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COVER SUBJECT—The Welland Ship Canal, which was completed by Canada in 1932 at a cost of \$132 million, is an important contribution to the proposed St. Lawrence Seaway. Under this proposal, the channel between Montreal and the Great Lakes would be deepened to 27 feet. Freight passing through the Welland Ship Canal totalled 14,719,346 tons in the past year, as compared with 13,692,209 tons in 1949. (See article on page 365 of this issue.)

Price 10 cents

Trade Between Canada and Mexico Broke All Records In Past Year

Trade balance in Mexico's favour amounted to nearly \$14 million at end of October, 1950—Canada is selling greater variety of manufactured goods to Mexico—Production of copper, lead and zinc increased as result of Korean campaign and United States' stockpiling.

By Clive B. Smith, Office of the Commercial Secretary for Canada

(Editor's Note: First of two articles on economic conditions in Mexico.)

MEXICO CITY, January 30, 1951.—Trade between Canada and Mexico had broken all previous annual records by the end of October, 1950, and the balance in Mexico's favour amounted to nearly \$14 million. Trade between the two countries amounted to \$42.3 million in the previous record year, 1948. It fell off to a little more than \$40 million in 1949, but totalled \$54.2 million in the first ten months of 1950. Canada is selling a greater variety of manufactured goods, and in return is buying Mexican raw cotton in considerable quantities and at higher prices. Purchases of cotton amounting to over \$12 million in August-October accounted for most of Mexico's favourable balance at the end of ten months.

Mexico's imports were 266 million pesos in excess of exports at the end of the first six months of the year. Favourable balances in July, August and September, totalling 194.2 million pesos, were to some extent offset in October by an excess of imports amounting to 25 million. In November, the value of both imports and exports reached new peso records, but there was an excess of exports amounting to 5 million. It is likely that the balance at the end of the year was unfavourable to the extent of about 50 million pesos.

Record Cotton Crop Causes Spectacular Rise in Exports

In 1949, exports exceeded imports by 95.8 million pesos. The change in the foreign trade picture, nevertheless, was spectacular in the second half of last year. Exports averaged under 300 million pesos monthly up to the end of June, and increased steadily from 424.9 million in July to over 489 million in November, helped to a great extent by the sale abroad of almost 80 per cent of a record one-million-bale crop of cotton, a record that will be equalled or exceeded in 1950-51.

Imports did not increase in the same proportion. Averaging about 310 million pesos a month during January-June, they rose to 468.8 million in October and over 484 million in November. Encouraged by the government, and fearing shortages, Mexican manufacturers have been placing abroad heavy orders for machinery and essential supplies.

The year's probable deficit in foreign trade was more than outweighed by receipts from a record number of visitors to the country. In 1949, a total of 305,561 visitors was recorded, at the average rate of 25,463 every month. The average in 1950, up to the end of September, was 28,835 each month, and Dr. Francisco del Rio, a former Mexican Ambassador to Canada who now is Director General of the National Tourist Commission, stated early in January that tourists spent 1,500 million pesos here last year. This impressive total represents goods and services valued at over \$170 million. However, income of the tourist industry in 1949 reached



Mexico—Bank of Mexico on left and business offices in Mexico City.

180 million dollars, only 900 million pesos at ruling exchange rates. The Tourist Commission's claim that "very close to 450,000" visitors came to Mexico last year appears to be exaggerated, and the fact that the cheap peso has not resulted in a larger dollar income has not passed unnoticed by those who are trying to correct the growing tendency towards inflation. Larger sums are being spent on the development of the tourist industry, and the government itself, apart from any private interests or official agencies, will spend 400,000 dollars on newspaper advertising alone during 1951.

Mineral Production Increasing

The campaign in Korea and the stock piling of essential minerals in the United States notably affected Mexican mineral production in the second half of 1950. The production of copper was highest in February at 7,870 metric tons, but the average rose after June to 5,287 metric tons a month by the end of October, as compared with an average of 4,770 in 1949. Lead production increased in the second half of the year, and the monthly average at the end of October was 20,087, as compared with an average of 18,404 during 1949. Zinc production increased even more notably, from an average of well under 20,000 tons in the first six months of the year to 30,097 in July, and an average of 19,082 in the first 10 months of the year as compared with 14,867 in 1949.

Gold and silver production up to the end of October were slightly in excess of 1949 figures. Gold averaged 33,797 troy ounces in 1949, and stood at 34,967 at the end of the first ten months of last year. Although Mexico withdrew from the silver market in the fall of 1950, production was up in the first ten months of the year from an average of 4.12 thousand troy ounces in 1949 to 4.29 thousand at the end of October.

Revaluation of Peso Practical Possibility

Revaluation of the Mexican peso towards parity with the dollar became a practical possibility at the end of 1950. Reserves of the Bank of Mexico were twice the amount that is required by law as a minimum to cover currency in circulation, and by January 3 the government was obliged to issue an official statement categorically denying its intention to peg the peso higher than its current exchange rate of 8·65. Its decision has been bolstered by emergency legislation, freezing prices of essential commodities and industrial materials, freezing new deposits in private banks, and imposing strict controls over production, profits and distribution.

It is obvious that the bonanza into which the country's primary industry, mining, has stumbled as a result of the world situation, the demands of the United States market, and the attraction of the cheap peso to tourists, have influenced the government in its decision to resist revaluation as long as possible. However, the effort to contain prices has met with no great success so far.

Capital has been transferred from abroad in large amounts since the outbreak of the Korean campaign. By the end of July, the overall flow of refugee capital, excess exports, and receipts from tourists was not less than a million dollars a day. By September, it had almost doubled in volume. In the early days of December, such responsible organizations as the Confederation of Industrial Chambers and the Confederation of National Chambers of Commerce predicted that the flood would reach four-million-dollars-a-day proportions by the time the year was out. In the forty days preceding November 21, 120 million dollars entered Mexico, according to the Secretary of Finance. On December 15, the Bank of Mexico reported that its reserves stood at 250 million dollars. They grew to 338 million by January 11, by which time the government, having cancelled its bilateral trade agreement with the United States, had abolished long lists of goods, chiefly luxury items, whose importation had been forbidden for periods of up to 3½ years.

Capital Being Transferred into the Country

The tendency for funds to accumulate in the country was heightened in July-September by an excess of exports over imports to a total value of 194·2 million pesos. Although the Mexican press throughout the second half of last year assumed that capital being deposited in private banks was the property of foreigners, there was no doubt that a large proportion of it belonged to Mexican citizens, who transferred it out of the country when currency devaluation first threatened in 1947-48.

At the time of peso stabilization, in June 1949, the nation's currency was backed by a total of \$131·5 million in gold and exchange reserves. Only \$84 million in gold were in the possession of the Bank of Mexico, but Mexico's deposit quota of \$22·5 million was made available by the International Monetary Fund, and a further \$25 million were guaranteed by the United States Treasury. Rumors of impending revaluation have centered around the figure of 6·20 pesos to the dollar, an estimate that was attributed by the Mexican press to M. Camile Gutt, president of the International Monetary Fund, at the conclusion of a visit to Mexico, in the middle of 1950.

On November 25, currency in circulation and sight deposits in the nation's banks totalled 5,894·7 million pesos, an increase of 1,069 million since January 1, 1950. The increase in deposits and circulating currency was hardly discernible in the first six months of the year. It rose slowly from 4,703 million pesos on January 1 to 4,826 million on June 30, or an average rise of 20·5 million a month. Subsequent figures were revealing.

In July, the total increased by 222 million pesos; in August, by 430 million; in September, by 65 million; in October, by 103 million, and between November 1 and 25, by 248 million. In the 18 weeks between July 1 and November 25, therefore, the amount of money in circulation rose at an average monthly rate of 214 million pesos, or more than 10 times as fast as during the first six months of the year. At least 70 per cent was estimated to be held on deposit and it was chiefly for this reason that, on January 11, the government demanded the freezing in the central bank of all new deposits in the private banks.

The status of the peso in relation to the dollar in coming months will depend very largely on the tendency of price indices. A wholesale price index of 210 articles (1939 equals 100) stood at 287·8 on January 1 last year, 304·4 in June, and 331·9 at the end of November—an 11-month average of 309 as against an average of 284·8 during 1949. At the same time, a working class cost of living index, which comprises only a dozen basic foodstuffs and household articles, rose from 324·9 on January 1, 1949, to 347 on January 1, 1950, 354·6 in June and 366·2 at the end of November.

Bilateral Trade Treaty with United States Denounced

A bilateral trade treaty between Mexico and the United States, which was signed in 1943, was denounced in Mexico City and Washington simultaneously on June 23, and it was terminated on December 31 after several conferences of trade and financial experts, meeting in the Mexican capital, had failed to find any basis for a new agreement. Meanwhile, in the course of the year, Mexico signed most-favored-nation treaties, modelled more or less exactly on the existing treaty between Canada and Mexico, with Holland, France, Costa Rica, Yugoslavia, Switzerland and Belgium-Luxembourg. Payments agreements also were signed with France and Western Germany, and a "gentlemen's agreement" was concluded in London with the Government of the United Kingdom. Conversations that led to the signing of four of these agreements were conducted by a Mexican trade commission which spent six months in Europe during the year under the leadership of Carlos Novoa, Director General of the Bank of Mexico.

Partly because of the lapsing of the Mexican-United States treaty, Mexico now is seeking new markets and new sources of supply in Europe. From 1935 to 1939, when imports from all countries averaged 521·6 million pesos annually, Europe's share averaged 172·1 million. In the same five years, of Mexico's average annual exports amounting to 834·1 million pesos, 29 per cent or 239·6 million, went to European countries. Mexico enjoyed a favourable balance of trade with Europe to the average amount of 67·5 million pesos annually, and this balance rose as high as 105·3 million (well over 20 million dollars) in 1937. As late as 1939, Germany was Mexico's second largest supplier after the United States and her third best customer, following the United States and Britain. The emergence of Canada in 1948-1950 as Mexico's second largest supplier and customer has not affected the postwar position of the U.S., which still holds rather more than 80 per cent of Mexico's total foreign trade.

The most-favoured-nation agreement with the Netherlands was signed in Mexico City on January 27 last year, for a period of two years. It is automatically renewable for successive periods of one year, unless either country denounces it six months in advance.

Previously, on December 5, 1949, the Bank of France and the Bank of Mexico signed a payments agreement that will be revised only when the balance of accounts in favour of either country exceeds \$2·5 million.

It is effective for one year and is being renewed from year to year by mutual consent. One immediate result of the arrangement led to the exchange of some forty French trucks for Mexican rice, early last year. The treaty between Mexico and Costa Rica was signed in the Mexican capital on February 4, and was ratified in the capital of Costa Rica twelve days afterwards. A general, unlimited and unconditional most-favoured-nation treaty, that is effective for one year and renewable for periods of twelve months unless three months' notice to the contrary is given by either country, was negotiated in Mexico with the Government of Yugoslavia and was signed on March 17.

The Novoa Commission, which in Europe signed most-favoured-nation treaties with France, Switzerland and Belgium-Luxembourg, concluded in Bonn, Western Germany, on August 26, an agreement for the exchange of goods to the value of 124 million dollars—62 million dollars each way—in the course of twelve months. Mexican exports under this agreement will be cotton, vegetable fibres, sugar, oil-bearing seeds, and zinc and lead concentrates. Imports from Germany will consist of machinery, industrial equipment, chemicals and railway equipment.

In London, the Novoa Commission conducted trade talks with a United Kingdom delegation consisting of representatives of the Board of Trade, Foreign Office, Treasury, Bank of England, and the Ministry of Food. In the twelve months ending June 30, 1951, the United Kingdom will import Mexican commodities, chiefly raw cotton, to the value of four million pounds sterling, and the Mexican Government in turn declared its readiness to facilitate the importation of British products into Mexico. If the arrangement works out satisfactorily in these twelve months, it is expected that a larger volume of trade will be developed in 1951-1952.

Record-Breaking Buyer Attendance at Canadian Fur Auctions

Some of the most successful fur auction sales ever held by Canadian fur auction firms have recently taken place all across Canada. The heavy offering of all types of furs attracted a record-breaking attendance of fur buyers from Canada, the United States and European countries. As a result of strong competition in bidding, advances in prices for most of the furs were recorded and the percentages sold were very high. Fur skins such as Alaska sealskins, ermine and Canadian squirrel sold 100 per cent, with white fox, ranch and wild mink, muskrat and beaver all above 90 per cent. Fur auction sales are regularly held at the main fur centres of Montreal, Winnipeg, Edmonton and Vancouver, and account for a good portion of Canada's fur exports.

H. G. Hesler Appointed Financial Adviser

Harold G. Hesler, of Montreal, assistant general manager of the Royal Bank of Canada, has been appointed special adviser on the financial aspects of the defence production program. On the formation of a Department of Defence Production, Mr. Hesler will head its financial branch.

Mr. Hesler joined the Royal Bank of Canada in 1910 and was appointed assistant general manager in 1935, prior to which he was located in various Canadian cities and for ten years in Havana, Cuba. He served overseas in the First World War with the Royal Canadian Artillery. Mr. Hesler has assisted the government since 1946 as a member of the Advisory Council of the Export Credits Insurance Corporation.

Circular Outlines Functions of Technical Assistance Service

Canadian Manufacturers' Association draws attention of members to need for technical personnel to improve standards of human welfare in underdeveloped countries—Co-operation of industry sought in placing trainees from abroad.

CANADIANS, as believers in the democratic system and as world traders, have good reason to be actively interested in the various schemes launched to improve the living standards of peoples in the underdeveloped parts of the world. The betterment of conditions in these countries is the immediate objective, to the achievement of which the more highly developed Western democracies propose making a substantial contribution. The long-term effects of such developments merit the understanding and support of Canadians as a matter of enlightened self-interest.

Any improvement in the standard of living of the countries concerned will expand the market for capital and consumer goods. Conversely, any failure to raise the standard of living among the 570 million in South and South-East Asia will encourage the spread of Communism, and render more difficult the spread of those democratic principles that facilitate a freer exchange of commodities. An appreciation of this situation, and the importance of adopting counter measures are set forth in the Speech from the Throne, delivered on January 30, 1951, by His Excellency the Governor General, as follows:

"The increased menace in the Far East reinforces the mounting evidence that Communist imperialism is determined to dominate the world by force or the fear of force, and that the only hope of maintaining peace with freedom lies in the rapid increase of the combined strength of the free nations. It is equally important that the free nations should make it abundantly clear that they have no aggressive designs and that they are resolved to aid in constructive endeavours to improve the standards of human welfare in underdeveloped countries. . .

"Your approval will be sought for an appropriate Canadian participation in the Colombo Plan, and in technical assistance to underdeveloped areas."

While specific reference was made in the Throne Speech to the Colombo Plan, this is only part, though an important part, of the obligations that have been assumed by Canada. This country has also agreed to share in similar efforts by the United Nations Technical Assistance Administration, of which Dr. Hugh L. Keenleyside, formerly a prominent Canadian civil servant, is Director-General. Canada has already made available \$850,000 for the United Nations program. The United States is also committed to this United Nations plan and is meanwhile actively continuing her efforts under her well-known "Point Four Program".

Colombo Plan is Commonwealth Project

Cabinet Ministers of Commonwealth countries met in Colombo, Ceylon, in January, 1950, and laid the foundation of what is now known as "The Colombo Plan for Co-operative Economic Development in South and South-East Asia". It was realized that countries in that area, with one-quarter the world's population, could not alone solve their economic

problems. Commonwealth Governments took the lead because of their special ties with the area, and because three-quarters of the people in that territory live in Commonwealth countries.

The governments represented in this great new venture were the United Kingdom, Canada, Australia and New Zealand, as the main sources of assistance, and India, Pakistan and Ceylon, as the main beneficiaries. Provision was also made for the inclusion of the Federation of Malaya, Singapore and other parts of South and South-East Asia.

Agreement was reached by the governments on a co-operative technical assistance program involving an expenditure of \$22.4 million over a period of three years, commencing in July, 1950.

Canada's initial contribution to the project is \$400,000, and a Technical Assistance Service has been established in the Department of Trade and Commerce. Requests for technical experts will be referred to this new Service in Ottawa, as they are received from the United Nations Technical Assistance Administration and from the bureau of the Technical Co-operation Scheme, in Colombo. These requests are already beginning to pour in and steps to deal with them are being taken at once.

Purpose of Colombo Plan Outlined

Poverty and hardship are no new problems in South and South-East Asia, but there has been a great awakening among the people of that area during the last five years. Independent governments have been established, supported by democratic institutions and resolved to improve living conditions for their respective people. They are determined to fight the evils of poverty, hunger, illiteracy and disease. Their success depends on two factors: (a) The number of trained men who can be persuaded to assist in putting the various schemes into practice, and (b) the supplies of machinery, equipment, materials, clothing and food that can be obtained from abroad, over and above what they can pay for themselves.

There are three ways of relieving the shortage of experts: (a) By training more people in the area, (b) by obtaining trained men from abroad, and (c) by providing training overseas for more people from the area.

There are many people in South and South-East Asia who are skilled in village crafts and in working as individuals with simple tools, using traditional methods. There are few, however, who have had any training in large-scale industrial production, or in the application of modern techniques to agriculture. It is not simply a question of providing top-grade experts. Hundreds of these will be required, but so will thousands and thousands of foremen and skilled and semi-skilled workers, who must be trained locally. It will often be more satisfactory to train highly skilled technicians in the area, but a large number must familiarize themselves with the methods, materials and research procedures of the Western Hemisphere before they can accept leadership in the industries of South and South-East Asia.

Training of Technicians is Slow Process

The training of technicians is a slow process. In the meantime, many highly qualified experts are urgently needed for work on development projects. It is estimated that 1,300 will be required from overseas, including 740 engineers, 95 agricultural experts and 80 medical specialists. Some will be wanted for three or four years, others for only a few months, but the number required at any one time during the six years of the Colombo Plan may be anything between 500 and 750.

Canadian Industry Can Assist in Three Ways

(a) By making highly skilled personnel available for periods of up to three years. While engaged as technicians in India, Pakistan, Ceylon or elsewhere, these men would acquire experience and knowledge that would be of great value to their parent companies. It follows, too, that Canadian business in general would stand to gain, as these men recommend the use of the equipment with which they are most familiar.

(b) By discussing the aims and objects of this plan with their associates and other businessmen who might know of technically qualified men willing to participate in this great undertaking.

(c) By taking trainees from abroad into their plants. In many cases these trainees could become valuable sales agents by recommending the purchase of equipment and materials with which they became familiar during their training period. This is a further illustration of the rewards for enlightened self interest. It is also a method of sales promotion used by older exporters of industrial equipment for many years.

On receipt of requests for technical assistants, it is proposed to advertise for applicants, thereby providing Canadian industry with some indication of positions to be filled. *Foreign Trade*, weekly publication of the Department of Trade and Commerce, will list the requests and other pertinent information at periodic intervals.

It is proposed to establish regional or provincial committees to publicize the Colombo Plan and to assist in filing specific requests for technical men. It is also proposed that the Canadian Manufacturers' Association co-operate with the Department of Trade and Commerce in the establishment of such committees throughout the country.

Members of the Canadian Manufacturers' Association who are interested in receiving more information, who are in a position to make technical personnel available, or who could take trainees into their plants are requested to communicate with the Director, Technical Assistance Service, Department of Trade and Commerce, Ottawa.

Director of Priorities Division Appointed

Henry J. Sissons, of Toronto, has been appointed Director of a Priorities Division in the Department of Trade and Commerce. While no formal priority system is in force in Canada, the existence of various systems such as the "Defence Order" arrangements in the United States, make the establishment of a Priorities Division necessary in Canada. In addition to its work in connection with the United States source of supply, the new division will deal with various problems of ensuring supply for defence orders in Canada in fields that are not covered by separate divisions, such as the Steel and Non-ferrous Metals Divisions.

Mr. Sissons, who is on loan from the Ontario Hydro-Electric Power Commission, served as Priorities Representative in Washington during the last war and as Deputy Priorities Officer in Ottawa for the Department of Munitions and Supply. He also served as assistant to the chairman, War-time Industries Control Board, and Director of Export Sales for the War Assets Corporation.

Sales of Canadian Storage Batteries Higher in Value

Sales of electric storage batteries and parts by principal Canadian producers in the full year 1950 were valued at \$17,120,365, an increase of eight per cent over the preceding year's sales of \$15,854,462. Sales in December totalled \$1,398,581, as compared with \$1,362,349 in December, 1949.

Defence Production in Great Britain Will Impose Burden on Civilian Economy

Expenditure for all phases of military and civilian defence requirements estimated at about £4,700 million over the next three years—Trades not directly involved in defence preparations will be confronted with responsibility for maintaining dollar export drive.

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

LONDON, February 8, 1951.—Production for defence, involving an immense outlay of manpower and money, will impose a heavy burden on the civilian economy of this country. Trades not directly involved in defence preparations will be confronted with a tremendous responsibility for maintaining the dollar export drive, and further progress along the road towards the goal of non-austerity will be postponed indefinitely.

Expenditure over the next three years for all phases of military and civilian defence requirements, but not including stockpiling, is estimated at about £4,700 million, or an average of £1,566 million per year. Actually, for 1951-52 the expenditure will be about £1,300 million, but as the program gains momentum, the annual expenditures will show a rising trend. Before Korea, defence expenditures were established at £780 million for the current year. This figure was expanded to £1,133 million, to £1,200 million, and now to an average of £1,566 million per year. The current year's (1950-51) actual cost of defence will be about £880 million.

In reviewing these figures, it is of interest to compare them with the gross annual output by British industry, which was £9,200 million in 1950. At the same time, the value of all production (gross national income) in the United Kingdom was estimated at £13,345 million. Thus, the new defence estimates for the fiscal year 1951-52 will be 14 per cent of the value of industrial production in 1950 and nearly 10 per cent of the gross national income.

The budget estimate for 1950-51 showed revenue at £3,898 million. Expenditure for defence during this fiscal year will, therefore, amount to about 23 per cent of all revenue, and for next year will represent 33 per cent of this year's revenue. No details have been published as to how this additional revenue is to be raised, but the Prime Minister has indicated that efforts will be made to carry as much of the load as possible now and "refrain from mortgaging the future by running into debt abroad or reducing the investment on which our industrial efficiency depends". The light engineering industries producing for civilian consumption will be expected to take part of the defence production load, and, at the same time, along with other industries such as the textile industries, increase exports in order to balance the trading account. Civil building is also to suffer.

Military Training Will Affect Labour Force

Apart from the disturbance in the labour force as a result of the conversion from civilian to defence production, plans for training reserves and expanding the armed forces will seriously hinder the industrial drive.

About 235,000 army reserves are to be called up for 15 days' training this summer, 10,000 R.A.F. reserves (spotting and control services) will also be recalled for a similar period of training, 6,000 men of the Royal

Fleet Reserve will be called for 18 months' service, 2,300 members of the Royal Auxiliary Air Force fighter squadrons will be required for three months' continuous training, and more than 1,000 aircrew reservists will be recalled from the regular R.A.F. reserves. Further, the regular armed forces are being expanded to 800,000, as compared with 700,000 last October. The total male working force of the United Kingdom is about 16,000,000, so that over 2·2 per cent of that force will be directly affected to a greater or lesser degree, some permanently diverted and others going for short periods. This may not seem a very serious disturbance, but it must be related to the drive for increased production (for military and civilian goods and for agricultural production), and considered against the background of over-full employment already existing.

The diversion of manpower resulting from new defence production is difficult to estimate. When the first post-Korean plan was produced, it was estimated that some 250,000 workers would have to be transferred. The figure now may be nearer the half-million mark.

Since this tremendous effort is being imposed on an economy that has been operating on bed rock with no reserves of materials, it is at least open to question as to how far or how quickly the plan can be implemented. Certainly, the plan will call for unprecedented peacetime sacrifices. Already the country has had to undergo power cuts, coal is short and domestic production has had to be implemented by imports from the United States. Most of the reserves of vital materials have been run down, and it has been necessary to impose cutbacks in zinc, copper, steel, timber, sulphur and sulphuric acid. A new statutory order controlling raw materials is expected to be issued about the middle of this month.

In these circumstances, any prospect of the easing of the imports of non-essential consumer goods from the dollar area is not to be expected. Although it is true that the exchange of dollar payments has been brought into balance, this will not now mean any real relaxation in the restrictions in payments to the dollar area. At the same time, it is more important than ever to intensify the export drive if the gain over the past year is not to be lost and if the dollar payments arising out of defence production are to be met. The Chancellor of the Exchequer has estimated that exports this year must rise by £400 million, and this load must be assumed by industry, which has been saddled with a tremendous defence responsibility.

Co-ordinator of Defence Production Appointed

Crawford Gordon, Jr., of Toronto, has been appointed as Co-ordinator of Production for the defence program. As Co-ordinator of Production, Mr. Gordon will be responsible for the carrying out and integration of the major production programs involved in the expanding defence effort, such as aircraft, shipbuilding, vehicles, electronics, guns and ammunition, for which it is anticipated that separate divisions will be established.

Mr. Gordon is president of the English Electric Company of Canada, St. Catharines, and executive vice-president of John Inglis Company, Toronto.

Canadian Output of Mineral Wool Higher

Canadian output of mineral wool in 1950 included 150,769,902 square feet of batts, as against 131,117,923 in 1949; and 14,098,869 cubic feet of granulated and bulk or loose wool, compared with 17,855,152. December production of batts amounted to 9,390,958 square feet, as compared with 11,829,313 a year earlier; and the output of granulated and bulk or loose wool totalled 1,036,226 cubic feet against 1,638,949.

Canadian Preparedness Program Outlined in Address by Minister

"Preparedness and the Canadian Economy" is subject of address by the Minister of Trade and Commerce before the Empire Club and Canadian Club in Toronto on February 26.

THE over-riding aim of national policy today is to strengthen the defences of our country and its allies to the point where aggression will be deterred and, if it is attempted, cannot succeed, the Right Hon. C. D. Howe, Minister of Trade and Commerce, said in an address to the Empire Club and Canadian Club in Toronto on February 26. "This cannot be given a secondary place to any other national objective, however desirable. It will be a costly effort, but much less costly than all-out war, which is the probable alternative. Let us keep these alternatives ever before us in the difficult days that lie ahead. The choice is not between doing less or doing more now. It is between doing sufficient now or doing enormously more later. The price of peace is high. The price of war is infinitely higher.

"For Canada, preparedness is a many-sided effort. It means increasing our military establishment and our civil defences. It means supplying arms and equipment to countries that have joined with us under the North Atlantic Treaty for mutual defence. Equally important, but often overlooked, it means building up productive facilities and increasing the supplies of many of the vital raw materials upon which depend our defence effort and the defence effort of the democratic world.

"We are bringing into production the great variety of modern weapons needed for the armed services and for their support. Procurement of weapons and equipment in Canada is a civilian job. It is presently entrusted to the Minister of Trade and Commerce and operated through the Canadian Commercial Corporation and, so far as defence construction is concerned, through a new crown company, Defence Construction Limited, associated with the Central Mortgage and Housing Corporation. The services tell us what they require and when and where they want it. The civilian organization in my department then takes over the task of production and supply.

"In 1950 we placed contracts valued at \$629 million. In the fourth quarter of the year, the rate of placing contracts was six times as high as in the first quarter. From information now available, it is clear that the rate of awarding contracts will be still higher in the first quarter of the present year.

Notable Headway Made in Aircraft Field

"A very high proportion of the defence contracts, over 40 per cent. has been for aircraft. In this field Canadian manufacturers are making notable headway. A Canadian firm has designed, built and successfully tested the most powerful jet engine yet to be developed in North America—the Orenda. This engine will shortly be in quantity production. We are producing, in quantity, air frames for the most modern short range jet fighters. We are getting ready to manufacture a long range, jet-propelled, all-weather pursuit ship, designed and successfully flight tested in Canada. Quantity production of small aircraft of the Harvard trainer type is being undertaken, in part for Canadian account, in part to meet United States requirements.

"Our shipbuilding industry on the Great Lakes and on both coasts is pushing ahead with the construction of fast escort vessels and mine sweepers.

"In the electronics field, Canada is producing a great quantity of radar equipment for our own network of radar defences as well as for transfer to European countries, within the North Atlantic Treaty Organization. Canadian ingenuity has created certain types of electronic and related equipment which, in quality and performance, are in a class by themselves. I might mention particularly a Canadian-developed portable radio set which is being produced in large quantities both for our own forces and for our allies.

"Our largest gun plant of the last war has a program in hand of naval guns and field artillery, partly for ourselves and partly for the United States. Our six arsenals, owned and operated by Canadian Arsenals Limited, a crown company, are turning out small arms and ammunition.

"I could give other examples, but this is sufficient to indicate the big strides that are being made in Canada to supply the weapons of modern war. Once again, and to an extent never approached before, Canada is becoming an arsenal of democracy.

Canada is Source of Many Strategic Basic Materials

"But Canada is more than an arsenal of democracy in the limited sense. It is the source of many of the strategic basic materials upon which is dependent defence production in the United States, the United Kingdom and other allied countries, as well as in Canada.

"Expansion of these sources of basic materials, therefore, has a high priority in our planning. Our steel industry has in progress an expansion program involving new investment of close to \$100 million. Canadian production of copper, zinc, lead, nickel and tungsten is being expanded as rapidly as possible. An aggressive search is being made for cobalt, antimony, molybdenum and chrome. As announced the other day, the government is offering a higher price for cobalt. Although Canada is now the world's largest producer of aluminum, a vast expansion of this highly strategic war material is under construction. All these metals are now in short supply. I cannot think of any greater contribution that Canada can make to the defence of the free world than the effort now under way to overcome these shortages.

"We are also doing some stockpiling and some advance production of defence supplies. Materials for uniforms are being acquired. We have a modest but adequate program covering the acquisition of strategic materials not readily available in Canada. The Polymer plant is raising its output of rubber by about 25 per cent. Eldorado is expanding its facilities for the production of uranium. A new and larger atomic pile is being constructed.

"As I said at the outset, what is involved is an expansion in the whole range of activities that support the defence effort. Consequently, relative priorities are involved, and I should like to illustrate some of the problems that arise by a few specific instances.

"How much of our limited steel production should be used to expand the steel industry? Our answer has been to give the steel expansion program the green light.

"How much of our productive capacity should be used in expanding our petroleum industry? Canada, in the last war, was largely dependent upon the United States for this vital war material. Since then discoveries in Western Canada have transformed the outlook. We think this program is essential and should go ahead.

"The last war depleted iron ore reserves in the United States. Important new discoveries have been made in Canada, on the Quebec-Labrador border, at Steep Rock and at Sault Ste. Marie. Vast quantities of materials and manpower are needed to bring these projects into full production. What share of these materials and manpower are they to obtain in relation to other vital uses?

Development of St. Lawrence Seaway is a "Must"

"What of the St. Lawrence Seaway? It is becoming more obvious day by day that adequate quantities of iron ore cannot be transported from Northern Quebec to the steel mills of the Great Lakes until this waterway is built. We also badly need the hydro-electric power that would be generated. I have come to the conclusion that the development of the St. Lawrence Seaway is a "must" as part of effective mobilization of North American resources for defence.

"Legislation is now before the House of Commons for a Department of Defence Production that will have functions very similar to those of the old Department of Munitions and Supply. Meanwhile, men are already at work dealing with some of the more urgent problems.

"A system of end use control for steel is already in existence and orders have been issued under the Essential Materials Act to prohibit or regulate the use of steel for certain less essential construction purposes. As I have said on previous occasions, these restrictions may have to be extended to assure that steel is available for high priority purposes. In this connection, it does seem to me that there are economies in the use of steel and other critical materials which can be made without involving any important reduction in the quantity or utility of the goods being manufactured. I urge industry in its own interests to make these economies before it is required to do so by the government.

"We also have operating divisions in existence in my department concerned with non-ferrous metals, chemicals, explosives, oil development, aircraft manufacture and priorities. It has been a source of pride to me that men of high calibre offered their services to my Department during the last war and turned in a magnificent performance. This is happening once again, and I can only say how much it lightens the burden of office to know that men holding high positions in private business, regardless of their politics, are willing to drop their private affairs in the present emergency and join the service of the government.

Other Restrictions May be Necessary

"Some restrictions are in effect to ensure the fulfilment of the defence program and others will no doubt be necessary. They will, however, be introduced only as they are necessary for this purpose. The defence effort must proceed, but there is no point in causing more disruption to industry than is absolutely necessary.

"A defence effort involving the expenditure of \$5 billion over three years cannot help but have a significant impact upon the Canadian economy. I do not for a moment believe that we are now at the peak of our productive capacity. My advisers tell me that we have a condition of full employment in Canada, but I have seen Canadians respond to the call for increased production in a way that amazed the statisticians and I think they will do it again.

"Nevertheless, there is no great amount of slack in the economy and as the Governor of the Bank of Canada said in his annual report:

In view of the rate of growth in defence requirements, it seems more likely that this demand on our resources will exceed the increase in the available supply of goods and services for the foreseeable future. If this takes place, the amount available for civilian purposes inevitably will be reduced.

"If these are the facts, then I am sure Canadians will take them in their stride. All of us, I am confident, would rather accept some moderate lowering of his or her living standards now than the terrible consequences of all-out war which we are trying by our present preparations to avoid. To devote 10 per cent of our output to defence is pretty cheap insurance against the demands that would be made by all-out war.

"This leads me finally to the question of price control. It seems to me that many of those who are now advocating price control think that such controls can keep the Canadian standard of living from being affected by the defence effort. Whatever price controls may do, they cannot reduce the real costs of defence. There is no painless way of meeting these costs that the government has been able to discover. If we had found such a way, we should undoubtedly have adopted it without delay.

Price Controls Not Feasible Except in All-out War

"The government has received a number of requests from various organizations that price control be imposed immediately. So far, there has nearly always been a suggestion that the particular product which the particular group is itself concerned with be not controlled until certain adjustments have been made to bring prices of that particular product to a fair level. Obviously, to adjust all prices to a fair level before imposing price control is an impossible task. Those of us who had experience with price control during the last war know that unfairness is inherent in any overall control, and that all those administering the control can hope to do is to remedy the unfairness before it reaches the breaking point. My own experience leads me to believe that the Canadian people will not stand for the regimentation by controls administered by the vast bureaucracy required for the purpose, except under conditions of all-out war. It seems to me that some better system of accomplishing the purpose can be devised other than an overall price freeze, and my officers are analyzing various alternatives with that thought in mind.

"The Canadian Government has never been opposed to price controls as such. In fact, legislation is now under discussion in Parliament which would give the government power to impose economic controls of all kinds as the need may arise.

"We will not impose any system of price controls, however, unless we are satisfied that those controls will serve a helpful and not a harmful purpose in combating inflation. It may seem strange to speak about price controls as having a harmful effect in the fight against inflation but that can easily happen. Price controls would be harmful if they did not have overwhelming public support. They would be harmful if they were relied upon as a substitute for more fundamental measures such as taxes and credit controls. They would be harmful if they were not accompanied by adequate wage controls.

"Nor do I think it would be wise, even if it were theoretically possible, to move into price controls until there is reasonable assurance of price stability in the United States. This attitude has been misrepresented as a policy of letting the United States do the job for us. It is nothing of

the kind. We are following fundamental anti-inflationary policies which, I suggest, are more successful than those in the United States. All I am stating is the simple truth, that the price levels in two countries, as closely linked as Canada and the United States cannot, for very long, be insulated from one another."

Greek Agricultural Production Almost Equals Prewar Level

Because of increased population, at least two more years required to reach prewar agricultural production on per capita basis—Prospects not promising for increased revenues from exports—Low production of olive oil threatens price structure.

By D. M. Holton, Assistant Commercial Secretary for Canada

(Editor's Note—Fourth in a series of nine reports on economic conditions in Greece, prepared for reproduction in *Foreign Trade*. One United States dollar equals 15,000 drachmas.)

ATHENS, December 11, 1950.—The sale of Greek agricultural products abroad provided this country with approximately 90 per cent of its earned foreign exchange during the fiscal year ending June 30, 1950. Sixty to 65 per cent of the working population of the country are engaged in agricultural pursuits. At the end of the last fiscal year agricultural production approximated that of prewar, but with an increase in the population of 10 per cent, it is believed that at least two more years of the present upward trend will be required to reach prewar production on a per capita basis. Though anticipated levels of production may be achieved, the prospects for higher revenues from exports are not as promising. Not only are Greek exportables facing increased competition from other sources of supply, but because of increased world availabilities and reduced demand from traditional customer countries, they have lost purchasing power in terms of products this country requires from abroad.

Since liberation from enemy occupation in October, 1944, Greek agriculture has been striving against bitter odds, both from within and without the industry, to achieve prewar levels of productivity and to recapture lost markets. Guerrilla warfare, destruction of equipment, depletion of livestock and poultry and lack of adequate credit facilities have curtailed production. Price controls on the sale of farm produce within the country and scarcities created by restrictive imports policies have distorted price relationships, reducing the local purchasing power of farm products. At the same time, high internal costs of production have rendered such products non-competitive on world markets.

Although Greece is predominantly an agricultural country, agriculture is limited both by the topography and the climate. Three-quarters of the land area is mountainous. The excessive rains of winter and summer droughts, coupled with hot winds, frequently have an adverse effect on the crops. Good productive soils are found in many parts of Greece. Good productive soils are found in many parts of Thessaly and Macedonia, and some of these have lost little of their fertility by erosion. Elsewhere, for the most part, the soils of Greece have suffered erosion damage for centuries. Sheep and goat raising has contributed largely to the loss of

upland top soils, which, on being denuded of vegetation, have been washed away. Subsequent erosion has deposited injurious gravel and subsoil in what were once fertile valleys.

While the rural population is so large in relation to the land resources that many farming people are required to live at subsistence level, considerable attention is being devoted to land reclamation. The equivalent of U.S.\$10 million is to be spent on reclamation during the fiscal year 1950-51, and it has been stated that this effort could be doubled. Flood and erosion control, necessitated in large part by the vanishing forests, are regarded as matters of prime importance. In early summer of this year, work was in progress on 48 land reclamation and flood control projects, and measures are being instituted for forest conservation and development. At the same time, well-drilling for irrigation purposes is being carried out extensively.

Large farms, consisting of over 30 hectares (74.1 acres), less than one per cent in number, cover 30 per cent of the farming area, the remainder being divided into small farms of under 30 hectares. The larger farms lend themselves readily to mechanical cultivation. The size of the smaller farms, densely populated with limited outlets for non-farm employment, necessitate such farm practices and the growing of such crops as provide maximum employment to farm family workers using hand tools and implements, including the sickle, hoe and grain flail.

Efforts to improve crop yields include the extensive use of plant protection chemicals and fertilizers. A total of U.S.\$2.9 million was allocated for the importation of plant protection chemicals during the 1949-50 fiscal year, and U.S.\$4.6 million have been allocated for that purpose for the 1950-51 year. An amount of U.S.\$10.8 million was allocated for the importation of chemical fertilizers during the fiscal year ending June 30, 1950, and actual imports by that date amounted to U.S.\$8.2 million. In all, 112,250 metric tons of chemical fertilizers are to be imported during the current fiscal year, including 67,250 tons of nitrogenous fertilizers. It has been estimated that the use of fertilizers in Greece, in the case of nitrates, is six times that of prewar, and double in the case of phosphates.

Cereal Grains Are Best Crops

The topography and climate have determined, to a large extent, the agricultural pattern of the country, although it is believed that some modification of the existing pattern could be achieved through irrigation.

Greek Agricultural Cultivation and Production

	Area under cultivation			Production		
	1939	1949	1950 (Estimates)	1939	1949	1950 (Estimates)
	Stremmas*			Metric tons		
Wheat	9,593,841	7,625,527	8,670,000	1,042,114	838,887	900,000
Barley, oats	3,662,788	3,394,944	3,535,000	372,843	308,857	364,000
Maise	2,765,472	2,239,882	2,483,000	261,537	222,167	205,000
Pulses	1,040,187	840,027	940,000	79,570	77,700	65,250
Tobacco	843,394	754,390	990,000	54,956	46,000	55,000
Cotton (unginned) ..	772,185	573,474	760,000	45,342	45,800	63,000
Potatoes	226,658	357,720	351,500	162,600	394,577	360,000
Table grapes	191,298	258,000	.....	89,864	110,000	137,000
Currants	640,431	484,000	.....	130,006	90,000	80,000
Sultana raisins	130,052	109,000	.....	36,569	29,000	30,000
Wine	1,604,269	1,451,000	.....	385,457	450,000	455,000
Rice (unshelled) ..	24,984	75,261	103,000	4,639	21,223	32,000
Olive oil .....	.....	.....	.....	155,119	218,112	54,000
Edible olives .....	.....	.....	.....	68,000	93,811	17,000
Dried figs .....	.....	.....	.....	26,000	23,680	20,000

* One stremma equals 0.247 acres.

Sheep and goat raising, which provides such necessities as wool, hair, milk, meat, cheese and leather, seems likely to continue as the leading small-farm enterprise. At the same time, cereal grains offer the best crops from the standpoint of climate and self-sufficiency. These are sown in fall and harvested early in summer, ahead of the dry season. Vineyards and olive groves are next in importance, because deep roots protect them during the long periods of drought when non-irrigated top soils become bone-dry. Cotton and tobacco have gained prominence in Greek agriculture, as the former may be grown on sub-irrigated lands, such as drained lake bottoms, which are not irrigated directly, and the latter because of the long dry summer which, while it tends to reduce the yield, improves the quality.

Tobacco cultivation has been unrestricted since the end of World War II. From 1951, its cultivation will be confined to certain areas, as was the case in prewar days, in order to standardize and improve the quality. Although the area devoted to cotton is estimated to be approximately the same as prewar, the yield has increased, which may be attributed to improved methods of cultivation and increased use of fertilizers. Cereal crops are approaching prewar levels of production, although that of maize is estimated to have fallen off this year.

During the past two years emphasis has been placed on the increased production of rice. Land devoted to the growth of rice has been increased from 75,261 stremmas in 1949 to an estimated 103,000 stremmas in 1950. The additional land utilized for this purpose consists of barren alkaline areas, previously not under cultivation. It has been estimated that there are 500,000 stremmas of such land throughout Greece which can be gradually reclaimed through the initial cultivation of rice, and, as a result, be conditioned to support the growth of other valuable crops including cereals. Present plans call for reclamation at the rate of 20,000 stremmas annually. Already the increased growing of rice has resulted in reducing the local price of rice by almost 50 per cent.

Low Production of Olive Oil Threatens Price Structure

A serious threat to the price structure are the low estimates of the 1950 production of olive oil and edible olives which, according to latest reports, are 54,000 and 17,000 metric tons, respectively, against bumper yields of 218,112 and 93,811 metric tons last year. Olive oil in Greece serves a dual purpose in that it provides a substitute for gold, on the one hand, and is a food and industrial product on the other. The dual purpose served by olive oil is a carryover from the days of occupation and famine. Money invested in olive oil, as in gold, is a safeguard against devaluation of the currency. When the olive oil crop has been low, the Greek Government has been obliged to import seed oil substitutes in an effort to stabilize the cost of living. Prices of other commodities are immediately affected by any sharp change in the price of olive oil. It is the opinion of experienced observers that seed oils cannot compete with olive oil as a "savings account" and that, due to fluctuations in the olive crop, controls will have to be instituted in order to level off availabilities over a period of years.

The increase in the yield of table grapes is almost inversely proportionate to the reduction in that of currants, when the present year's figures are compared with those of 1939. The sultana raisin crop and production of wines are estimated to approximate those of a year ago. This year's output of dried figs is reported to be about 4,000 tons below that of 1949.

Livestock and Poultry Production Suffered Under Occupation

Livestock breeding and poultry raising have suffered more from enemy occupation and guerrilla warfare than other branches of Greek agriculture. Losses have necessitated the importation of large quantities of meat, milk, butter, cheese and eggs. In an effort to restore the livestock population, provision has been made for importation, from other than dollar sources, for the period July 1-December 31, 1950, of sheep and cattle for breeding purposes.

Greek Livestock and Poultry Population

	1938	1948	1949
Horses	363,183	231,368	231,753
Mules	183,609	142,263	146,493
Donkeys	404,379	361,594	371,381
Oxen and cows	974,135	674,211	675,252
Buffaloes	67,352	58,470	57,195
Sheep	8,138,772	6,630,899	6,337,335
Goats	4,356,120	3,404,638	3,269,460
Hogs	429,748	508,541	529,934
Poultry	11,994,551	8,625,506	8,748,473
Rabbits	695,801	346,438	366,647

Slight increases were recorded for horses, mules, donkeys, oxen and cows, during 1949 as against 1948. More substantial increases were recorded for hogs, poultry and rabbits, although the number of buffaloes, sheep and goats declined. The overall livestock wealth of the country, with the exception of hogs, is down 10 to 25 per cent below that of prewar.

Greek Animal and Livestock Production

	1938	1949	1950
		Metric tons	(Estimates)
Meat	111,532	76,100	75,891
Fresh milk	280,073	142,200	242,399
Soft cheese	45,336	24,440	34,877
Hard cheese	9,762	4,980	8,605
Butter	6,054	2,830	5,411
Eggs	27,050	19,500	22,000
Sheep wool	5,594	7,786	7,470
Goat hair	1,090	1,438	1,376
Hides (fresh) .....	.....	6,843	6,418

The veterinary program currently being carried out will contribute to the increase of the livestock population and the output of animal products. Provision has been made for the establishment of the first veterinary school in Greece, to be affiliated with the University of Salonica, and scheduled to open during December for the school year 1950-51.

Additional Tractors to be Imported

While the Ministry of Agriculture recognizes the limitations on mechanization of Greek agriculture, it plans, during the next two years, to increase its own tractor force by 150 tractors. At the same time, co-operatives and private agencies will import from 400 to 450 tractors. The mechanical draft power requirements of Greece have been estimated at 200,000 horsepower, of which 65 per cent was attained by June, 1950, after writing off as obsolete the tractors on hand in Greece after liberation. In addition, draft animal requirements have been estimated at 743,000 head.

Farm machinery imported into Greece by UNRRA, AMAG and ECA during the period 1945-1950, according to the ECA Mission in Greece, is valued at U.S.\$18.5 million and includes as principal items the following:

Imports of Farm Machinery into Greece

	UNRRA	AMAQ	ECA*	Total
			1948-50	
Balers	70	25	50	145
Binders	830	80	200	1,110
Seed cleaners (power and hand)	500	....	193	693
Clearing equipment (forest and brush) ..	....	....	91	91
Combines	20	42	106	168
Cream separators .....	....	....	500	500
Cultivators	4,350	....	....	4,350
Drilling machines	610	....	200	810
Dryers .....	....	10	68	78
Dusters	12,300	....	3,000	15,300
Fertilizer distributors	200	....	....	200
Harrows (disc, spring and spike tooth) ..	9,250	20	150	9,420
Hammer mills	200	100	....	300
Hullers (rice) .....	....	5	10	15
Mowers	490	....	100	590
Ploughs (disc)	641	20	350	1,011
Ploughs	8,300	435	1,055	9,790
Rakes (hay)	290	....	180	470
Shellers (corn)	780	10	....	790
Sprayers (power and hand)	18,270	....	1,155	19,405
Sub-soilers .....	....	30	66	96
Threshers	90	....	20	110
Tractors, crawlers (for cultivation)	31	....	100	131
Tractors, crawlers (orchards) .....	....	20	83	103
Tractors, crawlers (for earth moving) ..	70	5	339	414
Tractors, wheel (for cultivation)	1,362	225	704	2,291
Tractors, wheel (orchards) .....	....	....	50	50
Tractors, wheel (for earth moving) .....	....	....	26	26
Tractors, garden	100	....	....	100
Trailer (agricultural type)	1,390	....	400	1,790

* Figures include equipment ordered under 1949-50 program, whether or not as yet received.

Although wheel tractors outnumber crawler type tractors almost four to one, the latter are popular in Greek Government circles, as they lend themselves more suitably to reclamation work. The Ministry of Agriculture, while stating a preference for gasoline powered tractors, has been encouraging the importation of diesel tractors, rather than attempting to find a way to exempt from taxation gasoline used in agricultural production.

The Greek Government has modified a former policy by which virtually all imports of farm machinery were effected through state procurement. The Ministry of Agriculture advises that for the fiscal year 1950-51 a total of U.S.\$1.7 million of such imports will be turned over to private agencies, and will be financed by the government up to 80 per cent. At the same time, farmer purchases of tractors and other equipment will be given three to four years' financing at 6-7 per cent interest. State procured farm machinery and supplies are distributed through the many branches of the Agricultural Bank of Greece and through farm co-operatives. Private imports are handled through dealer agencies. Presently there are 60 agents in Greece of foreign farm machinery manufacturers, though it is claimed that only a relatively few, located in Athens and Salonica, are in a position to give adequate service on parts and repairs.

For some time the Greek Government has attempted to encourage local farm machinery manufacturers to increase output and to bid on government purchases of equipment that could be made in Greece. Seven factories are producing farm machinery in Greece, consisting of ploughs, harrows, drills, hay balers, pumps and hand implements. These factories are located in Piraeus, Lamia and Volos. While production is primarily for domestic consumption, two of the plants exported prewar to neighbouring countries and one has exported to Turkey since the war.

St. Lawrence Seaway Advantages Outlined by Transport Minister

Hon. Lionel Chevrier said proposed channel from Montreal to Great Lakes to be deepened to 27 feet, and that 2,200,000 horsepower available in International Rapids Section to Canada and United States—Total cost of project to Canada estimated at \$336,000,000, which includes \$132,000,000 spent on Welland Ship Canal.

BENEFITS to be derived by industry in Canada and the United States from completion of the St. Lawrence Seaway were set forth by the Hon. Lionel Chevrier, Minister of Transport, in an address on February 21, 1951, to members of the Canadian Club of Ottawa. It is proposed that the channel between Montreal and the Great Lakes be deepened to 27 feet, and that 2,200,000 horsepower be developed in the international section of the St. Lawrence River, with the power equally divided between Canada and the United States.

The Great Lakes-St. Lawrence Seaway should be distinguished from the St. Lawrence Ship Channel, Mr. Chevrier explained. The latter extends from Montreal to a point 30 miles below Quebec, and was deepened by the Federal Government for the purpose of providing safe navigation for ocean-going vessels from deep water to Montreal. It has a depth of 32.5 feet at extreme low water, and will provide a link between the Great Lakes-St. Lawrence Seaway when the latter is completed.

There are five steps in the Great Lakes-St. Lawrence Seaway, as follows:

- (i) St. Mary's Falls, between Lake Superior and Lake Huron, a drop of 21 feet.
- (ii) St. Clair River-Detroit passage, joining Lake Huron and Lake Erie, a drop of 8 feet.
- (iii) Niagara Falls, between Lake Erie and Lake Ontario, a drop of 326 feet.
- (iv) St. Lawrence River Section, including the International Rapids Section, Lake St. Francis Section, Soulanges Section and the Lachine Section, a drop of 225 feet.
- (v) Montreal to the sea, which lies wholly in Canadian territory, and in which there is a drop of 20 feet.

It is estimated that 9,000,000 horsepower can be developed along this waterway, as follows: Niagara, 3,600,000 h.p.; International Rapids Section, 2,200,000 h.p.; Beauharnois or Soulanges Section, 2,000,000 h.p.; and Lachine Section, 1,200,000 h.p.

All of this power is Canadian, with the exception of 1,800,000 h.p. at Niagara and the American share of 1,100,000 in the International Rapids Section.

Large Expenditures Already Made by Canada

Canada has already spent \$300,000,000 to provide a dredged channel of 35 feet to Montreal, a 14-foot canal system between Montreal and Lake Ontario, a 25-foot channel between Lake Ontario and Lake Erie, and a lock at Sault Ste. Marie. The United States has provided locks at the Sault, and dredged channels between Lake Huron and Lake Erie.

Canada has spent \$300,000,000 upon these facilities to enable wheat from the Prairies to move from the head of the lakes by water to the

sea, a distance of 2,000 miles, Mr. Chevrier said. Thus, Canada's wheat crop is able to reach the European market and there compete favourably with the wheat of other countries. Again, these sums were spent to provide an alternate route for Canadian wheat exported to European countries vis-à-vis that provided by the United States through the Erie Canal and the Hudson River to New York City. The completion of the Welland Canal permitted our wheat, along with other products, to flow through this natural course down the lakes into the St. Lawrence River and on to the British market. The completion of the Great Lakes-St. Lawrence Seaway to a full depth of 27 feet would guarantee forever an all-water route for our commodities at a substantially reduced transportation cost, through the elimination of transshipment at such points as Prescott, Port Colborne and Port McNicoll.

From a power point of view, 100,000 h.p. have been developed at the Sault; 1,800,000 h.p. at Niagara; 93,000 h.p. at Massena, N.Y., and 1,000,000 h.p. at Beauharnois. Therefore, out of a total potential of 9,000,000 h.p., barely 3,000,000 h.p. have been developed, or approximately one-third.

As a result of the rapid postwar expansion of industry in Canada, together with a constantly rising consumption of domestic power, the province of Ontario has been, for the past few years, faced with an acute shortage of power to meet demands. This is further accentuated by the present increasing activity in defence production. The International Rapids Section, with its 2,200,000 h.p. potential—one-half of which belongs to Canada—constitutes the remaining large block of undeveloped hydro-power available to Ontario in the southern portion of the province.

Power Needed by Quebec Province

In so far as the province of Quebec is concerned, with the increased output at Beauharnois available in the near future, the power situation in the large industrial area adjacent to Montreal will be satisfactory for but a few years. I am credibly informed that some of the power will be required from the Lachine section not later than 1955, if the present rate of growth in power demand continues.

The seaway as it now stands has a depth of 32·5 feet from Montreal to the sea, 25 feet from Prescott to Lake Erie, 21 feet downbound and 25 feet upbound from Lake Erie to the head of the lakes, and only 14 feet from Prescott to Montreal. It is, therefore, clear that the seaway has been partially completed on both sides of the St. Lawrence River section. This is the bottleneck which must be removed to allow deep sea vessels to ply between the ocean and the Great Lakes.

The newly discovered iron ore fields of Northern Quebec and Labrador can be most speedily exploited only when the St. Lawrence Seaway is completed. For years the backbone of the steel industry in the United States has been high grade iron ores of the Mesabi Range, to the south of Lake Superior. The high grade ores from these fields are being rapidly depleted and that factor accounts for the interest in the fields of Quebec and Labrador, where upwards of 400,000,000 tons of high grade ores have been amply proven.

The latest estimate places the total cost, including the full development of 2,200,000 h.p. in the International Rapids Section, at \$806,000,000, of which \$336,000,000 is Canada's share and \$470,000,000 is the United States' share. Of these amounts, Canada has already spent \$132,000,000 for the completion of the Welland Ship Canal in 1932, leaving a balance of \$204,000,000 still to be expended. This includes any contemplated improvements in the Lachine Section.

The United States has already implemented one of the provisions of the 1941 agreement with Canada by the completion in 1943, at a cost of \$15,000,000, of a new lock at Sault Ste. Marie. The United States has also invested \$17,000,000 in the 27-foot project in the St. Mary's, St. Clair and Detroit Rivers, where a depth of 25 feet for downbound traffic and 20 feet for upbound traffic is available. The total expenditure on these channels by the United States has amounted to \$55,000,000.

Project Provides for Power and Navigation

The present position is that Canada has entered into an agreement with the United States for the development of power and navigation on the St. Lawrence. Canada believes that this agreement with certain technical modifications, if need be, is the best for all parties concerned. It was arrived at after years of careful study by competent engineers, both Canadian and American. I am pleased to note that the President of the United States has asked Congress to ratify the 1941 agreement. In his message to Congress, he recited the pertinent reasons why the agreement should be approved. We in Canada are prepared to carry out our part of the agreement, and we are hopeful that it will be implemented at this session of Congress. But let there be no mistake about it. This is a power and navigation scheme, not a power scheme alone as some interests would seem to indicate, Mr. Chevrier declared.

Completion of the international section of the river will change the whole front on both sides of the international boundary line for a distance of fifty miles. The project approved of is what engineers term the 238-242 controlled single stage project. It consists of:

1—A dam in the Long Sault Rapids and two power houses a short distance below this, one on the Canadian side, one on the American side, each capable of developing 1,100,000 h.p. This dam will flood communities on both sides of the river and on the Canadian side for a distance of approximately thirty miles by a width of one to three or four miles.

2—A control dam in the vicinity of Iroquois Point, the object of which will be to control the level of the pool and to protect the down river interests at Montreal.

3—A side canal on the United States mainland to carry navigation around the Long Sault Dam, and a side canal to circumnavigate the control dam at Iroquois.

4—Dikes where necessary. The 238-242 single stage project means that after its completion, it will be 238 to 242 feet above sea level. The average elevation along the front from Cornwall to Prescott is 220 feet. It is easy then to visualize that, upon completion, communities such as Mille Roches, Moulinette, Wales, Dickinson's Landing, Farran's Point, Aultsville, and one-half of Morrisburg, will in some cases be from 18 to 22 feet under water. All along the front for a distance of thirty miles communities will be submerged. Farmhouses, schools, churches, cemeteries and homes will disappear. These, it is hoped, will rise again on the new shore line, where modern and up-to-date communities will relocate.

Development is Important to National Defence

From the point of view of national defence, I believe that the development of the St. Lawrence Deep Waterway is of the greatest importance. Without the construction of the seaway, the large deposits

of high grade iron ore in Labrador cannot be moved economically and expeditiously to the Great Lakes' steel centres. Shipbuilding and ship repair could not be increased advantageously in the relatively well protected Great Lakes shipyards and no relief could be afforded in times of emergency to land transportation between Montreal and head of the lakes.

When one realizes that more yearly tonnage passes through one of the bottlenecks in the Upper Lakes Region, namely, the locks at Sault Ste. Marie, than through the Panama, Suez, Manchester and Kiel Canals put together, this gives some idea of the tonnage that is likely to come through when the development is completed. The building of the Panama Canal through the Isthmus of Panama, and the construction of the Suez Canal, linking the Mediterranean with the Red Sea, were logical projects. They were the inevitable and the right thing to do, no matter at what cost. On the proposal to construct a deep waterway in the St. Lawrence River, to link the Great Lakes to the Atlantic Ocean, the verdict will be the same. If you were to draw a circle having a radius of 75 miles around the Long Sault Rapids, you would have within this circle no less than six million horsepower of electrical energy, most of which has been undeveloped. What this will mean to the provinces of Ontario and Quebec and the state of New York, I need hardly explain, Mr. Chevrier said.

We are indeed a fortunate country. Not only have we vast natural resources, but nature has given us great rivers and streams surging with undeveloped waterpower. We have in Canada a potential of 55 million horsepower. About one-third of this is to be found in the Great Lakes-St. Lawrence basin and six million of it is within this radius of 75 miles. The production of electrical energy is not an end in itself. But it is a means to an end. It supplies services and facilitates production. The true significance of electric power lies in its relationship to the general economy of Canada. Some two-thirds of the total national production of electricity is absorbed by our manufacturing industries. Of these, five major industries use over half of the total power generated for consumption, namely, pulp and paper, primary iron and steel, abrasives, electro-chemicals and the smelting and refining of non-ferrous metals. When one realizes that these five industries are both directly and indirectly responsible for approximately one-third of the gross value of our manufactured goods, then the importance of low cost power to an industrial machine is clearly evident.

The prosperity of Canada is to a very large extent dependent upon industrial production and the latter is impossible without power. Hence, the benefits of this great project to both Canada and the United States, are incalculable.

Canadian Streptomycin Sold in Hong Kong

Shanghai, January 30, 1951.—(FTS)—On January 25, some 90,000 bottles of "Merck" streptomycin and other pharmaceuticals were brought to Hong Kong from Canada. Streptomycin was quoted at HK\$5.5 per bottle for spot, and for delivery after two weeks, HK\$4.7 per bottle.

It was rumored that Hong Kong authorities would put a control over pharmaceutical tradings, and all stocks of pharmaceuticals must be registered with the Board of Industry and Commerce. Holders were taking steps to liquidate their goods. According to general estimates, streptomycin and 200,000 units of penicillin powder were sent to Macao from this British colony in the past few days, valued at approximately HK\$2,000,000. Quotations slashed sharply. "Merck" streptomycin declined from HK\$7.4 to HK\$7.2, the 200,000 units penicillin powder from HK\$4.7 to HK\$4.2, and 50,000 penicillin tablets from HK\$8.7 to HK\$8.5.

Development of New Cane in Mauritius Results in Record Sugar Production

*Sugar harvest exceeded four hundred thousand tons for first time—
Area under cultivation increased by 7,000 acres—New cane "M
134/32" is of robust nature and suitable for planting in difficult land—
Total value of Mauritian exports and imports increased.*

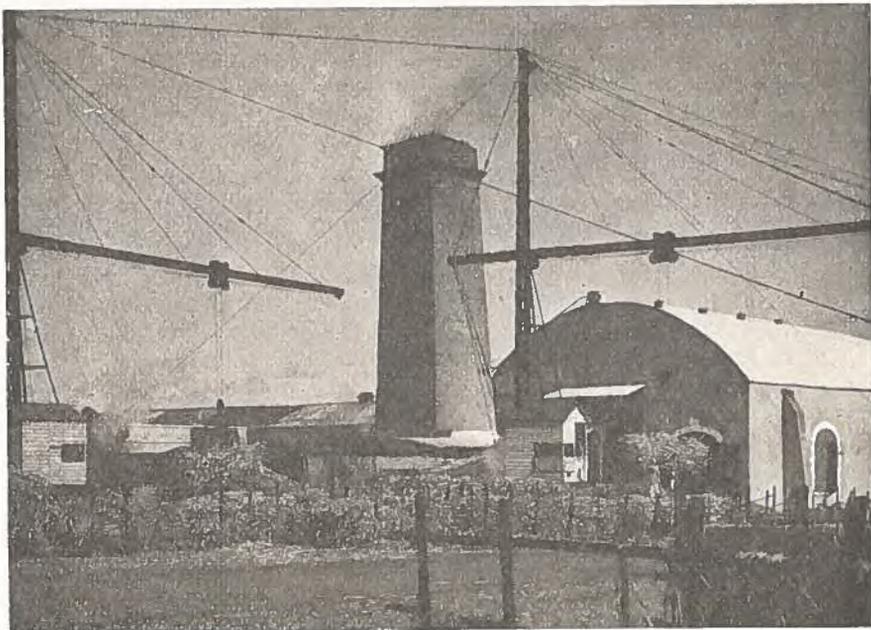
By C. Blair Birkett, Canadian Government Trade Commissioner

(Editor's Note—Since the preparation of this report, Mr. Birkett has been transferred to Johannesburg. One rupee equals \$0.2210 Canadian.)

CAPE TOWN, January 11, 1951.—Sugar production in Mauritius amounted to 416,000 tons in 1949, the first year in which the harvest has exceeded four hundred thousand tons. This compares with 392,000 tons in 1948 and with 348,000 tons in 1947. This increase is mainly due to the larger area under cultivation, which is more than 7,000 acres in excess of that for the past few years. The principal factor in this increase was the development of the new cane "M 134/32", of robust nature and suitable for planting in difficult land. It is estimated that this "King-cane of Mauritius" occupies more than ninety per cent of the cane lands. Even more productive types are being developed, which in the future may enable the industry to reach an annual production of over 500,000 tons. The latest information available from the Colony is to the effect that the 1949-50 sugar crop will total 445,000 metric tons.

Some 450 plantations of varying size produced in 1949 about 198 tons of flue-cured and 72 tons of air-cured tobacco, a total of 270 tons. Samples from this production were sent to England to investigate the possibility

Mauritius—Sugar factory on south coast, where the cane is crushed and the juice converted into raw sugar.



of finding purchasers on the London market, but reports were generally unfavourable. Samples sent to Madagascar were better received and prospects in that market appear encouraging.

Aloe fibre production has increased considerably, a total of 1,090 tons of hemp and sisal having been delivered to the government sack factory and a small amount exported during the year. The present production of sacks by the factory is sufficient to bag about one-fifth of the total sugar crop. It is hoped to gradually increase this production of sacks by the use of mechanical decorticators and the mechanical clearing of land for production of fibre.

The area under tea during the year was slightly greater than in 1948, yielding a crop of 600,000 lbs. Since imports of tea totalled only 35,000 lbs., production is now approximately equal to consumption and a search is on for export markets. A hopeful sign for the future is that 10,000 lbs. were sold to Britain and another 16,000 lbs., to South Africa.

At the end of June, 1949, government subsidies for foodstuff plantations and the guaranteed minimum price for groundnuts came to an end. This form of encouragement was replaced by the provision of tractors and other agricultural machinery to help planters to clear land for food crop cultivation.

Efforts, with only modest success, are being continued to improve the quantity of herds and to build up a larger cow population.

Total Value of Exports and Imports Increased

The total value of imports and exports in 1949 showed a marked increase over previous years. Imports reached the figures of Rs. 153,221,654 and exports Rs. 166,002,646. The corresponding figures for 1948 were Rs. 136,265,540 and Rs. 144,345,359.

A small part of the demand for foodstuffs is met from local production. It is necessary however to import the greater part of the Colony's needs of food, clothing and manufactured goods. Flour, butter, cheese, bacon and mutton are imported from Australia, and good quantities of foodstuffs come from the United Kingdom and South Africa. Beef on the hoof is imported on occasions from Madagascar, and frozen meat is supplied from Australia. The United Kingdom is the principal source of supply for manufactured goods such as textiles, apparel, machinery, motor vehicles, hardware and electrical goods. Large quantities of cotton goods come from India. Other notable items are gunny bags from India and fertilizers from South America.

Sugar, on the production of which the colony is almost dependent, accounted for the major part of the 1949 exports, the value of the 434,756 metric tons shipped to the United Kingdom, Ceylon, Canada and Hong Kong being Rs.159,016,851. Rum exports exclusively to the United Kingdom reached a total of Rs.4,187,677 for 5,982,395 litres. Aloe fibre, of which about 211 tons went to the United Kingdom and Belgium was valued at Rs. 192,359, almost twice the value exported in 1948.

Closing Date for Australian Power Project Extended

Sydney, N.S.W., February 15, 1951.—(F.T.S.)—The closing date of tenders for the design and construction of the Guthega project of the Snowy Mountain Hydro-Electric Authority has been extended to 12 noon, May 21, 1951.

(Editor's Note—See January 27, 1951, issue of *Foreign Trade*, page 130.)

Trade Notes

CHILE

Chile Authorizes Rent Increases

Santiago, February 5, 1951.—(FTS)—Among the projects despatched by the Chilean Senate during the last session, was the authorization to increase rents by 10 per cent. At the same time, tenants who are up to date with rental payments may not be ejected from the premises occupied during the year 1951. The first proposed rent increase was one of 20 per cent, but general protests resulted in it being reduced to the lower figure.

Belgian Shipyards to Construct a Tanker for Chile

Santiago, February 6, 1951.—(FTS)—It is reported that the Minister of Economy and Commerce has authorized the construction in Belgian shipping yards of a tanker of 9,000 tons displacement. It is stated that the government has a plan for increasing the tanker fleet of the country in order to satisfy the normal supply of petroleum. Because it has not been possible to obtain the class of vessel required on the world market, construction in Belgian shipping yards has been authorized. A director of the Chilean Petroleum Companies, who is at present in Europe, will be entrusted with the arrangements of the operation.

Chilean Wool Clip Almost Entirely Sold

Santiago, February 8, 1951.—(FTS)—Shearing is proceeding under normal conditions in the Magallanes territory, but it is reported that the clip in general is one-half pound per head lighter than last year. The following prices for wool have been reported during the month of February: 180,000 kilograms at 114 pesos per kilogram; 65,000 at 123 pesos; 200,000 at 150 pesos; 100,000 at 115 to 130 pesos. With the exception of a few small clips, the entire wool clip has now been sold.

Chile to Install Gas Condensing Plant

Santiago, February 9, 1951.—(FTS)—It is proposed to install a plant for the condensation of gas from petroleum in Punta Arenas. This condensing plant, for which machinery has already been shipped from the United States, is on a small scale, but will be the first of its kind in Chile.

Chile Investigating Establishment of Television Service

Santiago, February 10, 1951.—(FTS)—Discussions have taken place between the Chilean Broadcasters Association and United States radio technicians, as to the possibility of establishing television service in Chile. Endeavours are being made to form a company to establish a local station, the central tower of which would be situated on the San Cristobal Hill, which is within the city limits.

NEW ZEALAND

New Zealand State Hydro-Electric Department Seeks Equipment

Wellington, February 21, 1951.—(FTS)—The New Zealand State Hydro-Electric Department is inviting tenders for the following equipment:

Contract No. 178—One 80-ton four-motor electric overhead travelling crane for Islington Substation.

Contract No. 179—110 kv. switchgear and steelwork for Waitaki Power Station.

Contract No. 180—400-volt switchgear for Whakamaru Power Station.

Tenders for the supply of this equipment close with the Secretary, Tenders Committee, State Hydro-Electric Department, Wellington, New Zealand, at 4 p.m. on May 8, June 5 and June 12, 1951, respectively.

(Editor's Note—Interested Canadian manufacturers may obtain copies of specifications for the above contracts from the office of the New Zealand Government Trade Commissioner, 609 Sun Life Building, Montreal, Quebec.)

New General Wage Order Issued in New Zealand

Wellington, February 1, 1951.—(FTS)—A general order raising award wages by 15 per cent, or 3s. in the pound, from February 15, was issued on January 31, 1951, by the Court of Arbitration, ruling on claims for increase by the Federation of Labour and Trade Union Congress. The increase will be reduced by the weekly rise of 7s. for men and 4s. 9d. for women granted by the interim wage order of June 10, 1950. It covers workers under all but three awards. The decision was not unanimous.

The decision increases all rates of remuneration, including time and piece wages and overtime and other special payments. It does not increase allowances for tools, bicycles, motor-vehicles, protective or special clothing or special footwear. It excludes workers under the New Zealand (except Westland) freezing workers' award, the Taranaki and Wellington bacon workers' award and the Taranaki and Wellington cool-store and cold-store employers' award.

There is no legal compulsion for any employer to increase the wage of a worker who is already receiving more than the nominal minimum rate prescribed in the relevant award or industrial agreement plus 15 per cent. The object of a fixed percentage increase was to leave the relative wages unchanged.

PERU

Peruvian Imports from Switzerland Higher

Lima, February 12, 1951.—(FTS)—Swiss exports to Peru, in exchange for copper imports, reached a value of 14·05 million Swiss francs in the first ten months of 1950, as compared with 9·85 million in the same period of 1949. Swiss imports from Peru consist mainly of cotton, sugar, canned fish and copper, while machinery and watches make up the bulk of Swiss exports to Peru.

Peruvian Bank Increases Capital

Lima, February 10, 1951.—(FTS)—At an extraordinary general meeting of the shareholders of the Banco de Crédito del Perú, held on December 27, 1950, an increase of capital was voted from 26,000,000 to 40,000,000 soles.

Peruvian Fisheries Acquire Whaling Steamer

Lima, February 9, 1951.—(FTS)—The 225-ton whaling steamer *Cachalote* has arrived at the port of Callao from Cape Town, South Africa. The whaler has been acquired by the Cía. Pesquera de Paracas, S.A., whose plant is located near Pisco. The vessel has a crew of 14 men of German nationality who are experts in whale fishing. It is planned to operate the vessel off the Peruvian Coast.

Peruvians Smoked Over Two Billion Cigarettes Last Year

Lima, February 10, 1951.—(FTS)—A survey of smoking habits of Peruvians during 1950 reveals that 2,154,000 kilos of tobacco went up in smoke. Of this amount, 1,835,000 kilos were produced in Peru and 319,000 kilos imported. This amount included 2,100,000,000 cigarettes and 1,655,000 cigars.

Peru Receives Gift of Trout Eggs from United States

Lima, February 11, 1951.—(FTS)—A shipment of 100,000 trout eggs, a gift from the United States Fish and Game Bureau, arrived in Peru on December 22, aboard Panagra's *El Interamericano*. The eggs, requested by the Institute of Interamerican Affairs for Peru, are brook trout, and will later be sown in brooks and streams of the Peruvian Andes as part of the Fish and Game Bureau's program to augment trout in Peruvian waters.

Peru Developing Lead and Zinc Deposits

Lima, February 12, 1951.—(FTS)—Approximately U.S.\$1,600,000 are being invested by Northern Peru Mining and Smelting Company to develop the rich lead and zinc deposits at Chilete, railhead of the Pacasmayo Railway and 105 kilometres inland from that port. Ninety tons of machinery and equipment for the mines arrived at Pacasmayo in February, and at present between 750 and 1,000 workmen are employed at the mines and port.

Lima Will Build Huge Modern Hospital

Lima, February 12, 1951.—(FTS)—The huge new 14-story hospital to be erected in Lima by the Caja Nacional de Seguro Social will be one of the most modern and best-equipped in the world. The new hospital will have a built-up area of 55,000 square metres, and construction of the two 14-story wings will begin on Avenida Salaverry within the next three months.

Peru Orders Steel from Chile

Lima, February 12, 1951.—(FTS)—Approximately 627 tons of steel from the new Huachipoto steel mill of the Cía. de Acero de Chile will be embarked on board the steamer *Marnadan* for Callao, Peru, some time in February.

SCOTLAND

Scottish Shipbuilding Industry has Orders for Three Years

Glasgow, January 30, 1951.—(FTS)—The continued demand for new oil tankers and larger types of cargo ships has enhanced the prospects of the Scottish shipbuilding industry, which opened 1951 with order books sufficiently well filled to keep many firms busy until the end of 1953. A number of tenders for a variety of work are in circulation, and Clydeside firms are certain to be awarded a substantial share of the new £25,000,000 tanker construction program of the British Tanker Company.

Considerably over one million tons gross of new shipping are on the order books of Scottish shipbuilders. The twenty-three Clyde firms have still to launch more than 600,000 tons gross of tankers, more than 250,000 tons of cargo motorships, 50,000 tons of passenger ships and at least 15,000 tons of miscellaneous craft. The east coast yards have yet to launch 110,000 tons of cargo ships, 30,000 tons of tankers, 5,500 tons of colliers, a 3,100-ton passenger vessel and roughly 4,000 tons of miscellaneous craft.

Important Orders Placed with Scottish Heavy Industries

Glasgow, January 31, 1951.—(FTS)—The opening month of the year has brought important new work to the heavy industries of the west of Scotland. The Indian Government Railways have placed an order for 100 coal-burning steam locomotives, valued at fully £1,750,000 with the North British Locomotive Company. Each engine will weigh about 100 tons in working order and will be of 4:6:2 metre-gauge type. This firm has a fairly full order book, and the new contract will be completed during 1952.

The first major contract for the Greenock factory of Joy-Sullivan, the recently established Scottish subsidiary of the well-known United States firm of mining equipment manufacturers, has been placed by the Italian Government. It is for the supply of conveyor equipment worth £184,000 for use in the Sardinian coal mines.

New Mechanized Foundry Operating in Scotland

Glasgow, January 26, 1951.—(FTS)—One of the largest mechanized foundries in the light castings industry has gone into operation at Bonnybridge, Stirlingshire. Capable of producing 120 tons of castings per week, the new foundry is the latest addition to the works of a well-known Scottish manufacturer of cookers and heating stoves. The foundry is designed to give a high rate of production, while lightening, by the use of machines, the heavy labour generally associated with floor moulding. There is at present a serious shortage of young men interested in learning the trade, and it is hoped that the new method of production which is clean, modern and labour-saving, will attract more workers.

Scottish Iron and Steel Trade Receives Many Inquiries from Abroad

Glasgow, January 27, 1951.—(FTS)—The number of inquiries received from abroad by the Scottish iron and steel trade since the beginning of the year offers unmistakable evidence that overseas buyers are still as anxious as ever to secure supplies of British steel. This interest was perhaps most noticeable in the case of American, Canadian and Australian operators.

Reluctance on the part of Scottish makers to commit themselves any further ahead is understandable in view of the rather disquieting raw material position. Iron ore supplies, already affected by the intensive American purchases of Swedish and European ores, have been still further affected by the shortage of vessels to carry ore. This shortage has been caused mainly by the diversion of vessels to the United States to bring coal to this country. No further news of any change in the supply position of scrap from German sources has been forthcoming, but the trade considers it unsafe to reckon on any larger quantities of German scrap during 1951 than half a million tons, and many consider that the industry would be fortunate to get even that much. As imports of German scrap were previously about 2,000,000 tons a year, the prospective shortage is serious. Intensive efforts are being made to obtain larger supplies of scrap from the home market.

In the meantime, production has been well maintained, both at blast-furnaces and in steel melting shops. The output from the rolling mills has been equally satisfactory, but the stocks of ore and scrap drawn upon to maintain the productive level will need renewing in the very near future.

Scottish Council Appeals for Funds

Glasgow, January 25, 1951.—(FTS)—An appeal to contribute £ 35,000 this year to the funds of the Scottish Council (Development and Industry) is being made to the Scottish public, industry, commerce and local authorities. Launching the appeal in Glasgow, Lord Bilsland, the president, said that if the council did not receive adequate support, inevitably its activities would have to be curtailed. This, he said, would be a disaster of the first magnitude for Scotland.

On last year's working the accounts of the council had shown a serious deficit. In round figures the income was £ 21,000 and the expenditure £ 30,000—£ 12,500 for propaganda activities in London, the United States and Canada, and in promoting export trade and attracting new developments to Scotland; £ 10,000 for the salaries and wages of the council's staff; and £ 7,500 for surveys, reports and inquiries, and for the general expenses of the council.

The deficit had been met from the council's general reserves which were now entirely exhausted. If the council were to continue, it was imperative to receive, this year, £ 35,000. The £ 30,000 spent last year represented a contribution of 1½d. per head of the Scottish population, not a very high charge considering the value of the work done.

The council's appeal for support was earnestly and urgently commended by Mr. Hector M'Neil, the Secretary of State for Scotland, who pointed out that its labours were directed not only towards the economic vigour of Scotland today, but also to fostering the growth of what will be the Scottish industries of the future.

SPAIN

Spanish Orange Exports Higher This Season

Madrid, February 15, 1951.—(FTS)—Orange exports from Spain during the current season amounted to 259,716 tons, as against 167,623 tons in 1949-50 and 117,629 tons in 1948-49. This season, 85,517 tons went to France, 54,978 to the United Kingdom, 33,424 to Holland, 31,856 to Belgium and 21,374 to Western Germany.

Spanish Production of Aluminum High

Madrid, February 15, 1951.—(FTS)—The production of aluminum in Spain reached the figure of 2,300 tons in 1950, of which 1,300 tons were produced at the Valladolid factory and 1,000 tons at Sabiñanigo. This year the Valladolid plant is expected to turn out over 2,500 tons which, together with the 1,000 tons normally produced at Sabiñanigo, will put the total production for 1951 at 3,500 tons.

VENEZUELA

Netherlands Firm to Establish Brewery in Venezuela

Caracas, February 14, 1951.—(FTS)—The well known Netherlands firm, Heineken of Amsterdam, is reported to be planning the construction of a brewery in Caracas, with an initial capital of approximately three million dollars. It is estimated that the new factory will be in production two years after permission to operate has been granted by the Venezuelan Government.

Artificial Silk Factory to be Established in Venezuela

Caracas, February 14, 1951.—(FTS)—An United States firm is reported to have completed all preliminary studies and plans for the establishment of an artificial silk factory in Caracas. Final approval by the government is expected shortly. The plant, which will cost approximately seven million dollars, will be in operation one year after permission to operate has been received, according to officials of the company. The directors of the plant will be Venezuelans, and Venezuelan capitalists are invited to invest in the new industry on equal terms with United States investors.

Establishment of Petroleum Division Announced

Dr. O. B. Hopkins, vice-president of Imperial Oil Limited, has been appointed Director of a Petroleum Division in the Department of Trade and Commerce, in connection with the defence program. The new division will primarily be concerned with development of the industry and will correlate plans for increasing crude oil production, refining and transportation facilities. The division will work closely with the Petroleum Administration for Defence in Washington, D.C., on problems of common interest.

Trade and Tariff Regulations

Republic of Ireland Announces Further Import Quotas

Dublin, February 12, 1951.—(FTS)—Further import quotas have been announced by the government of the Republic of Ireland for the period March 1 to August 31, 1951, for the following:

Hose (other than half-hose) of artificial silk, or silk: 2,500,000 pairs, compared with 2,400,000 pairs for a similar period last year.

Certain woven tissues of wool or worsted: 2,500,000 square yards, as against 2,000,000 square yards for the previous six months.

Peru Doubles Customs Duties on Certain Luxury Items

Lima, February 19, 1951.—(FTS)—With the removal of all restrictions on imports into Peru, the rates of duty have been doubled on certain luxury items including: Jewellery and imitation jewellery; cigarette cases and lighters; pocket and wrist watches; fountain pens and automatic pencils; tobacco boxes; compacts; handbags and wallets; tableware and cutlery of silver; wall and table clocks; luxury baggage.

Canadian Government Purchasing Tungsten Ore Reserves

The Canadian Government has taken steps to purchase for \$328,000 the known tungsten ore reserves of the Emerald property in British Columbia from the present owners, Canadian Exploration Limited. Equipment has been ordered to build a mill of 250 tons daily capacity and the mine, which has been closed down for some years, is being rehabilitated. It is expected initial production of tungsten concentrates will be obtained by next autumn.

Tungsten is a highly essential ingredient of tool steels and tungsten carbide, among other essential uses, the production of which items will greatly increase in defence programs. Since Canada is normally dependent on imports entirely and the bulk of the world's supply comes from the Far East, particularly China, it was deemed a matter of urgency to initiate a domestic source to meet essential Canadian requirements.

Scheelite, a tungsten mineral, was discovered on the Emerald property during the last war and under government ownership and direction some production was obtained. Following the war, the property was purchased by Canadian Exploration Limited from War Assets Corporation and production was continued for a couple of years. The terms of purchase from War Assets were recently completed and a new arrangement was made between the government and Canadian Exploration based on the known ore reserve at the same price per unit of tungsten at which it was sold years ago. The price of tungsten today has greatly increased from this base and, therefore, the potential value of the tungsten part of the Emerald property is now very much enhanced.

Canadian Exploration Company will carry on its normal production of lead and zinc concentrates from that part of the Emerald property which it still owns and which is entirely removed from the tungsten part of the property. If Canadian Exploration should develop new tungsten ore sources on its portion of the property, arrangements are provided for treatment in the government-owned mill. The company will operate the mine and mill on a fee basis, with Dr. W. F. James, of Toronto, acting as consultant for the government.



Trade Fair News

Information of particular interest to firms planning participation in the Canadian International Trade Fair, being held in Toronto from May 28 to June 8, 1951, will be published from week to week in this column.

The variety of implements and equipment for farm use to be shown at the Trade Fair is expected to be more comprehensive than in previous fairs. About 3,000 square feet of space has been booked to show goods of interest to farmers. Canadian farm equipment to be displayed ranges from hand tools to tractors. Among the exhibits from England will be such items as brooder thermometers and incubators; sump pumps and various types of shears and other tools; tractors and other farm machinery.

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The printing equipment section shows good promise of being bigger than ever. England so far is the major contributor, with 2,640 square feet of space booked. Canada has 1,500 square feet, while the Netherlands and Czechoslovakia are also represented. Products include printers' sundries, various pieces of heavy composing-room equipment, process engraving and photo-litho plate-making equipment, and machinery for letterpress work, ticket printing, blueprint drawing, mitreing, embossing, marking, trimming, and related work. Equipment for the graphic arts are also among the exhibits in this field.

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Almost 9,000 square feet of space has been booked to show a diverse assortment of food products and beverages from twelve different countries. Canada, with 4,200 square feet in the foods and beverages section, is currently the major contributor. Among the Canadian exhibits will be meats, canned goods, fruits and vegetables, dairy products and oils; spring wheat, soft wheat flour, rolled oats and oatmeal; as well as paper drinking cups, containers for food packaging, and similar items. A wide variety of Canadian beers, ales, whiskeys, wines, liqueurs and other alcoholic beverages will be included.

The Netherlands is well represented, with 2,040 square feet taken to show a representative selection of Dutch foods. Biscuits and cakes, cheese, chocolates, canned fruit juices, jams, confectionery, liquors, cocoa, mustards, smoked meat products, baby foods and soups are only a few of the products the Dutch will be displaying. Biscuits and cakes will be shown by a famous Scottish firm.

Beers, ales, wines, liqueurs and other beverages from all over the world will be exhibited. Included will be rum from Barbados, British Guiana and the Bahamas; wines and spirits from Cyprus; golden honey mead from the Isle of Man; wine from Australia and South Africa. Scotch whisky will again be offered in variety.

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The sections devoted to building materials, heating and plumbing equipment and hardwares and smallwares are developing rapidly, and will contain an extensive range of products covering almost every phase of the building and hardware trades.

Almost 3,000 square feet of space has been booked. One of the Canadian exhibits will be aluminum prefabricated houses and other prefabricated equipment, such as door frames, window sashes and similar building articles. All types of heating equipment, including stoves and furnaces, will be shown by another Canadian firm. Industrial cutlery, knives of all description, aluminum utensils, metal stampings, locks, axes, shovels and other tools are some of the products to be exhibited by Canadian firms.

Builders' and contractors' plant machinery, machines for making plain or embossed concrete blocks, and brick and tile moulds are among the exhibits of a large English company. In the smallwares section, the products of English firms fairly well cover the field, ranging from high grade paints through household hardware to metal stampings.

A group of German firms are exhibiting under one name in the hardware category. Products to be shown include adjustable wrenches and pipe wrenches; meat grinders and food choppers; cutlery; kitchen, hunting and pocket knives; canvas drinking water bags, canvas water dams, tents and tarpaulins.

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The two sections of the fair devoted to house furnishings and appliances show a total of 11,520 square feet of space taken so far. Canada leads with almost 3,500 square feet, while Czechoslovakia is next, with 3,100 square feet, followed closely by the Netherlands with 3,000 square feet.

Household products to be shown by Canadian firms include kitchen appliances and equipment, bathroom accessories and fixtures, rugs, carpets and mats, ornamental goods, lamp and lighting fixtures, cooking utensils, vacuum cleaners, washing machines and radio phonographs. The large variety of household wares to be exhibited by the Netherlands includes artistic glassware and mosaics, objets d'art, furniture of all types, hospital and hotel equipment, lamps, old Dutch hand-painted cabinets and cupboards, and many other articles.

An Italian firm, which last year sold its entire display on the first day to a large department store, is coming back with a line of fine furniture, embossed copper and brass items, fine upholstered piece-goods and other lines.

The Australian firm that exhibited the revolutionary "Electrosonic" washing machine last year is again exhibiting a new, but as yet, unidentified invention.

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In the automotive section, a British manufacturer is exhibiting a line of cars and light and heavy commercial and electric vehicles. Another British firm is exhibiting an all-purpose municipal vehicle equipped as a catch basin cleaner and street flusher, as well as trucks and truck bodies. Two different makes of cars are scheduled for display by a Czechoslovakian company.

Trailers and utility bodies are among the Canadian automotive exhibits. One firm is showing an extensive line of car parts and equipment. From the Netherlands will come a display of leather tool bags with chrome vanadium tools. An Australian publishing house will exhibit repair manuals for English and continental cars.

In the machinery and plant equipment section a number of firms, particularly from Great Britain, are showing garage repair equipment and tools, as well as automobile components. Among the exhibits will be

diesel engines, ball bearings, diesel road rollers and earth-moving equipment, automobile gear boxes, trailer and caravan axles, battery chargers, grease guns and other lubricating equipment, and wheel, steering and frame alignment machinery.

A number of different metals and alloys suitable for use on cars, such as zinc moulding for running boards and aluminum for bus and truck bodies, are being displayed in the metals and chemicals section. In textiles, some exhibitors are showing upholstery and covering fabrics.

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A feature of the chemicals and metals section will be a joint exhibit of a number of Canadian chemical firms, designed to show the magnitude of the industry both in itself and in relation to its markets. Organized by a joint committee of the Society of the Chemical Industry and the Chemical Institute of Canada, the display will illustrate the uses of Canadian chemicals in a wide range of different industries, such as textiles, rubber, cosmetics, etc. This marks the first participation by the Canadian chemical producers as a unit, although individual firms have exhibited in previous years.

Some of the chemicals marketed by firms represented in the joint display are petroleum products, fuels and lubricants; fatty acids, hydrogenated fats and oils and similar products; cleaning compounds; chemical fertilizers; specialized chemicals for textile, leather, rubber, paper and cosmetics industries; agricultural chemicals; plastics, plastic compounds and resins; products of high purity metals and alloys; and vitamins, penicillin and streptomycin. Industrial chemicals, steel and steel alloys are listed as the exhibits of the individual firms.

Canadian Exports and Imports Increased in January

Canadian domestic exports totalled \$285.1 million in January, 1951, as compared with \$221.2 million in January, 1950. Estimated total imports in January of this year amounted to \$327.5 million, as compared with \$211.9 million in the previous year.

Domestic exports to the United States rose in value to \$186,900,000 as against \$130,900,000, and to the United Kingdom declined to \$40,100,000 compared to \$48,600,000. Estimated imports from the United States amounted to \$234,100,000 as compared to \$154,500,000, and from the United Kingdom to \$34,200,000 as against \$26,100,000.

Preliminary figures on Canada's foreign trade are summarized in the following table:

	Jan., 1950 Domestic (Millions of dollars)	Jan., 1951 Domestic
Exports—		
United Kingdom	48.6	40.1
Other Commonwealth countries	13.7	16.0
United States	130.9	186.9
Other foreign countries	28.0	42.1
Total, all countries	221.2	285.1
Imports—		
	Jan., 1950	Jan., 1951*
United Kingdom	26.1	34.2
Other Commonwealth countries	10.7	21.7
United States	154.5	234.1
Other foreign countries	20.6	37.5
Total, all countries	211.9	327.5

* Estimate only. Subject to revision.

Foreign Trade Service Abroad

Cable address:—Canadian, unless otherwise shown.

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

Argentina

Buenos Aires—H. L. BROWN, Commercial Secretary, Canadian Embassy, Bartolomé Mitre 478. Territory includes Paraguay and Uruguay.

Buenos Aires—W. B. McCULLOUGH, Commercial Secretary (Agricultural), 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 Counsellor for Canada, 83 William Street. Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.

Melbourne—R. W. BLAKE, Commercial Secretary for Canada (Agricultural), 83 William Street.

Belgian Congo

Leopoldville—W. GIBSON-SMITH, Acting 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, Edifício Metropole, Avenida Presidente Wilson 165. Address for letters: Caixa Postal 2164.

São Paulo—C. J. VAN TICHEM, Consul and Canadian Government Trade Commissioner, Canadian Consulate, Edifício Alois, Rua 7 de Abril, 252. Address for letters: Caixa Postal 6034.

Ceylon

Colombo—PAUL SYKES, Canadian Government Trade Commissioner, Room 51, Galle Face Hotel. Address for letters: P.O. Box 1006.

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—G. S. PATTERSON, 27 The Bund, Postal District (0).

Colombia

Bogotá—H. W. RICHARDSON, Canadian Government Trade Commissioner, Edificio Colombiana de Seguros. Address for letters: Apartado 1618. Address for air mail: Apartado Aereo 3562. Territory includes 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), Canadian Embassy. Address for letters: 3 rue Scribe.

Germany

Frankfurt am Main—L. H. AUSMAN, Canadian Commercial Representative, Canadian Consulate, 145 Fuerstenbergerstrasse. Cable address, Canadian Frankfurt-Main.

Greece

Athens—T. J. MONTY, Commercial Secretary, Canadian Embassy, 31 Vas-silissis 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, Canadian Government Trade Commissioner, Hong Kong Bank Building. Address for letters: Post Office Box 126. Territory includes Indo-China and South China.

India

New Delhi—RICHARD GREW, Commercial Counsellor, 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.

Ireland

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

Italy

Rome—Acting Commercial Secretary, Canadian Embassy, Via Saverio Mercadante 15-17. Territory includes Libya, Malta and Yugoslavia.

Naples—M. S. STRONG, Canadian Government Trade Commissioner (Fisheries), via Cavallerizza A. Chiaia 14.

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.

Kingston—E. M. GOSSE, Canadian Government Trade Commissioner (Fisheries), Canadian Bank of Commerce Chambers. Address for letters: Post Office Box 225.

Japan

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

Mexico

Mexico City—M. T. STEWART, Commercial Secretary, 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.

Puerto Rico

San Juan—E. TEMPLEMAN, Canadian Government Trade Commissioner (Fisheries). Address for letters: Post Office Box 3981.

Singapore

Singapore—D. S. ARMSTRONG, 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—C. B. BIRKETT, 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.

Foreign Trade Service Abroad—Concluded

Cape Town—K. F. NOBLE, 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.*

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—R. P. BOWER, Commercial Counsellor, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W. 1. *Cable address, Sleighing, London.*

London—R. G. C. SMITH, Commercial Secretary, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London—D. A. B. MARSHALL, Commercial Secretary (Agricultural), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London—R. D. ROE, Commercial Secretary (Timber), 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 Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

New York City—A. E. BRYAN, Deputy Consul General of Canada and 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), British Empire Building, Rockefeller Center. Address for letters: Canadian Consulate General, 620 Fifth Avenue.

Boston—P. A. BEAULIEU, 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—J. A. STILES, Acting Canadian Government 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, 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 Feb. 19	Nominal Quotations Feb. 26
Argentina.....	Peso.....	Basic	-2977	-2098	-2089
		Free	-2085	-0755	-0752
Austria.....	Schilling.....	Export	.....	-0491	-0489
Australia.....	Pound.....		3-2240	2-3490	2-3400
Belgium and Belgian Congo.....	Franc.....		-0228	-0209	-0208
Bolivia.....	Boliviano.....		-0238	-0175	-0174
British West Indies (Except Jamaica).....	Dollar.....		-0396	-6118	-6092
Brazil.....	Cruzeiro.....		-0544	-0572	-0569
Burma.....	Rupee.....		-3022		
Ceylon.....	Rupee.....		-3022	-2202	-2193
Chile.....	Peso.....		-0233	-0215	-0214
Colombia.....	Peso.....		-5128	-5401	-5379
Costa Rica.....	Colon.....		-1800	-1872	-1864
Cuba.....	Peso.....		1-0000	1-0488	1-0444
Czechoslovakia.....	Koruna.....		-0200	-0210	-0210
Denmark.....	Krone.....		-2084	-1521	-1514
Dominican Republic.....	Peso.....		1-00000	1-0488	1-0444
Ecuador.....	Sucre.....		-0740	-0636	-0633
Egypt.....	Pound.....		4-1330	3-0115	2-9990
El Salvador.....	Colon.....		-4000	-4195	-4178
Fiji.....	Pound.....		3-6306	2-6455	2-6345
Finland.....	Markka.....		-0062	-0046	-0045
France, Monaco and French North Africa.....	Franc.....		-0037	-0030	-0030
French Empire—African.....	Franc.....		-0073	-0060	-0060
French Pacific Possessions.....	Franc.....		-0201	-0166	-0165
Germany.....	Deutsche Mark		-3000	-2497	-2487
Guatemala.....	Quetzal.....		1-0000	1-0488	1-0444
Haiti.....	Gourde.....		-2000	-2098	-2089
Honduras.....	Lempira.....		-5000	-5244	-5222
Hong Kong.....	Dollar.....		-2519	-1812	-1805
Iceland.....	Krona.....		-1541	-0644	-0641
India.....	Rupee.....		-3022	-2202	-2193
Iran.....	Rial.....		-0212		
Iraq.....	Dinar.....		4-0300	2-9363	2-9250
Ireland.....	Pound.....		4-0300	2-9363	2-9250
Israel.....	Pound.....		3-0000	2-9363	2-9250
Italy.....	Lira.....		-0017	-0017	-0017
Jamaica.....	Pound.....		4-0300	2-9363	2-9250
Japan.....	Yen.....		-0028		
Lebanon.....	Piastre.....		-4561		
Mexico.....	Peso.....		-1157	-1214	-1209
Netherlands.....	Florin.....		-3769	-2760	-2748
Netherlands Antilles.....	Florin.....		-5308	-5561	-5538
New Zealand.....	Pound.....		4-0150	2-9363	2-9250
Nicaragua.....	Cordoba.....		-2000	-2098	-2089
Norway.....	Krone.....		-2015	-1469	-1463
Pakistan.....	Rupee.....		-3022	-3170	-3157
Panama.....	Balboa.....		1-0000	1-0488	1-0444
Paraguay.....	Guarani.....		-3200		
Peru.....	Sol.....		-1538	-0708	-0705
Philippines.....	Peso.....		-4975	-5244	-5222
Portugal and Colonies.....	Escudo.....		-0400	-0364	-0362
Singapore.....	Straits Dollar.....		-4702	-3426	-3411
Spain and Colonies.....	Peseta.....		-0916	-0963	-0959
Sweden.....	Krona.....		-2783	-2028	-2019
Switzerland.....	Franc.....		-2336	-2438	-2428
Thailand.....	Baht.....		-1000		
Turkey.....	Lira.....		-3571	-3729	-3713
Union of South Africa.....	Pound.....		4-0300	2-9363	2-9250
United Kingdom.....	Pound.....		4-0300	2-9363	2-9250
United States.....	Dollar.....		1-0000	1-0488	1-0444
Uruguay.....	Peso.....		-6583	-6904	-6875
Venezuela.....	Bolivar.....		-2985	-3131	-3117
Yugoslavia.....	Dinar.....		-0200		

* September 17, 1949.