,487,990	2,499,350	3,795,584	7,581,715	4,703,405
Canada	13,216,762	12,720,168	7,952,366	18,794,210	17,936,032	13,571,383
Other British countries and the Irish Republic	6	467	346	11	711	547
United States	2,635,554	7,404	1,330,678	4,707,142	12,657	2,127,128
Other foreign countries	22	1,454	10	28	1,878	10
Total	17,875,880	16,217,483	11,782,750	27,296,975	25,532,993	20,402,473

Egypt Reverting to Traditional Sources of Supply for Lumber

Lacking forest resources, country is dependent on imports to meet lumber requirements—Former suppliers, the Scandinavian countries, lost much of market to Canadian exporters during the wartime period—Dollar shortage and other factors adversely affecting Canadian trade.

By C. E. Butterworth, Assistant Canadian Government Trade Commissioner

[One Egyptian pound (£E) equals $3.16 Canadian; one pound sterling (£S) equals $3.08 Canadian; one millimetre equals 0.039 inch; one metre equals 39.37 inches; one cubic metre equals 35.3 cubic feet; one standard equals 165 cubic feet.]

CAIRO.—Egypt lacks forest resources, for which reason this country depends on lumber imports to meet building requirements. In any survey of the market, it is important to remember that the country is relatively poor and the people are extremely conservative. Egyptians resist change to such an extent that most of the peasants plough their land in exactly the same way as did their ancestors some four thousand years ago, in the time of the Pharaohs, with oxen and a wooden blade that digs up the sod. It is difficult, therefore, to introduce a product that has not been known and used for some considerable time and to which the prospective buyer has not adapted his habits.

Eighty-five per cent of the demand is for the following types of lumber:

White wood.—This "bois blanc", as it is called here, is made up of approximately 80 per cent spruce and 20 per cent fir from Southeast Europe. Specifications desired are: length, 4 metres; widths, 10, 12, 15, 17, 19, 22, 25, 28 and 30 centimetres; thicknesses, 12, 18, 24 and 38 millimetres, and combinations thereof. The current price is approximately £S10 per cubic metre, c.i.f. Alexandria. At this price, approximately 175,000 cubic metres are imported in a year. This wood is used mainly for construction, concrete forms, scaffolding and furniture.

Swedish Redwood.—This comes from Sweden, Finland and Russia and is in many respects equivalent to Canadian red pine. Douglas fir sometimes competes in this field. Specifications desired are: length, random, 9 feet and up; widths, 4 to 9 inches; thicknesses, 1, 1¼, 2, 2½, 3 and 4 inches, and combinations thereof. The current price of boards 9 feet by 7 inches by 2 inches, excluding fifth quality, is approximately £S50 per standard, c.i.f. Alexandria. At this price, approximately 125,000 cubic metres are imported in a year.

Hewn Balks.—This is a small, hewn, red-pine tree, 90 per cent of the imports coming from Finland and 10 per cent from Sweden. It is used extensively for scaffolding and concrete-form work. Specifications desired are: lengths, 12 feet 6 inches, 15 feet 9 inches and 18 feet 9 inches; other dimensions, 3 inches by 3 inches, 3 inches by 4 inches, 4 inches by 4 inches, and 4 inches by 5 inches. Current price for delivery next year is approximately £S45 per standard, c.i.f. Alexandria. At this price, approximately 120,000 cubic metres are imported in a year.

The remaining 15 per cent of the market is for plywoods, hardwoods and government orders for sleepers, telegraph poles, etc.

Egyptian Imports of Lumber, by Countries

	Jan.-Dec., 1948		Jan.-June, 1949
Total	£E5,807,111	Total	£E3,963,621
Finland	782,210	Finland	1,162,453
Soviet Union	431,647	Soviet Union	254,613
CANADA	411,008	Saudi Arabia	57,742
Czechoslovakia	131,508	CANADA	32,388
Turkey	127,727	France	22,940
Saudi Arabia	112,707	Turkey	18,283
Brazil	63,493	Brazil	6,993
France	45,290	United States	4,812
United States	13,668	Italy	2,899
Italy	7,049	Czechoslovakia	692
Other countries	2,319,203	Other countries	1,665,137

Egyptian Imports of Timber, by Types

	Jan.-Dec., 1948		Jan.-June, 1949
Railway sleepers—			
Canada	£E 238,000	Turkey	£ 11,774
Turkey	121,706		
Other countries	56,748	Other countries	228,902
Total	£E 416,454	Total	£E 240,676
Timber, squared or sawn, over 50 mm.—			
Finland	£E 571,824	Finland	£E 965,606
Soviet Union	208,394	Soviet Union	140,909
United States	13,668	United States	4,812
Canada	3,008	Canada	388
Other countries	1,043,144	Other countries	703,693
Total	£E1,840,038	Total	£E1,815,408
Timber, sawn, from 35 to 50 mm.—			
Countries not specified	£E 469,939	Countries not specified	£E 346,349
Timber, sawn, from 15 to 35 mm.—			
Soviet Union	£E 223,253	Soviet Union	£E 113,704
Czechoslovakia	131,508	Finland	77,212
Finland	18,777	Turkey	6,509
Turkey	2,499	Czechoslovakia	692
Other countries	807,959	Other countries	589,422
Total	£E1,183,996	Total	£E 787,539
Timber, sawn, 15 mm. or less—			
Countries not specified	£E 75,147	Countries not specifiel	£E 60,997
Wood, veneering, ply—			
Finland	£E 189,365	Finland	£E 115,352
Brazil	63,493	Brazil	6,993
Other countries	165,466	Other countries	120,290
Total	£E 418,324	Total	£E 242,635
Wood, veneering, sheets or applied on other wood—			
France	£E 45,290	France	£E 22,940
Italy	7,049	Finland	4,283
Finland	2,244	Italy	2,899
Other countries	9,637	Other countries	3,797
Total	£E 64,220	Total	£E 33,919

Finland and, to a lesser extent, Sweden, are the traditional suppliers of a major part of Egypt's lumber requirements. Over many years they have promoted sales to the Egyptian market and, as far as possible, have made every effort to give the buyer exactly what he wants. For example, in Finland there is the Egyptian Balk Association, which cuts and hews balks for this market only and supplies 90 per cent of requirements. The result has been that buyer and seller are well known to each other, have become adapted to each other's peculiarities, and have derived considerable mutual satisfaction from their business transactions. During the war the Scandinavian countries lost this market, and much Canadian Douglas fir, white pine and spruce was bought by Egypt. However, these countries are quickly regaining what they lost, helped, of course, to a large extent by the current dollar shortage. In 1948, Finland sold to Egypt £E782,210 worth of lumber, and for the first six months of 1949 her sales were valued at £E1,162,453.

Freight rates, of course, are also an important factor in making the Scandinavian product more competitive than the Canadian. The freight rate to Alexandria on an average shipment out of a Baltic port of redwood 9 feet by 2 inches by 7 inches is approximately £S10 per standard. However, this rate is not applicable to fifth quality, on which the rate is approximately £S40 per standard, f.o.b., or to hewn Balks on which it is approximately £S35, f.o.b. Roughly speaking, on an average shipment the freight accounts for 25 per cent of the Scandinavian c.i.f. price and 40 per cent of the Canadian c.i.f. price.

Countries of Southeast Europe, mainly Roumania, Yugoslavia, Austria, Czechoslovakia and Poland, provide Egypt with the bulk of her requirements in "bois blanc", which is mainly spruce and some fir. These countries supply Egypt with exactly what she wants, besides producing a very clean white wood. The principal ports of shipment are Trieste and Constanza, and the freight rate on an average shipment to Alexandria of white wood costing approximately £S9 per cubic metre f.o.b. is 20 to 30 shillings per cubic metre. Austrian timber is quoted at a little less than £S10 per cubic metre, c.i.f. Alexandria, and Poland is now coming back into the market strongly with white wood for constructional purposes, which is attractive at £S10 per cubic metre, c.i.f. Alexandria. Poland is also producing a cheap plywood which is selling very well on the Egyptian market.

Large Furniture Industry at Damietta

A large furniture industry has developed at Damietta, situated on the Mediterranean in the Nile delta. This industry has created an increasing demand for veneers and plywood which Finland, France, Italy, Brazil and Russia have in part attempted to meet. It is noteworthy that Brazil is selling a cheap pine plywood called "parana", for which Egypt pays in pounds to Italy. In the past the Soviet Union has been a fairly substantial supplier to this country. Although the Soviet Union will probably continue to ship to this market, there has been a growing dissatisfaction with its lumber, as well as with many other Soviet products. The United States has not been an important supplier, being under the same handicaps as Canada. However, American pitch pine is favoured in Egypt, especially for railways sleepers. Turkey supplies Turkish qoutrani, which competes with Swedish redwood.

Canadian Exports of Lumber to Egypt

	1945	1946	1947	1948	Jan.-June 1949
	Values in Dollars				
Logs, hardwood, n.o.p.	......	21,961	24,185	9,025	......
Poles, telegraph, telephone	......	......	55,546	245,547	96,025
Railroad ties, Douglas fir	......	......	......	871,289	......
Planks and boards, birch, n.o.p.	......	8,469	......	......	......
Planks and boards, hardwood, n.o.p.	......	......	4,270	481	......
Planks and boards, cedar	......	......	50,003	......	......
Planks and boards, Douglas fir	53,649	381,675	1,050,256	491,083	......
Planks and boards, hemlock	......	......	13,606	......	......
Planks and boards, pine	......	270,182	170,157	737	......
Planks and boards, spruce	2,473	64,582	135,510	1,356	......
Timber, square, Douglas fir	26,370	4,468	......	......	......
Veneers and plywood	18,653	......	......	......	......
Plywood, softwood	......	17,377	......	......	......
Total	101,145	768,714	1,503,533	1,619,518	96,025

As indicated in the foregoing table, the Egyptian market for Canadian woods is shrinking, due partially to the fact that Egypt's traditional suppliers, who were out of the market during the war and its aftermath, and are now coming back with renewed vigour.

Other Factors Adversely Affect Canadian Sales

Other important factors which make it difficult for the Canadian product to compete are as follows:

1. There is an acute shortage of dollars in Egypt, the supply of which is rationed very stringently. In general, if an equivalent product can be purchased from a sterling country, an import permit is not granted for the dollar product. Devaluation has not helped to improve Egypt's dollar resources; in fact, it is likely to have the reverse effect. Her only export which earns dollars to any appreciable extent is cotton, which she sells to the United States, but devaluation has not enlarged the market, because of the American quota, and the price of dollar imports in Egypt has increased 31 per cent and they are still being kept out, mainly by import control.

2. Geographical location makes Southeast Europe, Russia, Turkey and the Scandinavian countries the logical suppliers of Egypt's lumber requirements. Freight from the Scandinavian countries accounts for approximately 25 per cent of the c.i.f. price from Southeast Europe for approximately 11 per cent, and from Canada for approximately 40 per cent. Thus Canada has to overcome a differential of 15 per cent as compared with the former source of supply, and 29 per cent as compared with the latter.

3. Finland, Sweden and Southeast Europe cut to Egyptian specifications, which Canadian producers are unwilling to do. This is quite understandable, of course, as Egypt takes such a small percentage of Canadian output. However, it is a competitive handicap and should be rectified if serious consideration is to be given the question of competing in Middle East markets.

Canadian spruce, Douglas fir and pine have been accepted in this market in considerable quantities but, with the return of traditional suppliers, they are losing ground. Douglas fir has been used mainly for construction, carpentry, railway sleepers and special purposes because of its length and, although there is still a demand for it, Swedish redwood is likely to be favoured, especially by carpenters, as it is easier to work. For railway sleepers, reliable lumber merchants state that creosoted Douglas fir sleepers have given good service in this country. Pine and Canadian spruce were imported during the shortages and were found to be generally satisfactory, but they are now comparatively too expensive, poor specifications are supplied for the market, and imports are not quite as clean as Southeastern European products.

Sales of Canadian Plywood Can be Increased

There are possibilities at present for the expansion of Canadian sales of plywood. The demand is growing, and the main interest is in birch. The specifications required are as follows: 75 per cent of requirements, 3 mm. thickness; 20 per cent, 4 mm.; and 5 per cent, 5 mm. Of these amounts, approximately 80 per cent should be 60 inches by 60 inches up to 63 inches by 63 inches, 20 per cent approximately 72 inches by 52 inches, and other small quantities less than 52 inches wide.

Although the factors currently militating against the successful competition of Canadian lumbers in this market are great, the situation is by no means hopeless. Even with the dollar shortage, Canadian lumber was imported to a value of $1,619,528 in 1948 and $96,025 for the first six months of 1949. However, if the figures are studied closely, it will be noted that total sales during 1948 and the first six months of 1949 are largely accounted for by government contracts for telegraph and telephone poles and railroad ties, and this is a far more unstable outlet than the conservative general market. Furthermore, the government is apparently shifting its preference away from Canadian woods, due mainly to depleted dollar reserves.

If and when dollars become available again, there should be a considerable increase in Canadian sales, especially if the following suggestions are adopted:

1. Energetic, intelligent trade promotion is required in this market. Canadian lumber has certain qualities and characteristics not found in the products of traditional suppliers to this market but which are not generally known in Egypt.
2. Specifications must be adapted to Egyptian standards.
3. Easier terms of payment should be granted reliable buyers.
4. Lumber for this part of the world must be well seasoned, otherwise it will split rapidly.
5. Adequate stocks should be kept by Canadian exporters, so that shipment may be made immediately upon receipt of an order.
6. As the market is very conservative and importers are reluctant to change over to new sources of supply, prices will have to be very competitive in order to stimulate sales to private purchasers.

Energetic Sales Promotion Necessary

Perhaps the best indication of the sales possibilities for Canadian lumber is the considerable expansion in sales of Douglas fir to Syria and the Lebanon, where there is a free exchange market. This has been achieved through energetic and intelligent sales promotion by resident agents, who have introduced Douglas fir into the market in competition with Turkish qoutrani and Swedish redwood. For several months it was known as Swedish lumber, and is now called "Canady", which is the Arabic translation of the word "Canadian".

During 1948 the public market for Canadian lumber began to weaken, as supplies from traditional sources became more easily obtainable. However, government buying was strong. This downward trend in the public market has continued into the first six months of 1949, with government purchases also weakening. Devaluation and the continued dollar shortage will probably have a still further depressing effect. The lack of purchasing power is a difficult factor to overcome; however, import control is not tight enough to keep out Canadian lumbers when competitive prices are supported by intelligent, energetic sales promotion for a product which meets the specifications required by the market.

Trinidad Has Adverse Trade Balance

Port of Spain, February 28, 1950.—(FTS)—Delay experienced in replacing materials and stores was probably responsible for Trinidad's adverse trade balance in 1949. This deficit is at present estimated at about $15 million. It was pointed out that in certain industries requisitions had been placed years ago but, owing to the war, many could not be filled until recently. This would result in the abnormally large deficit showing on current account which would not appear were the figures spread over the proper period. During December the trade deficit amounted to $3,500,000, resulting from imports totalling $14,063,505 and exports, $10,535,202.

Sugar Production in Puerto Rico Reached Record in Past Year

Crop totalled 1,277,835 tons, of which 1,091,401 tons were allocated to the United States—Sugar prices higher than in previous year, although molasses suffered substantial reduction—Decline in business conditions continued, although high level of activity maintained.

By A. W. Evans, Commercial Secretary for Canada in Havana

HAVANA, January 20, 1950.—Puerto Rico had a record sugar crop last year of 1,277,835 tons, of which 1,091,401 tons were allocated to the United States. The United States quota for refined sugar remained at 126,033 short tons, raw value, and legal proceedings to have this quota increased or altogether removed are before the Supreme Court in Washington. Sugar prices were higher than in the previous year, although molasses suffered a substantial decline, the revenue for the year ending last June amounting to $4,814,974, approximately half that for the previous twelve months. Although costs increased, returns to the sugar planters were generally satisfactory. Mechanization of the sugar industry continues slowly, despite opposition from labour.

The intensive advertising campaign in the United States and Canada by the rum distillers, with government assistance, added to the disappearance of excess stocks which had accumulated in the United States, resulted in a substantial upturn in rum exports, which, for the year ending June 30, were valued at $2,697,506, double the figure for the previous year. This upward trend in exports has continued.

Prospects for the coming crop appear to be good, provided the small carryover of eighty to ninety thousand tons can be sold. Sugar continues to be the principal industry of the island, employing 140,000 out of a total labour force of 700,000.

Decline in Business Conditions Continued

Despite the record sugar crop marketed at satisfactory prices, business in Puerto Rico continued to decline. However, a high level of activity was maintained, as the value of exports showed a slight increase against a decrease in that of imports. Buyers tended to be cautious, and inventories were reduced.

Government-sponsored development activities were, apparently, meeting with a measure of success in attracting new industries, but as yet none of the larger ones, such as pottery and textiles, were in full production. When fully established, these will provide a valuable contribution to the economy of the country.

A new tourist hotel, sponsored by the Puerto Rico Development Corporation, has been completed and is in operation. Of the five plants operated by the corporation and offered for sale, only one, a shoe factory, has been sold.

Labour conditions have been generally satisfactory, with the exception of a strike in the sugar industry in March, lasting thirty days, and strikes in the cement plants, which lasted almost sixty days during August to October. Construction of all types has continued at a high level despite the strikes in the cement industry, which necessitated imports of cement from the United States and Europe and had farreaching repercussions in construction and other lines. Weather conditions were generally satisfactory; a small cyclone in September caused only slight damage.

United States is Principal Market and Supplier

The United States is the principal market and the leading source of supply for the island, other countries participating in the trade to only negligible extent. The dominant position of the United States is indicated by the figures for the calendar year 1948, in which shipments from that country had a total value of $337,929,803, the total for foreign countries being only $23,739,548. The value of exports to the United States from Puerto Rico totalled $187,189,235; that of shipments to foreign countries was $6,191,341. Some tobacco was sold to Europe, and the Development Companies' plant has been making shipments in recent months to Venezuela. Besides limited imports from Europe and Great Britain, Canada supplies the bulk of salt fish and newsprint. Imports for the twelve-month period ending June 30, 1949, were valued at $326,295,198 as against $337,255,714 for the period ending June 30, 1948. Exports for the first six months of 1949 were valued at $194,903,077 as compared with $186,592,205 for the corresponding period of previous year.

Agricultural Crops Satisfactory

With weather conditions close to normal, production of agricultural crops has been quite satisfactory. Heavy use of fertilizer and intensive cultivation resulted in the largest sugar crop on record, while a heavy pineapple crop brought fresh fruit exports to the highest level since before the war.

Despite unfavourable weather conditions during the planting season, the last tobacco crop exceeded expectations, amounting to more than 250,000 quintals. Favourable market conditions resulted in the disposal of most of the carryover from the 1948 crop, but some 50,000 quintals of high grades from the last crop are still being held. The 1950 crop has been estimated at 250,000 quintals, including 10,000 quintals for chewing tobacco. There are indications that this figure will be exceeded if weather conditions are favourable.

This year's pineapple crop totalled about a million and a quarter crates, of which 300,000 crates were shipped as fresh fruit and the remainder, less a small amount consumed locally, in the canned form. The Hawaiian shipping strike aided local canners in reducing their inventories of crushed pineapple, and Puerto Rican sliced pineapple was readily acceptable in the United States market. Plans are under way to increase that portion of the crop processed in the sliced form.

Estimates of the coffee crop now being harvested vary widely, but it is probable that production will not show any great improvement over last year's (220,000 quintals). Imports will, therefore, again be required to meet local requirements. Export of coffee is prohibited and, to compensate for rising prices on world markets and as an incentive to growers, prices were increased to levels that added three cents per pound to the retail price.

Exports of needlework for the year ending June 30, 1949, were valued at $32,963,166, a slight increase over the 1948 figure of $31,450,589, both of which were substantially lower than the 1947 value of $36,962,857. Increasing competition has caused a slight slump, but there are indications that the handkerchief business, which had been adversely affected by competition from China, will now be re-established as a result of changes in conditions in that country and the devaluation of sterling.

Building Construction at High Level

Although handicapped to some extent by the cement strike, a high level of construction is being maintained for all classes of buildings, private homes and roads. Work has begun on the new international airport, which will take several years to complete; the cost is estimated at $15,000,000. Construction has also been stimulated by the policy adopted by the island government of granting tax exemptions to encourage the establishment of new industries.

It is hoped that, with the completion of new facilities, the tourist trade of Puerto Rico will be increased, and there are indications of an excellent season ahead. The new hotel, by offering increased competition to those already established, is forcing the latter to modernize. Government finances appear to be in good condition and revenue continues at satisfactory levels. Income of the general fund for the fiscal year ending June 30, 1949, amounting to $74,854,575, showed an increase of some $2 million over the figure for the previous year. The good credit position of the island is indicated by the financing of a 30-year bond issue of $22,700,000 for the Puerto Rico Aqueduct and Sewer Authority at an average interest rate of 3·66 per cent.

A tendency towards higher interest rates and the fact that some banks were offering more attractive rates for deposits were indicative of a tightening money supply. Bank loans declined slightly from the high of $122,107,000 recorded in June, 1948, but instalment buying was increasing. On the other hand, bank deposits had declined only slightly, to the extent of about $55 million, from their high in July, 1946, of $313,958,861. Business failures increased but not to an alarming extent.

The gradual decline in business activity, resulting in a healthy review of inventories and forward commitments, has undoubtedly been beneficial to Puerto Rican economy. With market prospects bright for the new sugar crop, conditions in 1950 remain at, or about, the reasonably prosperous level of the previous year.

Developments and Projects Announced for French Guiana

Port of Spain, February 28, 1950.—(FTS)—A number of developments and planned projects in French Guiana (now incorporated into Metropolitan France) has been announced. An Office of Mines, Forestry Department and Department of Agriculture have recently been set up. The Office of Mines will give fresh impetus to mineral research and exploration. A regular steamer service will be established between French Guiana and France, and it is also hoped to form an inland water transport company. The practically non-existent railway services will also be expanded. Public health and education are to benefit from new grants and about B.W.I. $240,000 has been provided for erection of a sports stadium. Among projects to be given priority are construction of a Pasteur Institute, a research institute, a large hotel and continuation of the electrification and waterworks schemes. It is also hoped that Air France will be persuaded to call regularly at Cayenne.

Steady Upward Trend Apparent in Netherlands Economic Recovery

Percentage of imports covered by exports gradually increasing—Prewar position not yet achieved—Note circulation substantially higher—Last year was favourable for agriculture—Level of industrial production satisfactory—Labour conditions among most stable in Western Europe.

By D. A. B. Marshall, Commercial Secretary for Canada (Agricultural Specialist), and V. L. Chapin, Assistant Commercial Secretary for Canada

THE HAGUE, February 17, 1950.—Steady improvement in business conditions and excellent prospects for the achievement of economic stability at the conclusion of the E.C.A. program are indicated by Netherlands statistics of foreign trade. One of the better barometers of Dutch economic activity is the extent to which expenditure for imports is counterbalanced by returns from exports. In the prewar period, Netherlands exports normally covered only 75 per cent of imports. Holland made up the remaining 25 per cent, and thereby achieved an international balance of trade, from invisible exports and interest on foreign investments.

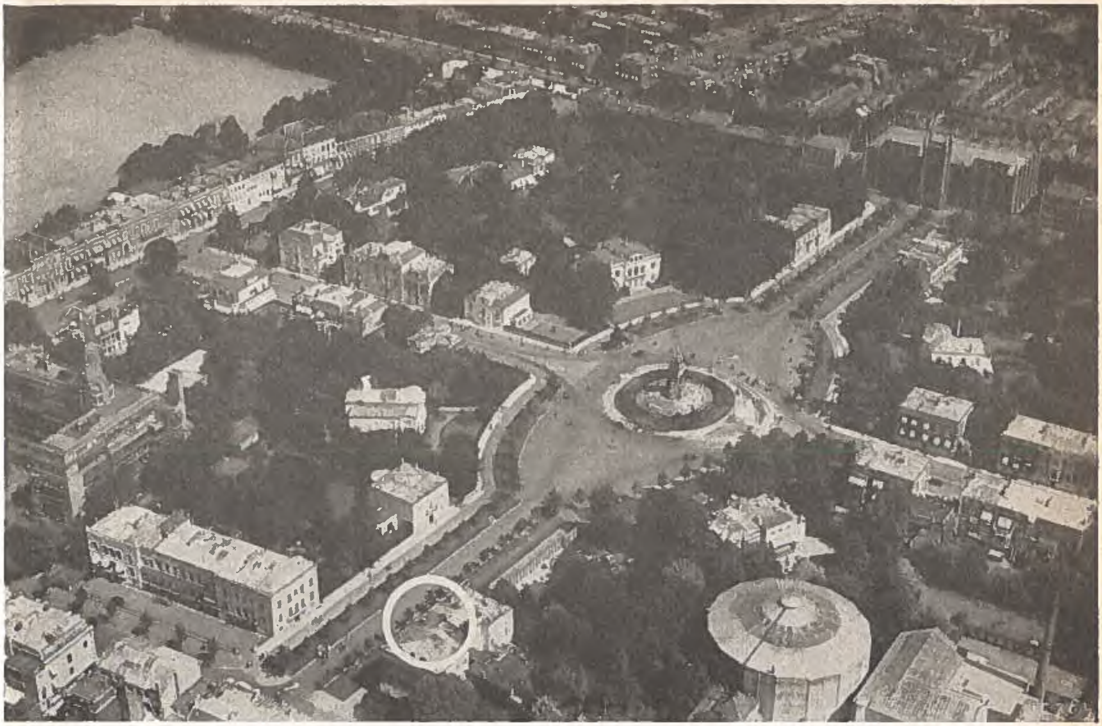
In 1947, with import requirements heavily backlogged, owing to deterioration of capital goods and war damage, the percentage figure stood at 47. In 1948, it was at 53, and in October, 1949, it was just under 90. However, it must not be concluded from these statistics that the position has improved as compared with that of prewar years, since the Netherlands was forced to liquidate a great portion of its foreign assets. The current percentage of imports covered by exports must rise considerably before the prewar position is achieved.

The budgetary estimates for 1950 were accepted with considerable satisfaction, since it was the first postwar budget to show a surplus on ordinary and extraordinary service; this amounted to 20 million guilders. Two points, however, must be noted: first, the budget estimates were based on a guilder value of 2.65 to the United States dollar; secondly, the capital service, which, according to Dutch law, is not a budgetary item, shows a negative balance of 390 million guilders. In view of devaluation, which has resulted in an exchange rate of 3.80 florins to the United States dollar, it is probable that there will be some scaling down of the small budgetary surplus. The Netherlands authorities might be forced, by more costly imports, to maintain the domestic price level through increased subsidies. To date this possibility is more speculative than factual, but the general 5 per cent wage increase is an indication that the effects of devaluation are exerting a strong influence.

Volume of Money in Circulation Increased

The total volume of money circulating in the Netherlands is 7.3 billion guilders, an increase of approximately 5 billion guilders over the 1938 figure. Note circulation in September, 1949, stood at 3,077 billion guilders as compared with 1,048 billion guilders in 1938.

The latest statistics show that Holland's national debt is approximately 22 billion guilders, almost 18 billion guilders higher than it was in 1940. According to Dutch statistics, this debt is broken down as follows:



The Hague, capital of the Netherlands.
Photo courtesy K.L.M.—Royal Dutch Air Lines.

Funded inland debt, 7.25 billion guilders; funded foreign debt, 2.92 billion; floating inland debt, 11.05 billion; floating foreign debt, 0.41 billion guilders.

As of October 1, outstanding claims on the Netherlands treasury amounted to 2.5 billion guilders.

Trade in Stocks and Bonds Reduced

The volume of trade on the Amsterdam Stock Exchange in 1949 was disappointing. The turnover in shares was 350,000,000 florins as against 406,000,000 florins in 1948. Trade in bonds totalled 710,000,000 florins, as compared with 613,000,000 florins, and in American securities, for the period January-November, it was 41,000 units as against 85,000 in the corresponding months of 1948.

On the whole the share market was depressed for the greater part of the year, particularly the Indonesian section, but during the second half of December this section staged a good recovery.

Comparative Prices of Netherlands Stocks

	December 30 1949	December 30 1948
AKU (artificial silk)	187	163
Unilever (margarine and soap)	245	277
Philips lamps	234	230
Royal Dutch Shell	296	321
Amsterdam Rubber Company	148	171
Amsterdam Trading Company (Indonesian products)	165	172
Deli Tobacco Company	150	162
Billiton Tin Company	289	391
Netherlands Shipping Union	151	169

Billitons, in particular, suffered a substantial setback from the year's high of 502. Indonesian political developments and the unsatisfactory statistical position of tin were the main cause of this fall. Rubber shares have been in good demand lately, in sympathy with the rise in the price of rubber. Royal Dutch Shell shares were depressed by foreign arbitrage selling and by rumours of loans.

Primary Agricultural Production Higher

Although extensive regulations of imports and exports have been maintained by the Netherlands, during 1949 the government pursued its policy of removing internal restrictions. Regulation of the production of hogs was discontinued, leaving the availability of feed supplies as the only factor limiting livestock production. The rationing of meat, cheese and rice was abolished, and price ceilings on live cattle and beef were abandoned. Consumption subsidies on pork were also lowered.

The year 1949 was a favourable one for Dutch agriculture. On the basis of final crop returns it was one of the best on record, yields being considerably above those of 1948 and, in most instances, above the prewar average. In accordance with the plans for future development of Dutch agriculture, the area devoted to grains (except maize, which was sown in quantity for the first time) was slightly lower, totalling 477,000 hectares as compared with 477,500 hectares in 1948. Owing to favourable weather conditions, yields were above the prewar level; the wheat yield was 36 per cent above the 1939 average; rye, 21 per cent; barley, 23 per cent; and oats, 31 per cent. The total harvest from each of the foregoing grains also exceeded the 1946-48 and the prewar figure, being greater than the latter by 16 per cent, 13 per cent, 86 per cent and 26 per cent respectively. Maize, sown for the first time in quantity on 4,499 hectares, yielded 11,731 metric tons, an average of 2·6 tons per hectare.

Except for potatoes, the areas sown to oilseed and root crops increased, the rapeseed harvest being 1,429 per cent above the prewar and 435 per cent above the 1946-48 level. The linseed harvest also exceeded that of last year by 26 per cent and the prewar figure by 95 per cent. Although the yields of potatoes were above those of last year, the total table-stock harvest declined by 10 per cent. The sugar-beet area increased by a little over 20,000 hectares to 67,500, an increase of 78 per cent over the prewar figure. However, mangels and fodder beets declined by almost 5,000 hectares, and the total harvest was 5 per cent below the 1946-48 average. Sowings of fodder beets and table-stock potatoes were reduced as a result of conditions experienced in the previous year, when an excess of these products glutted the market and, with no definite floor price prevailing, stocks were, in many instances, sacrificed.

Trend Toward Reduced Acreage Continues

Figures for the 1949-50 winter crop indicate that the trend toward reduction in sowings is being continued. The total area sown to wheat in 1948-49 was about 90,000 hectares, which has been decreased by about 10,000. Sowings of winter rye declined by 22,000 hectares to 165,400 hectares. However, the area sown to winter barley has been increased by 3,000 hectares to 12,000. Another increase recorded is in the rapeseed area, by more than 50 per cent to 39,000 hectares. These figures refer, of course, to sown acreages; the area harvested may be affected by the weather conditions.

The current prosperity of Dutch agriculture is also reflected in the value of agricultural exports for the first ten months of 1949, which increased by more than 50 per cent over the value for the same period in 1948 and exceeded 1,000 million guilders. To a large extent livestock and livestock products were the most important items, accounting for more than 50 per cent of the total export value. The export value of breeding cattle, at 13 million guilders, was almost three times that of the previous year. The value for dairy products, exceeding 500 million guilders, was more than double the figure for 1948. Dutch dairy produce found a good market, particularly in France, Great Britain and the Belgian-Luxembourg Economic Union. Milk production reached the level recorded for 1939, the highest prewar year. The value of field crops decreased by 15 per cent, mainly owing to a decline in the value of exports of table potatoes, while horticultural exports rose by 25 per cent, due to an increase in the export values of fruits, fruit pulp, vegetables and flower bulbs.

On the basis of the 1938 industrial production index of 100, the index figures for the first three quarters of 1949 were 121, 125 and 129 respectively. These figures compare favourably with the 1948 average of 113 and the 1947 average of 95.

Production Index for Main Industries

	Aver. 1947	Aver. 1948	1st Quart. 1949	2nd Quart. 1949	3rd Quart. 1949
Building materials	72	95	105	104	110
Chemical industry	83	105	111	108	101
Clothing (ready-made)	59	71	80	93	73
Leather and rubber products	129	166	163	149	134
Mining	75	82	85	86	86
Metal industry	93	122	137	146	144
Paper industry	84	114	127	117	*111
Textile industry	87	105	117	121	115
Public utilities	126	148	163	154	144
Food, stimulants	92	97	91	104	107

* Estimated.

Ocean shipping and international inland shipping are still below the 1938 base-year levels. The index figure for the loading capacity used for international inland shipping is 78; the index figure for the volume of ocean shipments stands at 77. In contrast to these statistics, the index figure for all branches of inland traffic shows an improvement over the 1938 base year. Heading the list is road traffic with an index figure of 190, followed by inland shipping with an index of 128. The index number for transport on the Netherlands railways stands at 120.

The Schiphol airport, near Amsterdam, handled 326,924 passengers during 1949 as compared with 313,177 in the previous year. Freight passing through the airport weighed nearly 8,000 tons, an increase of approximately 2,000 tons over the 1948 figure, while mail totalled about 2,500 tons, as against 2,000 tons during the preceding year.

The number of passengers carried on the European lines was 15 per cent higher than in 1948, while the volumes of freight and mail went up by 40 per cent and 36 per cent respectively.

Total figures covering all inter-continental lines showed a decrease of 6 per cent in passenger and 9 per cent in mail transport.

Labour Conditions Stable

Of a total Dutch labour force of approximately 2,000,000 employed in industry and agriculture, about 992,800 are members of trade unions. The Netherlands working force is undoubtedly one of the most stable in

Western Europe. Time lost in strikes during the first eleven months of 1949 amounted to 286,677 days as against 203,399 days during 1948. The index figures of hourly wage rates for agriculture and industry are 275 and 180 respectively.

The greatest threat to Netherlands social stability is the large annual increase in the country's population, which at the present time exceeds 100,000 per year. It is estimated that new employment will have to be found for approximately 215,000 additional workers before 1953. It is expected that 60,000 of this number can be absorbed by current industrial capacity through the multi-shift system, better organization and improved methods of production. Work for the remaining 155,000 will be dependent on the establishment of new enterprises.

Index figures covering expenditures by families with incomes up to 50 florins per week, compiled by the Central Bureau of Statistics, are as follows:

Cost-of-Living Index, 1949

(Basis 1938-39=100)

	Sept. 15	Oct. 15	Nov. 15	Dec. 15
Total	197	197	202	205
Foodstuffs	235	233	242	246
Clothing	309	310	316	326
Footwear	356	356	364	364
Cleaning	325	325	325	325
Furniture and furnishings	302	300	307	308
Other groups, including rents	151	152	154	156
Rents	100	100	100	100

As indicated by the foregoing figures, the cost of living has gone up by an average of 8 points since the devaluation of the guilder on September 21.

Rubber (including Latex) Exports from Principal Producing Areas

(January-December, 1949)

(Figures in Long Tons)

	Malaya	Indonesia	Ceylon	Thailand	Indochina	Sarawak	British North Borneo	Total*
United States	265,328	115,626	39,947	42,436	2,101	486	1,278	467,202
Great Britain	164,362	8,088	17,266	10,667	....	1,711	2,996	205,090
Belgium	10,717	775	1,813	....	....	140	75	13,520
Czechoslovakia	4,641	....	....	....	....	....	....	4,641
Denmark	5,700	95	904	....	....	90	30	6,819
France	57,391	3,839	2,562	....	34,804	1,781	131	100,508
Germany	56,738	11,986	8,399	....	....	1,205	428	78,756
Italy	33,491	4,265	5,467	....	....	375	240	43,838
Netherlands	36,345	105,976	2,323	....	....	430	130	145,204
Norway	3,017	622	107	....	....	10	....	3,756
Spain	3,536	523	77	....	....	100	....	4,236
Sweden	14,947	1,928	499	....	....	135	....	17,509
Turkey	2,793	37	513	....	....	....	....	3,343
U.S.S.R.	63,414	....	....	....	....	50	....	63,464
Rest of Europe	14,630	974	589	....	....	25	....	16,218
Total Europe	307,360	131,020	23,253	....	34,804	4,341	1,034	501,812
Argentina	10,580	23	338	....	....	....	....	10,941
Australia	22,655	....	256	....	....	125	35	23,071
CANADA	32,444	52	4,251	....	....	....	....	36,747
China	6,990	3	1,265	....	....	....	....	8,258
Hong Kong	23,288	2,603	....	....	961	819	381	28,052
Japan	25,897	16,786	460	....	....	395	35	43,573
Mexico	4,927	368	1,058	....	....	....	5	6,358
New Zealand	2,935	....	77	....	....	....	....	3,012
South Africa	18,865	6	175	....	....	....	....	19,046
Other Africa	642	176	448	....	32	....	5	1,303
Other Asia	7,814	275	1,559	....	....	....	....	9,648
Other America	5,125	....	136	....	....	....	....	5,261
Total	899,212	275,026	90,489	53,103	37,898	7,877	5,769	1,369,374

* Excluding Liberia and Belgian Congo.

Canadian Imports, by Areas

	1938	January 1949	1950
Commonwealth Countries	(Millions of Dollars)		
United Kingdom and Europe	8.9	25.4	26.1
America	0.8	2.2	1.5
Africa	0.4	1.6	1.1
Asia	1.9	6.3	6.1
Oceania	0.9	0.9	2.0
Total Commonwealth countries	12.9	36.4	36.9
Foreign Countries			
United States and Possessions	32.4	165.1	154.6
Latin America	0.8	14.2	12.4
Europe	2.8	6.6	5.1
Other foreign countries	0.8	1.4	3.1
Total foreign countries	36.8	187.4	175.1
Total imports for consumption.......	49.7	223.8	211.9

Canadian Imports, by Countries

	1938	January 1949	1950
Commonwealth Countries	(Thousands of Dollars)		
Europe:			
United Kingdom	8,864	25,405	26,138
Ireland	....	10	3
Gibraltar	....	....	....
Malta	....	....	1
Total, Europe	8,864	25,415	26,142
America:			
Newfoundland	158	414	....
Bermuda	1	2	4
Barbados	43	84	80
Jamaica	138	313	271
Trinidad and Tobago	34	273	101
Bahamas	64	137	103
Leeward and Windward Islands.....		5	9
British Honduras	1	134	3
British Guiana	327	887	938
Falkland Islands	....	....	....
Total, America	766	2,249	1,509
Africa:			
Northern Rhodesia	210	5	5
Union of South Africa		159	176
Other British South Africa		....	....
Southern Rhodesia	....	5	2
Gambia	....	....	....
Gold Coast	....	463	436
Nigeria	15	580	....
Sierra Leone	....	....	....
Other British West Africa	....	....	....
Anglo-Egyptian Sudan	1	....	1
British East Africa	206	381	500
Total Africa	432	1,593	1,120

Throughout this bulletin, totals represent sums of unrounded amounts, hence may vary from sums of rounded amounts.

Canadian Imports, by Countries—Continued

Commonwealth Countries—Concluded	1938	January 1949	1950
	(Thousands of Dollars)		
Asia:			
India	807	3,344	3,258
Pakistan		36	42
Ceylon	247	1,054	1,308
Aden	1	....	....
Federation of Malaya	757	1,657	1,409
Other British East Indies	10	13	....
Hong Kong	96	170	122
Total Asia	1,931	6,274	6,139
Oceania:			
Australia	562	715	1,455
New Zealand	236	150	98
Fiji	162	1	402
Other British Oceania	....	....	....
Total Oceania	960	866	1,955
Total Commonwealth countries	12,956	36,400	36,865
Foreign Countries			
United States and Possessions:			
United States	32,330	164,801	154,473
Alaska	9	155	58
American Virgin Islands	....	1	3
Hawaii	7	41	26
Puerto Rico	....	127	14
United States Oceania	....	....	....
Total United States and Possessions	32,346	165,125	154,574
Latin America:			
Argentina	175	315	383
Bolivia	2	4	....
Brazil	45	1,647	1,724
Chile	....	34	3
Colombia	75	1,094	841
Costa Rica	....	59	173
Cuba	23	1,018	216
Dominican Republic	....	528	28
Ecuador	1	39	32
El Salvador	....	84	46
Guatemala	6	301	253
Haiti (Republic of)	....	39	91
Honduras	....	519	187
Mexico	32	1,302	1,711
Nicaragua	....	....	1
Panama	....	177	509
Paraguay	9	....	53
Peru	442	17	61
Uruguay	....	....	71
Venezuela	....	7,005	5,975
Total Latin America	810	14,182	12,358
Europe:			
Albania	....	....	....
Austria	20	25	36
Belgium and Luxembourg	379	1,216	1,106
Bulgaria	....	....	....
Czechoslovakia	222	497	359
Denmark	8	847	64
Estonia	4	....	1
Finland	3	....	2
France	315	914	705
Germany	671	384	303

Canadian Imports, by Countries—Concluded

Foreign Countries—Concluded	1938	January 1949	1950
	(Thousands of Dollars)		
Europe—Concluded			
Greece	3	10	16
Hungary	17	4	1
Iceland	....	....	10
Italy	193	657	562
Latvia	....	....	....
Lithuania	....	....	....
Netherlands	153	482	258
Norway	41	106	53
Poland	7	5	17
Portugal	10	95	120
Azores and Madeira	13	41	47
Roumania	2	....	....
Spain	110	256	217
Sweden	211	239	209
Switzerland	369	871	967
U.S.S.R. (Russia)	3	....	2
Yugoslavia	4	....	....
Total Europe	2,758	6,649	5,055
Other Foreign Countries:			
Afghanistan	....	....	....
Arabia	....	176	1,434
Belgian Congo	....	46	....
Burma*	9	4	....
China	147	194	298
Greenland	....	....	....
Egypt	58	7	3
Ethiopia	....	....	11
French Africa	....	1	5
French East Africa	48	....	....
French Guiana	....	....	....
French Oceania	....	1	5
French West Indies	....	....	....
Madagascar	....	....	....
St. Pierre and Miquelon	5	4	....
Iran	2	10	4
Iraq	23	309	7
Israel*	4	36	76
Jordan	....	....	....
Tripoli	....	....	....
Other Italian Africa	....	....	....
Japan	435	165	367
Korea	....	....	....
Liberia	....	....	....
Morocco	3	19	2
Indonesia	22	29	76
Surinam	....	38	....
Netherlands Antilles	....	4	415
Philippine Islands	82	79	179
Portuguese Africa	....	....	....
Portuguese Asia	....	....	....
Siam	....	2	50
Canary Islands	1	....	....
Spanish Africa	....	....	....
Syria	4	1	4
Turkey	16	301	149
Total, other foreign	846	1,426	3,085
Total, foreign countries	36,764	187,386	175,073
Total imports	49,720	223,786	211,938

*Included in "Total Asia" and in "Total Commonwealth Countries" for 1938. The figures are shown here on one line to facilitate comparison with other years.

Canadian Imports, by Commodities

	1938	January 1949	1950
Main Groups—		(Millions of Dollars)	
Agricultural, Vegetable Products	8.2	25.6	27.1
Animals and Animal Products	1.9	8.9	6.6
Fibres, Textiles and Products	8.0	35.1	29.4
Wood, Wood Products and Paper	2.5	6.1	7.1
Iron and Products	12.8	73.5	67.7
Non-Ferrous Metals and Products	3.3	12.9	16.5
Non-Metallic Minerals, Products	7.7	40.2	35.6
Chemicals and Allied Products	2.1	10.9	11.0
Miscellaneous Commodities	3.2	10.6	10.8
Total imports for consumption	49.7	223.8	211.9
		(Thousands of Dollars)	
Agricultural, Vegetable Products—			
Fruits	1,254	4,688	4,468
Nuts	177	1,778	1,313
Vegetables	496	1,044	1,904
Grains and products	1,220	1,500	987
Sugar and products	704	2,065	1,954
Cocoa and chocolate	109	1,538	1,143
Coffee and chicory	425	2,623	3,282
Tea	771	2,147	2,694
Beverages, alcoholic	452	1,668	1,603
Gums and resins	97	589	443
Oils, vegetable	876	1,602	2,111
Rubber and products	825	3,013	2,957
Tobacco	57	282	297
Vegetable products, other	710	1,097	1,959
Total	8,173	25,633	27,116
Animals and Animal Products—			
Fish and fishery products	176	634	297
Furs and products	559	3,734	2,331
Hides and skins, raw	319	1,054	1,230
Leather, unmanufactured	210	562	678
Leather, manufactured	143	335	387
Animal oils, fats, greases	73	592	356
Animals and products, other	403	1,981	1,354
Total	1,883	8,891	6,631
Fibres, Textiles and Products—			
Cotton, raw and linters	1,165	7,496	7,519
Cotton products	1,480	8,964	6,164
Flax, hemp, jute and products	803	2,601	1,880
Silk and products	653	589	627
Wool, raw and unmanufactured	820	2,252	3,040
Wool products	1,786	6,249	4,563
Artificial silk and products	306	3,746	1,835
Textile products, other	1,030	3,249	3,751
Total	8,043	35,146	29,378
Wood, Wood Products and Paper—			
Wood, unmanufactured	428	828	1,146
Wood, manufactured	360	1,223	1,190
Paper	543	1,558	1,594
Books and printed matter	1,139	2,465	3,217
Total	2,470	6,074	7,146

	1938	January 1949	1950
	(Thousands of Dollars)		
Iron and Its Products—			
Iron ore	95	225	46
Scrap	62	397	89
Castings and forgings	164	959	741
Rolling mill products	1,642	9,253	6,072
Pipes, tubes and fittings	153	1,965	1,999
Wire and chain	235	1,647	788
Farm implements and machinery	1,442	13,697	13,135
Hardware and cutlery	172	1,009	845
Household machinery	124	947	1,175
Mining, metallurgical machinery	223	2,603	1,730
Business, printing machinery	428	2,445	2,639
Other non-farm machinery	2,205	12,755	12,637
Tools	163	972	852
Autos, freight and passenger	1,061	2,557	3,731
Automobile parts	2,560	9,017	11,643
Other vehicles, chiefly iron	106	717	932
Engines and boilers	664	6,534	3,558
Cooking and heating apparatus	57	650	912
Iron products, other	1,252	5,161	4,209
Total	12,808	73,510	67,734
Non-Ferrous Metals and Products—			
Aluminium and products	257	1,085	889
Brass, copper and products	295	1,386	1,168
Tin	190	309	355
Precious metals (except gold)	369	1,621	4,156
Clocks and watches	129	527	816
Electrical apparatus, n.o.p.	1,077	5,543	6,701
Non-ferrous products, other	955	2,407	2,446
Total	3,272	12,876	16,531
Non-metallic Minerals, Products—			
Clay and products	593	2,709	2,260
Coal	2,864	12,286	11,247
Coal products	303	1,363	1,063
Glass and glassware	437	1,890	2,040
Petroleum, crude	1,700	13,417	13,103
Petroleum products, n.o.p.	653	6,429	3,077
Stone and products	752	931	1,233
Non-metallic products, other	379	1,182	1,577
Total	7,681	40,207	35,600
Chemicals and Allied Products—			
Acids	97	349	434
Cellulose products	131	468	492
Drugs and medicines	354	1,128	1,174
Dyeing and tanning materials	287	919	1,086
Fertilizers	91	461	406
Paints and varnishes	266	1,121	1,221
Inorganic chemicals, n.o.p.	433	1,792	1,159
Synthetic resins and products	70	1,409	1,618
Chemical products, other	415	3,223	3,381
Total	2,144	10,869	10,970

Canadian Imports, by Commodities—Concluded

Miscellaneous Commodities—	1938	January 1949	1950
	(Thousands of Dollars)		
Films	120	291	339
Toys and sporting goods	86	286	302
Refrigerators and parts	49	643	874
Musical instruments	66	315	266
Scientific equipment	281	1,655	1,917
Aircraft and parts	208	933	1,150
Works of art	131	141	561
Canadian tourists' purchases	287	493	913
Parcels of small value	334	1,055	555
Wax, mineral and vegetable	38	224	286
Miscellaneous consumer goods	361	607	714
Miscellaneous, other	818	2,139	1,780
Canadian goods returned	187	556	265
Non-commercial articles	281	1,241	909
Total	3,246	10,579	10,831

Canadian Imports, by Main Groups

	1938	January 1949	1950
From All Countries	(Thousands of Dollars)		
Agricultural, Vegetable Products	8,173	25,633	27,116
Animals and Animal Products	1,883	8,891	6,631
Fibres, Textiles and Products	8,043	35,146	29,378
Wood, Wood Products and Paper	2,470	6,074	7,146
Iron and Products	12,808	73,510	67,734
Non-Ferrous Metals and Products	3,272	12,876	16,531
Non-Metallic Minerals, Products	7,681	40,207	35,600
Chemicals and Allied Products	2,144	10,869	10,970
Miscellaneous Commodities	3,246	10,579	10,831
Total	49,720	223,786	211,938
From United Kingdom			
Agricultural, Vegetable Products	1,213	1,352	2,831
Animals and Animal Products	293	435	644
Fibres, Textiles and Products	3,830	12,098	8,593
Wood, Wood Products and Paper	213	231	237
Iron and Products	1,420	5,151	5,788
Non-Ferrous Metals and Products	501	1,930	4,281
Non-Metallic Minerals, Products	459	1,826	1,743
Chemicals and Allied Products	449	515	789
Miscellaneous Commodities	485	1,867	1,233
Total	8,864	25,405	26,138
From United States			
Agricultural, Vegetable Products	3,314	10,586	10,896
Animals and Animal Products	952	6,752	5,251
Fibres, Textiles and Products	2,644	16,592	15,001
Wood, Wood Products and Paper	2,141	5,618	6,628
Iron and Products	10,902	67,134	61,578
Non-Ferrous Metals and Products	2,211	10,127	11,245
Non-Metallic Minerals, Products	6,417	30,220	25,447
Chemicals and Allied Products	1,411	9,987	9,806
Miscellaneous Commodities	2,338	7,788	8,622
Total	32,330	164,801	154,473

Irish Industrial Exports Increased In Range and Quantity Last Year

Frozen meat, wallboard, confectionery, shark liver oil, balatum floor coverings, electrical equipment, facing brick and liqueurs based on Irish whisky are among the new industries launched—Exports of peat and peat litter, tinned beef, condensed milk, cheese, drink and potatoes increased—Outlook for future is favourable.

By H. L. E. Priestman, Commercial Secretary for Canada

(Editor's Note—This is the last of two articles on economic conditions in the Republic of Ireland during 1949.)

DUBLIN, February 6, 1950.—The range and quantity of Irish industrial exports increased during the past year. Among new industries launched were frozen meat, wallboard, confectionery, shark liver oil, balatum floor coverings, electrical equipment, facing bricks and liqueurs based on Irish whisky. Established products whose figures showed a notable increase were peat and peat litter, which rose from £14,243 in 1948 to £32,833 in 1949; tinned beef, from £659,206 to £1,139,349; condensed milk, from £818,116 to £1,098,228; cheese, from £191,382 to £246,091; drink (porter, whisky, etc.), from £4,331,552 to £5,009,259; and potatoes, other than seed, from £45,478 to £343,992.

Soap was in very short supply here during and since the war, but exports have now recommenced, and consignments have been sent to Beirut and Scandinavia. The manufacturers have stated that they were hopeful of receiving a number of orders from the United States. A plastic factory which will turn out furniture, counter fittings, etc., is due to open at the end of the year, and an old-established paint factory has announced the opening of its new two-acre factory a few miles from Dublin. A third cement factory, to supplement the output of the present two, is likely to be established shortly, since present domestic output is approximately 10,000 tons short of annual requirements. Milk producers have applied for an industry to absorb surplus milk. The government has been active in exploring foreign markets for Irish goods, and has constantly exhorted producers to take advantage of the markets now offered by European countries anxious to sell to Ireland and willing to accept Irish products in exchange.

Production of Homespun Tweed Being Expanded

The production of homespun tweed, which is a traditional Irish industry, is being expanded and reorganized. New mills are to be built and £20,000 expended on up-to-date machinery. Producers are to turn out, as well as the traditional designs, a quality and pattern suitable for modern fashions. A domestic market is being assured by the undertaking that public institutions and government services will absorb a considerable quantity of the output in the future. Exports of woollen tissues have risen from £217,269 in 1948 to £351,401 in 1949, but output in this line could be very rapidly stepped up if a market developed.

Cordage, cables, ropes and twine, also an old-established Irish industry, have increased their export from £58,096 to £104,771. The Irish clothing industry is now making good progress, the cut and style of the garments having improved considerably. Exports of apparel advanced from £127,774 in 1948 to £374,933 in 1949, the most striking item under this heading being hats and caps, which rose from £5,933 to £19,940, and hosiery, which rose from £10,320 to £96,737. Boots and shoes, an industry which is also capable of rapid expansion if export markets were available, earned £118,328 in 1949, compared with £27,106 in 1948. Ground barytes, a comparatively new industry, continues to expand, its export figure having risen from £18,840 to £23,523.

According to the report of the Minister of Industry and Commerce, 501 new companies were registered during 1948 (the latest period for which figures are available), 19 were struck off the register and 33 were dissolved. The net increase therefore was 449 in the twelve months. The total number of companies registered under the Companies Acts was, at the end of 1948, 5,138.

Many Suitable Sites for Factories Available

Ireland can offer many suitable sites for factories in her under-populated country; adequate labour is available; and the European market is close. The chief problem facing the Irish industrialist is to obtain the raw materials, machinery, and equipment. The difficulty is now accentuated by pressure to buy in the sterling area, since the government is forced to conserve its meagre dollar resources for national necessities, essential to maintain the standard of living and supply basic requirements which cannot be obtained elsewhere than in the dollar area.

The number of ships from North America in the port of Dublin has noticeably decreased, while new shipping services have been announced to Japan and Far Eastern ports, whence machinery, iron and steel products, fish and tinned goods, fibre, castor oil and cotton seed will reach this country. Grain, timber, petrol, tobacco, fruit, are among the goods normally obtained from the United States or Canada, and for which an alternate source is now perforce being sought. It is not known whether some of Ireland's 1950 allocation of wheat may be from Australia, and tobacco orders have already been placed in India, Rhodesia, Nyasaland, and Tanganyika. Dried fruit is being obtained from the Mediterranean, and Baltic countries as well as Holland, France, Spain and Portugal are being explored for other supplies. Imports from the Netherlands, France, Finland, Denmark, Sweden and Switzerland, are all on the increase. Unless some answer is found to the problem of convertibility, new Irish industries are likely to acquire the habit of ruling out Canada and the United States as sources of supply.

Benefits from Devaluation Noted in Bank Reports

Bank reports at the end of the year, while referring to the difficulties caused by devaluation of sterling and the fall in the value of gilt-edged scurities, nevertheless noted with satisfaction the reduction of 6d. in the pound to 6s. 6d. in the standard rate of income tax; the increase in the revenue of the country as shown in the Exchequer Returns; the steady improvement in the external trade balance; a satisfactory harvest and a steady increase in agricultural output; and the continued development of the tourist industry.

The price index numbers of ordinary stocks and shares on the Dublin Stock Exchange, based on January, 1936 equals 100, maintained an average of 146·8 during the year and stood at 141·2 in December. The Second National Loan maintained an average price of 103 per £100 stock throughout the year, and stood at 102¼ in December. The circulation of legal tender notes was £47 million on January 1, 1949, but had increased to £51·6 by December 31, 1949, giving the impression that inflationary trends are still continuing.

The wholesale price index number (taking as a base 1938=100) stood at 233·8 in November, 1949. This was the highest figure reached during the year, and the lowest was that for September of 227·8. The interim cost-of-living index figure, which is calculated from essential items only and takes as a base the peak year 1947=100, remained at 100 at the end of the year, though it had fallen by one point in the earlier months. The agricultural price index number, based on the average price from September, 1938, to August, 1939, equals 100, had reached 262 in November, 1949, from its lowest point during the year of 242 in September.

Taking as a base the year 1930 equals 100, the import price index number in November was 233·0. The highest figure reached during the year was 235·5 (in February), and the lowest 218·6 (in September). The export price index number, calculated on the same base, was 254·2 in November, having risen to 260·8 in October and fallen to 200·3 in August.

Increased Productivity Probable

The present heavy investment of public funds in land reclamation, housing, etc., will doubtless increase the productivity of the country and reduce the present heavy expenditure on public health services, etc., necessitated to a great extent by bad housing conditions. At the moment public spending, both by the state and local bodies, is high. Local authorities, while receiving state grants, must themselves raise large sums for the building of houses, schools, hospitals, etc. The rates (payable on the Poor Law Valuation of property) in Dublin City may be taken as an example. A steady climb during recent years has brought them to 27s. 7d. in the pound for 1948-49 and to 28s. 10d. for 1949-50.

There have been some headlines in the newspapers during the year, especially since the devaluation of sterling in September, on the subject of "Repatriation of Sterling Assets". The Prime Minister, speaking at the annual dinner of the Institute of Bankers in November, informed his hearers that "the banker is the trustee of the savings of the community, and the government is entitled to indicate how these savings can best be utilized in the national interest". These assets, held outside the Republic of Ireland, are estimated at £400,000,000, of which approximately £225,000,000 are state investments. As an example, the legal tender note issue of £50 million is backed by British Government sterling securities and London bank deposits of £47·4 million, and the balance by gold holdings of £2·6 million. Members of the government have expressed the view that a part of the sterling holdings could be more profitably invested at home. It has, of course, been made clear that there is no intention of making precipitate withdrawals of large sums, or of reducing the foreign investments of the country below an adequate level. No indication has been given as to how repatriation of capital involving large imports can be accomplished without adversely affecting the domestic economy. Repatriation would obviously involve "unrequited exports" on the part of the United Kingdom.

ECA Funds Have Enabled Development Projects to Proceed

It is stressed that the agricultural and other industries of this country have been in the past undercapitalized, and that funds are required on a scale beyond the capacity of private enterprise. Only the provision of

ECA funds has enabled the progress of such schemes as rural electrification and the peat industry to continue at the present rate, and the £40,000,000 land reclamation project to be initiated. In 1952, therefore, the government must either face the slowing up of schemes of national development, or resign itself to financing them by realizing some of its capital invested abroad, since it is doubtful if such works could be undertaken on a national income of £330,000,000. It is conjectured that some scheme will be evolved having general support, on the argument that the purchasing value of Ireland's sterling assets has decreased, and also that Ireland has resources which would repay the expenditure on them of a portion of the national savings.

The Prime Minister also forecast in a recent speech the possibility of having two distinct Irish budgets in future. An annual revenue budget would be concerned with the nation's income and expenditure, and a capital budget with the utilization of national resources. According to press reports the Prime Minister stated that "the state will, through the operation of the capital part of the budget, expend about £16,000,000 of public moneys on national investment in the current year". This sum does not include expenditure on land reclamation or drainage, which are being financed by ECA counterpart funds. Examples of the purposes for which national capital is being expended are electrical development, for which £5,650,000 was allowed in the 1949 budget, housing, which was allocated £5,000,000, and peat development, which claimed £1,080,000.

Imports and capital expenditure of the Republic of Ireland are at a very high level in comparison with the national income, but many of the imports, such as specialized machinery for drainage works, are of a non-recurrent type, and ECA loans have in the main been expended in a manner likely to increase the productive capacity of the country. If world conditions remain stable and if the present world market for food products continues, Ireland may reasonably look forward to a period of some prosperity in which she can develop her native resources and establish her national economy on a firm basis.

Exports from British Guiana in January Greatly Reduced

Georgetown, February 17, 1950.—(FTS)—Exports from British Guiana in January were valued at $2,742,562, as compared with $4,055,365 in the corresponding month last year, representing a reduction of $1,312,803. Timber was the only export item to show a substantial increase over the figure for last January. Imports, however, rose in value from $3,772,049 to $4,208,089 in the same period, an increase of nearly $500,000.

Bauxite shipments this January decreased from those of last January by almost 24,000 tons, causing a reduction of more than $100,000 in the value of exports from the colony. Some 577,920 gallons of molasses, valued at $57,792, were shipped to the United States in January this year. No exports of this product were made to any country in the same month last year. Round and hewn timber, amounting to 24,922 cubic feet, and valued at $35,614, was exported this January, compared with 7,865 cubic feet, valued at $11,821, last January. Gold, amounting to 981 ounces, and worth $46,723, went to the United States.

Purchases of flour, valued at $301,948, was the highest single item on the import list. Flour imports for this year were about $33,000 less than those of last year.

Grapefruit and Orange Crops in Trinidad Appear Favourable

Lime crop being harvested and fair yields expected—Shipments of Gros Michel bananas to the United States commenced—Good crops of Arabica and Robusta coffee anticipated—Fair yields of hill rice expected—Oil production increased—Value of imports substantially increased in first nine months of 1949, while value of exports declined slightly.

By D. H. Cheney, Assistant Canadian Government Trade Commissioner

PORT OF SPAIN, February 23, 1950.—Prospects for grapefruit and oranges this year in Trinidad are good. The lime crop is being harvested, and fair yields are expected. Shipments of Gros Michel bananas to the United States commenced during the third quarter of last year, and it is expected that this industry will be expanded. Flowering and fruit setting in both Arabica and Robusta coffee give promise of good crops. Despite early flooding, fair crops of hill rice are expected, and it would appear that a good yield of swamp rice will be obtained this year. A guaranteed price for rice paddy is being considered, but is not yet available. Green vegetables were adversely affected by the heavy rains,

Trinidad—Picking grapefruit, much of which is shipped to the United Kingdom.

Canadian National Railways Photo.

and have been in short supply. The fishing season commenced during the third quarter of 1949, and there were glutted markets for some time.

Crude oil production in Trinidad during the first nine months of 1949 amounted to 15,421,646 barrels, which is an increase of 2·7 per cent over the figure for the corresponding period of 1948. Twelve oil companies are operating in the colony, and fourteen fields are contributing to the total production, with the number of producing wells recorded at 2,103.

There was a substantial increase in the value of imports during the nine months under review, the value being $112,036,000, as compared with $91,770,000 during the first nine months of 1948; an increase of $20,266,000, or 22 per cent. Exports, on the other hand, were valued at $97,764,000, compared with $99,591,000 during the corresponding period of 1948, a decrease of $1,827,000, or 1·8 per cent.

Marked Change in Visible Trade Balance

There was a remarkable change in the visible trade balance from the same nine-month period of 1948. The favourable balance of $12,289,385 in the 1948 period changed into a deficit of $9,502,635 in the same period of 1949, and the deficit for the whole of the year is estimated at approximately $15 million. This condition is probably partly due to requisitions for stores and equipment, which were placed some time ago and whose delivery was delayed by the war, but which are now being filled. This is illustrated by the fact that the deficit on current account for December alone was in the neighbourhood of $3·5 million.

Principal domestic exports for the nine months were fuel oil, gasoline and other petroleum products, sugar, raw cocoa, asphalt, rum, raw coffee, grapefruit and grapefruit juice. Although exports of fuel oil had increased by nearly 54 million gallons over the same period in 1948, total receipts from this source fell from $32,761,043 in January to September, 1948, to $26,637,928 in the first nine months of 1949, a decrease of nearly 19 per cent. Receipts from exports of other petroleum products, with the exception of gasoline, receipts from which were maintained at just over $21·25 million, followed the same pattern as a consequence of the substantial drop in oil prices which occurred early in 1949.

Value of Sugar Exports Materially Increased

The value of sugar exports registered a 48 per cent advance, from $12,015,424 for the first nine months of 1948 to $17,747,522 for the same period of 1949. Volume exported increased from 1,800,000 cwt. to 2,700,000 cwt. over the same period. Weather conditions have favoured the growth of canes for 1950 and crop prospects are encouraging. The 1948-49 cocoa crop came to an end in September with a production of just under thirteen million pounds, some five million pounds short of the previous season's production. A fair crop for 1949-50 was anticipated, but recent bad weather has destroyed an estimated 10,000,000 pounds valued at $4,000,000. Receipts from exports of raw cocoa totalling $3,888,298 show a sharp decline of 49·9 per cent from the $7,760,436 mark set for the first nine months of 1948.

Total value received from the export of asphalt for the period declined by 10 per cent, from $4,217,073 in January to September, 1948, to $3,787,563 for the corresponding period of 1949. Tonnage exported dropped by 13 per cent from 106,524 tons to 92,812 tons. The volume of rum exports advanced by 128 per cent from 738,219 to 1,682,372 proof gallons. The value, however, rose by only 19·4 per cent from $2,370,176 to $2,830,960. Raw coffee exports continued the marked expansion noted earlier in the year. During the period January to September, 1948, only 13 cwt. valued at $528, was exported compared with 20,883 cwt., valued at $514,632, in the first nine months of 1949. On the other hand, receipts from exports of grapefruit declined 66 per cent from $929,309 to $320,674, while the value of grapefruit juice exported dropped 45 per cent from $740,112 to $405,954. The latter condition, no doubt, results from the fact that large stocks of citrus juice were being held by the British Ministry of Food to which the total yearly production had been sold.

Canada is Second Largest Customer of Trinidad

Great Britain maintained her position as the largest purchaser of the colony's products, although such purchases declined from $37,287,030 in January to September, 1948, to $33,093,493 for the same period of 1949. Canada again proved to be Trinidad's second best customer, importing $14,081,561 worth of goods from the colony during the period, representing an increase of $6 million over purchases during the same period of 1948. Exports to Brazil ranked third with a value of $8,752,914, while the United States stood fourth with purchases valued at $3,903,010. Substantial purchases were also made by the other West Indian colonies, Argentina, Canary Islands and Sweden, in that order. Ships' stores and bunkers, including goods shipped for the Admiralty and for use of aircraft, were valued at $14,165,922.

United Kingdom is Principal Supply Source

Principal source of supply during the period was the United Kingdom, whose shipments to the colony amounted to $41,742,272, as compared with $28,138,833 in the same period of 1948. Imports from the United States, the colony's second largest supply source, jumped from $16,268,044 in January to September, 1948, to $20,088,485 in the same months of 1949. Imports from Canada fell from $17,054,840 to $14,086,706. Imports from Venezuela, totalling $13,790,956, are reported for the period, of which a substantial amount would comprise imports of crude oil, which is refined in Trinidad and re-exported. The Republic of Colombia exported goods to the colony valued at $8,813,764.

Tobago Affected by Cloudburst

The third quarter of the year witnessed the height of the rainy season. July commenced with heavy rains and flooding in some districts, resulting in some damage to crops. On September 1, Tobago was struck by a cloudburst and experienced over 20 inches of rainfall in 24 hours. Damage was severe, taking the form of earthslips, silting of cultivated lands and injury to and loss of crops and stock resultant upon sudden overflowing of streams.

During the period the official cost-of-living index figure remained at 227 (1935=100). Recently, there has been considerable criticism that the index is inaccurate and a government statistician has been appointed to investigate. At present only seven food items are taken into account in compilation of the index figure, namely, beef, fish, flour, rice, sugar, butter and lard substitute.

Moderate expansion of industrial activity continued during the latter part of the nine-month period under review, primarily in the oil industry. Continued rise in the cost of living was being increasingly discussed and pressure on employers for wage increases was expected.

Norwegian Agricultural Statistics Show New Production Trends

Census commenced last June will form part of world census to be taken this year—Decline in production of grain indicated—Number of fruit trees increased—Number of horses and cattle decreased—Enormous reduction indicated in rabbit population, while poultry and pigs exceed prewar numbers.

By S. G. MacDonald, Commercial Secretary for Canada

(Editor's Note—This is the second in a series of articles on economic conditions in Norway during 1949, prepared for *Foreign Trade*. One decare equals 0.2471 acres.)

OSLO, February 15, 1950.—Norway commenced an agricultural census last June that will form part of a world census to be taken this year. Norway and Denmark are the first two participating countries to complete their portion of this census. Returns were obtained by the beginning of last December from 589 districts and 63 cities and towns, with 93 districts and three urban centres still outstanding at that time.

In order to obtain a general idea of the trends in agriculture in the past decade, a comparison has been made with 1939 figures, covering 232 districts, fairly evenly distributed throughout the country. These districts comprised 98,972 farms, or 27 per cent of the total number of farms in Norway in 1949.

Taken as a whole, these 232 districts show a decline in the grain cultivating area of 18·4 per cent as compared with 1939, and an increase in the potato area of 13·3 per cent. Basing the total figures for the whole country on these percentages it is estimated that the grain area has been reduced from 1,837,000 decares in 1939, to 1,499,000 decares in 1949, the 1948 figures being estimated at 1,496,000 decares. This reduction in grain producing areas is a matter of importance to the economy of Norway, in view of the prewar necessity of this country to import an important share of over-all grain requirements. This share must be increased in view of the reduced domestic area provided for grain growing and the population increase.

The potato area increased from 507,000 decares in 1939 to 574,000 decares in 1949, the estimated figure for 1948 being 649,000 decares. The root crop areas appear to be considerably reduced as compared with 1939, as is also the total cultivated field area throughout the country. This would appear to be a repercussion to the reduced number of agricultural workers, which has become in the past decade a serious problem to Norwegian agricultural development.

The number of fruit trees in these 232 districts has been increased, on an average, by 4·9 per cent, this increase being noteworthy for apples. For the whole country this should correspond to an increase from 3·77 million fruit trees in 1939 to 3·95 million in 1949. The total number of berry-bearing shrubs in these 232 districts has been reduced by about 7 per cent.

Number of Horses and Cattle Reduced

As the number of horses in these 232 districts has been reduced by 2 per cent, the total number for the whole country should amount to

200,000 in 1949 as compared with 204,000 in 1939, the 1948 figure being estimated at 206,000. The number of cattle has been reduced by 16 per cent, this corresponding to 1,222,000 head in 1949, as compared with 1,455,000 head in 1939. While the number of sheep has increased 3·7 per cent, the total figure for the whole country is thus estimated at 1,808,000 in 1949 as compared with an actual total of 1,744,000 in 1939. The goat population has considerably declined in the past ten years, totalling 161,500 in 1949 as compared with 249,000 in 1939. The pig population which was so drastically reduced during the war years, has shown a great increase in the postwar period, due to special efforts being made by the government to bring the number of pigs up to the 1939 level. This program has been so successful that such level has been increased some 13·7 per cent in the 232 districts under consideration, thus making for an estimate of the total pig population in the country of 411,500 in 1949, as compared with 362,000 in 1939. Much of this increase occurred last year, as the estimated figure for 1948 amounted to 248,000. This increase in 1949 has made itself greatly felt in so far as the supply of pork products is concerned, and, in the final quarter of the year, an important increase in the quantity of meat available to the people of this country was noted. In that period more meat, mainly pork, was provided, than throughout the entire previous three quarters, or in any full year since the cessation of hostilities.

Poultry Figures Exceed Prewar

There has been an enormous reduction in the number of rabbits, there being now only one-tenth of the 1939 population, while the poultry figures which, like those for pigs, were greatly reduced during the war, are now higher than those of 1939. The number of adult fowls in the country in 1949 is estimated at 3·7 million as compared with 3·4 million in 1939. The 1948 figure is estimated at 2·7 million, thus there has been an increase of one million during the last year. In turn, this has greatly affected the quantity of eggs available, and supplies, although severely rationed, are much more free throughout the country. At the turn of the year, mainly due to distribution problems, particularly during the winter months, storage facilities in the main egg producing areas were inadequate, and, as a result, some export is anticipated in the first quarter of 1950.

The war years had a serious effect on fur farming, while prices, particularly for foxes, in the postwar years have continued the trend downwards in the number of fur farms. During the decade this reduction resulted in a 1949 figure, of 8,000 fur farms, which was but 37 per cent of the 1939 figure, when 21,000 farms were being operated. The number of silver foxes in the 232 districts concerned amounted to but one-quarter of the 1939 figure, thus totalling for the whole country approximately 125,000 head in 1949 as compared with about 500,000 in 1939. The numbers of blue foxes and mink were relatively small in 1939, thus making any attempt at comparison rather difficult. The present figure is undoubtedly considerably higher than in 1939, particularly for mink, for which world demand continues reasonably strong, while for blue fox farming some declines from advances made in the earlier years of the decade, have begun.

British Columbia Sawn Lumber and Tie Production Lower

Production of sawn lumber and ties in British Columbia was slightly lower in 1949 than in the preceding year. Shipments also declined during the year and the year-end stocks moved to higher levels. In December, production and shipments were both increased.

Latest Equipment Featured at Second Scottish Dairy Show

Attendance totalled 49,300, about 8,000 more than that recorded at the first event in November, 1948—Nearly seventy British manufacturers exhibited—Preliminary arrangements made for next year's show—Friesians take team and individual awards when milking points added to scores.

By J. L. Mutter, Canadian Government Trade Commissioner

GLASGOW, February 24, 1950.—Farmers were afforded an opportunity at the Second Scottish Dairy Show to enter their livestock in various competitions, such as for milk yields, and enabled engineers to display the latest equipment available for hygienic handling of milk. This show, which was promoted by the Glasgow Agricultural Society, in collaboration with the Corporation of Glasgow, was an object lesson to the general public, in that it indicated the manner in which dairy farmers maintained the flow of milk to households throughout the country. Ninety per cent of the farmers who entered their cattle in the milking tests used mechanical equipment, in many cases bringing their own milking units. The show this month was well supported, the attendance being 49,300, or 8,000 more than was recorded at the first event in November, 1948.

At the Scottish Dairy Show the public was able to inspect six different breeds of cows, the same breeds as are most prominent at the London Show. These were headed by the Ayrshire, the native breed, and the Friesian, the Dutch breed extensively adopted by British farmers. In addition, there were exhibits of the two Channel Island breeds, the Jersey and the Guernsey; of the East Anglian hornless breed, the Red Poll; and of the Dairy Shorthorn. Exhibits from attested herds only (free from tuberculosis) were eligible for entry. With the exception of the Shetlands (which are cattle-rearers rather than milk producers), the west and south-west of Scotland are the most progressive territories in Britain to ensure clean milk for the public. These two areas have more attested herds and produce more milk from tuberculin-tested herds than any other part of the United Kingdom.

The six varieties of dairy cows above-mentioned competed in a series of inter-breed contests for the supreme individual, team and heifer championships of the show. Traditionally, the chief rivalry was between the British Friesians and the native Ayrshires. Throughout the contest, the Ayrshires won the approval of the judge for appearance, but when the milking points came to be added to the figures gained for inspection, the black-and-white cattle ran away from the Ayrshires to win both team and individual awards.

Scores for Team Championship

(Groups of six animals)

	Milking points	Inspection points	Total
Friesians	1,211.02	440	1,651.02
Ayrshires	1,067.04	500*	1,567.04
Dairy Shorthorns	896.50	435	1,333.50
Jerseys	751.04	450	1,201.04
Guernseys	631.34	420	1,051.34

* Maximum.

In the supreme individual championship, in which six breed societies nominated two animals each, the results were:

Scores for Supreme Individual Championship

	Milking points	Inspection points	Total
Friesian	218.02	105	323.2
Friesian	200.40	110	310.40
Ayrshire	174.74	125*	299.74
Ayrshire	174.36	123	297.36
Dairy Shorthorn	176.16	102	278.16
Dairy Shorthorn	169.44	88	257.44
Jersey	131.68	120	251.68
Jersey	111.28	100	211.28

* Maximum.

The winning Friesian gave the highest yield of milk in the show, 103.2 pounds at 3·76 butter fat added to a high percentage of solids other than fat.

Scores for Interbreed Heifer Championship

	Milking points	Inspection points	Total
Ayrshire	170.08	95	265.08
Friesian	152.08	88	240.08
Ayrshire	132.98	100	232.98
Friesian	135.08	85	220.08

The dairy cow contests were, of course, the highlights of the show and occupied the centre of the stage for the first two or three days. During the last two days, interest was focused on the judging of classes for poultry and rabbits, and on the events in which Young Farmers' Clubs participated, e.g. "dressing" cattle for the show ring, hand-milking contests, stock judging, tractor driving, etc.

Show Strongly Supported by Trade Exhibitors

Trade exhibitors supported the show strongly, and there were displays by nearly seventy British manufacturers. Many of these featured dairy equipment, including such items as pasteurizers, coolers, milking machines, churns, refrigerators, bottle filling and capping machines, sterilizers, etc. There were several displays of ice cream and milk bar equipment, cow-house equipment, dairy stock feeds, egg-grading machines, incubators and other poultry-rearing equipment, and one very extensive exhibit of veterinary instruments and appliances of all kinds. At least four British tractors were on show, the Ferguson, the David Brown, the Fordson, and the Nuffield. Information booths were manned by the following organizations: The Scottish Milk Records Association; the Red Poll Cattle Society; the Scottish Milk Marketing Board; the Scottish Agricultural Publishing Company, Limited; the South West Scotland Electricity Board, whose stand illustrated how electricity can help the dairy farmer; Ayrshire Cattle Herd Book Society; English Jersey Cattle Society; the British Friesian Cattle Society; Poultry Association of Great Britain (S.P.B.A.) Limited; the Shorthorn Society of Great Britain and Ireland; English Guernsey Cattle Society; and the Department of Agriculture for Scotland.

Preliminary arrangements for next year's Dairy Show have already been made. It is reported that 98 per cent of this year's standholders have rebooked their space for 1951 and that there is a waiting list of about 70 firms. It is proposed to advance the date of the show to the third week in February so as to avoid any clash with the annual beef cattle sales at

Perth, and, if additional space can be provided, to include bacon carcase competitions and classes for dairy produce such as butter and cheese. Another suggestion is that the Glasgow Agricultural Society should hold their Stallion Show in the Kelvin Hall in Dairy Show week. This proposal is to be examined, but, unless the Kelvin Hall can be extended, difficulties related to the provision of stabling and adequate ring space for judging are expected to prove insuperable.

Switzerland Increased Imports of Canadian Fish in the Past Year

Purchases amounted to 523,000 francs, as compared with 465,000 francs in 1948—Canada exported 9,070 kilograms of fresh-water fish in November—Canada is second largest supplier of canned pilchards, herring in tomato sauce and salmon.

By T. M. Burns, Assistant Commercial Secretary for Canada

(One franc equals $0.259 Canadian)

BERNE, February 7, 1950.—Switzerland imported during the past year fish valued at 21,745,000 francs, as compared with imports valued at 20,284,100 francs in the previous year. Purchases from Canada amounted to 523,000 francs, as compared with 465,000 francs in 1948. These figures do not include canned lobster.

Imports of Fish into Switzerland

	1948	1949
	Francs '000	
Freshwater fish, fresh or frozen (excluding feras and trout)	744.9	905.7
Trout, fresh or frozen	726.8	708.3
Saltwater fish, fresh or frozen	5,210.0	5,623.1
Preserved fish, in containers weighing more than 3 kgs. (6.6 lbs.)	1,860.1	2,137.0
Pilchards, herring in tomato sauce, and canned salmon, in containers weighing less than 3 kgs. (6.6 lbs.)	1,642.0	1,636.7
Preserved fish, other than those mentioned above, in containers weighing less than 3 kgs. (6.6 lbs.)	10,100.3	10,734.2
Total	20,284.1	21,745.0

Imports into Switzerland of fresh and frozen fish, whether of freshwater or saltwater varieties, have come almost exclusively from European suppliers. In this trade, Denmark occupies the predominant position, supplying over half of Switzerland's imports of fresh or frozen saltwater fish, and 40 per cent of the freshwater varieties, particularly trout. However, it is of interest to note that Canada exported 9,070 kilograms of freshwater fish, valued at 33,200 francs, to Switzerland during the month of November, 1949. The feras variety is found in the Lake of Geneva, and enters into the frontier trade between France and Switzerland.

Imports of preserved fish, in containers weighing over 3 kilograms (6·6 pounds) came principally from Holland, Spain, France and Denmark in 1949. These countries accounted for 72 per cent of the total imports. Relatively small shipments to this country from Canada were recorded during 1949, valued at 15,300 francs.

Of greatest interest to Canadian exporters is the category including pilchards, herring in tomato sauce, and canned salmon, in containers weighing less than 3 kilograms (6·6 pounds). Canada was the second largest supplier of these commodities in both 1948 and 1949, as may be seen from the following table.

Swiss Imports of Canned Pilchards, Herring in Tomato Sauce and Salmon

	1948 Weight ('000 kilo-grams)	1948 Value ('000 francs)		1949 Weight ('000 kilo-grams)	1949 Value ('000 francs)
United States	234.3	718.3	United States	405.1	814.9
CANADA	134.0	416.9	CANADA	163.1	460.5
Holland	36.1	176.0	Holland	40.7	161.4
Norway	34.4	72.2	Norway	14.5	29.8
Belgium-Luxembourg	19.1	55.2	Belgium-Luxembourg	13.4	80.0
Portugal	30.2	109.0	Portugal	9.2	28.2
Peru	6.6	14.8	Peru	7.5	16.8
Italy	....	....	Italy	4.1	8.5
Great Britain	3.5	6.1	Great Britain	3.4	8.5
Sweden	4.8	13.8	Sweden	3.1	7.8
Denmark	....	....	Denmark	1.9	9.0
France	10.4	43.1	France	1.9	6.2
Germany	....	....	Germany	1.3	3.1
French Morocco	4.9	16.1	French Morocco	0.7	1.6
Total	518.3	1,642.0	Total	670.2	1,636.7

This table indicates that, in terms of weight, Swiss imports of these types of fish increased by 519,000 kilograms from 1948 to 1949. The United States and Canada were the largest suppliers in this category, accounting for approximately 85 per cent of the imports, by weight. It will be noted that the United States increased its shipments considerably in this market as compared with 1948, while the majority of Switzerland's European suppliers of canned fish in these categories failed to equal their 1948 exports to this country. After having exported no canned fish to Switzerland in 1946 and 1947, Canada re-entered this market in 1948 and increased its shipments by approximately 22 per cent by weight, in 1949.

Other types of canned fish are covered by a separate item in the official import statistics. These consist principally of sardines, the principal suppliers being Portugal, Spain and France. An interesting development has been the reappearance of Japanees canned fish in the Swiss market, 38,210 kilograms worth 160,000 francs having entered Switzerland under this item in November, 1949.

Imports of canned lobster into Switzerland are recorded in a multiple item in the import statistics, containing olives and mushrooms in oil, oysters and lobsters. Shipments from Canada under this heading, presumably canned lobster, showed a slight increase from 5,350 kilograms valued at 56,400 francs in 1948 to 5,840 kilograms worth 59,100 francs in 1949.

Trade and Tariff Regulations

Barbados Nullifies Expired Import Licences

Port of Spain, February 27, 1950.—(FTS)—Importers in Barbados have been warned by the Controller of Supplies that licences which expired on December 31, 1949, covering imports from hard-currency sources will not be recognized as authority for importation of goods shipped after that date. Such goods will be refused admission into the colony unless covered by new licences subsequently issued.

Transportation

Lists of ocean-going departures from Canadian ports, which have been published regularly in "Foreign Trade", were discontinued with the February 18, 1950, issue, due to the fact that many ships shown on berth for certain ports were being cancelled or diverted after "Foreign Trade" had gone to press. An alternative service will be provided by the Transportation and Communications Division, which is in a position to furnish information concerning trade routes and the latest available sailings to foreign ports, should shippers experience any difficulty in obtaining details from steamship operators and agents. On application to the Transportation and Communications Division, shippers may obtain a list of the principal Canadian trade routes and the various firms maintaining services thereon.

Steamship operators and agents are invited to supply the Transportation and Communications Division with their latest sailing schedules, in order that a complete record of ocean-going departures may be maintained.

Dominican Republic Authorizes Port Project

A $2,550,000 project to deepen and enlarge the port of Barahona, a major sugar port on the southwest coast of the Dominican Republic, is now under way. The Dominican Government Information Centre in New York has announced that the government has already authorized dredging operations under a contract calling for eventual construction of 1,500 feet of wharf and mole-breakwater structures providing unloading facilities, which will serve principally the Barahona Sugar Company, one of the nation's largest producers.

Drainage and Irrigation Scheme in Trinidad to Improve Fertility

Port of Spain, February 28, 1950.—(FTS)—The main object of a $145,000 drainage and irrigation scheme in the Caroni River area of south Trinidad is to increase the fertility of the area for the cultivation of food crops, principally rice. The present dam, which has been badly damaged by erosion, will be rebuilt on its existing foundation, making it into a solid structure of approximately twice the length.

It is intended to provide sufficient cross-sectional area above the dam for an estimated maximum flood flow of 7,000 cubic feet per second. The new design will allow for the impounding of water at a higher level in the Caroni River and increase the supply to the irrigation area from 25 to 50 cubic feet per second. Ancillary works to the dam will include a new take-off channel to carry 50 cubic feet per second, a spillway to prevent erosion, improvement in the Caroni River channel, widening the main irrigation channel for 1·5 miles, and construction of a suspension bridge to replace the former bridge which was destroyed by floods.

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.

Buenos Aires — W. B. McCullough, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Bartolomé Mitre 478.

Australia

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

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, Forescom Building. Address for letters: Boîte Postale 373.

Territory includes Angola and French Equatorial Africa.

Belgium

Brussels—B. A. Macdonald, Commercial Counsellor, Canadian Embassy, 46 rue Montoyer.

Territory includes Luxembourg.

Brazil

Rio de Janeiro—D. W. Jackson, Commercial Secretary, Canadian Embassy, Edificio Metropole, Avenida Presidente Wilson 165. Address for letters: Caixa Postal 2164.

São Paulo—C. J. Van Tighem, Commercial Secretary for Canada, Canadian Consulate, Edificio Alois, Rua 7 de Abril, 252. Address for letters: Caixa Postal 6034.

Chile

Santiago—Acting Commercial Secretary, Canadian Embassy, Bank of London and South America Building. Address for letters: Casilla 771. Territory includes Bolivia.

China

Shanghai—B. I. Rankin, Commercial Secretary for Canada, 27 The Bund, Postal District (0).

Territory includes Taiwan (Formosa).

Colombia

Bogotá—H. W. Richardson, 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—A. W. Evans, 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, Osiris Building, Sharia Walda, Kasr-el-Doubara. Address for letters: Post Office Box 1770.

Territory includes Aden, Anglo-Egyptian Sudan, Cyprus, Ethiopia, Iraq, Lebanon, Saudi Arabia, Syria and the Hashemite Kingdom of the Jordan.

France

Paris—J. P. Manion, Commercial Secretary, Canadian Embassy. Address for letters: 3 rue Scribe.

Territory includes Algeria, French Morocco and Tunisia.

Paris—J. H. Tremblay, Commercial Secretary (Agricultural Specialist), Canadian Embassy. Address for letters: 3 rue Scribe.

Germany

Frankfurt am Main—Acting Canadian Commercial Representative, Canadian Consulate, 145 Fuerstenbergerstrasse.

Cable address, Canadian Frankfurt-Main.

Greece

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

Territory includes Israel.

Guatemala

Guatemala City—J. C. Depocas, Canadian Government Trade Commissioner, No. 20, 4th Avenue South. Address for letters: Post Office Box 400.

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

Foreign Trade Service Abroad—Continued

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 and French Indo-China.

India

New Delhi—RICHARD GREW, Commercial Secretary, Office of the High Commissioner for Canada, 4 Aurangzeb Road. Address for letters: Post Office Box 11.

Bombay—Acting 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.

Italy

Rome—R. G. C. SMITH, Commercial Secretary, Canadian Embassy, Via Saverio Mercadante 15-17.

Territory includes Malta, Yugoslavia and Libya.

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.

Japan

Tokyo — J. C. BRITTON, Commercial Representative, Canadian Liaison Mission, Canadian Legation Building.

Territory includes Korea.

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.

The Hague—D. A. B. MARSHALL, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Sophialaan 1-A.

Territory includes Belgium, Denmark and Luxembourg.

New Zealand

Wellington—P. V. MCLANE, Commercial Secretary, Office of the High Commissioner for Canada, Government Life Insurance Building. Address for letters: 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 and Greenland.

Pakistan

Karachi—G. A. BROWNE, Commercial Secretary, Office of the High Commissioner for Canada. The Cotton Exchange, McLeod Road. Address for letters: Post Office Box 531.

Territory includes Iran and Afghanistan.

Peru

Lima—R. E. GRAVEL, Commercial Secretary, Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin. Address for letters: Casilla 1212.

Territory includes Ecuador.

Philippines

Manila—F. H. PALMER, Canadian Government Trade Commissioner, Tuason Building, 8-12 Escolta, Binondo. Address for letters: Post Office Box 1825.

Portugal

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

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

Singapore

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

Territory includes Federation of Malaya, Indonesia, North Borneo, Brunei, Sarawak and Thailand.

South Africa

Johannesburg—S. V. ALLEN, Canadian Government Trade Commissioner, Mutual Building, Harrison Street. Address for letters: Post Office Box 715.

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

Cable address, Cantracom.

Foreign Trade Service Abroad—Concluded

Cape Town—C. B. Birkett, Commercial Secretary for Canada, 5th Floor, Grand Parade Centre Building, Adderley Street. Address for letters: Post Office Box 683.
Territory includes Cape Province, Orange Free State, South-West Africa, Mauritius and Madagascar.
Cable address, Cantracom.

Spain

Madrid—E. H. Maguire, Canadian Government Trade Commissioner. Address for letters: Apartado 117, Madrid.

Sweden

Stockholm—B. J. Bachand, Commercial Secretary, Canadian Legation, Strandvägen 7-C. Address for letters: Post Office Box 14042.
Territory includes Finland.

Switzerland

Berne—Yves Lamontagne, Commercial Counsellor, Canadian Legation, Thunstrasse 95.
Territory includes Austria, Czechoslovakia and Hungary.

Trinidad

Port-of-Spain—T. G. Major, Canadian Government Trade Commissioner, 43 St. Vincent Street. 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.

Turkey

Istanbul—G. F. G. Hughes, Commercial Secretary for Canada, Istiklal Caddesi, Lion Magazasi yaninda, Kismet Han No. 3/4, Beyoglu, Istanbul. Address for letters: Post Office Box 2220, Beyoglu.

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.

London—W. B. Gornall, Commercial Secretary (Agricultural Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.
Cable address, Cantracom, London.

London—R. D. Roe, Commercial Secretary (Timber Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.
Cable address, Timcom, London.

Liverpool—M. J. Vechsler, Canadian Government Trade Commissioner, Martins Bank Building, Water Street.
Territory includes the Midlands, North of England and Wales.

Glasgow—J. L. Mutter, Canadian Government Trade Commissioner, 200 St. Vincent Street.
Territory covers Scotland and Iceland.
Cable address, Cantracom.

Belfast—H. L. E. Priestman, Canadian Government Trade Commissioner, 36 Victoria Square.
Territory covers Northern Ireland.

United States

Washington—J. H. English, Commercial Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

Washington—Dr. W. C. Hopper, Agricultural Secretary, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

New York City—M. T. Stewart, Canadian Government Trade Commissioner, British Empire Building, Rockefeller Center.
Territory includes Bermuda.
Cable address, Cantracom.

New York City—M. B. Bursey, Canadian Government Trade Commissioner (Fisheries Specialist), British Empire Building, Rockefeller Center.

Boston—T. F. M. Newton, Consul of Canada, 532 Little Building, 80 Boylston Street, Boston 16.

Detroit—J. J. Hurley, Consul of Canada, Canadian Consulate, 1035 Penobscot Building, Detroit 26, Michigan.

Chicago—Edmond Turcotte, Consul-General of Canada, Suite 800, Chicago Daily News Building, 400 West Madison Street.

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

San Francisco—H. A. Scott, Consul-General of Canada, 3rd floor, Kohl Building, 400 Montgomery Street.

Venezuela

Caracas—C. S. Bissett, Canadian Government Trade Commissioner, Canadian Consulate General, 8° Piso, Edificio America, Esquina Veroes. Address for letters: Apartado 3306.
Territory includes Netherlands Antilles.

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 Sept. 17	Nominal Quotations Mar. 6	Nominal Quotations Mar. 14
Argentina	Peso	Off.	·2977	·3275	·3275
		Free	·2085	·1221	·1221
Austria	Schilling	Export	....	·0515	·0515
Australia	Pound	....	3·2240	2·4640	2·4640
Belgium and Belgian Congo	Franc	....	·0228	·0220	·0220
Bolivia	Boliviano	....	·0238	·0262	·0262
British West Indies (Except Jamaica)	Dollar	....	·8396	·6417	·6417
Brazil	Cruzeiro	....	·0544	·0598	·0598
Burma	Rupee	....	·3022	....	....
Ceylon	Rupee	....	·3022	·2310	·2310
Chile	Peso	Off.	·0233	·0183	·0183
Colombia	Peso	....	·5128	·5641	·5641
Costa Rica	Colon	....	·1800	·1980	·1980
Cuba	Peso	....	1·0000	1·1000	1·1000
Czechoslovakia	Koruna	....	·0200	·0220	·0220
Denmark	Krone	....	·2084	·1592	·1592
Dominican Republic	Peso	....	1·0000	1·1000	1·1000
Ecuador	Sucre	....	·0740	·0815	·0815
Egypt	Pound	....	4·1330	3·1587	3·1587
El Salvador	Colon	....	·4000	·4400	·4400
Fiji	Pound	....	3·6306	2·7748	2·7748
Finland	Markka	....	·0062	·0048	·0048
France, Monaco and French North Africa	Franc	Off.	·0037	·0032	·0032
French Empire—African	Franc	....	·0073	·0063	·0063
French Pacific Possessions	Franc	....	·0201	·0174	0174
Germany	Deutsche Mark	....	3000	·2619	2619
Guatemala	Quetzal	....	1·0000	1·1000	1·1000
Haiti	Gourde	....	·2000	·2200	·2200
Honduras	Lempira	....	·5000	·5500	·5500
Hong Kong	Dollar	....	·2519	·1925	·1925
Iceland	Krona	....	·1541	·1178	·1178
India	Rupee	....	·3022	·2310	·2310
Iran	Rial	....	·0212	....	....
Iraq	Dinar	....	4·0300	3·0800	3·0800
Ireland	Pound	....	4·0300	3·0800	3·0800
Israel	Pound	....	3·0000	3·0800	3·0800
Italy	Lira	....	·0017	·0018	·0018
Jamaica	Pound	....	4·0300	3·0800	3·0800
Japan	Yen	....	·0028	....	....
Lebanon	Piastre	....	·4561	....	....
Mexico	Peso	....	·1157	·1273	·1273
Netherlands	Florin	....	·3769	·2895	·2895
Netherlands Antilles	Florin	....	·5308	·5833	5833
New Zealand	Pound	....	4·0150	3·0800	3·0800
Nicaragua	Cordoba	....	·2000	·2200	·2200
Norway	Krone	....	·2015	·1540	·1540
Pakistan	Rupee	....	·3022	·3325	3325
Panama	Balboa	....	1·0000	1·1000	1·1000
Paraguay	Guarani	....	3200	....	....
Peru	Sol	....	·1538	·0715	·0737
Philippines	Peso	....	4975	·5500	·5500
Portugal and Colonies	Escudo	....	·0400	·0385	·0385
Singapore	Straits Dollar	....	·4702	·3593	·3593
Spain and Colonies	Peseta	....	·0916	·1008	·1008
Sweden	Krona	....	·2783	·2126	·2126
Switzerland	Franc	....	·2336	·2558	·2564
Thailand	Baht	....	·1000	....	....
Turkey	Lira	....	·3571	·3911	·3911
Union of South Africa	Pound	....	4·0300	3·0800	3·0800
United Kingdom	Pound	....	4·0300	3·0800	3·0800
United States	Dollar	....	1·0000	1·0000	1·1000
Uruguay	Peso	Controlled	·6583	·7241	·7241
Venezuela	Bolivar	....	·2985	·3289	·3289
Yugoslavia	Dinar	....	·0200	....	....