# FOREIGN TRADE

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## In This Issue



## Regular Features



**COVER SUBJECT**—Suspension bridge supporting pipeline through which petroleum flows from Alberta oilfields to Edmonton. Attention was directed this week to the second stage in its transportation eastwards to the shores of Lake Superior, when a valve was turned that set in motion the flow of crude oil from Edmonton to Regina; distant 450 miles. It is expected that the 1,200-mile pipeline from the Alberta capital to Superior will be in operation with the opening of navigation on the Great Lakes next spring. The project will reduce the drain on the economy of Canada by an estimated $150,000,000 a year, now being spent for foreign crude oil. It is also an essential factor in the preparedness program of Canada. (A summary of the address delivered by the Right Hon. C. D. Howe, in Edmonton, is reproduced on page 570 of this issue of Foreign Trade.)

*National Film Board Photo.*

Price 10 cents

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# Pipeline Across Prairies Produces Big Impact on Canadian Economy

*Minister of Trade and Commerce attends inauguration ceremony in Edmonton—First stage of 1,200-mile transportation system, with outlet on Lake Superior—Project completed ahead of schedule—Essential factor in Canadian preparedness program.*

PETROLEUM and the construction of a pipeline from Edmonton to Regina and thence to the shores of Lake Superior are essential factors in the Canadian preparedness program, the Right Hon. C. D. Howe, Minister of Trade and Commerce, declared last Wednesday in the Alberta capital, where a valve was turned to start the flow of oil to the capital of Saskatchewan, 450 miles away. This venture will reduce the drain on the economy of Canada by at least $150,000,000 a year that is being spent for foreign crude oil. It will also diminish the problem of obtaining petroleum from abroad in time of war, when petroleum is usually difficult to obtain.

Mr. Howe explained that the event at which he was officiating was of the first order, but it was only the initial chapter in the story. "Before many months go by, this pipe line will have been extended to the nearest tip of Lake Superior," he said, "a distance of nearly 1,200 miles. After that, Alberta, rather than the United States, will be the major source of supply for petroleum products consumed in the province of Ontario. This pipe line is not only a new unit in the transportation system of Canada, but its construction is a vivid symbol of the spirit of enterprise that forms a background for our expanding economy."

But for new discoveries of petroleum in the vicinity of Edmonton, the interprovincial pipe line would not have been built, the Minister pointed out, and its construction was an indication of the confidence of the oil industry in the abundant resources of Alberta. Engineering studies on the project were undertaken in the latter part of 1948, including possible maximum through-puts, the effect of varying temperatures on the viscosity of crude, and the pressure drop per mile in pipe of various diameters.

**Canadian Materials Largely Used**

"As Minister of Trade and Commerce, I was interested in obtaining a maximum of materials for the project of Canadian or British origin, as a means of helping with our acute United States dollar problem of that day. To this end, the Interprovincial Pipe Line Company gave its full co-operation. I am happy to say that the pipe line is built of Canadian materials and by Canadian workmanship to the extent that procurement in Canada was found possible.

"The location of the required tonnage of steel resulted in interesting examples of co-operation among steel manufacturers in different countries, and the customers who depend on them for steel. British manufacturers agreed to ship 30,000 to 40,000 tons of plate to Canada, which was not suitable for pipe rolling but satisfactory for other purposes. In exchange for this plate, the Steel Company of Canada agreed to release from its Hamilton plant enough special pipe line steel plate to allow Page-Hersey Tubes Limited to produce a large portion of the required steel pipe. Customers who would otherwise have used that special plate agreed to the slight inconvenience, and were protected against any increased cost by the pipe line company.

"Page-Hersey Tubes Limited built a new rolling mill at Welland, Ont., for making pipe up to 16 inches in diameter, representing an investment of $5,000,000. About 178,000 tons of high-test steel went into the construction of the pipe line. Contractors on the two Canadian divisions have bettered the work schedule of 150 days by more than a week," Mr. Howe continued. "Larger and longer pipe lines have been built, but not in that limited work schedule. The completion of the pipe line in that period makes it the fastest major undertaking of its kind; accomplished despite a national railway strike, floods in Manitoba and difficult spring weather conditions."

**Pipe Line Will Hold 1,800,000 Barrels of Crude**

Six storage tanks at the Edmonton pump station will hold 140,000 barrels each, for an aggregate of 840,000 barrels, while twelve at Superior will hold 150,000 barrels each, for an aggregate of 1,800,000 barrels, and about 1,800,000 barrels of crude will be required to fill the pipe line between Edmonton and Superior. It will take about 25 days for a barrel of oil to move from Edmonton to Superior, travelling at approximately two miles an hour. Land agents negotiated with about 2,500 owners of land to obtain written permission for construction of the pipe line across their fields.

Six pumping stations are still under construction at Edmonton, Alta., Kerrobert and Regina, Sask., Cromer and Gretna, Man., and Clearbrook, Minnesota. These will pump crude oil through the system at a rate of 95,000 barrels daily out of Edmonton and 70,000 barrels daily east of Regina. Deliveries to Superior in summer months will amount to approximately 55,000 barrels per day.

The two largest Canadian tankers on the Great Lakes will start moving crude oil from Superior to Sarnia, Ont., when navigation opens next spring. The *M.V. Imperial Redwater* and *Imperial Leduc,* named for Alberta oilfields from which petroleum is being obtained, are under construction at Port Arthur and Collingwood, Ont., respectively, and will be launched in October and November. Each tanker will be 620 feet long, 68 feet wide and will carry 115,000 barrels of crude.

"I wonder how many Canadians have an appreciation of the present rate of growth of our Canadian economy", Mr. Howe said in conclusion. "Those attending this ceremony will have an appreciation of one gigantic project now nearing completion. Others will understand the impact of the great iron ore and titanium projects now being developed in Northern Quebec. Others are aware of the development of iron ore in Ontario. Those visiting the West Coast will know about the new pulp mills and other spectacular developments in that area. I wish that every Canadian citizen could have my opportunities of travelling about Canada, and thus becoming familiar with the great developments now under way. This is no country for pessimists. Those of us privileged to live in this great land are the most fortunate people on earth."

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**Spain Holds Trade Talks with France**

Madrid, September 9, 1950.—(FTS)—The Spanish bulletin *Información Comercial Española* (Spanish Commercial Information) writes that in San Sebastian trade talks have begun between the French delegation and the Director of the economic services of the Spanish Ministry of Foreign Affairs.

# Canadian Exports to Asia Lower But Value of Imports Higher

*Substantial decline in shipments to India largely responsible for overall drop—Exports to Ceylon and Japan showed big improvement in first seven months of 1950—Canadian purchases from Ceylon, India, Japan and the Philippines larger.*

**By C. R. Gallow, Area Trade Officer for Asia**

CANADIAN trade with Ceylon, China, Hong Kong, India, Indonesia, Japan, Malaya, Pakistan and the Philippines declined in the aggregate during the first seven months of the current calendar year, though the total purchases by Canada from these countries were higher than in the corresponding period of 1949. Canadian exports were valued at $60,479,000 in the period under review, compared with $91,968,000 in the first seven months of 1949. Canadian imports, on the other hand, were valued at $60,423,000 this year, as against $43,511,000 in the first seven months of last year. A substantial decrease in the value of Canadian shipments to India was largely responsible for the overall drop, though sales to China and Pakistan were also smaller. On the other hand, there was a material increase in the value of Canadian exports to Ceylon and Japan. Canadian imports from India were substantially higher, as were purchases from Ceylon, Japan and the Philippines.

**Canadian Trade with Principal Countries in Asia**

| | (January-July) Exports | | Imports | |
|---|---|---|---|---|
| | 1950 | 1949 | 1950 | 1949 |
| Ceylon | $ 3,985,000 | $ 1,555,000 | $10,101,000 | $ 7,108,000 |
| China | 1,635,000 | 8,662,000 | 3,786,000 | 2,227,000 |
| Hong Kong | 4,291,000 | 4,886,000 | 1,161,000 | 1,219,000 |
| India | 17,444,000 | 50,228,000 | 23,632,000 | 16,030,000 |
| Indonesia | 2,095,000 | 3,065,000 | 338,000 | 1,020,000 |
| Japan | 14,007,000 | 2,809,000 | 6,232,000 | 2,229,000 |
| Malaya | 2,832,000 | 3,447,000 | 10,600,000 | 11,388,000 |
| Pakistan | 7,291,000 | 10,407,000 | 1,023,000 | 837,000 |
| Philippines | 6,899,000 | 6,909,000 | 3,550,000 | 1,453,000 |
| Total | $60,479,000 | $91,968,000 | $60,423,000 | $43,511,000 |

Canada is expected to assume increasing importance as a source of supply for essential raw materials required by Japan, and particularly for the rehabilitation of Korea. On the other hand, the market for Canadian flour in Ceylon is less certain, and the market for non-essential consumer goods in Hong Kong is fading.

### Ceylon

Flour shipments account for most of the increase in Canadian exports to Ceylon, whereas there was a decline in the value of other commodities normally shipped to that country. As flour shipments are unlikely to be maintained at the same level, the improvement in exports is not expected to continue. Non-edible coconut oil appeared on the list of imports for the first time since the Second World War.

### China

The decline in Canadian exports to China was due largely to the smaller purchases of wheat and flour by that country, though shipments

of newsprint and paper products and structural steel were also lower. The increase in imports from China is attributed largely to peanuts and walnuts, though there was an improvement in the value of undressed furs and skins and fireworks purchased by Canada. It would appear that the government was assuming increasing control of foreign trade. Although there is evidence of interest in Canadian products, there is no clear indication of the government policy concerning dollar imports. It is logical to expect an increase in imports of essentials.

### Hong Kong

Fresh apples have disappeared from the list of Canadian exports to Hong Kong, while declines are noted in the value of oatmeal and rolled oats, gas engines and parts, aluminum foil and fountain pens purchased from Canada. There are increases in Canadian exports to Hong Kong of flour, whisky, tires, dry salted herring, whole milk powder, steel, motor cars, fertilizers, drugs and chemicals. The lifting of the blockade on Shanghai and Canton will revive the Hong Kong market. It is expected that essential commodities will continue in good demand in China, but that non-essential consumer goods will no longer find a market there.

### India

The decrease in Canadian exports to India is due to a decline in the shipments of wheat and railway equipment, though there has been a drop in the exports of practically all commodities previously sold to India, while some have disappeared from the list. There have been small increases in the shipment to that country of metal-working machinery, synthetic resins and electrical apparatus. The rise in Canadian imports from India is reflected in the major items, such as nuts, tea, pepper, jute, jute butts and wool. Exports of jute fabrics declined, however, due to the fact that the raw material was not available from Pakistan in normal quantities.

Due to some relaxation in the Indian import controls and an improvement in the dollar position of that country, Canadian exports should improve during the second half of 1950 in such lines as drugs, medicines, machinery, non-ferrous metals, wood pulp, newsprint, chemicals, milk powder, infant milk foods, mercury, fire bricks, sewing needles, electro-medical apparatus, scientific and surgical instruments, though it is unlikely that the record export total achieved in 1949 will be equalled.

### Indonesia

The decrease in Canadian exports to Indonesia was reflected in all the items normally shipped to that area, though mainly in linseed oil, flaxseed oil and tires. There was an increase in the exports of trucks and fertilizers. The substantial decrease in the value of Canadian imports from Indonesia is due mainly to the disappearance of non-edible coconut oil from the list. It is anticipated that there will be a revival in the export trade of this country, which should open the way for some improvement in the value of Canadian exports, though these will likely be limited to capital goods and essentials. Interest in the purchase of Canadian newsprint has already been indicated.

### Japan

Two-thirds of the increase in Canadian exports to Japan during the period under review consist of wheat, though there were larger shipments of sugar and whisky. Textiles, toys, jewellery and miscellaneous manufactures accounted largely for the increase in Canadian imports from Japan. An increase in Canadian exports of coal, linseed and rayon pulp

is possible, though this movement will likely be confined to a private barter basis.

**Malaya**

Canadian exports to the Federation of Malaya and Singapore of fresh apples, linseed and flaxseed oil, tires, milk products, newsprint, iron pipe and fittings declined during the period under review, whereas there was an increase in Canadian shipments to that territory of flour, soups and typewriters. There was a slight decline in Canadian imports from Malaya, consisting of tin, crude rubber and wrought scrap, though there was an improvement in the shipments to Canada of pineapple. There is some prospect of flour shipments increasing towards the end of this year or early next year, with the trade once more in the hands of private merchants. The Hong Kong market provides a channel through which small quantities of goods of a luxury character reach Singapore.

**Pakistan**

There has been a decline in Canadian exports to Pakistan during the first seven months of this year, though some increases are noted in shipments of railroad ties, trucks and gas engines and parts. The increase in Canadian imports is due to larger purchases of jute, jute butts and wool. The relaxation in dollar import controls was largely offset by a new agreement with the sterling pool, whereby imports from the dollar area in the fiscal year ending June 30, 1951, are restricted to 75 per cent of such imports during the preceding fiscal year. Some improvement may occur in Canadian exports to Pakistan of paper, second-hand clothing, automobile parts and electro-medical apparatus, for which licences are automatically and freely granted. Machinery and chemicals have been placed on open general licence for importation from dollar sources.

**Philippines**

Canadian exports to the Philippines were approximately the same during the first seven months of this year, as in the corresponding period last year. Flour shipments were doubled, while exports of malt and needles increased. On the other hand, there were declines in the movement of newsprint, plywood, machinery and parts, radios and fertilizers. The rise in Canadian imports from the Philippines was due to an improvement in the offtake of copra, desiccated coconut and manila fibre. Severe effects of new import controls may not be reflected in the total trade with Canada, because of recent heavy purchases of flour, which counter-balance sharp declines in the purchase of most other items. Effects of the import controls may be modified if the economic position of the Philippines is strengthened as a result of current developments in the Far East.

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**Large Continuous Brass Strip Mill Completed in New England States**

Boston, September 8, 1950.—(FTS)—Waterbury, Connecticut, "the Brass City", now boasts of what is probably the world's largest and most modern continuous brass strip mill. Only recently completed, the $10,000,000 mill processes the heaviest cold-rolled nonweld brass coils in commercial use. Its operations start with a flat-metal continuous casting unit which turns out huge slabs of brass weighing more than a ton apiece. All operations are automatic, with pushbutton controls. The end product, rolls of sheet brass, is fabricated by many manufacturers into thousands of products for the electrical, automotive, refrigeration, rubber, radio, clock, and ammunition industries.

# Italy Offers Potential Market For Rags and Waste from Canada

*Imports, totalling about $7,600,000 in 1949, used in the production of shoddy—Applications for import and exchange permits for rags from Canada to be given equal consideration as those from the United States, the principal source of supply.*

**By R. G. C. Smith, Commercial Secretary for Canada**

ROME, September 14, 1950.—Italy is a large consumer of rags and waste which are imported for the production of shoddy. The industry, which has existed for over two hundred years, is an important section of Italy's versatile textile industry. Its production, however, is almost totally exported, as there is little demand in Italy for these cheap and relatively low quality cloths—although there are sections of Italy where standards of living are low, the "bella figura" characteristic of the Italian market probably accounts as much as any other factor for the lack of local demand. The high standard of living in the United States accounts for the higher quality rags available, when compared with Europe generally, and particularly with Italy, where clothing is worn to the ultimate possibility. Thus the industry is largely based on imports from the United States, in spite of the necessity to use dollars.

Until comparatively recently, imports of rags were paid for by ECA dollars. As from this summer, however, it has been decided to pay for rag imports with non-ECA dollars, which have been made available in liberal amounts to meet requirements. It has also been decided that all applications for import and exchange permits for rags from Canada will be given equal consideration as applications for United States rags. Thus an opening has been made for Canada to participate in an import trade in rags which, in 1949, was valued at about $7,600,000, of which about $5,000,000 were supplied from the dollar area.

The trade is interested in offers from Canada and firms who have not yet established connections should communicate with the Commercial Secretary at the Canadian Embassy in Rome for suggestions as to suitable agents.

**Italian Imports of Rags**

| | 1948 | 1949 | First five months 1950 | 1949 |
|---|---|---|---|---|
| | | (Metric tons) | | |
| Vegetable (mostly cotton) | 2,362 | 6,391 | 9,322 | 2,272 |
| United States | 1,659 | 2,959 | 877 | 1,270 |
| France | 237 | 1,292 | 1,202 | 223 |
| Animal (mostly woollen) | 11,272 | 22,263 | 8,013 | 11,786 |
| United States | 7,586 | 15,158 | 3,040 | 8,431 |
| Netherlands | 670 | 2,215 | 219 | 1,311 |
| France | 1,205 | 1,947 | 1,836 | 894 |
| Belgium, Luxembourg | 101 | 1,070 | 1,134 | 463 |
| Mixed | 2,889 | 8,341 | 6,648 | 3,013 |
| Sweden | 979 | 3,692 | 2,664 | 1,987 |
| United States | 1,123 | 3,545 | 1,383 | 690 |
| Total, all rags | 16,524 | 36,995 | 23,983 | 17,072 |
| United States | 10,368 | 21,662 | 5,300 | 10,391 |
| Sweden | 991 | 4,303 | 2,861 | 2,096 |
| France | 1,516 | 3,350 | 3,412 | 1,143 |
| Netherlands | 693 | 2,321 | 347 | 1,337 |
| Belgium, Luxembourg | 208 | 1,292 | 1,280 | 624 |
| Wool waste | 3,346 | 4,265 | 1,829 | 2,495 |
| United Kingdom | 1,748 | 1,544 | 614 | 1,085 |
| Belgium, Luxembourg | 34 | 974 | 275 | 462 |
| Australia | 1,350 | 973 | 406 | 654 |
| France | 11 | 514 | 284 | 189 |

While total imports of rags so far this year have shown some considerable increase, imports from the United States have fallen severely, particularly in woollen rags, which are of principal interest to the United States. This trend is, perhaps, a reflection of the generally increasing standard of living achieved by Europe in the postwar period, and also underlines the depressed state of the woollen rag industry in Italy, so that cheaper European rags, if inferior in quality, find a more ready acceptance.

**Woollen Rag Industry Facing Crisis**

Most of the production of woollen shoddy is exported to the Far East (India and Pakistan, although China used to be a good market) and to Africa, and since these markets have been unsettled, the Italian woollen rag industry is in a state of depression. While no statistics are available, it is probable that the industry is only operating at half capacity.

It is not possible to divide precisely the exports of shoddy from the exports of virgin wool textiles and blankets. By looking at the export figures to India, Pakistan and South Africa, however, some approximation of the trend in exports can be obtained:

| | 1948 | 1949 | 1950 | 1949 First five months |
|---|---|---|---|---|
| | (Metric tons) | | | |
| Exports of woollen textiles to: | | | | |
| India | 1,928 | 2,283 | 35 | 540 |
| Pakistan | .... | 743 | .... | .... |
| Union of South Africa | 454 | 97 | .... | .... |
| Exports of mixed woollen textiles to: | | | | |
| India | 76 | 41 | .... | 26 |
| Pakistan | .... | 8 | .... | .... |
| British African Colonies | .... | .... | 103 | .... |
| Union of South Africa | 41 | 112 | 35 | 91 |
| Exports of woollen blankets to: | | | | |
| British Malaya | 25 | 28 | .... | 20 |
| Pakistan | 68 | 393 | .... | 41 |
| India | .... | 464 | .... | 218 |
| British African Colonies | .... | .... | 33 | .... |
| Union of South Africa | 20 | 41 | 24 | 38 |

The foregoing table shows the extent to which Italy's exports of shoddy have fallen off during the first half of 1950, the fall in both textiles and blankets to India and Pakistan being particularly noticeable.

**Industry Centred at Prato and Biella**

The rag manufacturing industry is largely grouped at Prato, near Florence, whereas the manufacture of better class shoddy from waste or new clips is more particularly centred at Biella, near Milan, in the North. The town of Prato, with a population of between 70,000 and 80,000, is devoted entirely to the rag industry in its various stages. No precise statistics are available, but it is estimated that some 23,000 workers are employed in one branch or another of the industry. There are, perhaps, some five or six large manufacturers combining the whole process from rags to textiles, and some 200 to 300 firms, ranging from small family organizations doing one operation, to larger weavers, spinners or dyers. Most of the imports of cotton waste are used principally in the cotton and rayon industries around Milan and Como.

The majority of rags are sold by agents, who sell for direct importation to the converters of rags. However, as there are a great many small operators who cannot afford to import in sufficient quantities at any one time, there are also firms who may be called wholesale importers of rags. In some cases these wholesalers are also agents selling the larger consumers on a straight commission basis, usually about three per cent.

Letters of credit are the usual terms, but unknown firms may have to accept 70 or 80 per cent letter of credit, balance on arrival. No certificate of disinfection is required by Italian regulations from imports from the United States or Canada.

**Light Colours Principally Required**

Dark coloured rags are not much in demand for imports, as these form the bulk of rags available in Italy. In fact, in dark colours Italy is frequently in a position to export. Thus, in 1948, exports of wool rags were made to the United States amounting to 126 metric tons, and in 1949 there were some exports to the United Kingdom. In addition there is a fairly substantial export of mixed woollen rags, amounting to 5,446 tons in 1948 and 4,292 tons last year, mostly to Germany. The majority of these exports would be dark coloured rags.

It is difficult to detail import requirements, but it may be said that there is some demand for all types of rags, waste and new clips. In general, from the United States, imports are graded as to type and colour, but there is also some substantial importation of ungraded rags. Probably a rough order of priority for imports would be: Worsteds; merinos and flannels; knits; wool waste; new clips. The majority of imports from the United States are worsteds and merinos, both skirted and unskirted.

Grouped with the rag trade, there is also an important sideline in remnants, fur clips and used clothing. The remnants and used clothing are not broken up into rags, but are re-sold as such, and have a good outlet in Italy. Imports from the United States in these types are in strong demand, because of the excellent grading and relatively high quality of both remnants and used clothing. Canadian firms dealing in such items should also communicate with the Embassy at Rome.

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**India to Reduce Export Duty on Black Pepper**

Bombay, September 22, 1950.—(FTS)—The Government of India has decided to exempt black pepper from so much of the export duty leviable on it, as exceeds Rs.120/-. (Canadian $27.90) per cwt. (112 pounds). India has almost reached the position of world pepper supplier. Exports for first quarter of 1950 amounted to 74,132 cwts., nearly double the previous quarter's exports of 37,650 cwts. The United States share of the former total was 35,041 cwts.

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**Detroit Industries to be Aided by Bank Wire**

Detroit, September 25, 1950.—(FTS)—Three Detroit banks, the Detroit Bank, Manufacturers' National Bank and National Bank of Detroit, are participating in a new nation-wide private wire system which will connect 180 banks in 54 important cities in the United States. The banks involved have aggregate bank resources exceeding 106 billion dollars.

The "Bank Wire" will be the largest and most modern communication system of its kind in the world, according to Western Union Telegraph Company, which engineered and developed it. It will open November 1 with 142 banks in 36 cities, the remaining 46 banks in 18 cities "cutting in" not later than December 4. The confidential nature essential in all bank transactions will be fully preserved, each bank receiving only its own messages without having access to the messages of others.

# Trade Notes from Ireland

**Irish Bogs Have Been Exploited**

Dublin, September 15, 1950—(FTS)—One of Ireland's most striking features are the boglands, and during recent years they have been vigorously exploited by the Turf Development Board. Machine-won fuel and many useful by-products, such as peat moss, have become an important item in the country's economy. The worked-out bogs present a problem, and various experiments have been carried out in methods of utilizing them for afforestation or pasture. The use of modern cultivators drawn by tractors has demonstrated that such land can be adapted for the growth of crops.

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**Ireland Exports Aluminum Conductors to South Africa**

Dublin, September 15, 1950—(FTS)—A Dublin factory, Aberdare Electric Co. Ltd., has obtained a substantial order for the supply of aluminum conductors to South Africa. It is the first time that a product of this nature, completely manufactured in Ireland, has been exported. Until this firm opened their 50,000 sq. ft. factory near Dublin early in 1949 all such conductors were imported to Ireland. The firm now draws and manufactures wire, including cables, overhead electric conductors, and telephone wires, as well as transformers, motors, switchgear and meters. One of the principal raw materials for these manufactures, aluminum rod, is imported from Canada. The firm is, of course, assured of a steady market for its output at home in supplying the needs of the Electricity Supply Board, which is extending its services throughout Ireland, and slowly overtaking a strong demand for electric power.

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**United States Tourist Traffic to Ireland Doubled**

Dublin, September 15, 1950—(FTS)—More than twice as many United States tourists came to Ireland this year as last year, and this increase has helped to offset the 30,000 Irish citizens who are spending their holidays in Rome this year. The devaluation of the pound has reduced, to some extent, the benefit which Ireland would have reaped from this increased dollar traffic, since the American tourist is now paying approximately £70 for services that cost £100 last year.

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**Irish Cattle Exports Creating New Records**

Dublin, September 15, 1950.—(FTS)—Exports of Irish fat cattle to Britain in the first week of September, 1950, were approximately 100 per cent higher than in the same week in 1949. Exports of frozen lamb are also creating new records, and it is expected that shipments of fresh meat will commence in the autumn. The British Ministry of Food also purchases Irish pressed beef.

Cattle shipments from Ireland are almost back to pre-war levels, and the ports of Dublin, Waterford, Cork and Galway are having difficulty in accommodating the numbers being shipped. The total exports of beef cattle this year are expected to be 30 per cent above last year's figure. Germany is also a purchaser of Irish cattle, and has recently placed an order for 6,000 head.

# Tea Shipments from Ceylon Continue To Represent Main Export Item

*Sales abroad amounted to 63 per cent of all exports in 1948 as compared with 68 per cent in 1947 and 65 per cent in 1938—Shipments in 1948, totalling 296 million pounds, valued at over 590·25 million rupees, were the highest on record, both in volume and value.*

(Editor's Note—This is the fourth in a series of articles on political and economic conditions in Ceylon, reproduced from the 1949 Annual Report of that Dominion. An office of the Canadian Trade Commissioner Service will be established in Colombo next December.)

TEA is Ceylon's premier export and contributed as much as 63 per cent to the total value of all exports from Ceylon in 1948 as compared with 68 per cent in 1947 and 65 per cent in 1938. Exports in 1948 totalled 296 million lbs., valued at over 590¼ million rupees and were the highest on record, both in volume and value. Price of all grades averaged 199 cents f.o.b. in 1948 as against 197 cents in 1947 and 73 cents in 1938.

During the war years Ceylon's entire exportable surplus was sold under contract to the British Ministry of Food, but in 1947 the United Kingdom bought 92 million lbs. of Ceylon tea under a voluntary tender system. Similarly in 1948, the United Kingdom bought 98 million lbs. by tender, paying 2d more per lb over the 1947 prices. The Colombo auctions, which resumed in 1947, continued throughout 1948 and consumer countries bought about 60 per cent of the exportable tea through the Colombo auctions.

The United Kingdom remained the principal market, taking a little over one-third of the total exports, as against 37·4 per cent in 1947. Shipments to the United States in 1948 were more than double those of the preceding year, accounting for 14⅛ per cent of the total exports in 1948. Other principal markets in 1948 were Australia, 12·2 per cent; Canada, 5·4 per cent; Egypt, 8·9 per cent; South Africa, 6·1 per cent; New Zealand, 3·6 per cent; Iraq, 2·9 per cent; Holland, 2·6 per cent; and Argentina, 1·3 per cent.

At the beginning of 1947, it was decided by the Ceylon Government to rescind all regulations restricting free trade in tea. The arrangements whereby the British Ministry of Food purchased the entire exportable surplus of Ceylon tea also came to an end. Thus, on January 20, 1947, the auctions were resumed after a lapse of over four years.

The British Ministry of Food, however, preferred to purchase their requirements of 150 million pounds of tea for 1947 under a contract with producers, and the Tea Commission was instructed to call for tenders for this quantity. The response was not satisfactory, as only 94½ million pounds of tea were offered by the estates.

In 1948, offers were again invited for the supply of 150 million pounds of tea to the British Ministry of Food. The response was again disappointing, as only 97½ million pounds were offered.

The following is a comparative table of production and exports:—

**Production and Exports of Tea**

| | Production Lbs. | Exports Lbs. |
|---|---|---|
| 1947 | 298,526,000 | 287,259,020 |
| 1948 | 298,791,368 | 296,000,174 |

Tea propaganda campaigns are directed and controlled by the International Tea Market Expansion Board, London, through the various overseas bureaus.



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**Steady Progress Made by Tea Bureau in Great Britain**

In the United Kingdom, the bureau has made steady progress in all branches of its work. In the industrial sphere, priority has continued to be given to advisory services for the introduction and maintenance of efficient and economical tea services to factory workers in the whole field of industry. The bureau's inspection and advisory staff have continued to be increasingly active in helping to improve tea services in the general catering sphere. Their activities included, in the field of travel, inspection of tea services in railway refreshment rooms, buffets and restaurant cars, tea-making guidance in the restaurant field to a large number of

**Ceylon—Plucking tea, which represents more than sixty per cent of the exports from Ceylon. Shipments in 1948 totalled 296,000,000 pounds, valued at 590,250,000 rupees, the highest figure on record.**

**India—Young tea shoots and a bud in India, which is the world's largest producer of tea.**

firms, and direct assistance in the outdoor catering field, in co-operation with the caterers concerned at numerous outdoor functions of importance. In the sphere of information, the Tea Centre, in London, continued to be popular, both with the tea trade and with the public, and played an increasingly useful role in the bureau's relations with the trade.

Work on lines similar to those described above has been pursued by bureaus established in United States, Canada, Australia, New Zealand, Africa, Holland, Switzerland and Belgium, and satisfactory progress has been recorded in all fields of their activities.

**Attempts to Increase Local Tea Consumption Continued**

The board's activities for the increase of tea consumption in Ceylon were continued through propaganda caravan units, free tea service in schools, house visits in the Jaffna Peninsula; tea cars in R.A.F. camps; railway and resthouse inspection; general publicity and a tea kiosk on the passenger jetty.

The caravan units were popular in the island, which is divided into five operational areas with headquarters in Colombo. Besides attending to the normal duties of conducting propaganda by tea-brewing demonstration and talks, and recording a census of tea stocks held by retail dealers, the units also attend large functions, field days, exhibitions, sports meets and conferences, where suitable opportunities present themselves for transmitting the message of tea to people of different classes and interests.

With the co-operation of railway authorities, an inspector travelled on all lines of the railway to ensure that the railway travelling public received a good cup of tea in the compartments as well as on the platforms.

# Canada Now Leading Supply Source of Wheat and Grain for the Philippines

*United States displaced in first six months of this year as large decline recorded in purchases—Imports from Canada, consisting mainly of wheat flour and malt, increased 60.8 per cent over purchases during the first half of 1949—Grain imports from all other countries reduced.*

**By W. D. Wallace, Assistant Canadian Government Trade Commissioner**

(One peso equals $0.55 Canadian)

MANILA, September 16, 1950—Canada moved into first position as the Philippines' principal source of supply for wheat and other grains during the first half of the current calendar year, displacing the United States. Imports of these products from Australia, Denmark, Germany and Malaya also registered gains, while imports from all other countries shipping grain products to the Philippines recorded declines. Total imports of grains and products for the first six months of 1950 were valued at 30·9 million pesos as compared with 54·4 million pesos in the corresponding period of 1949, a decline of 43·2 per cent.

Of the total value of imports, Canada supplied 15·6 million pesos or 50·6 per cent as compared with 9·7 million pesos or 31·4 per cent of the total for the first half of 1949, a gain of 60·8 per cent. The imports from Canada consisted principally of wheat flour and malt. Imports from Australia for the January-June period of this year amounted to 469,040 pesos as compared with 50,126 pesos in the like period of 1949. Receipts from Denmark increased from 97,182 pesos to 146,630 pesos and from Malaya from 3,800 pesos to 33,310 pesos for the first half of 1950. Imports from Germany were valued at 84,326 pesos as against none in the first half of 1949.

The largest decline in imports of grains and grain products was recorded in shipments from the United States which were valued at 13·1 million pesos as compared with 31 million pesos in the first half of 1949, a decrease of 18 million pesos or 58 per cent. Imports from Thailand declined from 9·6 million pesos to 1·2 million pesos or 87·5 per cent during the first half of 1950, while shipments from China decreased from 605,000 pesos to 173,000 pesos, and from Hong Kong from 107,000 pesos to 45,000 pesos. No imports of grain products were registered from Burma during the first six months of 1950 while in the corresponding period of 1949 shipments from Burma amounted to 3·1 million pesos.

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**Netherlands Factory to Produce Nylon Type Fibre and Yarn**

The Hague, September 22, 1950.—(FTS)—The incorporation of the Enkalon Company of Arnhem, potential producers of "Enkalon" (nylon) fibres, yarns and products under Dupont processing patents, has been announced. The "A.K.U." (General Rayon Union) of Arnhem will partly finance the new undertaking and also manage it.

A plant is to be established at Emmen in the province of Drenthe for the manufacture of "Enkalon" yarns and fibres to replace imported nylon type yarns and fibres and also for export.

It is expected that the plant will be in operation in 1952 and employ between 500 and 1,000 workers. The machinery will be purchased abroad, mainly from the United States.

# Brazilian Petroleum Imports Put Heavy Drain on Dollar Reserves

*Steps taken to solve this problem by the purchase of tankers, construction of new refineries and increased exploration activities—Petroleum declared a public utility in 1938—One-third of country's area thought to have possibilities for oil.*

**By C. J. Van Tighem, Canadian Government Trade Commissioner**

(Editor's Note—This is the first of two articles on the Brazilian petroleum industry.)

SAO PAULO, September 1, 1950.—Petroleum presents Brazil with a serious problem, as the large imports of petroleum products impose a heavy drain on dollar reserves in this country. Steps have been taken to improve this situation, such as the purchase of tankers, the construction of new refineries, the development of bituminous shales, the construction of a pipe line from Santos to Sáo Paulo, and exploration activities. Another measure, designed to reduce the dependence of Brazil on imported gasoline and in effect since 1931, requires importers to mix gasoline with alcohol before its sale to the public. The percentage of alcohol depends on the availability of petroleum and the price of sugar, but it rose to 75 per cent during the Second World War.

Commercial oil was first discovered in Brazil in 1939, in the vicinity of Lobato, in the state of Bahia. Four other fields, Candeias, Aratu, Itaparica and Dom Joao, all situated on the Bay of Todos os Santos have since been discovered. The reserves established in these fields, though small, justified the installation of a small topping plant (150 tons), products of which are used in the vicinity. Although most of the wells have been drilled in the Candeias field, and consequently it is here that most of the productive capacity is concentrated, much hope is felt for the Dom Joao field, discovered in 1947, which produces lighter oil than the other areas, and from depths of less than 1,000 feet.

Total reserves in the Bahia fields are estimated at approximately 18 million barrels of oil and 43 billion cubic feet of gas. Total daily potential has been estimated at 10,000 barrels, but this is based on full flow of all wells without regard to efficient production methods and without taking into consideration the high paraffin content of the crude which would necessitate frequent workovers. The actual potential is probably in the neighbourhood of 4,000-5,000 barrels per day. Production in 1947 amounted to 13,000 tons, and in 1948 to 19,000 tons. As a basis of comparison, it is of interest to note that Canadian production in these two years was 989,000 tons and 1,556,000 tons respectively, while total world production was 389,000,000 tons and 440,000,000 tons.

### Country Has Abundant Oil Possibilities

Although experts believe that at least one-third of the country's vast area has possibilities for oil, only an infinitesimal part of the likely areas have been explored as yet. One of the principal factors contributing to this is the prohibition which exists against foreign capital participating in any way in either the production or refining of petroleum. Decree Law No. 395 of April 29, 1938, declared the supplying of petroleum to be a

public utility. Supplying is defined by the decree law as including production, importation, transportation, distribution and commerce of crude petroleum and its derivatives, as well as the refining of petroleum whether imported or national. The federal government is given exclusive power to authorize such activities. The refining of petroleum is to be confined exclusively to Brazilian controlled organizations. The decree also authorized the creation of a National Petroleum Council which is the government agency which operates Brazil's oil business.

Since the creation of the National Petroleum Council in 1938, geological and geophysical work as well as some aerial mapping in outlying areas has been carried on. These operations are being gradually intensified and supplemented by the drilling of stratigraphic tests and the correlation of the various wells by electrical logging profiles. Geophysical work includes the operation of both seismograph and gravity meter equipment. While the work is under the supervision of the National Petroleum Council, many of the actual operations are being done by United States geophysical companies under contract to the Council. Similar work is being carried out by Brazilian engineers and geologists working out of regional offices established in the states of Para, Maranhao, Sergipe, Bahia and Parana. Most of this activity has been centred recently on the island of Marajo (state of Para) and in the central part of the state of Sergipe. Similar work has already been done at Reconcavo and in the region of Ponta Grossa in the state of Parana.

**First Test Well in Amazon Basin Being Drilled**

A recent announcement in the local press by the president of the National Petroleum Council advises that drilling of the first test well in the Amazon basin commenced on July 18 at Limoeira, in the state of Para. Limoeira is at the mouth of the Tocantins river, approximately 75 miles southwest of Belem. The well is being drilled by a United States firm, the Drilling and Exploration Company, which will use new rotary equipment acquired by the National Petroleum Council, capable of drilling to a depth of 14,000 ft. It is stated that other wells will be drilled in the near future.

However, in spite of the work carried out by the National Petroleum Council, in view of the importance of the product in the Brazilian economy, it is felt in some circles that sufficient progress is not being made. It is pointed out that the two principal requirements for petroleum development i.e. capital investments on a large scale and technical experience and know-how, cannot be met by a government corporation and it is suggested that foreign companies should be permitted to enter the field as has been done in Venezuela and Canada. Up to the present time, however, no change has been made in the Brazilian laws and foreign companies are still excluded from the field of exploration and refining.

**Petroleum Products Second Most Important Import**

Reference has been made to the importance of petroleum in the Brazilian economy. For many years, imports of petroleum products have ranked second in importance, following closely after imports of wheat and flour. In 1949 the value of imported gasoline, fuel and diesel oil, refined lubricating oils and kerosene totalled 2,090,632,000 cruzeiros, representing as such slightly more than 10 per cent of the total value of all imports. On a volume basis, these imports were even more important, accounting for 3,518,815 tons, out of a total of 7,179,149 tons, i.e. approximately 49 per cent of the total imports by volume.

**Petroleum Consumption Greatly Increased**

Consumption has been increasing rapidly, outstripping percentagewise both coal and electricity the other two principal sources of energy. This is seen from the following comparative table:

| | 1938 | 1949 | Percentage increase |
|---|---|---|---|
| Coal, in tons | 1,886,000 | 2,901,000 | 59 |
| Petroleum, in tons | 1,252,000 | 4,421,000 | 253 |
| Electricity in k.w.h. | 974,164,000 | 2,710,644,000 | 178 |

It is noted that the consumption of petroleum products increased by 253 per cent during the period in question. It is anticipated that this trend will be continued in the future due to the ever increasing number of cars and trucks in operation (395,405 in 1949 as compared with 175,812 in 1939), the substitution of Diesel railway engines for coal burning engines, and the mechanization of agriculture.

**Brazilian Consumption of Petroleum Products**

(In thousands of barrels)

| | |
|---|---|
| 1938 | 8,941 |
| 1939 | 10,384 |
| 1940 | 10,599 |
| 1948 | 27,740 |
| 1949 | 31,575 |

**Consumption of Petroleum Products**

| | 1938 | 1949 | Percentage increase |
|---|---|---|---|
| | (In thousands of barrels) | | |
| Gasoline and solvents | 3,298 | 11,484 | 248 |
| Kerosene | 896 | 1,729 | 93 |
| Aviation gasoline | 97 | 1,206 | 1,140 |
| Brazil oil | 783 | 3,630 | 363 |
| Fuel and diesel oil | 3,515 | 12,284 | 247 |
| Other products | 352 | 1,242 | 250 |
| Total | 8,941 | 31,575 | 253 |

It has been noted that petroleum ranked second in importance in value in so far as imports are concerned. An idea of the relative importance of these imports is gained when it is realized that of all exports from Brazil, the value of only one product, coffee, exceeded the value of the imported petroleum products. Exports of cotton, the second most important export item, just about equalled their value. If the next most important export items, cocoa, hides and skins and pine are considered together, their combined total is just sufficient to pay for the petroleum imported. However, even more important from the point of view of the Brazilian economy is the fact that practically all purchases of petroleum products are made from the dollar area, while of the five principal export products mentioned above, and which accounted for 83 per cent of total exports in 1949, only coffee and cocoa are sold principally in the dollar area.

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**Pakistan Council to Advise on Foreign Trade Policies**

Karachi, September 16, 1950.—(FTS)—A council, established to associate the business community with the formulation of Pakistan's trade policies, met for the first time in Karachi on September 13, with the Minister of Commerce in the chair. The council is to advise the government on export and import policies, and extension of foreign trade. At present there are 29 recognized Chambers of Commerce and Trade Associations, and each one of them will be represented in the council. It is hoped that the council may in time develop into a corporate body with wide executive authority independent of government.



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# Canadian Equipment May be Purchased for New Railroad Station in Mexico City

*Modern edifice being erected in place of "Buena Vista" station at an estimated cost of $25,000,000—Railway marshalling yards will be moved to suburb of Tlalnepantla—High percentage of equipment for new terminal will be imported.*

**By W. J. Millyard, Acting Commercial Secretary for Canada**

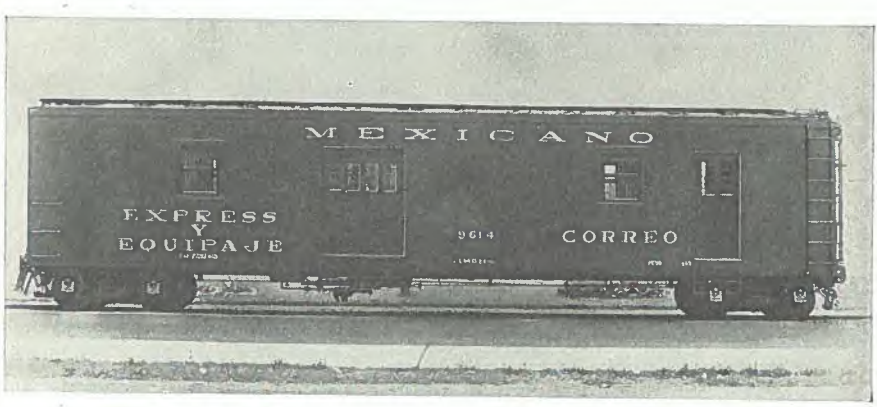
MEXICO CITY, September 26, 1950.—Equipment required for the construction of a new railroad station in the heart of Mexico City, much of which might be supplied by Canadian firms, is now being ordered by the Mexican National Railways. The old "Buena Vista" station is being demolished, and it is proposed to erect in its place a modern edifice that will compare favourably with anything of a similar character in America or Europe. The project is expected to take three years, and the estimated cost is $25,000,000.

The railway marshalling yards, now adjacent to the old station, are to be moved out to the growing industrial suburb of Tlalnepantla, situated along the main line to Laredo, Texas. There, in addition to new yards, control towers and switch systems will be constructed about six miles of unloading platforms and warehouses. Spur lines at present serving factories in Mexico City will be largely eliminated, and individual companies will rent warehouse space from the National Railways and bring the merchandise in by truck to the capital. To construct the new yards and warehouses, another $20,000,000 will be required.. Already the necessary land in the Tlalnepantla area has been expropriated and the owners compensated at a fixed rate.

The National Railways of Mexico have been in serious financial difficulties for a number of years and have depended heavily on loans from the United States. The major portion of this project, however, will be financed from income received from the sale of land, including those where the present yards now stand, which are very valuable, and from special taxes imposed on property owners between Mexico and Tlalnepantla, whose land holdings will be greatly increased in value as a result of the new development.

Since a high percentage of the equipment used in building a modern terminal is not made in Mexico, it will have to be imported; possibly from

**Mexico—Modified box car for the transportation of mail and express on the National Railways of Mexico, built in Hamilton, Ont., by the National Steel Corporation.**



Canada. On the other hand, it is expected that part of the financing will have to come from a recent $150,000,000 loan from the Export-Import Bank of New York, purchases with which have to be made in the United States. However, a sufficiently large volume of foreign equipment will be purchased from domestic funds as to be of interest to Canadian firms. Those wishing to submit offers should communicate either with their local agents or, in the event that they are not represented, with the Commercial Secretary for Canada in Mexico City.

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# Trade Notes From Cuba

**Cuba and Italy Sign New Treaty**

Havana, September 15, 1950.—(FTS)—Cuba and Italy have signed a new trade, navigation and friendship treaty, extending for another year the most-favoured-nation treatment provided for in the 1903 treaty. The treaty may be extended for further one-year periods.

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**Buses to Replace Street Cars in Havana**

Havana, September 15, 1950.—(FTS)—The government of Cuba has granted Autobuses Modernos S.A. the concession to install buses in Havana to replace the obsolete street cars operating in the capital since the beginning of the century.

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**Synthetic Detergents to be Manufactured in Cuba**

Havana, September 15, 1950.—(FTS)—The Procter and Gamble soap organization propose to set up in Havana a plant for the manufacture of synthetic detergents, for which an initial investment of approximately $2,000,000 has been announced. It is expected that the plant will be in operation by September, 1951.

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**Cuban Commission to Build Cheap Houses**

Havana, September 15, 1950.—(FTS)—The National Housing Commission in Cuba has been set up to plan, contract and supervise the construction of cheap houses in all parts of the country and later sell them on the instalment system to the poor classes. The government expects this legislation will encourage the construction of small dwellings by co-operatives, retirement funds and private individuals.

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**Cuba to Undertake Public Works Program**

Havana, September 15, 1950.—(FTS)—Five Cuban banks recently purchased $45,000,000 worth of Cuban 1950-1980 foreign debt bonds, of a total authorized issue of $120,000,000, the balance to be placed on the market as additional funds are required. The proceeds of the bank's subscription are to be used for an ambitious public works program. The first projects are: Roads and bridges, $10,000,000; waterworks and sewage systems, $10,000,000; agricultural development, $5,000,000; dredging of rivers and harbours, $5,000,000. Ten million dollars will be used to amortize the balance of the twenty-five million dollar loan obtained from the Export-Import Bank in 1942, and the remaining five million dollars will be used for tourist development.

# Agricultural Output of Portugal Affected by Drought Last Year

*Large imports of foodstuffs necessary to meet requirements —Torrential downpours and high winds reduce crop estimates for this year—Factors affecting agricultural economy being studied—Elaborate system of fluvial control planned.*

**By Lester S. Glass, Canadian Government Trade Commissioner**

(Editor's Note—This is the third in a series of five reports on economic conditions in Portugal, prepared by Mr. Glass.)

(One Conto, or 1,000 Escudos=$38.50)

LISBON, July 27, 1950.—Drought of serious proportions had a material effect on agricultural production in Portugal last year, involving the importation of 297,000 tons of wheat, 89,300 tons of potatoes, 61,000 tons of corn, 37,500 tons of other grains and 5,600 tons of rice. Additional large imports of foodstuffs were recorded during the first four months of 1950, as follows: Potatoes, 90,000 tons; wheat, 81,700 tons; corn, 53,000 tons; rye, 19,000 tons; dried beans, 8,000 tons; other grains, 5,000 tons; and rice, 1,200 tons.

Little rain falls in Portugal from May to September, but the precipitation from October to April is well distributed, and the crops grown and harvested in this period normally provide a large part of the country's foodstuff requirements, while the reserve of moisture supports the growth of crops in the dry season. The dry season in 1948 was not followed by the customary rainy season, however, and the disastrous drought affected the entire economy of Portugal.

The 1950 crop year commenced auspiciously, the prolonged rainfall being well distributed throughout the country. It was estimated in March that the overall production would be at least 30 per cent higher than in 1949. This figure had to be revised in April, however, as torrential downpours and high winds during that month had an adverse effect on the crops, particularly wheat and beans, the production estimates being reduced 8·9 per cent for wheat and 40·8 per cent for beans. The prospects are still favourable, and it is expected that this year's agricultural output will equal the long-term average, with the exception of beans. Portugal had a bumper olive crop that will be sufficient for all ordinary requirements.

### Agricultural Economy Affected by Four Factors

Four factors which have had considerable influence on the agricultural economy of Portugal are being closely studied by the authorities.

Due to increased preventive medical care, the death rate has decreased in recent years while the birth rate has increased. This has resulted in an acceleration in the natural increase of the population which is being offset by emigration to an even lesser degree than in prewar years. At the same time there has been a drain on rural population which, to some extent, has tended to migrate to the urban centres to work in industry. Thus there has been a gradual increase in the demand for agricultural products upon a depleted farm population or, at least, a population which has not kept pace with the growth of urban population.

The increasing demand for agricultural products to sustain the grow-

ing urban population has resulted in the intensive cultivation of arable lands. This mining of the soil has caused decreased fertility and increased soil erosion, particularly that caused by surface water.

Closely linked with these points is the irregularity and non-dependability of flow in the fluvial basins of Portugal. The head waters of the major rivers rise in the uplands of interior Spain, making the question of control an international one.

In Portugal these factors have been studied and the result is an elaborate plan of fluvial control by means of dams at strategic points. The fundamental motive behind these plans is the development of hydro-electric power, but they will also provide for the irrigation of large tracts of valuable agricultural lands. As it is a long-term project, any direct benefits cannot be anticipated for less than five or perhaps ten years hence. It would appear, therefore, that Portugal will undoubtedly continue to be an importer of essential basic foodstuffs for some time. Probably, many requirements, particularly as regards corn and meat products, will be obtained from Portugal's colonies, but supplementary tonnages of potatoes, rye, wheat, and barley will have to be purchased from foreign suppliers.

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**Indian Imports from Canada Reduced by Devaluation**

Bombay, September 14, 1950.—(FTS)—The combination of devaluation of the rupee and the system of granting import quotas by the Government of India to established importers has resulted in a drastic reduction in imports of licensable goods from Canada. As a typical example, importers' six-monthly quotas are calculated on 25 per cent of half of the best year's imports of similar articles. If an importer had, for instance, been able to import in his basic year ten machines at a landed value of $1,000 each, then approximately Rs.33,000 would be the amount on which the typical quota would be calculated, or Rs.4,125 (25 per cent of Rs.16,500). However, due to devaluation, one machine, if unchanged in price, is now valued at Rs.4,300. In this case, the value of the licence issued would not even cover the importation of a single machine. Many cases have been reported where the amount of licences finally received is so small that these licences are worthless for all practical purposes and are not transferable.

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**Attempt to Obtain Fresh Water from Sea Abandoned by Virgin Islands**

Port-of-Spain, August 1, 1950.—(FTS)—Experiments in the United States Virgin Islands to obtain fresh water through evaporation of sea water have been abandoned. Begun under a $10 million public works program, the project was meant to convert sea water into fresh water by means of solar units. The yield has not been sufficient and the costs of production have been too high.

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**Surinam Sends Coffee Plants to British Guiana**

Port-of-Spain, August 1, 1950.—(FTS)—Ten thousand young coffee plants have been received by the Department of Agriculture of British Guiana as a gift from the Department of Agriculture in Surinam to aid rehabilitation of farms destroyed by floods. In all, thirty thousand young plants have been offered by the Surinam Government. The Government of British Guiana will pay the cost of transportation only. The first shipment arrived by air about the middle of June and has been sent to planters in the Pomeroon River district.

# Production of Manila Hemp in Philippines Needs Encouragement to Hold Position

*Industry, which was almost ruined during the war, has made a substantial gain but is confronted with many problems, including the dreaded "mosaic" pest—Adequate financing needed to carry out rehabilitation.*

**By W. D. Wallace, Assistant Canadian Government Trade Commissioner**

(One peso equals $0.55 Canadian)

MANILA, September 12, 1950.—The Philippines is the largest single source of supply of abaca, often called "Manila Hemp", which has been known as the most famous fibre for cordage. Before World War I, the Philippines held a virtual monopoly in abaca production. The last war virtually eliminated competition from Java, Borneo and Sumatra, leaving Central America as the other principal source of supply. The Philippines, however, is likely to lose its predominant position in this world industry unless local production is given more encouragement than it has been receiving. The abaca industry of the Philippines was almost ruined during the past war and, although it has made a substantial gain in the postwar years, it is now confronted with many problems, including the dreaded "mosaic" pest which must be overcome before prewar levels of production can be reached.

Abaca is produced throughout the southern islands of the Philippines with the principal centres of production being Mindanao, Leyte, Samar and Bicol. Production prior to the war was about 144,131 metric tons annually. It is estimated that 95 million pesos were invested in the industry and about 2,500,000 people were directly or indirectly dependent upon it. Philippines Government income from the export of abaca and its products was close to two million pesos per year. Destruction during the war reduced acreage considerably, but since then acreage has been increased to near prewar levels, but production has remained far behind.

**Production of Abaca in the Philippines**

| | Area planted Acres | Production Metric tons | Value 1,000 pesos |
|---|---|---|---|
| 1939 | 728,825 | 144,130 | ..... |
| 1940-45 | ..... | ..... | ..... |
| 1946 | 681,050 | 30,420 | 8,299 |
| 1947 | 702,100 | 82,000 | 25,891 |
| 1948 | 708,000 | 99,460 | 47,660 |
| 1949 | 706,750 | 74,510 | 48,069 |

The area planted to abaca in 1939 amounted to 728,825 acres and produced 144,131 metric tons. Destruction during the war reduced the acreage considerably, but by 1949 the area planted to abaca amounted to 706,750 acres, or about 22,000 acres below that of prewar. However, the production of abaca has nowhere reached prewar levels and in 1949 amounted to 74,510 metric tons as compared with 99,460 metric tons in 1948, but only 52 per cent of the 1939 production.

### Mosaic Disease Menacing Southern Plantations

The small production has been attributed to the repercussions of the overstripping and butchering of the abaca plants in the early period of the postwar rehabilitation effort, and to the fact that new plantings were not ready for harvest in 1949. In addition, the mosaic disease has been

menacing many of the southern plantations. Alarming infestation of mosaic disease, which is a virus disease carried by insects, has been reported in Davao and Cotabato provinces of Mindanao. During the period from July 1, 1949, to May 31, 1950, a total of 91,230 acres was inspected in these two provinces by the Bureau of Plant Industry and it was found that 22,758 acres were infected. Of this amount, 9,593 acres were treated. The Bureau of Plant Industry is conducting an extensive control and eradication campaign in order to try to keep the disease under control. Much of the control work has been a complete destruction of the abaca plants affected.

**Postwar Abaca Exports Greatly Reduced**

Prior to the war, abaca was one of the leading exports of the Philippines in terms of volume and value. In the postwar years, abaca shipments have come nowhere near their prewar level of 1,402,720 bales, valued at 25·3 million pesos, in 1940. Despite the steady decline in the volume and value of exports during the past three years, the industry continues to hold a high position among the leading exports of this country.

**Abaca Exports from the Philippines**

| | 1947 | | 1948 | | 1949 | |
|---|---|---|---|---|---|---|
| | Bales | P1,000 | Bales | P1,000 | Bales | P1,000 |
| United States | 480,739 | 44,870 | 267,344 | 30,378 | 221,103 | 27,816 |
| Japan | 6,663 | 676 | 127,489 | 11,548 | 101,497 | 11,105 |
| Great Britain | 59,002 | 5,336 | 62,620 | 5,031 | 42,388 | 4,769 |
| France | 14,477 | 1,222 | 8,642 | 640 | 25,899 | 2,446 |
| Germany | 2,150 | 179 | 18,896 | 1,904 | 19,138 | 2,273 |
| Denmark | 20,591 | 1,866 | 23,180 | 2,217 | 16,301 | 1,602 |
| Netherlands | ..... | ..... | 6,125 | 504 | 14,745 | 1,396 |
| CANADA | 7,302 | 799 | 6,497 | 795 | 7,948 | 1,280 |
| Hong Kong | 5,956 | 446 | 8,243 | 654 | 13,808 | 1,219 |
| Belgium | 7,302 | 799 | 14,655 | 1,415 | 8,365 | 854 |
| Other countries | 55,541 | 5,324 | 49,109 | 5,209 | 29,907 | 3,130 |
| Total | 680,691 | 63,432 | 592,797 | 60,294 | 501,099 | 57,802 |

In prewar years, the United States was the principal market for Philippines abaca. The United States has retained its pre-eminent position in the postwar years. An examination of the statistics also reveals the resumption and growth of Philippines-Japanese trade since liberation. In 1947, Japan was in eighth place among the buyers, but in 1948 moved into second position, replacing Great Britain and, in the past year, remained in second place.

It is a recognized fact that the abaca industry needs to open new areas and replant devastated plantations, requiring adequate financing and more advanced methods of culture and harvesting.

**Government Opens New Areas for Plantations**

The Philippines Government has already taken some steps in these directions by converting about 60,000 acres of virgin lands and making them available on a reasonable basis and by putting a stop to the squatter problem on the former Japanese plantations in Davao, which has been undermining the rehabilitation of the industry in that province. In addition, a contract has been made between the National Abaca and Fibres Corporation (NAFCO) and the Philippine Abaca Development Company, a private company, for the operation of 18,750 acres in the Davao penal colony for a period of fifteen years. Under the terms of the contract, the NAFCO will charge two pesos per hectare for operation and use of the property

and will receive 8 per cent of the gross production of the company. The government will also benefit in the form of taxes to be paid by the company during the lifetime of the contract, after which the area will be returned to the NAFCO together with all improvements.

**Adequate Financing Presents Serious Problem**

One of the most serious problems facing the industry is adequate financing to carry out its rehabilitation. The dearth of capital is felt by producers and government alike, so that appeals, directly or indirectly, have been made to foreign capital, especially American, to come and invest in this industry. The government has initiated a system of granting loans to ameliorate the plight of the small abaca producers in their effort to bring the industry to its prewar position. These abaca loans are granted through the Rehabilitation Finance Corporation to small plants of the Davao, Leyte, Samar and Bicol regions. In Davao, 800 pesos per 2·5 acres is granted in gradual releases made at different stages of abaca growth and culture. In the other provinces, 400 pesos per 2·5 acres is allowed for total renovation and 250 pesos for partial renovation of the abaca fields. In both cases, the loans are to be amortized in ten yearly instalments, starting after the second year, thus enabling small producers to rehabilitate their farms through government financial aid.

There is also the problem of more advanced culture and harvesting. The government has taken some steps in this direction with its five-year plan for the agricultural development of the country which includes rehabilitation and stabilization of abaca production. The plan includes proposals to buy farm machinery in order to achieve the 1954 production goal of 178,800 tons of abaca from 762,000 acres. This estimated production will be much larger than the output of 1940, when the Philippines were supplying 90 per cent of the total world consumption of about 200,000 metric tons per year.

**Loans Being Granted to Develop Abaca**

In addition, the National Economic Council recently recommended 4·5 million pesos for loans to develop abaca, to be drawn from the 200 million pesos Central Bank total Economic Mobilization Fund. Also, it has approved the immediate release of 500,000 pesos to be used by the Department of Agriculture and Natural Resources for the control of the mosaic disease. Of this amount, 200,000 pesos will be used for research work, and the remaining 300,000 pesos for actual control work. This money will be amortized and repaid by fees collected by the Fibre Inspection Service.

There are several other problems that also have to be given consideration. Poor transportation facilities have to be overcome as inadequate roads link the important growing areas. There is a lack of good sources of planting material and accompanying educational information for prospective farmers who are arriving at production areas from other parts of the Philippines. A better distribution system is required. More financial aid by the government is necessary, particularly to such agencies as the National Abaca and Other Fibres Organization, the Fibre Inspection Service and the Department of Agriculture, in order that they can co-ordinate their work and give better service to the abaca farmers.

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**Chile Restricts Imports of Cattle from Argentina**

Santiago, September 14, 1950.—(FTS)—The Foreign Trade Council announces the necessity of restricting the volume of imports of Argentine cattle. Due to the modification of exchange and other regulations in Argentina, the price per head of cattle has been increased from 556 pesos Argentine to 800 pesos.

# Production of Essential Oils by Guatemala is Major Industry

*Development which occurred over the past ten years is important to economy—Country was leading producer of citronella oil and oil of lemon grass in past two years—Lucrative prices attracting new capital for expansion—New York is main market outlet.*

**By W. J. Millyard, Acting Commercial Secretary for Canada in Mexico City**

(Editor's Note—This report was prepared by Mr. Millyard while Acting Canadian Government Trade Commissioner in Guatemala City.)

GUATEMALA CITY, September 5, 1950.—Guatemala was the world's principal producer of citronella oil and the second largest source of oil of lemon grass in the last two years. To a small country, whose economy has depended for decades largely on coffee, bananas and chicle, the emergence of these essential oils as another major industry is of particular importance. This development, which has taken place over a period of ten years, is both novel and spectacular.

Prior to the last war, there were only two or three plantations in Guatemala growing citronella and lemon grass. When Formosa, Java, India and Ceylon, the principal sources of essential oils, were unable to continue shipping because of hostilities in the Far East, prices began to soar to fantastic heights, and Guatemalan planters hastily increased their acreage to reap the bonanza thus offered. There are now 58 plantations raising citronella and lemon grass, with 11,200 acres under cultivation. Should supplies from the Orient be cut off again, it is likely that the Guatemalan production could be increased to satisfy the requirements of the United States, where the principal market for essential oils exists.

Although the inflated wartime prices of citronella have fallon off considerably, they are still much higher than in 1939, and lemon grass oil now brings in a greater return than it did during the war years. Such a lucrative industry could not fail to attract new capital, and it is not surprising that the number of plantations dedicated to growing citronella and lemon grass is still growing. This expansion is reflected in a steady upward trend in production. The following price statistics indicate only too clearly the money to be made in essential oil production, not only in the war years, but at the present time:

**Price Per Pound of Essential Oils in New York**

| | 1939 | 1944 | 1950 |
|---|---|---|---|
| Citronella Java | U.S.$0.28 | U.S.$4.00 | U.S.$1.70 |
| Lemon grass | 0.32 | 0.95 | 2.00 |
| Vetivert | 3.00 | 12.00 | 11.00 |
| Geranium Bourbon | 2.75 | 7.50 | 15.50 |
| Patchouli | 3.00 | 30.00 | 16.00 |

Since all the oil is shipped out of the country as fast as it is produced the crop values given in the table below are based on actual sales receipts.

The relative production volume between citronella and lemon grass varies according to the market prices and, since there are four harvests a year, planters can readily change their cultivation to the grass which is likely to yield the greater monetary return.

**Production of Citronella and Lemon Grass Oil in Guatemala**

| | Citronella | | Lemon Grass | |
|---|---|---|---|---|
| | Pounds | | Pounds | |
| 1935 | 25,092 | $ 5,799 | Nil | $ ..... |
| 1936 | 30,992 | 7,214 | Nil | ..... |
| 1937 | 57,050 | 21,896 | Nil | ..... |
| 1938 | 87,154 | 25,970 | 29,500 | 9,376 |
| 1939 | 165,865 | 39,010 | 63,915 | 21,947 |
| 1940 | 145,044 | 40,709 | 116,229 | 57,010 |
| 1941 | 107,125 | 35,898 | 139,751 | 136,804 |
| 1942 | 21,060 | 27,847 | 164,423 | 300,825 |
| 1943 | 111,178 | 259,577 | 190,542 | 210,975 |
| 1944 | 155,357 | 441,038 | 184,908 | 169,827 |
| 1945 | 158,936 | 476,305 | 109,265 | 145,267 |
| 1946 | 315,756 | 1,124,287 | 109,423 | 175,160 |
| 1947 | 251,095 | 690,511 | 129,977 | 188,467 |
| 1948 | 293,414 | 252,073 | 61,050 | 81,135 |
| 1949 | 769,386 | 936,963 | 134,637 | 189,686 |
| 1950 (January-June) | 501,326 | 787,856 | 69,038 | 125,913 |

New York is the main market for essential oils, and certain brokerage houses specialize in this business. While some Guatemalan oils are sold in Europe, the bulk is shipped to the United States through the medium of these brokers. It is from the latter that Canadian requirements are procured, although the Guatemalan producers are quite willing to sell to Canada direct, and in the past have made a few small shipments. In 1949, citronella and oil of lemon grass shipped to the United States amounted to $933,372, and $193,283 to other countries.

**Co-operative Sales and Research Organization Established**

The majority of the plantations cultivating either lemon grass or citronella grass are situated in the southwest, on the Pacific side of the country. There are roughly three general levels of altitude in this section, one of which has good, year-round precipitation, the second and third requiring some additional water supply at certain seasons, either by means of the overhead or ground level type of irrigation. Much of the seeding and planting, as well as harvesting, has to be done by cheap hand labour. There appears to exist a lucrative field here for implement manufacturers who can design machinery to perform these functions. Each plantation has its own small extracting plant, most of them fairly crude, where the grass is boiled and the fumes condensed into oil for transport to the warehouse of the Oficina Controladora de Aceites Esenciales, in Guatemala City. This latter organization, formally incorporated in May, 1948, is in effect a co-operative, consisting of individual planters desirous of maintaining a standard quality of oils and unifying their efforts in efficient production and effective distribution. Every essental oil producer in Guatemala is a member. It is administered by a president and a board of directors, consisting of individual planters, all of whom are elected semi-annually by their associates. The directives and policy of the board are executed by a permanent general manager, who is in charge of the day to day activities of the organization.

The planters deliver their oil to the central warehouse of the Oficina, where it is tested to see that it is up to the required standard and then shipped abroad to the foreign buyer. They do no have to worry about marketing, documentation or collections, as this is all attended to by the general manager, who gives them a down payment of 50 per cent of the estimated selling price as soon as the oil is brought in from the plantation, and the balance when final settlement is received. The Oficina, however, retains a small percentage of all sales, and with this money maintains a laboratory and experimental farm. Since the prices of other essential oils from the Far East, such as patchouli and geranium, are so much higher than for citronella or oil of lemon grass, efforts are being

made on the experimental farm to determine the practicability of growing them on a commercial scale in this climate. Methods of improving pest control are also being studied on the farm, and the Oficina is constantly trying to develop more efficient and economical distilling processes. The Oficina, in fact, is a model of enlightened co-operative effort, which might profitably be copied by other agricultural groups in Latin America.

**New Uses Being Discovered for Essential Oils**

The traditional use for essential oils is as a base for perfumes, but today modern science is advancing so rapidly that by breaking citronella and lemon oil into different fractions, the range of products obtained is almost limitless. One of the biggest derivatives of citronella is menthol, and by-products from this operation include geraniol, a rose-flavoured liquid used as a perfume base, where formerly very expensive rose essences were required. Hydroxycitronellal, citronellal and citronellol, all with distinctive scents, are used for flavouring soaps and perfumes. These synthetic preparations are said to be equally as good and infinitely less expensive than the natural essences.

Lemon grass oil, besides furnishing citral as a flavouring for lemon beverages, has as one important by-product, ionone, possessing a strong violet flavour and used as a base for "violet" perfumes. Further fractionation of the residue produces Vitamin A. In fact, by experimentation it is possible to break down both citronella and lemon grass oil into so many by-products that it is practically impossible to say how many derivatives of these two oils there are presently in use or how many functions they are performing.

Until recently, when the oil had been extracted from the grass, there was no use for the residue and it was either burned or dumped into any nearby river. However, an enterprising Guatemalan businessman has erected a plant which is using this debris for making cardboard, wrapping and building paper, and has a capacity for forty tons a month. The plant manager, incidentally, is a Canadian with many years' experience in paper-making in Canada, and is very optimistic about the future of this industry.

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**Cuban Customs and Tax Exemptions Being Revised**

Havana, September 15, 1950.—(FTS)—The Cuban Treasury is revising customs and tax exemptions granted under a decree that tends to encourage the establishment of new industries. Some industries which are not new have managed to obtain those benefits. The revision being carried out is aimed at cancelling the exemptions which are not in accordance with the spirit of the decree, and some in effect have already been cancelled.

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**Resort Project Being Constructed on Nevis**

Port-of-Spain, August 10, 1950.—(FTS)—Work has begun on a resort project at Fort Charles, Nevis. The development, which will include the erection of a first-class hotel, a cottage colony and a cure hotel at the hot springs and formerly the site of the Bath Hotel, will cost an estimated $1,200,000. The Fort Charles Beach Hotel will provide yachting facilities, tennis courts, a saddle club, fishing boats and the best possible accommodation. The scheme is being promoted by the West Indies Development Corporation under the direction of a prominent Bermuda businessman.

# Trade Notes From The Netherlands

**Dutch Stock Certificates May be Deposited Abroad**

The Hague, September 12, 1950.—(FTS)—The Netherlands Bank has issued a general licence for Dutch holders of securities to export their stock certificates, but not the dividend and coupon sheets. The condition is that the deposit abroad of securities must be effected in the name of a Dutch bank or stockbroker. No dividend or amortization may be paid abroad on these deposits. It is, therefore, decreed that the deposit of foreign securities may not be effected in the country in which they are payable.

As Dutch investment trust certificates of American securities are considered as Dutch securities they may be deposited in the United States. Securities may be deposited in the Dutch West Indies, the United Kingdom, Canada, South Africa and the United States.

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**Foreign Visitors at Utrecht Trade Fair Increased**

The Hague, September 16, 1950.—(FTS)—The Utrecht Trade Fair closed on September 14 with satisfactory reports of business consummated. There was a keen and widespread demand, especially for German products, priced in some instances at figures which threatened to oust American and British products from the market, particularly in agricultural machinery. The number of foreign visitors increased by 66·5 per cent over last year. Those from Belgium headed the list, followed by Germany and the United Kingdom.

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**Diamond Prices Continue to Rise in the Netherlands**

The Hague, September 16, 1950.—(FTS)—The demand for diamonds from the Amsterdam diamond industry has materially increased with prices of cut stones constantly rising. Since the outbreak of the Korean war the rise in prices of these gems has been between 10 and 15 per cent. The result of this increasing demand has been a sharp fall in unemployed skilled diamond cutters and the closing of plants for a period every week has been discontinued.

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**Netherlands Steel Industry Reports Progress**

The Hague, September 18, 1950.—(FTS)—A favourable business year, with far-reaching plant extensions and improvements, was contained in the annual report of the Royal Netherlands Blast Furnaces and Steel Factories and its associated companies. Of special note is the increased capacity of the factory for the manufacture of fertilizers, which now produces about one-third of the present Dutch nitrogen consumption.

Sales were satisfactory but, due to competition from other European steel mills, low prices were obtained in the United States. North America is again in the market for Netherlands pig iron (the production of which dropped from 456,615 to 423,423 metric tons, due to repairs to one of the furnaces) and an increase has taken place in the demand for Dutch steel by European countries.

The report envisages an extension of steel capacity to 570,000 metric tons, a new hot strip mill to be operated by a new company, N. V. Breedband, and the raising of the authorized capital from Fl.50,000,000 to Fl.70,000,000.

**Bathroom and Other Fixtures Being Made in the Netherlands**

The Hague, September 18, 1950.—(FTS)—The Netherlands-American Fittings Works at Deventer was established in co-operation with the Crane Company of Chicago. Although already in production, employing 400 workers, and having a maximum production capacity of 3,600 tons annually, the plant was officially opened on September 15. The company is manufacturing the "Crane line" of bathroom and other fixtures.

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**Netherlands Dairy Union Celebrates Fiftieth Jubilee**

The Hague, September 21, 1950.—(FTS)—The Netherlands Dairy Union celebrated its 50th Jubilee on September 20. In the course of a survey of the work of the Union, the Chairman, Mr. J. Linthorst Homan, said "there was a great deal of talk in Western Europe about co-operation, but many countries were displaying a new form of economic nationalism which was fatal. A European price policy and a European agricultural policy were urgently necessary and technically possible and would not threaten the existence of small farms. National protection and security were no longer security in these times. The Benelux countries would also have to realize that the Economic Union of the three countries must not erect new barriers but pave the way to broader Western European co-operation."

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**Banana Exports from Canary Islands Reduced**

Madrid, September 9, 1950.—(FTS)—Last season's exports of Canary Island bananas totalled 163,000 tons, this being a decline of 20,000 tons against 1948, owing to irrigation water shortage. Exports abroad in 1949 amounted to about 40,000 tons, the main consumer being United Kingdom with 25,000 tons. The area under bananas amounts to 8,100 hectares: 3,270 in Teneriffe, 3,000 in Grand Canary, 1,000 in Las Palmas and 800

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**Spanish Wolfram Production Increasing**

Madrid, September 1, 1950.—(FTS)—The Spanish bulletin *El Economista* states that, due to war tension, Spain will likely become the principal producer of wolfram. Spanish production in 1943, when the Allies and Germany were struggling for the acquisition of this war mineral, increased to 4,000 tons. Since then, production decreased to 400 tons in 1947 and then increased to 800 tons in 1948 and 855 tons in 1949. Of the 1949 production, 456 tons were exported as follows: Sweden, 284 tons; United States, 79 tons; Italy, 78 tons, and Switzerland, 15 tons.

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**Plastics Industry Expands in New England States**

Boston, September 8, 1950.—(FTS)—New England today accounts for approximately 30 per cent of the United States output of plastics products. As early as 80 years ago, New England took the lead in this field, following the invention of celluloid. Growth of the plastics industry has been extremely rapid, and has become interwoven with many other industries—machinery, textiles, paints, electrical products, furniture, and household wares. Among the raw materials which are being consumed in the production of plastics are coal, air, lime, water, natural gas, petroleum, sulphur, cellulose, and salt.

# Pineapple Industry in Malaya is Recovering From War Effects

*Acreage under cultivation increasing while canneries have been rebuilt and new machinery obtained—Exports of canned pineapple increased from 87,000 cases in 1947 to an estimated 700,000 cases this year—Many improvements made in the industry as a result of study made by committee in 1947.*

**By R. K. Thomson, Acting Canadian Government Trade Commissioner**

SINGAPORE, August 18, 1950.—Although pineapple production in Malaya is far below that prevailing before the second world war, the industry is steadily reviving from the effects of the Japanese occupation, and Malaya is likely to resume its position as one of the leading sources of supply for canned pineapple. At the conclusion of hostilities, no canned pineapple was being produced, the plantations were overgrown and had reverted to jungle, only one cannery could be operated and machinery in others had been dismantled or destroyed. The acreage now devoted to the cultivation of pineapples is increasing steadily, canneries have been rebuilt and new machinery has been obtained.

The average annual exports of canned pineapple from Malaya were 2,480,000 cases in 1937-39. Only 87,000 cases were shipped in 1947, when supplies were again available, and this figure increased to 153,000 cases in 1948, to 301,000 cases in 1949, and it is estimated that the exports this year will be 700,000 cases. Next year, however, it is expected that the figure will be up to 1,250,000 cases.

From the beginning of the present century until the occupation of Malaya, the canning of pineapple developed from very slender beginnings to a substantial industry, rating third in importance in Malaya. The very extensive foreign popularity of this pineapple was based on its cheap price rather than quality. This cheap price was due to low production costs, resulting from cheap labour, primitive methods of canning and catch drop methods of cultivation on land newly opened for rubber planting. The cultivation of the fruit was inefficient and resulted in delivery to the canneries of immature or overripe fruit. In the canneries, fruit was cut by hand which reduced uniformity, grading was not adequately supervised and the packing and processing of the fruit in tins was not properly carried out with suitable machinery. Cans were manufactured by hand at each cannery and these were not always suitable.

After the reoccupation of Malaya, it was found that only one of 17 canneries operating in Malaya in 1941 remained in a reasonable working condition. The area under pineapple cultivation had been reduced from 60,000 acres to approximately 3,000 acres. The rehabilitation of the industry presented serious problems, and these were aggravated somewhat by the fact that the expansion of cultivation of the pineapples did not keep pace with the rebuilding of the canneries and canning capacity reached a point where it was four times in excess of actual pineapple production.

### All Aspects of Pineapple Canning Industry Studied by Committee

In 1947, a committee was appointed to consider all aspects of the pineapple canning industry and to make recommendations for the resuscitation of this industry. The majority of the recommendations of this committee has been effected. Members of the committee comprised senior

**Malaya—Chinese girl, with two medium-sized pineapples grown on an estate in Johore.**

government agricultural and canning officers, as well as government marketing and economic officers and a representative of the industry. The committee saw that a basic and first requirement would be for a new planting program to increase the fruit supply in the shortest possible time. On these lines the committee recommended as a condition of issue of a canning licence that each cannery owner should cultivate a minimum of 1,500 acres and proceed as rapidly as possible with its development. Additionally, recommendations were made that the small growers, as apart from development by the cannery owners, should be organized in contiguous family units providing for control and co-operation within the groups, for supervision by government agricultural officers, and also enabling a more efficient group marketing of the fruit. A further recommendation provided that all new planting of pineapples should be confined to areas of the flat peaty plain and that interplanting with permanent crops such as rubber and coconuts be prohibited.

The committee also made recommendations with regard to the modernization of processing methods, the standardization of can sizes, the replacement of the partially hand-made cans by fully machine-made cans, and the eventual introduction of a Malayan mark grading scheme under which quality standards of the pack can be controlled. At the present time the standardization of can sizes has been accomplished and a factory is now in operation in Johore manufacturing completely machine-made cans. Automatic syrupers and exhausters have been installed in all canneries and further automatic equipment is being obtained. Two of the five canneries now operating have purchased complete plants for the automatic cutting of the fruit and the recovery of juices.

Plans are also being made for a more complete usage of the fruit by the reduction of fruit waste, and the manufacture of pineapple juice and crushed pineapple. At present the supplies of fruit available are

not uniform enough to be suitable for machine cutting to enable surplus portions of the fruit to be used for other purposes. However, it is anticipated that quality fruit from the packers' plantations will be available soon. A utilization of by-products from the pineapple canning industry will lower the overall cost of production.

Agricultural research by government proceeds with particular emphasis on improving the quality of the crops and cheapening the cost of production. In addition, experiments are being carried out with "deep freezing" of pineapple and, it is understood, independent research will be made to determine if the Malayan pineapple can be exported in sulphur dioxide solution.

There are two packing seasons each year for the Malayan pineapple crop. These are October to March and April to September. The two grades commonly packed are the Golden or Choice and the General Average Quality (G.A.Q.). The Golden is a deep yellow in colour and the G.A.Q. from pale yellow to a pale golden. At present, due to the limitations of quality and fruit supply, the Golden or Choice quality is available only in very small quantities. The G.A.Q. quality is not permitted to be imported into Canada by Canadian government regulations.*

The most popular pack is the pineapple slices in 16 oz. and 20 oz. containers, while pineapple for the confectionery trade cubed, crushed and sliced is available in the 105 oz. tin. Pineapple juice is now being packed in 8 oz. containers.

The prewar low cost of the Malayan canned pineapple will never occur again, particularly in view of the increased cost of the fruit and the fact that wages are three to four times higher than in 1941. However, the pineapple packers believe that when efficient production methods are installed and when the fruit is improved both as to quality and quantity, then the Malayan pineapple can compete very favourably in price with that of any other country and in quality should be a substantially improved pack over that produced in prewar years.

(*Editor's Note—In accordance with processed fruit and vegetable regulations, under the Meat and Canned Foods Act, sliced pineapple, crushed or grated pineapple, and pineapple tid-bits may be sold in Canada in prescribed consumer packages under "Fancy Quality" and "Choice Quality" grades only. Confectioners' sliced pineapple and pineapple cores for manufacturing purposes are not subject to the "Fancy Quality" and "Choice Quality" grading requirements. Also, in accordance with the regulations, the Canada size for containers for sliced pineapple is 15 oz. and 20 oz., and the permissible minimum size for pineapple juice is 10 fluid ounces.)

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**British Guiana Has Extensive Forests**

Port-of-Spain, August 10, 1950.—(FTS)—A report by the British Guiana Conservator of Forests indicated that the colony's total forest area is estimated at 70,000 square miles, or 84 per cent of British Guiana's land area. It is considered that one-fifth of the total, or 14,000 square miles, lies in the near interior. The other four-fifths "is virtually inaccessible for bulk timber transportation and can be developed at present only for balata gum and other minor forest products or for purely local domestic timber requirements". It is believed that the near interior forests are capable of providing for all possible expansion of the timber industry within the next twenty-five years.

# Trade Notes From Chile

**New Refrigeration Plant in Chile Operating**

Santiago, September 14, 1950.—(FTS)—The vice-president of the Chilean Development Corporation (Corporación de Fomento de la Producción) has advised that a new refrigeration plant, erected at a cost of 50,000,000 Chilean pesos, for the storing of general produce, is now functioning. It is situated near the Central railway station, which serves the agricultural and fruit producing districts in the south of Chile. It is also announced that two refrigeration plants, both for the storage of fish, are in course of construction in the ports of San Antonio and San Vicente, and will be ready to operate in October next.

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**Fishing Rights in Chilean Waters Sought by Swiss Firm**

Santiago, September 14, 1950.—(FTS)—The Soc. Sudámericana Finsusura S.A., representing Swiss capital, with head office in Montevideo, Uruguay, has sought permission through the Ministry of Economy and Commerce to transfer various industries to Chile, including a modern deep-sea fishing outfit equipped with everything necessary to develop this important branch of production. The company has advised the Chilean Government of the conditions under which it would be prepared to install machinery and equipment, valued at something over U.S.$1,200,000. Three of their shipping vessels are at present in Chilean ports. As the company has not yet been able to legalize its position with the Chilean Government, they have requested provisional authorization to fish in Chilean waters under the same conditions granted to national vessels.

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**Chile Buying German Railway Rolling Stock**

Santiago, September 14, 1950.—(FTS)—The Chilean State Railways has signed a contract with German firms for the construction of 30 steel passenger coaches. These coaches will be used by railways serving the territory south of Santiago.

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**Chile Makes Barter Deal with Argentina**

Santiago, September 14, 1950.—(FTS)—A barter operation has been arranged by Chile with Argentina, whereby 50,000 tons of Chilean cement will be exchanged for 1,000 tons of butter. The first shipment of butter under this arrangement, amounting to 300 tons, is expected to leave Buenos Aires before the end of September.

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**Lead Foundry to be Established in Chile**

Santiago, September 14, 1950.—(FTS)—Under the auspices of the Mining Credit Bank, a lead foundry is to be constructed in the Province of Atacama with sufficient capacity to supply the necessities of the domestic market. At the present time, lead concentrates have to be exported due to the lack of means for refining the ores. The only existing plant is of a very reduced capacity. The establishment of the new plant would not only result in an economy in foreign exchange of U.S.$500,000 annually, the present value of imports, but should result in important exports of the refined article.

# Canadian Economic Preparedness Is Reviewed by Trade Minister

*Need for collective action recognized through close association of Canada and the United States with Organization for European Economic Co-operation—Trade position satisfactory, with large increase in sales to United States—National production estimated at $17 billions for this year.*

CANADIAN defence preparations, co-operation in the international field and economic preparedness in this country were outlined by the Right Hon. C. D. Howe, Minister of Trade and Commerce, in the course of an address on October 6, 1950, to members of the Vancouver Board of Trade. "Our defence preparations date back to decisions made soon after the end of the Second World War," he said, "when it was decided to retain the nucleus of a munitions and supply department. On the production side, this has been done through Canadian Arsenals, Limited. Canada has no munitions industry to correspond with our aircraft and shipbuilding industries, but Canadian Arsenals Limited have maintained their normal operations in the production of small arms and ammunition. Their program has been greatly expanded in recent months, and they have kept in reserve large quantities of tools and other equipment that would be needed in time of war.

"On the procurement side, we have the Canadian Commercial Corporation. This group of more than 300 trained purchasing personnel, many with extensive experience during the last war, has acted as the purchasing agency for foreign governments in addition to the work undertaken for the Canadian Government. The Canadian Commercial Corporation is now responsible for letting out all contracts for munitions and military equipment needed in our expanded defence program.

"On the development side, there has been a continuing program since the war in the contracts for the production of a new type of night fighter, a jet transport plane and a jet engine—the first aircraft engine to be designed and manufactured in Canada. Since the outbreak of fighting in Korea, we have started to produce the 'F.86' jet fighter, the Canadian-designed 'Canuck' night fighter, and the 'Orenda' engine. Naval shipbuilding contracts were recently let, bringing the total to more than $70,000,000 for this year. The contracts have been awarded on the basis of a careful allocation to ensure the maintenance of shipbuilding facilities on our inland waters, as well as on both coasts. Then there is a contract recently awarded for the production of the most modern naval guns. I mention this contract specifically," Mr. Howe continued, "as it is a joint contract with the United States, and illustrates what can be done in the way of co-operation between our two countries to produce the arms and equipment needed to stop the forces of aggression.

### Canada Supports North Atlantic Treaty

"In speaking of Canada's part in the international field, I do not need to dwell on the work we are doing through the United Nations nor of the ground force that is even now in training for service with the United Nations. Nor do I need to mention the not inconsiderable part we have taken in the development of the North Atlantic Treaty and the setting up of its organization, particularly the Military Production and Supply Board. From the discussions that are now taking place, and

will be taking place for some time to come, Canada's part in the overall plan for defence production will be determined and we will soon have more definite information on what is to be produced here in Canada. In the meantime, we are going ahead with our own program and making plans for the expanded armament production which we anticipate in the very near future.

"As you know, we are working very closely with our neighbours to the south in making plans to mobilize our joint industrial forces in the interests of greater efficiency and a more co-ordinated defence production program. With our combined resources of manpower and essential raw materials, I know that we can use the great industrial potential of Canada and the United States to our mutual advantage if we get together in closer economic co-operation.

"The importance of economic preparedness, in addition to our preparations for military defence, cannot be overstressed at this time. It is an essential part of the overall picture if we are to keep our economy strong and win the war of nerves. The second article of the North Atlantic Treaty recognizes the need for collective action in the economic field. Instead of setting up another international body to deal with such matters, however, it is hoped to work through the already well-established organization for European co-operation. Canada and the United States have therefore become associated with O.E.E.C., and we have just recently opened an office in Paris to strengthen our direct connection with the work of this organization.

**Effects on Domestic Economy Considered**

"On the home front we are also devoting attention to the economic aspects of our preparedness program. The risk of inflation is but one of the major problems arising out of an accelerated armament program. The government is well aware of the difficulties that may be ahead and is determined to maintain a balanced budget in the present circumstances. It has announced its intention of following a pay-as-you-go policy for just as long as it is possible to do so. We must recognize, however, that there comes a time in the event of war when total costs cannot be met from current revenues, and part of the burden must be borne by future generations through the medium of borrowing. In order to follow our policy of a balanced budget, we have increased some taxes, and as a further anti-inflationary measure we have taken steps that will enable us to regulate consumer credit. In the spring of this year we obtained from Parliament powers to ensure priority for direct defence orders. At the recent special session this fall we sought and were granted special standby powers to regulate essential materials and services, for the dual purpose of speeding up our defence production and at the same time preventing undue dislocation of the civilian economy.

"The government is continuing its program for the long-term growth and development of the country. The period we are in now is neither one of all-out war nor yet is it one of peace. It is a little of both. In our zeal to defeat the aggressor quickly, we must not overlook those activities that belong to more normal times.

**Production and Employment at Record Levels**

"In assessing the effect our preparedness program will have on the Canadian economy, it must be remembered that we are now operating close to capacity, with production and employment at record levels. On the trade side, our position is most satisfactory. In the face of continuing dollar shortages, it has been the government's policy to maintain the overall volume of our exports and at the same time bring our trade with individual

countries and trading areas into better balance. It now looks as if our exports in 1950 will be even higher than in 1949. After allowing for rising prices in certain commodities, there will still be substantial increases in the volume of goods sold outside of Canada. As we anticipated at the beginning of the year, there has been some decrease in sales to sterling markets, but this has been more than offset by increased sales to the United States. In fact, our exports across the border are running more than a third higher than the 1949 rate. This has, of course, been a decisive factor in maintaining Canadian prosperity. It has also helped to reduce still further the gap in our American trade. As you know, our total trade with all countries has always been in very close balance, but we have been running a deficit in our trade with the United States. In 1947, when we had to impose import restrictions to help correct a situation that had become critical, the deficit was around one billion dollars. Last year it was down to about $400 million, and for the first eight months of this year it was less than $100 million. In closing the gap in our American trade, I think it is worth noting that we have at the same time been able to increase the volume of our total trade with that country.

**Sales of Sterling Area Goods in Canada Increase**

"In our trade with the United Kingdom and the rest of the sterling area, we have also achieved a sounder balance. As a result of efforts on the part of both Canada and the United Kingdom, sales of sterling area goods to this country have increased some 15 per cent, while the difference between exports and imports for this year so far is only a quarter of what it was in the same period last year. With increased prices and a strong demand for such raw materials as wool, rubber and tin, and in view of the improved financial position of the sterling area as a result of dollar-earning and dollar-saving policies, there is reason to hope that the worst of the sterling restrictions on Canadian trade will soon be over. Canada's trade today is in a strong and healthy position, with growing world demand for the goods this country produces.

"On the domestic front, investment is continuing to boom, and is expected to reach an all-time high of $3·7 billion this year. If realized, this program will be eight per cent greater than last year. In production, too, new peacetime records are being made in such important industrial fields as steel, cement, lumber, construction, and electric power. The development of Canada's newly discovered resources is continuing to make history. I have just come here from Edmonton where I was present at the opening of the inter-provincial pipe line which, when completed and in use, will make it possible to supply half of Canada's oil requirements from domestic sources. Already the use of Canadian oil is having a favourable effect on our balance of payments position. But we have only made a beginning in the oil picture and more can be achieved, particularly when Alberta oil reaches the West Coast.

**National Production for Year Estimated at $17 Billion**

"As a result of all these favourable forces, and with an increased defence program, national production should be around $17 billion, or $1 billion more than last year. Canada has never been more prosperous. We now have a larger supply of goods and services than ever before, and the capacity to produce still more.

"Against such a background, I feel there is every reason to believe that we can manage our increased preparedness program and still leave substantial resources free for civilian use. Although the program as now

envisaged means a doubling in our defence expenditures, it will involve only a relatively small proportion of Canada's total capacity and output. Allowing for some increase in requirements from abroad, our preparedness efforts, including foreign demand, are likely to be less than ten per cent of our national production in the next year.

"In saying this, I do not wish to give the impression that we have no problems on our hands. While there is no immediate need for overall controls, the armament program is already affecting the supply of certain strategic defence materials. Export controls on non-ferrous metals, nylon, and certain chemicals, have recently been added to such critical items as steel, which, of course, is of prime importance. Although few in number, these basic materials, because of their strategic implications, must receive our closest attention. There will also be some stresses and strains on individual sectors of the economy, which will require government intervention in the interests of national security and welfare. These will be dealt with as they appear, and the government has the standby legislation to issue directives should the need for such action arise.

"The record, of which I have given but a brief outline, speaks for itself. It does not include panic measures; it does not propose an overall program of economic controls. We are getting ahead with the job and, as the situation stands at present, we have the machinery needed to keep production rolling and meet our civilian needs as well. Should the situation deteriorate to a point where other and more drastic measures are needed, the government would have no hesitation in asking for the necessary powers and authority to deal with it," Mr. Howe concluded.

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**Boston Fishermen Testing New Type Gear**

Boston, September 8, 1950.—(FTS)—The Massachusetts fishing industry may be revolutionized by the recent introduction of West Coast long-lining gear. A new 50-foot craft, built at Boothbay Harbour, Maine, and powered by a 100 h.p. diesel engine is the first to be equipped with the new gear. This equipment has been developed in the past several years on the West Coast, and is now manufactured in Seattle, Washington.

In this improved method of fishing, use is made of a steel ground line, held in position by anchors and buoys. Baited hooks and lines are attached at regular intervals by snap fasteners.

This new method has many advantages over the old style. The line is of stainless steel wire instead of cotton, which saves wear, and prevents breakage even on a rocky bottom. The winch is power operated instead of being worked by hand. This is an important time saver. Also, the hooks snap on instead of being permanently tied to the ground line. This makes it easy to change the bait, or remove the catch.

## DATA FOR EXPORTERS COMPILED

**Information, of particular interest to Canadian exporters, concerning shipping documents and customs regulations of foreign countries, is being compiled by the International Trade Relations Division. Countries concerning which such information is now available in a revised form are: Belgium, Belgian Congo, Cuba, Denmark, Dominican Republic, Egypt, Finland, Greece, Guatemala, Haiti, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela. Data on other countries will be made available from time to time.**

# Canadian Exports, by Commodities

| | August | | | January—August | | |
|---|---|---|---|---|---|---|
| | 1938 | 1949 | 1950 | 1938 | 1949 | 1950 |
| Main Groups | (Millions of Dollars) | | | | | |
| Agricultural, Vegetable Products | 12.2 | 62.4 | 45.5 | 101.3 | 487.4 | 394.4 |
| Animals and Animal Products | 9.7 | 26.9 | 31.5 | 73.7 | 189.9 | 230.4 |
| Fibres, Textiles and Products | 1.2 | 1.6 | 3.3 | 8.9 | 19.2 | 17.5 |
| Wood, Wood Products and Paper | 21.1 | 77.0 | 98.4 | 134.7 | 555.5 | 678.5 |
| Iron and Products | 4.4 | 18.1 | 17.2 | 44.2 | 201.1 | 165.3 |
| Non-Ferrous Metals and Products | 15.2 | 37.0 | 39.9 | 116.3 | 288.9 | 283.8 |
| Non-Metallic Minerals, Products | 2.1 | 7.5 | 8.4 | 15.6 | 42.7 | 63.7 |
| Chemicals and Allied Products | 1.4 | 4.7 | 7.5 | 13.4 | 47.4 | 64.5 |
| Miscellaneous Commodities | 1.7 | 16.5 | 5.3 | 14.2 | 85.5 | 43.3 |
| Total Domestic Exports | 69.1 | 251.7 | 257.1 | 522.3 | 1,917.6 | 1,941.4 |
| | (Thousands of Dollars) | | | | | |
| **Agricultural, Vegetable Products:** | | | | | | |
| Fruits | 339 | 2,321 | 858 | 4,216 | 6,876 | 8,220 |
| Vegetables | 223 | 215 | 477 | 2,185 | 2,855 | 5,633 |
| Wheat | 5,671 | 41,258 | 22,598 | 43,619 | 283,363 | 207,793 |
| Grains, other | 996 | 2,303 | 1,957 | 7,213 | 24,363 | 24,894 |
| Flour of wheat | 1,269 | 8,608 | 8,414 | 11,909 | 66,163 | 65,304 |
| Farinaceous products, other | 1,151 | 981 | 2,029 | 7,156 | 8,621 | 10,146 |
| Sugar and products | 250 | 133 | 573 | 1,438 | 4,166 | 3,885 |
| Alcoholic beverages | 519 | 2,178 | 4,050 | 6,387 | 21,686 | 25,137 |
| Vegetable fats and oils | 16 | 322 | 321 | 89 | 9,948 | 2,580 |
| Rubber and products | 1,557 | 2,214 | 858 | 9,376 | 18,310 | 7,293 |
| Seeds | 9 | 421 | 1,460 | 1,128 | 25,859 | 14,674 |
| Tobacco | 13 | 468 | 1,053 | 4,867 | 6,970 | 8,580 |
| Vegetable products, other | 232 | 994 | 845 | 1,718 | 8,239 | 10,306 |
| Total | 12,245 | 62,415 | 45,494 | 101,300 | 487,417 | 394,446 |
| **Animals and Animal Products:** | | | | | | |
| Cattle | 696 | 3,526 | 5,979 | 5,737 | 31,474 | 48,600 |
| Other animals, living | 81 | 291 | 333 | 956 | 4,056 | 4,011 |
| Fish and fishery products | 2,060 | 7,940 | 9,651 | 15,761 | 51,779 | 67,476 |
| Furs and products | 1,288 | 1,011 | 1,577 | 10,552 | 15,820 | 16,534 |
| Leather and products | 503 | 561 | 624 | 3,340 | 4,818 | 4,500 |
| Bacon and hams | 2,312 | 547 | 904 | 21,761 | 10,775 | 21,653 |
| Meats, other | 312 | 3,432 | 5,451 | 3,011 | 22,121 | 28,802 |
| Cheese | 1,542 | 4,952 | 3,453 | 5,153 | 14,188 | 10,233 |
| Milk products, other | 394 | 1,199 | 1,079 | 2,589 | 7,885 | 7,267 |
| Eggs, shell and processed | 7 | 1,267 | 318 | 146 | 10,703 | 4,605 |
| Animal products, other | 548 | 2,133 | 2,140 | 4,717 | 16,234 | 16,681 |
| Total | 9,743 | 26,859 | 31,510 | 73,723 | 189,854 | 230,362 |
| **Fibres, Textiles and Products:** | | | | | | |
| Cotton products | 205 | 292 | 531 | 1,753 | 4,208 | 4,077 |
| Flax, hemp, jute and products | 8 | 221 | 222 | 73 | 1,407 | 1,219 |
| Wool and products | 150 | 590 | 958 | 808 | 3,123 | 3,083 |
| Artificial silk and products | 298 | 198 | 817 | 1,630 | 1,459 | 3,138 |
| Textile products, other | 566 | 339 | 818 | 4,666 | 8,981 | 5,964 |
| Total | 1,227 | 1,639 | 3,346 | 8,931 | 19,179 | 17,480 |
| **Wood, Wood Products and Paper:** | | | | | | |
| Planks and boards | 3,347 | 13,199 | 30,319 | 22,759 | 93,629 | 169,189 |
| Pulpwood | 2,559 | 2,641 | 3,712 | 8,865 | 20,440 | 19,774 |
| Unmanufactured wood, other | 1,837 | 5,287 | 6,072 | 11,526 | 31,512 | 37,194 |
| Wood pulp | 2,833 | 13,141 | 17,324 | 18,095 | 113,261 | 124,048 |
| Manufactured wood, other | 212 | 336 | 543 | 2,026 | 3,656 | 3,122 |
| Newsprint paper | 9,622 | 40,786 | 38,909 | 65,369 | 277,500 | 313,564 |
| Paper, other | 606 | 1,334 | 1,403 | 5,441 | 13,621 | 10,129 |
| Books and printed matter | 86 | 236 | 139 | 606 | 1,921 | 1,464 |
| Total | 21,102 | 76,959 | 98,421 | 134,687 | 555,539 | 678,484 |

## Canadian Exports, by Commodities—Concluded

| Country | August | | | January—August | | |
|---|---|---|---|---|---|---|
| | 1938 | 1949 | 1950 | 1938 | 1949 | 1950 |
| | (Thousands of Dollars) | | | | | |
| **Iron and Products:** | | | | | | |
| Iron ore | ..... | 3,009 | 741 | ..... | 7,702 | 5,450 |
| Ferro-alloys | 60 | 1,122 | 2,002 | 695 | 15,092 | 10,063 |
| Pigs, ingots, blooms, billets | 6 | 655 | 1,366 | 2,166 | 2,764 | 11,313 |
| Rolling mill products | 631 | 610 | 246 | 3,788 | 9,339 | 4,189 |
| Locomotives and parts | ..... | 10 | 1,221 | 236 | 12,513 | 11,075 |
| Farm machinery and implements | 554 | 4,336 | 5,621 | 6,386 | 73,692 | 64,451 |
| Hardware and cutlery | 344 | 356 | 244 | 1,467 | 3,037 | 2,676 |
| Machinery (except farm) | 720 | 1,720 | 2,092 | 6,851 | 21,297 | 15,613 |
| Automobiles, freight | 538 | 1,273 | 523 | 5,407 | 8,491 | 6,219 |
| Automobiles, passenger | 899 | 1,133 | 1,242 | 11,289 | 10,683 | 11,420 |
| Automobile parts | 158 | 847 | 628 | 2,007 | 7,215 | 8,051 |
| Railway cars and parts | ..... | 2,052 | 2 | 12 | 13,654 | 2,878 |
| Iron products, other | 477 | 983 | 1,267 | 3,935 | 15,592 | 11,934 |
| TOTAL | 4,388 | 18,104 | 17,195 | 44,241 | 201,069 | 165,332 |
| **Non-Ferrous Metals and Products:** | | | | | | |
| Aluminum and products | 2,675 | 12,593 | 9,170 | 14,614 | 64,092 | 71,706 |
| Brass and products | 100 | 76 | 190 | 676 | 3,692 | 1,468 |
| Copper and products | 4,261 | 8,512 | 6,302 | 33,506 | 58,697 | 56,173 |
| Lead and products | 992 | 1,519 | 3,515 | 5,732 | 26,352 | 17,431 |
| Nickel | 3,968 | 7,089 | 7,832 | 33,967 | 64,222 | 68,090 |
| Precious metals (except gold) | 2,564 | 1,159 | 4,893 | 16,119 | 17,830 | 19,550 |
| Zinc and products | 580 | 4,368 | 6,053 | 6,829 | 37,882 | 34,747 |
| Electrical apparatus, n.o.p. | 347 | 889 | 846 | 2,876 | 8,127 | 6,396 |
| Non-ferrous products, other | 300 | 829 | 1,112 | 2,014 | 8,019 | 8,282 |
| TOTAL | 15,188 | 37,033 | 39,912 | 116,332 | 288,912 | 283,843 |
| **Non-Metallic Minerals, Products:** | | | | | | |
| Asbestos and products | 1,136 | 4,983 | 5,076 | 7,899 | 18,075 | 38,259 |
| Coal | 146 | 265 | 266 | 968 | 2,220 | 2,385 |
| Petroleum and products | 118 | 6 | 14 | 483 | 1,610 | 140 |
| Abrasives, artificial, crude | 241 | 812 | 1,371 | 2,800 | 8,428 | 9,075 |
| Non-metallic products, other | 500 | 1,434 | 1,673 | 3,416 | 12,533 | 13,887 |
| TOTAL | 2,141 | 7,500 | 8,400 | 15,567 | 42,686 | 63,747 |
| **Chemicals and Allied Products:** | | | | | | |
| Acids | 107 | 174 | 348 | 818 | 1,932 | 2,047 |
| Medicinal preparations | 124 | 270 | 398 | 987 | 2,328 | 2,876 |
| Fertilizers | 356 | 2,696 | 2,350 | 5,487 | 26,921 | 26,477 |
| Paints and varnishes | 77 | 200 | 298 | 599 | 2,559 | 2,376 |
| Calcium compounds | 40 | 124 | 93 | 319 | 1,442 | 857 |
| Soda and sodium compounds | 340 | 302 | 442 | 2,673 | 2,589 | 3,266 |
| Chemical products, other | 349 | 896 | 3,529 | 2,510 | 9,673 | 26,563 |
| TOTAL | 1,394 | 4,661 | 7,458 | 13,393 | 47,444 | 64,461 |
| **Miscellaneous Commodities:** | | | | | | |
| Toys and sporting goods | 86 | 63 | 37 | 300 | 357 | 192 |
| Films | 215 | 173 | 121 | 2,758 | 2,267 | 1,499 |
| Ships and vessels | ..... | 7,954 | 2,200 | 188 | 35,954 | 18,088 |
| Aircraft and parts | 110 | 5,228 | 310 | 2,665 | 14,782 | 3,143 |
| Electrical energy | 359 | 407 | 512 | 2,777 | 3,558 | 4,255 |
| Miscellaneous consumer goods | 181 | 363 | 254 | 1,294 | 3,443 | 2,181 |
| Miscellaneous, other | 466 | 982 | 473 | 2,660 | 12,393 | 5,453 |
| Donations and gifts | ..... | 358 | 422 | ..... | 5,559 | 2,237 |
| Non-commercial articles | 266 | 962 | 1,013 | 1,526 | 7,172 | 6,207 |
| TOTAL | 1,684 | 16,490 | 5,343 | 14,167 | 85,484 | 43,254 |

## Canadian Exports, by Main Groups

| Country | August | | | January—August | | |
|---|---|---|---|---|---|---|
| | 1938 | 1949 | 1950 | 1938 | 1949 | 1950 |
| ALL COUNTRIES | (Thousands of Dollars) | | | | | |
| Agricultural, Vegetable Products | 12,245 | 62,415 | 45,494 | 101,300 | 487,417 | 394,446 |
| Animals and Animal Products | 9,743 | 26,859 | 31,510 | 73,723 | 189,854 | 230,362 |
| Fibres, Textiles and Products | 1,227 | 1,639 | 3,347 | 8,931 | 19,179 | 17,480 |
| Wood, Wood Products and Paper | 21,102 | 76,959 | 98,421 | 134,687 | 555,539 | 678,484 |
| Iron and Products | 4,388 | 18,104 | 17,195 | 44,241 | 201,069 | 165,332 |
| Non-Ferrous Metals and Products | 15,188 | 37,033 | 39,912 | 116,332 | 288,912 | 283,843 |
| Non-Metallic Minerals, Products | 2,141 | 7,500 | 8,400 | 15,567 | 42,686 | 63,747 |
| Chemicals and Allied Products | 1,394 | 4,661 | 7,458 | 13,393 | 47,444 | 64,461 |
| Miscellaneous Commodities | 1,684 | 16,490 | 5,343 | 14,167 | 85,484 | 43,254 |
| TOTAL | 69,111 | 251,659 | 257,080 | 522,342 | 1,917,585 | 1,941,409 |
| UNITED KINGDOM | | | | | | |
| Agricultural, Vegetable Products | 7,341 | 23,975 | 16,179 | 59,847 | 226,928 | 162,191 |
| Animals and Animal Products | 6,348 | 7,277 | 4,535 | 46,562 | 40,170 | 37,093 |
| Fibres, Textiles and Products | 243 | 192 | 127 | 2,437 | 1,043 | 680 |
| Wood, Wood Products and Paper | 3,199 | 9,114 | 5,547 | 25,261 | 56,963 | 22,281 |
| Iron and Products | 923 | 1,857 | 770 | 10,035 | 15,142 | 6,651 |
| Non-Ferrous Metals and Products | 7,725 | 14,373 | 13,836 | 61,146 | 107,302 | 72,013 |
| Non-Metallic Minerals, Products | 277 | 756 | 870 | 1,944 | 4,828 | 6,609 |
| Chemicals and Allied Products | 354 | 286 | 504 | 3,123 | 3,853 | 4,209 |
| Miscellaneous Commodities | 322 | 5,051 | 175 | 3,104 | 12,811 | 1,902 |
| TOTAL | 26,734 | 62,882 | 42,544 | 213,458 | 469,041 | 313,629 |
| UNITED STATES | | | | | | |
| Agricultural, Vegetable Products | 1,739 | 7,652 | 9,711 | 12,784 | 82,254 | 98,719 |
| Animals and Animal Products | 2,398 | 13,668 | 22,966 | 18,304 | 109,084 | 156,297 |
| Fibres, Textiles and Products | 151 | 909 | 2,449 | 1,231 | 7,472 | 11,121 |
| Wood, Wood Products and Paper | 14,991 | 61,021 | 88,718 | 87,335 | 440,695 | 625,208 |
| Iron and Products | 267 | 7,024 | 9,432 | 2,928 | 78,201 | 87,089 |
| Non-Ferrous Metals and Products | 3,404 | 16,132 | 21,644 | 22,008 | 127,646 | 167,894 |
| Non-Metallic Minerals, Products | 957 | 5,191 | 6,340 | 7,535 | 29,618 | 44,739 |
| Chemicals and Allied Products | 405 | 2,140 | 4,197 | 5,894 | 22,157 | 36,781 |
| Miscellaneous Commodities | 950 | 1,616 | 1,692 | 6,203 | 13,477 | 12,445 |
| TOTAL | 25,261 | 115,353 | 167,148 | 164,223 | 910,604 | 1,240,292 |

### Chilean Import and Export Regulations to be Changed

Santiago, September 14, 1950.—(FTS)—At a recent meeting of the Manufacturers' Association, which was attended by the vice-president of the Foreign Trade Council, this official stated that the service under his control was inquiring into the true necessities of raw materials, tools and other commodities indispensable to local industry. As a result, it should be possible to determine more precisely the necessities of industry and set aside in the exchange budget the necessary exchange cover. As regards the import of machinery, transport equipment, etc., the Foreign Trade Council will do everything posible to provide the necessary exchange, as it is recognized that much of the present industrial equipment is antiquated and worn out through intensive use. The vice-president of the Council also stated that he proposed to introduce in the present exchange regulations, changes which would increase the rates at which return remittances in cover of the export of nationally manufactured articles would be liquidated, thus enabling industry to increase foreign sales and thereby produce foreign currency for other imports.

# Trade Commissioners on Tour

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

**Ottawa—Foreign Trade Service, Department of Trade and Commerce**

**Brantford—Board of Trade.**
**Calgary—Board of Trade.**
**Charlottetown—Board of Trade.**
**Edmonton—Canadian Manufacturers' Association.**
**Fredericton—Chamber of Commerce.**
**Gananoque—Chamber of Commerce.**
**Guelph—Board of Trade.**
**Halifax—Board of Trade.**
**Hamilton—Chamber of Commerce.**
**Kingston—Chamber of Commerce.**
**Kitchener—Chamber of Commerce.**
**London—Chamber of Commerce.**
**Moncton—Canadian Manufacturers' Association.**
**Montreal—Montreal Board of Trade.**
**Port Arthur—Chamber of Commerce.**
**Quebec City—Board of Trade.**
**Regina—Chamber of Commerce.**
**Saint John—Board of Trade.**
**Saskatoon—Board of Trade.**
**St. Catharines—Chamber of Commerce.**
**St. John's—Department of Trade and Commerce, Stott Building.**
**Toronto—Canadian Manufacturers' Association.**
**Vancouver—Department of Trade and Commerce, 355 Burrard Street.**
**Victoria—Department of Trade and Industry.**
**Welland—Board of Trade.**
**Windsor—Chamber of Commerce.**
**Winnipeg—Canadian Manufacturers' Association.**

## K. F. Noble Returns from Hong Kong on Tour

K. F. Noble

**Kenneth Frederick Noble** has returned home on leave from Hong Kong, where he was Canadian Government Trade Commissioner since February, 1947, and will make a tour of Canada before proceeding early next year to Cape Town, South Africa, as Canadian Government Trade Commissioner. He will commence his tour in Victoria, B.C., on October 13.

Mr. Noble was born in Vancouver in April, 1908, and graduated from the University of British Columbia with a B.A. degree, subsequently taking post-graduate courses at the University of British Columbia and the University of California. He joined the Canadian Trade Commissioner Service in March, 1932, and was posted to Hong Kong in September, 1933, as Assistant Trade Commissioner. Mr. Noble was transferred to Singapore in February, 1937, and to Sydney, Australia, in February, 1942. He was promoted Canadian Trade Commissioner in February, 1945, and posted again to Hong Kong in February, 1947.

Victoria—October 13-14.
Vancouver—October 15-25.
Calgary—October 26.
Edmonton—October 27-28.
Toronto—October 31-November 9.
Windsor—November 13-14.
London—November 15.
Brantford—November 16.

Kitchener—November 17-18.
Hamilton—November 20-21.
St. Catharines—November 22.
Toronto—November 23-25.
Ottawa—November 27-December 4.
Montreal—December 5-16.
Ottawa—December 18-20.

R. W. Blake, who has been appointed Commercial Secretary for Canada (Agricultural Specialist), in Melbourne, Australia, is making a tour of this country prior to proceeding to his new post.

Winnipeg—October 10-12.
Toronto—October 16-19.
Guelph—October 20.
Brantford—October 21.
Ottawa—October 23-28.

Theodore J. Monty, Commercial Secretary for Canada in Athens, Greece, since October, 1946, has returned home on leave, and will commence a tour of Canada in Montreal on August 28. His territory includes Israel.

Toronto—October 2-13.
Hamilton—October 16-17.
St. Catharines, Welland—October 18.
Kitchener—October 19.
Windsor—October 20.
Port Arthur—October 23.
Winnipeg—October 25.
Vancouver—October 30-November 2.
Ottawa—November 7-18.

Dr. Charles F. Wilson

**Canadian Grain Mission Leaves for Europe**

**Dr. Charles F. Wilson,** Director of the Wheat and Grain Division in the Department of Trade and Commerce, is leading a grain mission to the United Kingdom and Western Europe, the other members being R. W. Milner, Commissioner of the Board of Grain Commissioners for Canada; and J. B. Lawrie, Executive Assistant to the Canadian Wheat Board. The mission will call on members of the grain trade, millers and government officials with a view to facilitating the trade in Canadian wheat, grain and flour.

**South African Trade with Northern Rhodesia Increased**

Cape Town, August 11, 1950.—(FTS)—South African trade with Northern Rhodesia showed a slight increase in the first six months of 1950. Exports totalled £3,343,548 as compared with £2,895,868 in the previous year, while imports amounted to £1,949,338 as compared with £1,472,394 in the first six months of 1949.

Imports from Southern Rhodesia for the first six months of 1950 totalled £3,025,914 and exports £7,225,261.

**Chilean Wood Impregnation Plant Now Working**

Santiago, September 14, 1950.—(FTS)—The vice-president of the Corporación de Fomento has announced that the wood impregnation plant, which has been under construction in Champullo, near Valdivia, in the south of Chile, is now working experimentally, and in October will be inaugurated by the President of Chile.

# Trade and Tariff Regulations

**South Africa Announces New Import Control Policy**

Johannesburg, September 26, 1950.—(FTS)—Changes in the import control system of the Union of South Africa which will increase the total value of permits available for imports from any country during 1951 were announced today by the Hon. Eric Louw, Minister for Economic Affairs.

Under the present system, "universal permits" are issued to the value of the Union's net earnings from gold production and exports and capital inflow from hard-currency countries only. Such permits can be used for imports from any country in the world. For the balance of the Union's net earnings plus capital inflow from soft-currency countries, "restricted permits" are issued which are valid only for imports from soft-currency countries.

As a result of the new arrangement, "general permits" will next year replace "universal permits" and they will, as in the case of the latter, be valid for importations from any part of the world. The total value to which "general permits" will be issued will be determined by the total amount of foreign currency, both hard and soft, earned by the Union as a result of commodity exports and gold production less necessary allowances for net invisible imports.

In addition, "general permits" will be issued to the extent of £2 for every £1 of net capital inflow of hard currency.

The object of limiting the amount of "general imports" to the Union's net currency income plus twice the amount of hard-currency capital inflow is to ensure that a substantial inflow of capital from soft-currency countries will not prevent the flow of a reasonable share of the Union's current gold output to the Bank of England for payment of soft-currency purchases. Moreover, the scheme is based on the assumption that net current hard-currency earnings (including current gold production) will remain at about their present levels. If the ratio of the country's hard currency should fall substantially it may be necessary to reduce the total amount of "general permits" below the level indicated in order not to expose gold reserves to any undue risk.

Capital inflow from soft-currency countries has always been substantially greater than inflow from hard-currency countries, and to the extent that total currency receipts, hard and soft, exceed the limits fixed for "general permits", "restricted permits", which will be valid only for imports from soft-currency countries, will be issued as at present.

Under the new plan importers will not be bound to the same extent as at present to sterling sources of supply, and competitive prices and delivery terms rather than availability of permits will largely determine where purchases are made.

Provided Canadian prices and delivery are competitive, therefore, prospects for Canadian exports to the Union are considerably more encouraging under the revised program to come into effect on January 1, 1951.

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**Irish Cattle Population Largest Since 1922**

Dublin, September 15, 1950.—(FTS)—There are more cattle in the Republic of Ireland to-day than at any time since the State was set up in 1922, recently published statistics show. The number to-day is calculated at 4,324,300. The number of sheep is also increasing, although the poultry and pig population has declined slightly during the last twelve months.

Tillage has generally decreased, except in the case of sugar beet, now an important Irish industry, which has increased by 1·3 per cent to 60,300 acres.

**Earnings of South African Railways Rising Steadily**

Johannesburg, September 13, 1950.—(FTS)—The earnings of the South African Railways continue to rise steadily and to maintain a consistently higher level than that reached last year. The average weekly earnings this year are £1,621,825, compared to an average of £1,480,190 last year. Earnings for the week ending September 2 were the highest on record, amounting to £1,752,595. The Minister of Transport expressed the hope recently that the railway budget for the financial year 1950-51 would be in balance.

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**South Africa to Manufacture Oil from Coal**

Johannesburg, September 13, 1950.—(FTS)—The Minister of Economic Affairs announced in Pretoria on September 12 that the government had decided to guarantee the financing of the first company to manufacture oil from coal in the Union to an amount of £13,000,000. To enable the company to proceed immediately with its preparatory work, the Industrial Development Corporation will be asked under a government guarantee to make a provisional amount of £200,000 available to the company. The specific form which the company will assume, the method of financing and the question as to whether shares could be offered to the public were matters on which no finality has yet been reached. However, the majority of the directors of the company will be appointed by the government.

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**Swedish Iron Production Falls Below Expectations**

Stockholm, September 22, 1950.—(FTS)—Swedish iron production during the first half of 1950 did not show the favourable results anticipated at the beginning of the year. The production of commercial iron and steel was approximately equal to that in the corresponding period last year, while the increase in pig iron production is much less than was estimated. The main reason for this unsatisfactory situation is the shortage of labour, which is particularly serious in the light of present armament requirements and resulting import difficulties.

The total production of pig iron during the first half year of 1950 has risen to 434,000 tons, an increase of 17,000 tons or approximately 4 per cent compared with the same period in 1949. The total production of blooms and cast steel, compared with 1949 has increased by 51,000 tons or by somewhat over 7 per cent to 729,000 tons. Production of commercial rolled and forged iron and steel reached 464,000 tons against 465,000 tons for the period January-June, 1949, the latter figure being the best result recorded during the six-month period.

Iron ore exports have decreased from 5,673,000 tons to 5,428,000 tons, while exports of iron and steel have increased from 74,800 tons to 84,500 tons. The import of iron and steel has somewhat increased, but varies in the different branches. Import of pig iron and scrap amounted to 52,400 tons and 76,700 tons respectively against 46,300 and 74,200 tons for the same period in 1949.

A decrease has taken place in the import of rolled bar and rod iron from 111,200 to 90,300 tons, while an increase has been noted in thin and thick sheet iron, from 96,600 tons to 116,800 tons. Total import figures reached 434,500 tons as compared with 427,100 for the first six months of 1949.

The estimated consumption in Sweden of commercial rolled and forged iron and steel is at the same level as last year, or approximately 700,000 tons for the first half year.

# 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*—Acting Commercial Secretary, Canadian Embassy, Bartolomé Mitre 478. Territory includes Paraguay and Uruguay.

*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, 60 Hunter Street. 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*—W. GIBSON-SMITH, 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.

*Sao Paulo*—C. J. VAN TIGHEM, Consul and Canadian Government Trade Commissioner, Canadian Consulate, Edificio Alois, Rua 7 de Abril, 252. Address for letters: Caixa Postal 6034.

### Chile

*Santiago*—M. R. M. DALE, Acting Commercial Secretary, Canadian Embassy, Bank of London and South America Building. Address for letters: Casilla 771.

### China

*Shanghai*—Acting Commercial, Secretary for Canada, 27 The Bund, Postal District (0).

### Colombia

*Bogota*—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 Ecuador.

### Cuba

*Havana*—A. W. EVANS, Commercial Secretary, Canadian Embassy, Avenida de las Misiones 17. Address for letters: Apartado 1945. Territory includes Dominican Republic, Haiti 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, the Hashemite Kingdom of the Jordan, Iraq, Lebanon, Saudi Arabia and Syria.

### 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*—W. JONES, 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 Canal Zone, Costa Rica, El Salvador, Honduras, Nicaragua and Panama.

## Foreign Trade Service Abroad—*Continued*

### Hong Kong

*Hong Kong*—T. R. G. FLETCHER, Acting Canadian Government Trade Commissioner, Hong Kong Bank Building. Address for letters: Post Office Box 126. Territory includes French ndo-China and South 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*—R. F. RENWICK, 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 Libya, Malta and Yugoslavia.

### 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*—Acting Commercial Secrtary, 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.

### 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*—A. P. BISSONNET, Acting Commercial Secretary, Office of the High Commissioner for Canada, the Cotton Exchange, McLeod Road. Address for letters: Post Office Box 531. Territory includes Afghanistan and Iran.

### Peru

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

### Philippines

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

### Portugal

*Lisbon*—L. S. GLASS, Acting Canadian Consul General and Trade Commissioner, Canadian Consulate General, Rua Rodrigo da Fonseca 103. Territory includes the Azores and Madeira.

### Singapore

*Singapore*—R. K. THOMSON, Acting Canadian Government Trade Commissioner, Room D-5, Union Building. Address for letters: Post Office Box 845. Territory includes Brunei, Federation of Malaya, Indonesia, North Borneo, Sarawak and Thailand.

### South Africa

*Johannesburg*—Acting Canadian Government Trade Commissioner, Mutual Building, Harrison Street. Address for letters: Post Office Box 715. Territory includes Natal, Transvaal, Southern Rhodesia, Northern Rhodesia, Mozambique, Kenya, Tanganyika, Uganda and Nyasaland. *Cable address, Cantracom.*

*Cape Town*—C. B. BIRKETT, Canadian Government Trade Commissioner, 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.*

## Foreign Trade Service Abroad—*Concluded*

### Spain

*Madrid*—E. H. MAGUIRE, Canadian Government Trade Commissioner, 70 Avenida José Antonio. Address for letters: Apartado 117. Territory includes the Balearic Islands, Canary Islands, Gibraltar, Rio de Oro, Spanish Morocco and Tangiers.

### 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. Address for letters: Canadian Consulate General, 620 Fifth Avenue. Territory includes Bermuda. *Cable address, Cantracom.*

*New York City*—M. B. BURSEY, Canadian Government Trade Commissioner (Fisheries Specialist), British Empire Building, Rockefeller Center. Address for letters: Canadian Consulate, 620 Fifth Avenue.

*Boston*—Acting 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*—D. S. COLE, 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 Territory includes Hawaii.

### Venezuela

*Caracas* — Acting Canadian Consul-General and Trade Commissioner, Canadian Consulate General, 8° Peso, 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 convertd 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 Sept. 25 | Nominal Quotations Oct. 3 |
|---|---|---|---|---|---|
| Argentina | Peso | Off. | ·2977 | ·2200 | ·2095 |
| | | Free | ·2085 | ·0708 | ·0759 |
| Austria | Schilling | Export | ..... | ·0515 | ·0490 |
| Australia | Pound | .... | 3·2240 | 2·4640 | 2·3464 |
| Belgium and Belgian Congo | Franc | .... | ·0228 | ·0219 | ·0208 |
| Bolivia | Boliviano | .... | ·0238 | ·0183 | ·0174 |
| British West Indies (Except Jamaica) | Dollar | .... | ·8396 | ·6417 | ·6111 |
| Brazil | Cruzeiro | .... | ·0544 | ·0598 | ·0569 |
| Burma | Rupee | .... | ·3022 | ..... | ..... |
| Ceylon | Rupee | .... | ·3022 | ·2310 | ·2200 |
| Chile | Peso | Off. | ·0233 | ·0183 | ·0175 |
| Colombia | Peso | .... | ·5128 | ·5641 | ·5372 |
| Costa Rica | Colon | .... | ·1800 | ·1980 | ·1886 |
| Cuba | Peso | .... | 1·0000 | 1·1000 | 1·0475 |
| Czechoslovakia | Koruna | .... | ·0200 | ·0220 | ·0210 |
| Denmark | Krone | .... | ·2084 | ·1592 | ·1516 |
| Dominican Republic | Peso | .... | 1·0000 | 1·1000 | 1·0475 |
| Ecuador | Sucre | .... | ·0740 | ·0815 | ·0776 |
| Egypt | Pound | .... | 4·1330 | 3·1587 | 3·0079 |
| El Salvador | Colon | .... | ·4000 | ·4400 | ·4190 |
| Fiji | Pound | .... | 3·6306 | 2·7748 | 2·6424 |
| Finland | Markka | .... | ·0062 | ·0048 | ·0045 |
| France, Monaco and French North Africa | Franc | Off. | ·0037 | ·0031 | ·0030 |
| French Empire—African | Franc | .... | ·0073 | ·0063 | ·0060 |
| French Pacific Possessions | Franc | .... | ·0201 | ·0174 | ·0165 |
| Germany | Deutsche Mark | .... | ·3000 | ·2619 | ·2494 |
| Guatemala | Quetzal | .... | 1·0000 | 1·1000 | 1·0475 |
| Haiti | Gourde | .... | ·2000 | ·2200 | ·2095 |
| Honduras | Lempira | .... | ·5000 | ·5500 | ·5237 |
| Hong Kong | Dollar | .... | ·2519 | ·1925 | ·1833 |
| Iceland | Krona | .... | ·1541 | ·0675 | ·0643 |
| India | Rupee | .... | ·3022 | ·2310 | ·2200 |
| Iran | Rial | .... | ·0212 | ..... | ..... |
| Iraq | Dinar | .... | 4·0300 | 3·0800 | 2·9330 |
| Ireland | Pound | .... | 4·0300 | 3·0800 | 2·9330 |
| Israel | Pound | .... | 3·0000 | 3·0800 | 2·9330 |
| Italy | Lira | .... | ·0017 | ·0018 | ·0017 |
| Jamaica | Pound | .... | 4·0300 | 3·0800 | 2·9330 |
| Japan | Yen | .... | ·0028 | ..... | ..... |
| Lebanon | Piastre | .... | ·4561 | ..... | ..... |
| Mexico | Peso | .... | ·1157 | ·1273 | ·1212 |
| Netherlands | Florin | .... | ·3769 | ·2895 | ·2757 |
| Netherlands Antilles | Florin | .... | ·5308 | ·5833 | ·5555 |
| New Zealand | Pound | .... | 4·0150 | 3·0800 | 2·9330 |
| Nicaragua | Cordoba | .... | ·2000 | ·2200 | ·2095 |
| Norway | Krone | .... | ·2015 | ·1540 | ·1467 |
| Pakistan | Rupee | .... | ·3022 | ·3325 | ·3166 |
| Panama | Balboa | .... | 1·0000 | 1·1000 | 1·0475 |
| Paraguay | Guarani | .... | ·3200 | ..... | ..... |
| Peru | Sol | .... | ·1538 | ·0715 | ·0681 |
| Philippines | Peso | .... | ·4975 | ·5500 | ·5238 |
| Portugal and Colonies | Escudo | .... | ·0400 | ·0385 | ·0366 |
| Singapore | Straits Dollar | .... | ·4702 | ·3593 | ·3422 |
| Spain and Colonies | Peseta | .... | ·0916 | ·1008 | ·0960 |
| Sweden | Krona | .... | ·2783 | ·2126 | ·2024 |
| Switzerland | Franc | .... | ·2336 | ·2527 | ·2428 |
| Thailand | Baht | .... | ·1000 | ..... | ·3724 |
| Turkey | Lira | .... | ·3571 | ·3911 | 2·9330 |
| Union of South Africa | Pound | .... | 4·0300 | 3·0800 | 2·9330 |
| United Kingdom | Pound | .... | 4·0300 | 3·0800 | 1·0475 |
| United States | Dollar | .... | 1·0000 | 1·1000 | ·6895 |
| Uruguay | Peso | Controlled | ·6583 | ·7241 | ·3132 |
| Venezuela | Bolivar | .... | ·2985 | ·3289 | ..... |
| Yugoslavia | Dinar | .... | ·0200 | ..... | |

* September 17, 1949.