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COMMERCIAL INTELLIGENCE JOURNAL

Vol. LV

Ottawa, October 31, 1936

No. 1709



Canadian made Motor Bus Chassis as supplied to the Municipality
of Cawnpore, India.

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

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CONCLUSION OF AGREEMENTS BETWEEN CANADA AND GERMANY

A Provisional Trade Agreement and a Payments Agreement between Canada and Germany were signed on October 22, 1936, by the Honourable W. D. Euler, Minister of Trade and Commerce, on behalf of Canada, and by Dr. Hans R. Hemmen, Counsellor of Embassy, who conducted the negotiations on behalf of the German Government.

These agreements take the place of the arrangement which came into effect on January 1, 1933, whereby Canada extended the Intermediate Tariff to German goods imported into Canada in return for most-favoured-nation treatment for Canadian goods imported into Germany. The advantages which Canada expected to derive from that arrangement were to a large extent nullified by the drastic control of the granting of foreign exchange introduced in Germany in September, 1934. The German exchange control has had the effect of greatly curtailing imports of Canadian goods into Germany, and the goods which have been imported have been comprised for the most part of metals and minerals. During the twelve months ending September, 1936, Canada imported from Germany goods to the value of \$10,716,631 and exported to that country goods to the value of \$5,745,021. It was to rectify this unfavourable situation respecting trade relations with Germany that the new agreements have been concluded. In respect to Canada the agreements are designed to meet two main purposes.

BASIS FOR INCREASED EXPORTS TO GERMANY

The primary purpose is to provide a basis for increasing Canadian exports to Germany. That objective is met by the provision that henceforth the exchange accruing from the sale of German goods in Canada will be available for the purchase of Canadian goods. In other words, the dollar funds which Germany derives from her exports to Canada will be set aside by the German exchange authorities and released to German importers to enable them to pay for their imports from Canada. Heretofore—especially in the last two years—Canada's export business with Germany has been crippled by the difficulties experienced by German importers in obtaining the exchange permits necessary to enable them to make payment for Canadian products in dollars, sterling, or other foreign exchange.

SIMPLIFYING METHODS OF EXPORT

The second and almost equally important purpose of the agreements is to simplify for the Canadian exporter the method of doing business with Germany. This objective too is served by the arrangement under which the dollar proceeds of German exports to Canada will create a fund for the payment of German purchases of Canadian products. In the absence of an arrangement of that nature the entry of Canadian goods into Germany has been greatly complicated by the requirements of the German system of exchange and import control. Most Canadian exports could be sold only on a barter basis. A limited list of products, essential to German economy, could be bartered on a 1:1 basis—that is, by taking in exchange German goods of equivalent value. For other products the barter ratio latterly has been 1:3, German goods having to be imported into Canada to a value three times as great as that of the Canadian export. Barter business is virtually unworkable under such a ratio. The German exchange control system has provided a third method of export to that country in the form of what are commonly known as “aski” accounts. Under this method the foreign exporter receives payment in reichsmarks which are deposited in a special account in a German bank. The exporter can liquidate his “aski marks” only by using them for the purchase of specified German goods or by selling them, usually at a heavy discount, to someone in a position to utilize them in that manner. The present agreements seek to simplify the method of doing export business with Germany, removing the need for resort to barter or to aski accounts, placing a fund of dollar exchange at the disposal of the German importer, and enabling the Canadian exporter to accept German orders with very little variation from the customary methods of carrying on trade.

MOST-FAVoured-NATION TREATMENT

The Provisional Trade Agreement provides for the mutual exchange of most-favoured-nation treatment by each country to the products of the other country. The agreement will come into force fourteen days after the exchange of ratifications and shall remain in force until November 14, 1937, or thereafter until either of the two Governments shall have given two months' notice of termination. There is a provision in the agreement, however, which permits of its termination under certain conditions after four weeks' negotiations to remove any difficulties which might have arisen, and six weeks' notice of termination if the negotiations should not lead to a satisfactory settlement.

EXCHANGE OF NOTES

The following is the text of a note which the Honourable W. D. Euler, Minister of Trade and Commerce, handed to Dr. Hans R. Hemmen on October 22, 1936, and which formed the basis of an exchange of notes giving effect to the provisions of the Provisional Trade Agreement respecting the customs treatment of goods as from November 15, 1936:—

“It being the desire of the Governments of Canada and of Germany to facilitate the commercial relations existing between the two countries pending the formal coming into force of the Provisional Trade Agreement signed this

day, I have the honour to inform you that the Government of Canada is prepared, on the basis of reciprocity, to give effect to the provisions of this agreement respecting the customs treatment of German goods imported into Canada as from the 15th day of November, 1936, the date on which the Payments Agreement between Canada and Germany will come into force.

“It is understood that this note and your reply on behalf of the German Government will constitute an agreement which shall remain in effect until terminated by the coming into force of the Provisional Trade Agreement in accordance with the provisions of Article 7 thereof or until six weeks after either Government shall have given notice to the other of its intention to terminate it.”

PAYMENTS AGREEMENT

The Payments Agreement regulates payment for the exchange of goods between the two countries and provides that the exchange accruing from German exports to Canada shall be utilized for the purchase of Canadian goods imported into Germany. A Schedule is attached to the Agreement which has the effect of providing for the allocation of 63.1 per cent of the exchange accruing from German exports to Canada among certain specified commodities, the unallocated balance of 36.9 per cent being available for the purchase of commodities which are not included in the Schedule or for the purchase of additional quantities of the enumerated commodities. Among the percentages specified in the Schedule are: wheat, 35 per cent; asbestos, 8 per cent; fresh apples, 5 per cent; salted salmon, 2.5 per cent; lumber, 2 per cent; fish oil, 2 per cent; silver and black fox skins, undressed, 1.5 per cent; fish meal, 1.4 per cent; seeds, 1.25 per cent; wood-pulp, 1 per cent; and smaller percentages for dried apples; sausage casings; frozen eels; frozen salmon; cheese; honey; canned lobsters; pegwood; agricultural machinery parts; ice hockey equipment and salmon caviar. In the case of certain goods such as fresh apples; salted salmon; seeds; wood-pulp; dried apples; beef casings; frozen eels; frozen salmon; cheese; honey; canned lobsters; pegwood; agricultural machinery parts; ice hockey equipment; and salmon caviar. maximum amounts are fixed beyond which the percentages shall not apply in any one year, but in the case of wheat; asbestos; lumber; fish oil; silver and black fox skins, undressed; fish meal; and hog casings, no maximum annual amounts are fixed, and for these commodities Germany will allot the agreed percentages of the total available exchange irrespective of the total value of the trade.

SCHEDULE TO PAYMENTS AGREEMENT

The following is a list of the enumerated commodities, the percentages of the available foreign exchange and the annual maximum amounts specified in the Schedule to the Payments Agreement:—

Commodity	Percentage	Annual Maximum Value \$
Wheat*	35.0	**
Apples, fresh..	5.0	600,000
Apples, dried..	0.6	60,000
Cheese	0.2	20,000
Honey	0.2	20,000

* To be imported through the Reich Control Board for Grain and Feeding Stuffs, Berlin, or with its permission. ** No maximum.

Schedule to Payments Agreement—Concluded

Commodity	Percentage	Annual Maximum Value \$
Sausage casings:		
Beef casings (of which not more than one-third to be beef middles)	0.5	60,000
Hog casings	0.25	**
Seeds	1.25	160,000
Salmon, salted	2.5	275,000
Salmon, frozen	0.25	25,000
Salmon caviar	0.15	15,000
Eels, frozen	0.5	75,000
Lobsters, canned	0.2	20,000
Fishmeal	1.4	**
Fish oil	2.0	**
Black and silver fox skins, undressed	1.5	**
Lumber, sawn	2.0	**
Pegwood	0.2	20,000
Wood-pulp	1.0	100,000
Asbestos	8.0	**
Parts of agricultural machines	0.2	20,000
Ice hockey equipment (skates with and without boots, sticks, etc.)	0.2	20,000

** No maximum.

CANADIAN EXPORTS TO GERMANY ENUMERATED IN SCHEDULE TO AGREEMENT

The following are the values of the exports to Germany during the twelve months ended September, 1936, of the commodities enumerated in the Schedule to the Payments Agreement:—

	Value
Wheat	\$845,790
Apples, fresh	13
Apples, dried	40,802
Cheese	296
Honey	12
Sausage casings	76,862
Seeds	6,297
Salmon, pickled	83,612
Salmon, frozen	10,097
Salmon caviar	*
Eels, frozen	16,256
Lobsters, canned	4,038
Fishmeal	12,233
Fish oil	19,789
Black and silver fox skins, undressed	8,463
Lumber, sawn	28,741
Pegwood	*
Wood-pulp	39,328
Asbestos	691,251
Parts of agricultural machines, n.o.p.	11,290
Ice hockey equipment (skates with and without boots, sticks, etc.)	10,931

* Not separately stated.

The Payments Agreement will come into force on November 15, 1936, and shall remain in force for a period of one year or thereafter until either of the two Governments shall have given two months' notice of termination. There is a provision in the Payments Agreement, however, whereby in the case of any difficulties arising either of the two Governments can ask for negotiations and if these negotiations within four weeks do not lead to a satisfactory settlement six weeks' notice of termination can be given.

Canadian exporters should keep particularly in mind two features of the new trading arrangement. First, their chief concern in accepting German orders will be to make certain that the German importer has applied for and received the necessary exchange permit. Secondly, the absence of any Canadian export product from the list given above does not mean that export business with Germany in that product is cut off. It simply means that the German importer will have to secure the funds to pay for such imports from the unallotted percentage of the total amount of foreign exchange created by Germany's sales to Canada.

ECONOMIC AND FINANCIAL CONDITIONS IN NEW ZEALAND

H. L. E. PRIESTMAN, ASSISTANT TRADE COMMISSIONER

Auckland, September 25, 1936.—During the past twelve months business conditions have been progressively more active in New Zealand, although there have been some unusual intermissions affecting the rate of progress towards prosperity. Apart from seasonal occurrences, events abroad have promoted the demand and improved the prices for primary products—notably wool, meats, butter, and cheese—which New Zealand produces in large quantities, while at home there have been political and economic changes of deep significance.

GOVERNMENT'S LEGISLATIVE PROGRAM

The Government of New Zealand which took office in November, 1935, has sponsored most of these changes, the most notable to date being the reconstruction of the Reserve Bank along lines giving the Government full control of monetary policy, and the establishment of a Department of Marketing with special powers affecting at present chiefly dairy produce. In parallel with these movements, the Legislature has established the 40-hour week for most factories with increased rates of minimum wages for factory, shop, and office workers. In addition, wage and salary cuts have been restored to employees generally so as to bring their current earnings up to not less than the rates prevailing in 1931.

RESTORATION OF RATES OF REMUNERATION

The restoration of rates of remuneration is in broad measures, such as the Finance Act, 1936, retrospective to July 1, 1936, that include all civil servants, railway employees, school teachers, office employees, and manual workers employed in New Zealand, whether under industrial or other awards and agreements, or under contracts of service. It is an offence to dismiss any worker in order to deprive him of benefits of increased wages or reduced working hours and the burden of proof that dismissal is not in contravention of the Act lies on the employer.

PRICE CONTROL

Price control has been applied to a greater or lesser degree in the case of gasoline, fertilizers, bread, flour, and wheat, as well as some other commodities. Special powers have been taken to prevent profiteering by prohibiting the making of unreasonable increases in the prices charged for goods and services, and to investigate breaches of the Prevention of Profiteering Act, 1936.

FAIR RENTS ACT

The Fair Rents Act, 1936, may be placed in a similar category to the last-mentioned legislation, as being designed to cover the transition period, until the effects of the new ordinances can be gauged, and any necessary consolidation carried out. While many of these are relatively minor changes, their cumulative effect is substantial. The guaranteed price policy for all dairy produce is a momentous change, and the scale of prices was announced early in August, as reported in *Commercial Intelligence Journal* No. 1705 (October 3), page 634.

NEW ZEALAND'S SOCIAL LEGISLATION

Perhaps it may be advisable to state for the benefit of Canadian observers that to New Zealanders their social legislation seems less drastic and affects their standard of living to a lesser degree than might be the case in some other countries which have not been accustomed, like New Zealand, to a system of

forty years' growth whereby State control has gradually replaced private enterprise or worked in parallel with it in many fields of endeavour.

All changes have met with some degree of opposition from vested interests, but their hostility soon disappears because of a feeling of the inevitability of such occurrences. Furthermore, with a constitution based on a central government with paramount power to pass legislation over all local governing and administrative bodies, there is no question regarding infringement of provincial or other rights. In fact, the provincial governments of New Zealand were abandoned many years ago, as was natural, as soon as inter-communication between the scattered communities sufficiently improved for a central government to function properly. With the Dominion Government as the fountain from which flows the power of the next largest public bodies, the city councils, borough and county councils, there is obviously no great difficulty to the New Zealand Government in rapidly decreasing or increasing those powers by amending legislation that cannot be contested as *ultra vires*.

These considerations may partly account for the generally efficient manner in which the social legislation and State ownership policy has worked and broadened in the last forty years, though the remoteness of New Zealand from other countries has also enabled experimentation to be conducted fairly free from outside influences, and with a minimum of disturbance to itself or other countries.

With these as a starting point, and a conscious monetary policy directed by the State, the further steps have not seemed rapid nor drastic, but merely transitional to people who have grown up in this atmosphere. Furthermore, the accession to office of the first Labour Government took place when conditions were improving and prices rising, so that the provision of funds for schemes of social betterment has not created an apparent undue burden on the buoyant revenues of the present time.

BUDGET

Following on the active parliamentary sessions of this year, the Minister of Finance, the Honourable W. Nash, introduced his first Budget, that for 1936-37, on August 4. The Budget contains no alterations in the customs tariff, although that will apparently receive attention after the Minister has visited the United Kingdom and consulted with the British Government on trade matters. It is characterized as orthodox, and a small surplus of £13,000 is allowed for, out of estimated revenue of £31,067,000, over expenditure of £31,054,000, for the fiscal year ending March 31, 1937.

There are several fiscal changes in the new budgetary proposals, notably alterations in income tax involving substantial scaling up of taxation in the higher brackets, and reintroduction of the graduated land tax, with a reduction of exemptions formerly conceded, mainly affecting the higher-valued properties.

GRADUATED LAND TAX

The graduated land tax is expected to yield £1,300,000, or three times the present revenue from the present land tax, and the increased yield is largely earmarked for additional pension schemes. It was originally a measure aimed at the breaking up of large estates, according to the report of the 1924 Royal Commission on Land and Income Tax, but it now affects both rural and urban properties.

The levy is to be a flat rate of a penny in the pound of taxable balance of unimproved value up to £5,000—that is, after deduction of permissible exemptions or mortgages. It increases by steps so that the tax is at a rate of two-pence in the pound at £13,000, threepence at £21,000, and so on, up to sixpence at £45,000, unimproved value. In the words of the Minister of Finance:—

Land values that accrue through public activities and increased population should automatically come to the State, and the policy of the Government will be directed to this

end. The procedure will mean the minimum taxation on the working farmer and home-owner, with increasing rates on abnormally large holdings and other areas, held in many cases for speculative profit instead of for use in production.

INCOME TAX

The income tax rates are somewhat simplified in manner of application, and comparison of the present and past scales, in the case cited of a married man with two children, shows that there are relatively small increases up to an earned income of £1,500, where the tax is approximately 10 per cent (actually £149 3s.), but thereafter the tax rises more steeply. The income tax on such a person is fairly closely in line with what it would be in the United Kingdom. With individuals, but not in the case of companies, there is a general exemption of £210 of income.

INCOME TAX ON COMPANIES

With respect to taxation on companies, the basic rate is 1s. in the pound (5 per cent), increased by $\frac{1}{100}$ of a penny for every pound of taxable balance up to £5,500, and thereafter $\frac{1}{150}$ of a penny for every pound up to a maximum of 7s. 6d. in the pound (equivalent to $37\frac{1}{2}$ per cent) reached at £8,950. Allowing for better business conditions, and with the additional tax imposed, the yield from income tax is estimated to be £6,000,000, a total increase of £1,419,000 over last year's receipts.

VOTE INCREASES

A general increase has taken place in the vote for pensions, and several additional types of pensions and allowances have been instituted, while further social legislation is foreshadowed in the nature of a national health and super-annuation scheme, including full medical, maternity, and dental care. The total pension vote proposed is £5,480,000. A marked expansion of public works expenditure is included in the proposals for railway construction, buildings and land development, as well as highways maintenance, calling for an outlay of £10,450,000 in the year.

PUBLIC DEBT

The long-term public debt increased by £1,979,881 to a total at March 31, 1936, of £282,561,098. This increase was wholly internal, as the external debt has decreased by £2,851,200, and it is the Government's policy to further reduce the amount of overseas indebtedness. The domicile of the total public debt is £158,711,930 in London, £1,592,650 in Australia, and £122,256,518 in New Zealand.

FINANCIAL METHODS AS AFFECTING DEPARTMENTS

The utilization by the Government of the services of the Reserve Bank has resulted in considerable saving of interest on treasury bills and, consequent on the surplus of revenue over expenditure, no treasury bills were outstanding at March 31, 1936. The financial methods used in New Zealand result in each department being run practically as a separate trading entity, producing its own balance sheet for ultimate consolidation in the Government accounts as a whole. Some departments with surplus funds are in a position, through the Treasury, to lend to other departments, and for the financing of the various projects in the 1936-37 Budget it seems unlikely that it will be necessary for the Government to go outside of its own departments, or to have recourse to even the domestic bond market.

An increase of expenditure of over £650,000 is provided in the Education Department estimates, which rise to £3,449,689. Defence estimates provide for the expenditure of £1,264,530, and include a substantial increase of £250,100 over last year.

REVENUE

The actual revenue for 1935-36 was characterized by buoyancy throughout, and at £26,172,367 it exceeded the original Budget estimates by £430,000. The total expenditure in 1935-36 was £25,890,567, so that a surplus of £281,800 was realized on the year's operations.

STATE HOUSING SCHEME

ERECTION OF JOINERY FACTORIES

An important step has been taken in the direction of a State housing scheme, with the announcement on September 10 that arrangements have been made by the Government with the Reserve Bank for the provision of £3,500,000 to be made available to the Ministry of Housing. Subsequently it was announced that the State Advances Corporation had accepted tenders for the immediate erection of two joinery factories, one at Auckland and the other at Wellington, where definite shortages of housing exist. It is intended to install the most modern joinery equipment for making sashes, doors, and other woodwork, as well as to provide drying kilns of substantial capacity, so that continuous supplies of dry timber may be available for the work.

These State factories will supplement private sources of supply of joinery, and will also enable the Ministry of Housing to take advantage of all the benefits of large-scale production of standardized articles. Every endeavour will be made to utilize products of New Zealand make, but where New Zealand industry cannot meet the Housing Department's requirements, British manufactures will be given the first preference. It is apparently intended to establish in connection with the housing scheme a list of acceptable New Zealand and British materials, though no further announcement in this direction has yet been forthcoming.

CHANGE IN BUILDING SUBSIDY REGULATIONS

Attention may, however, be drawn to a change in the building subsidy regulations, which formerly permitted, for example, the use of a Canadian-made electric range, but with a definite penal deduction from the amount of the subsidy if a New Zealand-made range were not used. Under the present regulations, if, as in the example quoted, a New Zealand product is available but not used, no subsidy will be allowed. In other words, in those instances where the use of specified products was optional, with a penalty for the use of imported materials, it is now compulsory to use only the New Zealand product.

As affecting a principal material available from Canada, such as lumber for house construction, it is understood that even if the timber has been sawn in New Zealand, but the logs have been imported, the use of that timber (except for the precise purpose and in the location permitted by the regulations) would prevent the subsidy being paid. In consequence it is believed that the opportunities for Canadian building products under the housing scheme will be of minor importance, yet the stimulation of the building industry, and the increased consumption of New Zealand timber and other products, may create openings in other directions for Canadian goods, and in the case of timber it may be more advantageous in construction outside the subsidy scheme to use the Canadian product because New Zealand timbers have advanced substantially in price.

LIVING CONDITIONS AND WAGES OF AGRICULTURAL WORKERS

When legislative provision was made recently for increased minimum wages for industrial, shop, and office workers, it did not extend to agricultural workers, but mention was made that their conditions would receive consideration after the establishment of guaranteed prices for butter and cheese. In September an

Act was passed making better provision for the accommodation of agricultural workers, and to make special provisions with respect to the remuneration of workers on dairy farms and the conditions of their employment. This measure, entitled the Agricultural Workers Act, 1936, details the living accommodation to be provided, and for inspection of such accommodation. It prohibits the employment for hire of children under fifteen years of age on dairy farms.

The statutory minimum rates of wages of agricultural workers on dairy farms between October 1, 1936, and July 31, 1937 (on which date any new guaranteed price schedule for dairy produce would go into effect), are set out below.

Age of Worker	Wages per Week Board and Lodging Provided		
	£	s.	d.
Under 17	0	17	6
17 to 18	1	2	6
18 to 19	1	7	6
19 to 20	1	12	6
20 to 21	1	17	6
21 and upwards	2	2	6

If board and lodging are not provided, the minimum rates are increased by 17s. 6d. per week in each case. Seven days' holidays with pay shall be allowed each worker for each twelve weeks of employment, with a minimum of twenty-eight days per full year, or, if a regular weekly half-holiday from noon has been given, the holidays allowed are fourteen days (or a proportionate part thereof for every part of a year of employment) for each year of employment.

FALL OF BUTTER PRICES

Insufficient time has elapsed since the commencement on August 1 of the guaranteed prices for dairy produce of this season's make to reach the London market. Although at the precise time the prices were announced they were somewhat below the f.o.b. equivalent of current London prices, the situation has undergone a rapid alteration, and now (September 25) the Government price for butter is substantially greater than London parity, as butter prices on the London market have fallen to 100s. per hundredweight (of 112 pounds). This has temporarily justified the setting of the guaranteed price at a figure which was criticized by dairy farmers as being too low, but which may eventually prove the reverse.

NOTES ON THE MARKET IN THE NORTH OF ENGLAND FOR
DOMESTIC LIGHTING FITTINGS

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER

Liverpool, October 9, 1936.—The market in the North of England and North Midlands for domestic lighting fittings has been expanding steadily during the past four or five years. The construction on a large scale of dwelling houses for the lower and middle classes, combined with the gradual reduction in charges for electric current, have been largely responsible for this expansion. A householder can now have two or three lights in a room where only a few years ago the cost of electricity would have limited him to probably one. The use of table and floor lamps, wall brackets, and ceiling drops of two or more lights is therefore a growing one. It is only in recent years that newly erected medium- and low-priced houses have been equipped with floor plugs for lamps and heating appliances.

SOURCES OF SUPPLY

No statistics are available to show the production and sales of lighting devices, but one authority estimates that of those sold in this country 80 per cent

are of British manufacture. The other 20 per cent are foreign, chiefly from the Continent and the United States, the proportions credited being 8 per cent and 12 per cent respectively. The British products on the whole are not as low-priced as the foreign, and for this reason, as well as owing to the more advanced and distinctive designs of the latter, there exists, and it is believed will exist, a demand for the imported product. Foreign fittings are assessed at 20 per cent ad valorem on entry into this market. This duty is based on c.i.f. values. Freight charges are high owing to the bulky nature of the goods.

DESIGNS IN LIGHTING

The types and designs of fixtures and lamps in growing demand are numerous. They are on the lines generally of those to be found in homes in North America, with the exception of standard lamps. Very few standard lamps are to be seen in English houses, but they are reported to be gaining in favour. The greatest demand is for ceiling drops, or chandeliers, and wall brackets made up of three or four lights in the case of the former and of one or two in the case of the latter. Attractive bathroom fixtures are also in good demand. More latitude is allowed in these in the way of strip lighting and bright colours. Standard equipment throughout is the bayonet socket—an important point to remember in shipping to this market. On lamps the push type of switch is essential. All fittings must be designed for A.C. current, voltage 220/250 at 50 cycles.

The whole country is rapidly reaching the stage where all districts will have an accessible supply of A.C. current on a standard voltage. Schemes now nearing completion and others projected will in a very few years bring in many more consumers, some of whom at present have only gas or oil for lighting fuel. For instance, the Galloway Scheme in the South of Scotland, which will be completed next year, is expected to create 50,000 new potential users of electricity and purchasers of electric fittings for light and heating.

MARKETING METHODS

The British manufacturer sells to the factor or wholesaler, who in turn sells to the retailer. The retailer's profit works out at about $33\frac{1}{3}$ per cent, and the factor's about 20 per cent. The exception to this procedure is in the case of the large departmental stores, who by placing sizeable orders can purchase direct from the manufacturer.

American and Continental suppliers market their goods through agents or distributors who take the place of the manufacturer in this country. The distributors sell in the usual manner to the wholesalers and to the large stores. Their margin of profit must be sufficient to allow for several charges such as travellers' wages, advertising, carriage, etc., and at the same time net him a reasonable profit, say about 15 per cent.

Another outlet for lighting appliances is through the municipal corporations, who with very few exceptions control the supply and distribution of electric current to their surrounding areas. These bodies sell all manner of electric appliances and fittings—usually on the hire purchase plan. In this way the consumer can purchase lighting appliances on very reasonable terms and pay for them quarterly with his lighting account. The corporations, as a rule, buy from the wholesaler.

Assistance in the matter of advertising by circularizing and supplying posters, catalogues, and other literature is expected from their principals by the distributors of imported goods. One American firm shipping to Liverpool have gone to the extent of sending illustrated postcards to a large number of English wholesalers. It is stated on the cards that if the wholesaler is interested a complete catalogue will be sent him. This helps the distributor to widen his market.

PROSPECTS FOR CANADIAN EXPORTERS

Electric fixtures and lamps from the United States now find a market in the United Kingdom. If Canadian firms can supply to the same standard of quality and design, there is a good prospect of their participation in this trade. No duty is charged on Empire products of this nature. It should be noted, however, that to develop worthwhile sales the exporter must be prepared to assist his distributors in every reasonable way. It is quite probable that one or two Canadian firms are already finding a market in the United Kingdom, but as far as it is known no Canadian lighting products are on sale in the North of England. This market is a limited one as compared with that offered in the London area, where the interest in attractive lighting is more advanced.

Firms interested in going into this matter further are requested to communicate with the Canadian Trade Commissioner, Liverpool, supplying catalogues and c.i.f. prices.

TRADE OF SOUTHERN RHODESIA IN 1935

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, September 9, 1936.—The annual statement of the trade of Southern Rhodesia recently published indicates that the improvement in trade noted in 1934 has continued throughout 1935 and that the values of both imports and exports exceeded that of the previous year.

MINING INDUSTRY

Activity in gold mining, which has been marked as a result of the gold premium, increased and resulted in a further expansion in this industry. Gold bar exports, which amounted to 700,308 fine ounces valued at £2,974,726 in 1934, increased to 724,896 fine ounces valued at £3,079,164 in 1935.

Gold mining is a small-scale industry in Southern Rhodesia, where there are innumerable mines and mine companies. This is in direct contrast to the Union of South Africa, where it is in the hands of a few large groups. The profits accruing from any increase in gold production in the colony are shared by individuals throughout the whole community. Although gold is responsible for a large percentage of the revenue, the mining industry is not confined to the production of this metal. Other important minerals, notably chrome, coal, and asbestos, are produced. Large increases occurred in the value of exports of these products in 1935 compared with the previous year: raw asbestos, £792,517 (£577,749); chrome ore, £289,465 (£173,998); and coal, £166,699 (£130,023).

As was the case in 1934, agriculture did not share in the general trade expansion and exports of tobaccos, meats, maize, and citrus fruits declined as compared with the previous year. The secondary industries, however, kept pace with the mining expansion and the steady progress of 1934 was maintained.

IMPORTS AND EXPORTS

The value of total imports and exports, including re-exports, for the past five years was as follows:—

	Imports	Exports
1931	£5,685,529	£5,894,099
1932	4,272,127	5,387,251
1933	4,581,057	5,481,097
1934	5,309,254	6,560,883
1935	6,555,997	6,958,343

The value of the "gold premium" not included in the export figures was estimated at £943,000 in 1932, £1,270,000 in 1933, £1,844,000 in 1934, and

£2,070,000 in 1935. With the inclusion of the estimated gold premium the total trade of Rhodesia in 1935 was valued at £15,584,340, an increase over the previous year, when it amounted to £13,714,137.

ANALYSIS OF IMPORT TRADE

In the trade returns imports of private merchandise, specie, and government stores are segregated. In the import figures given above these three groups are all included in arriving at total imports. In this analysis it is proposed to deal only with private merchandise, imports of which were valued at £6,273,592 in 1935 and £5,193,219 in 1934. Empire countries supplied imports valued at £4,582,833 (73 per cent) of the total imports in 1935 compared with £3,932,846 (75·7 per cent) in 1934. Foreign countries were credited with imports amounting to £1,690,759 (27 per cent) and £1,260,373 (24·3 per cent) in the two years. Imports from foreign countries increased by £430,386 or 39·2 per cent, while imports from British countries in 1935 exceeded those of the previous year by £649,987 or 70·4 per cent. The principal sources of Southern Rhodesia's imports in the calendar years 1935 and 1934 were as follows:—

Country	1935	Per Cent	1934	Per Cent
United Kingdom	£2,974,907	47·4	£2,400,004	46·2
Union of South Africa	1,091,937	17·3	1,043,192	20·1
United States	596,098	9·5	451,677	8·7
Canada	240,600	3·8	231,819	4·5
India	159,197	2·5	141,111	2·5
Japan	156,719	2·4	114,292	2·2
Germany	143,700	2·2	108,692	2·1
Portuguese East Africa	130,050	2·0	138,595	2·7

PRINCIPAL IMPORTS

Noteworthy increases were registered in the majority of the main groups into which Southern Rhodesia's imports are classified. Imports under the headings of "leather, rubber, and manufactures thereof" and "miscellaneous" declined in value in 1935 when compared with the previous year. These decreases, were, however, offset by the gains recorded in other groups which reflect the progressive improvement in the trade of the colony. Imports of machinery of all kinds, including mining, electrical, industrial, and agricultural, increased substantially, while corresponding gains were shown in imports of motor cars, motor trucks and vans, and railway material. Wheat, sugar, tea, and preserved fish were responsible for the increase under agricultural products and foodstuffs.

IMPORTS BY MAIN GROUPS

The following table shows Southern Rhodesia's imports in main groups for the calendar years 1935 and 1934:—

	1935	1934
Animals, agricultural products and foodstuffs	£ 575,828	£ 528,036
Ales, spirits, wines and beverages	146,004	131,637
Tobacco	25,358	19,007
Fibres, yarns, textiles and apparel	1,310,593	1,075,206
Metals, metal manufactures, machinery and vehicles	2,308,457	1,767,834
Minerals, earthenware, glassware and cement	86,300	75,564
Oils, waxes, resins, paints and varnishes	439,314	269,454
Drugs, chemicals and fertilizers	363,846	322,487
Leather, rubber and manufactures thereof	212,120	222,708
Wood, cane, wicker and manufactures thereof	185,368	173,316
Books, paper and stationery	171,178	158,323
Jewellery, timepieces, fancy goods and musical instruments	120,548	99,787
Miscellaneous	328,678	349,860
Total private merchandise	£6,273,592	£5,193,219
Government stores	100,642	77,424
Specie	181,763	38,611
Grand total imports	£6,555,997	£5,309,254

Government stores, valued at £69,973 (69·5 per cent) of the total, were credited to the United Kingdom in 1935 compared with £72,008 (93 per cent) in 1934. Egypt was credited with imports valued at £18,066 (nil in 1934), followed by the Union of South Africa with £7,390 (£2,345), the United States with £1,450 (£398), and Canada with £948 (£939).

The largest single item imported in the year under review was cotton piece-goods amounting in value to £393,566 (£283,473). In addition to cotton piece-goods, the principal imports include:—

Motor cars, £297,813 (£273,743); outer garments, £249,773 (£207,273); other mining machinery, £227,798 (£145,654); motor spirit, £195,440 (£82,749); industrial machinery n.e.e., £141,353 (£104,528); motor trucks and vans, £133,476 (£74,305); blasting compound, £114,115 (£147,896); sodium cyanide, £112,531 (£95,897); sugar, £95,459 (£85,544); engines, £96,986 (£68,217); cotton underclothing, £89,037 (£80,054); whisky, £78,719 (£70,770); haberdashery and millinery, £76,076 (£63,575); pipes and piping, £76,044 (£4,500); bicycles, tricycles, and parts, £73,657 (£50,796); cotton blankets and rugs, £75,174 (£53,260); other electrical machinery n.e.e., £69,234 (£37,834); jute bags, £55,377 (£61,680); furnishings, drapery, other, £54,908 (£45,550); lubricating mineral oils, £53,877 (£47,204); wheat in the grain, £50,639 (£33,734); and fertilizers other than superphosphates, £50,605 (£50,451).

SOUTHERN RHODESIA'S EXPORT TRADE WITH EMPIRE COUNTRIES

British Empire countries are the principal purchasers of Southern Rhodesia's exports. As the foregoing table indicates, the total value of exports and re-exports, not including the gold premium, amounted to £6,958,343 in 1935 compared with £6,560,883 in 1934. In these two years exports and re-exports of private merchandise to Empire countries were valued at £5,864,974 (85·1 per cent) and £5,715,750 (88·1 per cent) respectively. The United Kingdom, the colony's best customer, took exports valued at £4,126,153 (59·8 per cent) in 1935 and £4,154,193 (64 per cent) in 1934. Exports and re-exports to other important Empire purchasers in the year under review were as follows: Northern Rhodesia, £1,087,118 (15·7 per cent) and £1,042,613 (16·1 per cent) in 1934; Union of South Africa, £581,396 (8·4 per cent) and £448,588 (7 per cent); Australia, £29,025 (0·42 per cent) and £20,777 (0·33 per cent); and Canada, £13,343 (0·19 per cent) and £23,740 (0·4 per cent).

RE-EXPORT TRADE

Due to its strategic position and transportation facilities, Southern Rhodesia carries on a large re-export trade. As a result, re-exports constitute an important part of the total exports; in 1935 re-exports of private merchandise were valued at £828,153 (12 per cent of total exports) compared with £865,639 (13·3 per cent) in 1934. Re-exports to Northern Rhodesia amounted to £575,466 in 1935 as against £552,990 in 1934; Union of South Africa, £172,333 (£149,137); United Kingdom, £35,816 (£39,382); Portuguese East Africa, £28,485 (£21,998); Belgian Congo, £7,003 (£6,291); and Nyasaland, £5,428 (£5,216).

SOUTHERN RHODESIA'S EXPORT TRADE WITH FOREIGN COUNTRIES

Total exports and re-exports of private merchandise to foreign countries were valued at £557,104 in 1935 as against £488,322 in the previous year. The United States, the largest foreign customer, took exports and re-exports valued at £195,008 (2·8 per cent) in 1935, an increase over 1934, when they were valued at £112,442 (1·7 per cent). The United States was followed by the Belgian Congo with £65,926 (0·9 per cent) in 1935 and £89,141 (1·4 per cent) in 1934; Portuguese East Africa, £56,796 (0·8 per cent) and £52,791 (0·8 per cent); and Norway, £52,441 (0·7 per cent) and £55,775 (0·8 per cent). Private merchandise valued at £467,829 in 1935 and £281,830 in 1934, mainly asbestos and animal products, is not credited to any country as the ultimate destination at time of shipment was unknown.

PRINCIPAL EXPORTS

The mining industry is responsible for the bulk of the total export of the colony. Exports falling into minerals and metals categories accounted for 69 per cent of the total in 1935 as against 65·5 per cent in 1934. In addition to gold, asbestos, chrome, and coal mentioned above, other important exports in these groups were:—

Building cement, valued at £83,932 in 1935 and £54,492 in 1934; coke and patent fuel, £55,163 and £61,387; and silver bar, £15,073 and £13,880. Tobacco is the chief agricultural crop produced and total exports of this commodity declined from £833,871 in 1934 to £717,867 in 1935. Unmanufactured tobacco exports—which amounted to 17,917,849 pounds valued at £652,002 in 1935 compared with 21,185,658 pounds to a value of £769,283 in 1934—account for the decline in total tobacco exports, as cigarette exports showed an increase in value from £56,444 in 1934 to £57,060 in the year under review. Other manufactured tobacco exports also showed a slight increase from £7,452 in 1934 to £8,018 in 1935.

In addition to the above the chief exports of the colony include meats, fresh, frozen, or chilled, valued at £150,996 in 1935 and £106,530 in 1934; wet and dry cattle hides, £103,133 and £88,746; maize, £72,862 and £106,459; citrus fruits, £32,006 and £73,526; preserved meats, £28,107 and £23,749; wheat flour and meal, £23,601 and £28,929; butter, £15,770 and £30,605; bacon, £10,446 and £11,327; meat extracts and essences, £12,470 and £18,864.

CANADA—SOUTHERN RHODESIA TRADE

Canada furnishes a variety of products to Southern Rhodesia, and in the year under review was in fourth position, a similar place to that held in 1934, as a supplier of private merchandise, being preceded only by the United Kingdom, the Union of South Africa, and the United States. Imports of private merchandise from Canada were valued at £240,600 (3·8 per cent) of the total in 1935 compared with £231,819 (4·5 per cent) in 1934 and £162,722 (3·7 per cent) in 1933. Imports of Government stores from Canada were valued at £9,481, £939, and £54 respectively in the three years. Although imports from Canada increased in value in 1935 as compared with 1934, the percentage of the total decreased.

The chief commodities imported from Canada were motor cars, motor trucks and vans, wheat, sodium cyanide, hosiery other than woollen or cotton, agricultural machinery and implements, and motor car tires. These seven items accounted for 76 per cent of the total imports from Canada in 1935. Increases were registered in the majority of commodities supplied by Canada with the exception of sodium cyanide, imports of which were valued at £14,885 in 1935 and £19,347 in 1934; motor car tires, £9,757 (£26,018); motor car parts and accessories, £3,075 (£3,262); manufactured lumber, £2,409 (£4,780); pipes and piping, £1,936 (£2,070); motor car tubes, £1,279 (£3,125); printed, ruled, and embossed paper, £358 (£396); and motor chassis, £304 (£2,766).

It is interesting to note that Southern Rhodesia made a direct shipment of chrome ore valued at £13,343 to Canada in 1935, and this item accounted for the total value of the exports to the Dominion. There were no exports of maize to Canada in the year under review compared with shipments amounting in value to £23,740 in 1934.

PRINCIPAL IMPORTS OF INTEREST TO CANADIAN FIRMS

The following statistics list the principal articles imported into Southern Rhodesia which are of interest to Canadian exporters. In each case the total importation is given for 1935 and (in parentheses) for 1934:—

Motor Cars.—Total, £297,813 (£273,743): United States, £83,081 (£85,562); South Africa, £85,688 (£70,902); United Kingdom, £61,971 (£58,963); Canada, £66,083 (£57,516).

Motor Trucks and Vans.—Total, £133,476 (£74,305): Canada, £45,809 (£36,838); South Africa, £46,799 (£16,663); United States, £24,056 (£14,952); United Kingdom, £16,269 (£5,702).

Wheat.—Total, £50,639 (£33,734): Canada, £23,802 (£17,343); Australia, £19,447 (£14,985); Northern Rhodesia, £4,839 (£980).

Sodium Cyanide.—Total, £112,531 (£95,897): United Kingdom, £94,718 (£73,969); Canada, £14,885 (£19,347).

Hosiery, Other than Woollen and Cotton.—Total, £22,908 (£20,343): Canada, £11,685 (£9,795); United Kingdom, £5,079 (£5,932); United States, £2,571 (£1,747).

Agricultural Machinery and Implements.—Total, £3,519 (£3,984): United Kingdom, £666 (£756); United States, £415 (£48); South Africa, £334 (£664); Canada, £109 (£143).

Motor Car Tires.—Total, £49,857 (£72,132): United Kingdom, £37,310 (£37,996); Canada, £9,757 (£26,018); United States, £1,501 (£2,968).

Paper, Printing.—Total, £16,789 (£14,916): United Kingdom, £7,863 (£7,012); Canada, £4,285 (£2,858); Norway, £2,076 (£2,264).

Motor Car Parts and Accessories.—Total, £37,713 (£41,683): United States, £21,665 (£21,676); United Kingdom, £11,304 (£14,048); Canada, £3,075 (£3,262).

Fish, Preserved.—Total, £23,304 (£18,307): United Kingdom, £6,452 (£4,472); Norway, £4,585 (£3,957); Russia, £3,016 (£3,902); Canada, £2,573 (£2,011).

Manufactured Lumber, n.e.e.—Total, £19,197 (£17,380): United Kingdom, £2,908 (£3,017); Canada, £2,409 (£4,780); Finland, £1,060 (£179).

Pipes and Piping.—Total, £76,044 (£54,500): United Kingdom, £61,031 (£41,524); Poland, £3,893 (£6,647); Germany, £5,389 (£3,215); Canada, £1,936 (£2,070).

Nails, Wire.—Total, £3,992 (£3,168): Canada, £1,522 (£972); United States, £660 (£337); United Kingdom, £456 (£458).

Pine, Unmanufactured.—Total, £40,514 (£31,491): Finland, 27,299 (£15,898); United States, £9,410 (£6,940); Sweden, £1,904 (£7,670); Canada, £1,393 (£652).

Rubber Manufactures, n.e.e.—Total, £10,239 (£9,082): United Kingdom, £4,994 (£4,651); South Africa, £2,375 (£1,757); Canada, £1,346 (£1,124).

Apparel, Outer Garments.—Total, £249,773 (£207,237): United Kingdom, £141,468 (£118,000); South Africa, £74,504 (£62,476); United States, £9,944 (£8,626); Canada, £1,322 (£265).

Motor Car Tubes.—Total, £7,529 (£11,194): United Kingdom, £6,141 (£7,057); Canada, £1,279 (£3,125).

Tools, Mechanics'—Total, £33,592 (£23,254): United Kingdom, £19,693 (£14,382); United States, £8,858 (£5,321); Canada, £1,274 (£644).

Pine, Other.—Total, £10,556 (£7,480): Australia, £1,588 (£1,163); Canada, £1,163 (£726).

THE INDIAN MARKET: POINTS FOR EXPORTERS

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Introductory

Calcutta, September 1, 1936.—Among the markets of the world, India with its immense population of more than 352,000,000 is a market of which full advantage has not been taken by Canadian exporters. Competition is keen, particularly with products of the United Kingdom, with Germany, Austria, and other European Continental countries, and with Japan and the United States, but there are many specialty lines in hardware, paper, dry goods, foodstuffs, medicines, and cosmetics originating in Canada for which opportunities are to be found if the manufacturer and exporter will study closely local conditions and assist in getting his products sold here.

Much of the failure of Canadian products to be better known on the Indian market is probably owing to the fact that manufacturers and exporters, because of their lack of knowledge of the peculiar conditions existing in this country, and therefore of the methods to secure proper distribution of their merchandise.

Channels of distribution in India differ widely from those in Western countries with which the Canadian exporter is undoubtedly more familiar. They even differ from other parts of the East such as Japan, China, or the Straits Settlements. The Indian market is one peculiar to itself.

The best method to adopt in order to sell his goods on these markets will undoubtedly be the first concern of the Canadian exporter. Whether to sell direct to the importer or through a resident agent, and whether the agent should be an established European organization or an Indian house of either of the two principal communities, Hindu or Mahomedan, will be questions to decide.

PRODUCTS FOR WHICH A MARKET EXISTS

It is not intended in this report to deal with heavy types of merchandise, but only with the lighter or specialty lines which are sold through the retail European stores and bazaars in the larger centres—that is, products like toilet articles, household dyes, writing paper, envelopes, proprietary medicines, brushes, clocks, flashlight batteries, paints, varnishes, polishes, pens, pencils, canned salmon, farinaceous foods, biscuits, pickles, sauces, canned goods, tinned milk—in other words, proprietary articles, trade-marked goods, and packaged goods.

It should further be borne in mind that the masses of the population cannot afford to purchase any of the articles above enumerated, but there are scattered throughout the huge population many thousands, both Indian and European, who purchase these products, and the problem which faces the manufacturer is how he is to build up a selling system among these widely scattered consumers to reach them with the least possible expense.

GEOGRAPHICAL FEATURES

India, with an area of 1,773,168 square miles and a population of over 352,000,000, may be likened to a fan, the handle or point of which, Cape Comorin, rests north of the Equator, from where it spreads out fanwise. Half-way up the western side lies Bombay, while the most northern port on that side is Karachi. Working eastwards from Karachi around the perimeter of the fan, lie the cities and distributing centres of Peshawar, Rawalpindi, Lahore, Delhi, Agra, Cawnpore, Lucknow, Allahabad, and Benares. A short distance from the top rim of the fan on the eastern coast lies Calcutta, and a little more than half-way between Calcutta and Cape Comorin is Madras. Burma—of which the principal and most important city is Rangoon—is not a part of the Indian subcontinent proper, but, while up to the present it is a part or province of India politically, is shortly to become a separate entity. For purposes of this report it may, however, be considered a part of the whole structure.

CLIMATE

Geography, climate, and the customs of the people vary greatly from place to place. The Himalaya mountains, extending along the northern frontier, form an almost impassable barrier between India and the Asiatic Continent proper, while just south lies the fertile valley of the Ganges spreading towards the east, and the Sind desert to the west. Between the Ganges River and the Sind extending southwards is a vast tableland separated from the narrow coastal areas by the Western and Eastern Ghat mountains. Climatic variations are no less than geographical, being anything from tropical to temperate, while there are areas which have sharp climatic distinctions at certain seasons of the year.

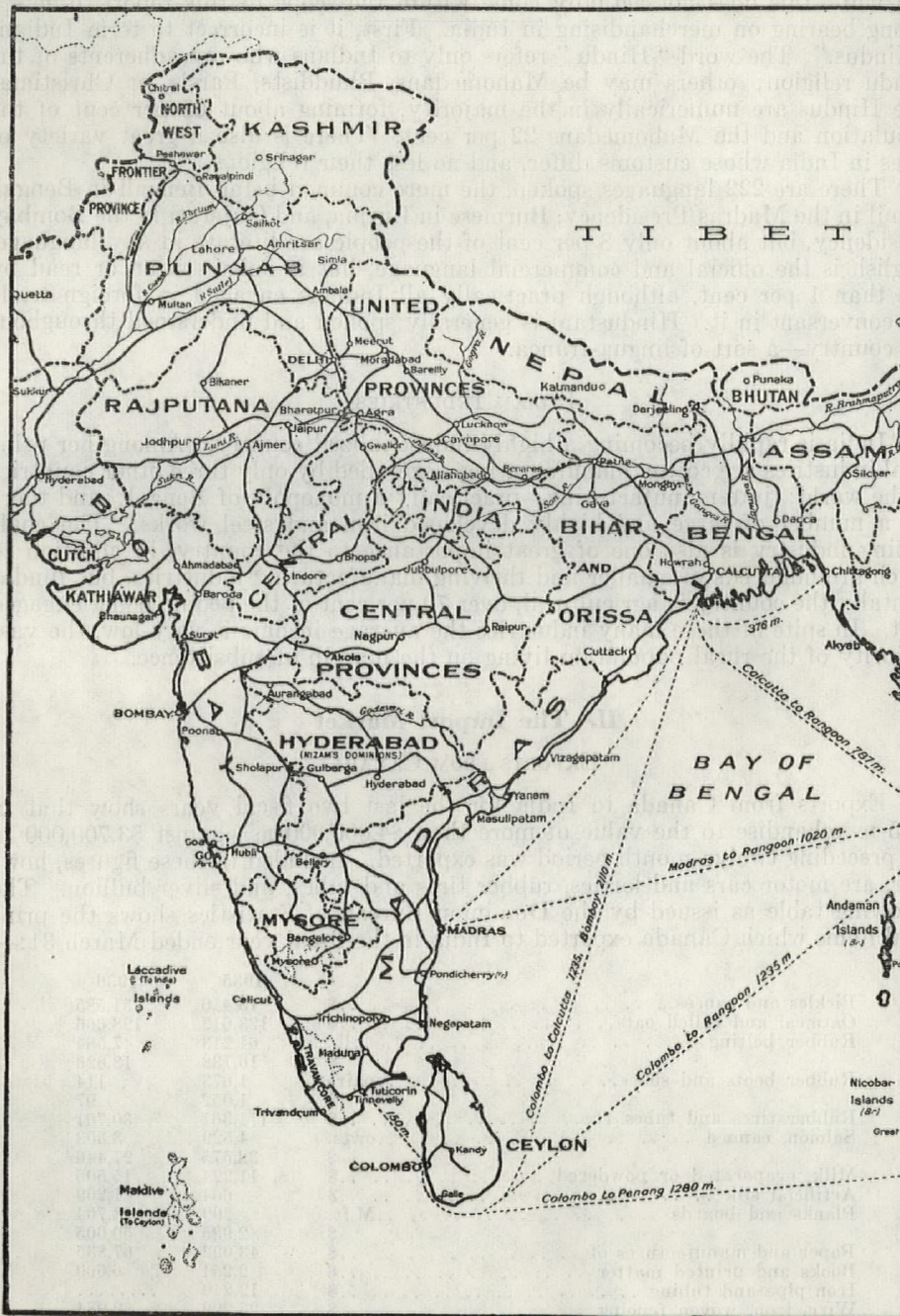
Generally speaking, the southern part of the country is hot and humid the whole year round and not subject to great changes in temperature as in the more northern areas. The mean annual temperature of Madras in the southern part of the country is 81·8° F., ranging from 75° in January to 89° in June; Lahore in the north has a mean of 75°, 53°, and 93°; Calcutta, 78°, 65°, and 85°; Bombay, 79°, 75°, and 82° respectively; while in many places of northern India the extremes are more pronounced, in some cases as great as 30° to 125°.

PRECIPITATION

The country is almost dependent on the southwest monsoon, or rainy season, beginning about the middle of June, which spreads over the country and is largely responsible for watering it. These rains progress from the southwest to the northeast, gradually losing their force as they progress and end about the middle of

September. There is thus a great difference in the rainfall in various parts of the country.

For example, in the Sind Desert the rainfall per annum is less than 8 inches, while in Assam or in the northeastern part of the country as much as 500 inches is not uncommon. Calcutta has an annual average rainfall of 60.83 inches, and Lahore of 20.70 inches, so that there are many reasons to explain



MAP OF INDIA

why India has large barren tracts and equally large areas of swampy jungles thick with vegetation between which are to be found much larger areas of fertile lands and wooded hills.

RELIGION AND LANGUAGE

Religion and language are of importance in considering the Indian market, and while this does not actually come within the scope of this report, it has a strong bearing on merchandising in India. First, it is incorrect to term Indians "Hindus." The word "Hindu" refers only to Indians who are adherents of the Hindu religion; others may be Mahomedans, Bhuddists, Parsis, or Christians. The Hindus are numerically in the majority, forming about 68 per cent of the population and the Mahomedans 22 per cent. There is also a great variety of races in India whose customs differ, and no less their religions.

There are 222 languages spoken, the more common being Bengali in Bengal, Tamil in the Madras Presidency; Burmese in Burma, and Gujerati in the Bombay Presidency, but about only 8 per cent of the people are literate in any language. English is the official and commercial language, but is only written or read by less than 1 per cent, although practically all Indians engaged in foreign trade are conversant in it. Hindustani is generally spoken and understood throughout the country—a sort of lingua-franca.

INDIAN INDUSTRIES

India is rapidly becoming a highly industrialized country. Among her principal industries are cotton manufacturing—exceeded by only three other countries in the world; jute manufacturing—practically a monopoly of Bengal; and there are a number of large and highly developed iron and steel works. The coal-mining industry is also one of great importance to the country, in addition to which are hundreds of smaller and thriving manufacturing industries, but fundamentally the country is agricultural, over 70 per cent of the people being engaged in it. In spite of these many industries the average income is very low, the vast majority of the rural population living on the margin of subsistence.

II. The Import Market

EXPORTS FROM CANADA

Exports from Canada to India for the last two fiscal years show that in 1935 merchandise to the value of more than \$4,000,000 as against \$3,700,000 in the preceding twelve-month period was exported. Included in these figures, however, are motor cars and lorries, rubber tires and tubes, and silver bullion. The following table as issued by the Dominion Bureau of Statistics shows the principal items which Canada exported to India in the fiscal year ended March 31:—

	1935	1936
Pickles and sauces..	\$ 13,416	31,585
Oatmeal and rolled oats..	123,612	128,666
Rubber belting .. . . . .lb.	61,213	47,584
	\$ 16,738	13,625
Rubber boots and shoes.. . . . .pairs	1,673	114
	\$ 1,052	97
Rubber tires and tubes	171,361	30,701
Salmon, canned .. . . . .cwts.	4,529	3,303
	\$ 38,575	27,446
Milk, evaporated or powdered..	11,224	15,505
Artificial silk	604	1,209
Planks and boards .. . . . .M ft.	209	3,704
	\$ 2,935	50,005
Paper and manufactures of	43,092	67,835
Books and printed matter	2,251	6,609
Iron pipe and tubing	12,240	.....
Wire, iron, woven fencing	23,299	9,984
Farm implements and machinery	5,504	4,941

Exports from Canada—Concluded

	1935	1936
Hardware and cutlery	\$ 11,082	7,093
Machinery, except for farms	\$ 3,658	8,917
Automobiles, freight	No. 1,558	2,168
	\$ 624,883	899,677
Automobiles, passenger	No. 1,472	2,187
	\$ 724,548	1,111,965
Automobile parts	\$ 543,495	128,993
Aluminium and manufactures of	\$ 279,796	33,169
Silver bullion	oz. 1,960,834	.....
	\$ 932,000	.....
Zinc spelter	cwts. 42,854	6,942
	\$ 109,967	20,218
Electric apparatus	\$ 32,756	59,529
Insulators, porcelain	\$ 11,814	34,406
Medicinal preparations	\$ 42,430	49,847
Inorganic chemicals	\$ 85,655	100,335
Stationery, n.o.p., including pens and pencils	\$ 1,793	1,880
All other articles	\$ 248,395	289,632
Total exports (Canadian)	\$ 4,118,175	3,133,869

COMPETITION FROM EUROPEAN COUNTRIES, UNITED STATES, AND JAPAN

The United Kingdom, Germany, Japan, and the United States are the principal competitors in the Indian market, but even so there is no reason why Canadian producers, if they will study conditions and support their goods by sales helps such as advertising, cannot obtain a greater share of the market than they hereto have had, particularly in the lines enumerated.

Imports of "Light" Merchandise into India

Article and Country from which Imported	1933-34	1934-35
Playing cards	Rs. 694,498	976,924
United Kingdom	Rs. 152,602	189,372
Japan	Rs. 268,451	467,599
United States	Rs. 172,569	195,092
Toys	Rs. 3,776,053	3,218,168
United Kingdom	Rs. 395,829	389,860
Germany	Rs. 254,428	215,908
Japan	Rs. 3,048,659	2,538,026
United States	Rs. 31,774	33,854
Sporting goods (except firearms)	Rs. 864,774	860,365
United Kingdom	Rs. 613,837	616,751
Norway	Rs. 87,530	80,480
Germany	Rs. 44,786	39,583
United States	Rs. 14,356	33,312
Stationers' supplies (except paper and including pens and pencils)	Rs. 6,622,025	6,879,545
United Kingdom	Rs. 3,575,802	3,515,322
Sweden	Rs. 148,968	46,081
Germany	Rs. 1,453,586	1,790,983
Japan	Rs. 912,000	957,677
United States	Rs. 168,156	230,801
Writing paper and envelopes	Rs. 3,642,946	3,328,301
United Kingdom	cwts. 151,355	132,881
Austria	Rs. 1,479,515	1,439,821
Norway	cwts. 34,735	32,625
United States	Rs. 345,526	293,529
United States	cwts. 18,396	15,476
United States	Rs. 854,239	849,527
United States	cwts. 49,368	46,113
United States	Rs. 39,128	31,075
United States	cwts. 1,334	114
Proprietary and patent medicines	Rs. 3,097,635	3,926,150
United Kingdom	Rs. 1,635,021	1,964,702
Germany	Rs. 597,123	708,456
France	Rs. 188,856	372,593
United States	Rs. 373,600	651,341
Other drugs and medicines	Rs. 10,219,930	9,898,356
United Kingdom	Rs. 4,171,000	4,074,154
Germany	Rs. 1,772,672	2,085,373
France	Rs. 779,919	571,909
United States	Rs. 1,635,506	1,365,340

Imports of "Light" Merchandise into India—Continued

Article and Country from which Imported	1933-34	1934-35
Soaps . . . . .	.Rs. 7,837,362	6,320,798
	cwts. 303,413	206,807
United Kingdom . . . . .	.Rs. 6,359,468	5,309,321
	cwts. 234,210	174,635
France . . . . .	.Rs. 196,052	92,286
	cwts. 12,373	5,864
United States . . . . .	.Rs. 414,176	463,119
	cwts. 4,680	5,876
Perfumery . . . . .	.Rs. 272,953	201,155
United Kingdom . . . . .	.Rs. 15,201	6,071
Persia . . . . .	.Rs. 73,539	80,933
Straits Settlements . . . . .	.Rs. 49,310	39,309
Netherlands . . . . .	.Rs. 32,269	2,612
Toilet requisites, n.e.s. . . . .	.Rs. 5,661,474	6,405,314
United Kingdom . . . . .	.Rs. 2,215,333	2,484,490
France . . . . .	.Rs. 402,224	306,327
United States . . . . .	.Rs. 1,330,373	1,649,963
Brushes and brooms . . . . .	.Rs. 1,126,099	1,406,424
	doz. 578,719	809,862
United Kingdom . . . . .	.Rs. 481,520	680,181
	doz. 95,587	140,887
Germany . . . . .	.Rs. 279,616	236,872
	doz. 151,505	142,086
Japan . . . . .	.Rs. 151,838	229,599
	doz. 230,391	407,995
United States . . . . .	.Rs. 156,253	216,476
	doz. 26,292	35,465
Clocks and timepieces . . . . .	.Rs. 1,312,108	1,316,949
	number 457,506	423,666
United Kingdom . . . . .	.Rs. 58,470	80,501
	number 5,035	4,201
Japan . . . . .	.Rs. 681,422	693,058
	number 256,067	245,180
United States . . . . .	.Rs. 77,798	133,554
	number 13,476	28,334
Cutlery . . . . .	.Rs. 2,550,143	2,797,568
United Kingdom . . . . .	.Rs. 781,499	835,706
Germany . . . . .	.Rs. 1,373,708	1,471,394
United States . . . . .	.Rs. 46,064	69,328
Other hardware . . . . .	.Rs. 28,783,384	30,529,996
United Kingdom . . . . .	.Rs. 9,755,822	9,796,714
Germany . . . . .	.Rs. 8,613,699	9,539,087
Japan . . . . .	.Rs. 3,477,411	3,214,908
United States . . . . .	.Rs. 2,276,271	2,972,422
Paints and colours . . . . .	.Rs. 7,028,844	7,400,407
	cwts. 369,915	355,603
United Kingdom . . . . .	.Rs. 4,679,472	4,873,120
	cwts. 179,387	186,341
Germany . . . . .	.Rs. 753,802	727,632
	cwts. 49,450	31,287
Japan . . . . .	.Rs. 627,299	809,953
	cwts. 46,676	53,977
United States . . . . .	.Rs. 227,023	247,024
	cwts. 5,821	5,367
Polishes . . . . .	.Rs. 2,202,586	2,286,141
United Kingdom . . . . .	.Rs. 2,028,108	2,134,782
Germany . . . . .	.Rs. 13,772	20,428
United States . . . . .	.Rs. 131,306	117,504
Hosiery, cotton . . . . .	.Rs. 986,592	1,127,342
	doz. 917,906	934,665
United Kingdom . . . . .	.Rs. 18,915	40,188
	doz. 8,750	7,316
Japan . . . . .	.Rs. 820,998	901,930
	doz. 822,083	880,674
Hongkong . . . . .	.Rs. 56,825	18,848
	doz. 62,982	15,664
United States . . . . .	.Rs. 18,817	60,281
	doz. 3,652	10,624
Biscuits and cakes . . . . .	.Rs. 2,963,462	3,336,601
	cwts. 39,313	48,248
United Kingdom . . . . .	.Rs. 2,660,937	2,876,907
	cwts. 29,463	32,992
Straits Settlements . . . . .	.Rs. 182,409	263,614
	cwts. 8,062	11,804
United States . . . . .	.Rs. 4,934	3,949
	cwts. 55	61

Imports of "Light" Merchandise into India—Concluded

Article and Country from which Imported	1933-34	1934-35
Canned and bottled fruits	Rs. 996,494	1,090,804
	cwts. 37,742	46,546
United Kingdom	Rs. 194,655	175,130
	cwts. 3,333	3,149
Straits Settlements	Rs. 167,322	238,253
	cwts. 16,310	23,276
United States	Rs. 402,561	480,378
	cwts. 10,721	13,078
Canned fish	Rs. 851,116	1,080,623
	cwts. 26,593	46,780
United Kingdom	Rs. 290,959	254,926
	cwts. 4,996	3,827
United States	Rs. 116,353	99,203
	cwts. 3,831	2,864
Cereals, prepared	Rs. 6,682,322	7,086,090
United Kingdom	Rs. 3,499,998	3,380,179
United States	Rs. 367,512	329,561
Condensed milk	Rs. 4,551,052	4,836,976
United Kingdom	Rs. 1,445,568	2,244,705
Netherlands	Rs. 1,714,695	1,773,198
Switzerland	Rs. 6,623	1,172
United States	Rs. 54,916	108,112

THE CONSUMER

Although only 1 per cent of the population of India are in a position to purchase the products dealt with in this report, percentage figures may be very misleading. In addition to the immense native population there are more than 200,000 Europeans residing in the country and over 100,000 Anglo-Indians, who in themselves form a fair market for all types of Western-made merchandise. There are also numerous educated Indians—landlords, merchants, and clerks—forming a considerable total who have adopted Western ideas, but though small in percentage are large in actual numbers. They are not concentrated in any one locality but are scattered far and wide throughout the country, though the majority will be found in the port cities or larger interior towns.

On the other hand, some small obscure village in the interior may possibly be the home of a wealthy landowner who can and does purchase large quantities of Western-made goods for his own use, or it may be some planter and his family located on a tea estate far from any large town. These are the potential purchasers who must be reached if the market is to be fully covered, and it becomes necessary to have the proper means of reaching them, hence the necessity of securing the proper type of sales representation which will enable the exporter to reach these possible buyers.

RETAIL OUTLETS

In the larger cities those who consume imported goods have no difficulty in purchasing them through the European-controlled departmental stores or specialty shops, or from the numerous bazaar shops operated by Indians catering to consumers of imported merchandise. In Calcutta, Bombay, and Madras there are a number of European-owned, controlled, and operated departmental stores. These stores are modern and up to date, employing European salesmen and saleswomen where goods are displayed in a proper manner and are patronized by Europeans and comparatively well-to-do Indians.

In addition to the departmental stores there are numerous specialty shops operated by Europeans who handle exclusively ladies' or gents' clothing requirements, haberdashery and millinery, etc. Then there are the more common and numerous bazaar shops, operated by Indians on a very narrow margin of profit and who are usually able to undersell the European-controlled and operated stores by as much as 50 per cent. These shops sometimes may be very small, and in such a shop the proprietor sits crosslegged with his goods stacked around

him, but is yet able to produce almost anything required in the lines in which he deals. If it is not within his stock at hand, he will call an assistant, who will return in a few minutes with several of the articles, perhaps borrowed from the next-door shop. To purchase in a bazaar shop is usually a question of bargaining; the asking price is never the final selling price.

THE DEPARTMENT STORE AND THE BAZAAR

The two retail outlets described operating side by side create peculiar problems for the manufacturer and exporter. The department stores do not care to stock merchandise which will be sold by bazaar shops at prices far below those which the former can afford to offer. This accounts—and it is very often the case—for a manufacturer finding his agent or representative handling what at first appears to be competitive lines; but these are not necessarily so. The agent must have two similar lines—one for the department stores and one for the bazaar—if he in his own interests is to cover the entire market.

Department stores are inclined to handle novel and superior merchandise, leaving the bazaar to sell that which has an established reputation and which is more or less "bought" by the consumer rather than "sold" by the store. Bazaar shops are more likely to stock well-known branded merchandise—e.g. well-known soaps which have fixed retail prices set by the bazaar merchants at very little above cost, while the department stores will perhaps stock a new or superior brand of soap to be sold at a fairly good profit because of no competition from the bazaar.

The consumer in the large cities may do his own shopping in a department store, specialty shop, or bazaar shop, make his purchase—pay cash or (more usually) sign for it and accept delivery over the counter or, as is frequently the case, a servant is sent to buy some particular product. He will be given a "chit" or written order to the merchant or perhaps an old container or label so that he may quickly and easily distinguish the merchandise in the shop he patronizes—one perhaps unknown to his master but wherein he finds it advantageous to trade.

MAIL-ORDER BUSINESS

So far this report has dealt exclusively with the consumer in almost immediate reach of the large retail organizations or the bazaars located in the big cities. But there are numerous other consumers of imported merchandise located in out-of-the-way stations or the mofussil (country districts) who are to a large extent dependent upon a bazaar shop in the nearest town which may stock only a few imported articles or none at all. They are therefore dependent upon such centres as Calcutta, Bombay, Madras, Lucknow, or Delhi for their requirements.

The bazaar shops sell "over the counter" largely, but the department and specialty stores have in addition built up a large mail-order business, which also applies to some provisions stores or general suppliers. These organizations issue yearly or twice yearly large, expensive, and fully illustrated catalogues along the lines of Canadian departmental stores, in which they expect a manufacturer of reliable, first-class goods to make a display advertisement, otherwise they are not inclined to feature them in their catalogue. This business is a profitable one, but unless the manufacturer is agreeable to make a display in the catalogues the store will take little interest in them, only stocking the line of necessity.

EXTERNAL TRADE OF THE ANGLO-EGYPTIAN SUDAN IN 1935

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 8, 1936.—According to the Annual Report of the Department of Economics and Trade of the Sudan Government, the Anglo-Egyptian Sudan was able to share in the general recovery which characterized the year 1935.

The final figures of production of cotton for the season 1934-35 show that a record large crop was harvested and the quantity exported in 1935 fell only a little short of the previous record of 1932, while the average export valuation for the whole year of both Sakel and American types of cotton was higher than in 1934 and, in fact, higher than in any year since 1930; shipments of gum arabic, the next most important export after cotton, nearly approached previous high records, the average export value for 1935 being, as in the case of cotton, the highest since 1930; enhanced prices were realized for most of the minor products of the country, the quantities exported being in general satisfactory; and the improved economic position of the Sudan was reflected and confirmed by the increase in imports of commodities consumed by the masses, chief among them being sugar, tea, coffee, wheat flour, and rice, and piece-goods of cotton and of artificial silk.

TOTAL TRADE

In 1935 the total value of imports, exports, and re-exports, excluding transit goods (£E.443,140 in 1935 against £E.355,505 in 1934) and specie, was £E.10,372,375 as compared with £E.8,061,805 in 1934, an increase of £E.2,310,570 or 28.7 per cent, nearly one half of the advance being accounted for by imports by the British military authorities of aircraft, stores, and equipment, which were about £E.550,000 greater than in 1934, and by an abnormal demand for supplies from Eritrea, to which country exports were previously negligible, while in 1935 they amounted to £E.214,000 and re-exports to £E.146,000. Even if the above-mentioned items are deducted from the total value of Sudan trade for 1935, there remains an increase of approximately £E.1,254,000 over the 1934 total.

IMPORTS

The total value of imports in 1935 stood at £E.5,369,879 as compared with £E.3,945,149 in 1934, an increase of £E.1,424,730 or 36.1 per cent, of which imports on Government account totalled £E.1,292,000 compared with £E.646,000 in 1934.

The principal items of public imports were detailed as hereafter in 1935 and 1934 respectively:—

Commodity	1935		1934	
	£E	Per Cent	£E	Per Cent
Total	4,077,505	....	3,298,650	....
Piece-goods				
Cotton	974,728	23.9	810,269	24.6
Artificial silk	83,177	2.0	64,591	2.0
Silk	42,019	1.0	45,328	1.4
Sugar	326,284	8.0	227,127	6.9
Coffee	285,736	7.0	225,138	6.8
Metals and metalware	225,999	5.6	238,797	7.3
Motor vehicles, parts and tires	165,182	4.1	85,643	2.6
Other machinery	88,384	2.2	63,047	1.9
Tea	182,408	4.5	191,946	5.8
Wheat flour	154,939	3.8	105,291	3.2
Sacks	133,142	3.3	123,549	3.7
Tobacco and cigarettes	129,738	3.2	129,440	3.9
Cement	110,279	2.7	57,973	1.8

PRINCIPAL SOURCES OF SUPPLY

The principal sources of supply for both public and government imports, together with the percentage for each country's share, the figures for 1934 being within parentheses, were: Great Britain, 31.4 (24.6); Egypt, 19.4 (22.1); Japan, 18.5 (19.1); British India, 5.9 (7.2); Abyssinia, 3.3 (5); United States, 2.7 (1.7); Dutch East Indies, 2.6 (3); Kenya, 2.1 (1.1); Australia, 2 (2.2); France, 1.6 (1.2); South Africa, 1.4 (1.8); Germany, 1.3 (1.1); Belgium, 1.1 (0.7); Italy, 0.7 (0.9).

Canadian official statistics place the Dominion's exports to the Sudan at \$66,860 in 1935 against \$50,625 in 1934. It must be added, however, that these figures fail to take into account a certain amount of Canadian goods which, although shipped to the United Kingdom and the United States, eventually reach the Sudan. In 1935 the main items of Canadian export to the latter country consisted of railway sleepers (\$59,799), and automobile tires and inner tubes.

TRADE ROUTES

The routes taken by the import trade of the Sudan were the Red Sea, the Nile, and the Frontier posts, in a proportion of 85.5 per cent for the first, 11.1 per cent for the second, and 3.4 per cent for the third.

EXPORTS

The total value of the exports from the Sudan stood at £E.4,567,279 in 1935 as compared with £E.3,848,679 in 1934, an advance of £E.718,600 or 18.7 per cent.

The following table indicates the value of main exports in 1935 and 1934 respectively:—

Commodity	1935		1934	
	£E.	Per Cent	£E.	Per Cent
Total..	4,567,279	....	3,848,679	....
Cotton, ginned, and cotton-seed ..	2,736,579	60.0	2,173,557	56.4
Gum arabic..	676,222	14.8	494,740	12.9
Millet (dura and dukhn)..	198,054	4.3	397,778	10.4
Live stock..	183,377	4.0	50,899	1.3
Sesame..	137,304	3.0	109,473	2.8
Hides and skins..	100,171	2.2	113,676	3.0

The extent to which the Sudan trade depends upon exports of cotton, and the desirability of increasing, if possible, production of other exportable produce are apparent. A comparison of exports after excluding cotton and cotton-seed is therefore of interest. For 1935, exports of ginned cotton and cotton-seed were valued at £E.2,736,579, and those of all other commodities at £E.1,830,700; in 1934 respective figures were £E.2,173,557 and £E.1,675,122. The improvement of £E.155,578 in items other than cotton and cotton-seed was achieved in spite of a fall in exports of dura from £E.397,778 to £E.198,054, the decrease of nearly £E.200,000 in this item being offset mainly by an increase of £E.181,482 in the value of exports of gum arabic.

PRINCIPAL EXPORT DESTINATIONS

The principal destinations of Sudan exports, and the percentage shares of each country, the figures for 1934 being within parentheses, were: Great Britain, 46.8 (54.2); Egypt, 12.4 (20.4); British India, 8.6 (4.6); France, 5.5 (4.4); Italy, 4.9 (2.8); Germany, 4.9 (2); Eritrea, 4.7 (—); United States, 3.8 (3.8); Japan, 1.4 (1.3); Belgium, 1.4 (1.3).

Considerable attention was paid during the year 1935 to the improvement of quality of produce for export and to the organization of more satisfactory arrangements for the marketing and export of produce.

BALANCE OF TRADE

There was an unfavourable balance of trade, excluding transit, transshipment and specie movement, of £E.367,000 in 1935 as compared with a favourable one of £E.172,000 in 1934. This was the result in the main of special imports of stores and equipment by the British military authorities amounting in value to some £E.550,000 above normal. To a certain extent this unusual item was offset by exports to Eritrea valued at £E.214,000, which exports would not have gone to that country had it not been for the demand there for supplies as a result of the conflict with Abyssinia.

WHEAT AND FLOUR SITUATION IN THE NETHERLANDS

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(One kilo equals 2·2 pounds; one metric ton equals 2,205 pounds; one florin equals at par Can.\$0·402)

Rotterdam, October 13, 1936.—The devaluation of the guilder, which took place on September 27, found some Dutch wheat buyers, who had been anticipating a decline in the market, in a short position. Since then the cost of the 65 per cent of foreign wheat used by local millers has increased by an amount equivalent to the depreciation of the monetary unit, which so far has approximated about 20 per cent. The former parity could be reached by a reduction in the monopoly fee of fl.2 per 100 kilos, which is payable on all imports. Representations to this end have been made to the Government, but the only pronouncement issued has been to the effect that this levy will remain unaltered. Concurrently, it has been enacted that there shall be no increase in the cost of bread, and in order to prevent this the millers are receiving a substantial direct subsidy from the state.

WHEAT IMPORTS

The volume of wheat entering the Netherlands during the months of July, August, and September, was slightly below the quarterly average. Roughly 70 per cent of the total was of Canadian origin. Total imports came to 112,346 metric tons, with 77,703 tons coming direct from Canada and an additional 4,406 tons credited to the United States.

Details regarding wheat imports during the second and third quarters of 1936, with a comparative table for the third quarter of 1935, are subjoined:—

Wheat Importations into the Netherlands

Country of Origin	July-Sept., 1935		April-June, 1936		July-Sept., 1936	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total	144,523	5,888	121,398	5,887	112,346	5,790
Germany	7,528	265	13,697	587	16,275	834
Belgium	4,607	182	1,133	57	.....	.....
France . . . . .	.....	.....	1,475	62	25	1
Russia . . . . .	.....	.....	2,412	123	3,488	178
Sweden	11,998	101	407	18	.....	.....
Canada	21,095	984	77,615	3,781	77,703	3,975
Argentina	82,660	3,233	8,465	414	3,626	180
Uruguay . . . . .	.....	.....	502	25	.....	.....
United States	14,933	531	7,133	362	4,406	266
Australia . . . . .	.....	.....	7,347	370	935	54

TRADE WITH DANUBIAN COUNTRIES

Mention was made in *Commercial Intelligence Journal* No. 1697 (August 8, 1936) of a new clearing agreement which was being concluded between the Netherlands and Hungary whereby the former agreed to permit the importation of up to 100,000 tons of 1936-crop milling wheat from Hungary. In practice

there have been no actual imports owing to the sellers having found other markets more attractive on account of price or their ability to secure elsewhere free foreign exchange.

Apart from the foregoing, a new clearing treaty with Roumania became effective on September 1 which permitted the importation into this country of a maximum quantity of 90,000 tons of Roumanian wheat. In the interval some business has been done, although since the fall of the guilder the sellers are unwilling to make shipment at the prices formerly agreed upon.

The quantity of wheat in storage has continued at a low ebb. On October 10 the total was 33,335 tons. Practically all of this was of Canadian origin.

FLOUR

The quantity of flour imported from the United States during the July-to-September quarter, which was 7,888 tons, has reached a level commensurate with the 30,000-ton annual quota which was provided for in the Netherlands-United States trade agreement which became effective on February 1, 1936. Imports from Canada declined sharply in comparison with the preceding period.

Particulars of flour imports are as follows:—

Flour Importations into the Netherlands

Country of Origin	July-Sept., 1935		April-June, 1936		July-Sept., 1936	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total	10,062	539	19,186	1,232	18,775	1,212
Belgium	195	10	92	5	102	9
United Kingdom	598	34	1,785	111	1,294	86
France	3,748	158	3,447	171	2,654	144
Poland .. . . . . .	.....	...	1,800	68	2,202	87
Hungary	205	12	2,671	176	2,473	156
Canada	872	62	1,613	121	933	68
United States	2,647	200	6,482	503	7,888	590
Australia	227	12	1,286	80	1,080	67

POLISH CROP ESTIMATES

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Hamburg, October 13, 1936.—The Polish Bureau of Statistics has recently issued an estimate of cereal and potato crops during the past season. Wheat production is expected to amount to 21,200,000 metric quintals, at which figure it will be 5·6 per cent greater than during 1935 and 7·1 per cent above the 1931-35 average. Rye production is estimated at 63,900,000 quintals, a slight increase over last year's figure and the average of the preceding five years. The barley and oat crops, estimated at 14,600,000 and 26,300,000 quintals respectively, will be fractionally lower than comparable totals for 1935 and the 1931-35 period. Potato production is set at 320,700,000 quintals, an increase over the 1935 total of 1·3 per cent but 3·3 per cent less than the five-year average.

It is reported by the Poznan Chamber of Commerce that an inquiry for Polish wheat has recently been received from Canada. In this regard it may be noted that Poland exports limited quantities of wheat (68,860 metric tons in 1935) to various European countries, but that the development of exports to the Canadian market is not anticipated.

ECONOMIC AND TRADE CONDITIONS IN THE UNITED STATES

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York City, October 21, 1936.—Business conditions in the United States during the third quarter made a substantial advance with gains in industrial production, construction activity, retail trade, and freight traffic. While the broad nature of improvement was of outstanding interest, it is significant that further progress was made in those directions in which capital outlays were important, such as plant expansion, machinery installation, railway equipment, building and residential construction. The political uncertainties both at home and abroad have had a slightly unsettling effect upon business. The conditions leading up to the devaluation of the French, Swiss, Dutch, and Italian currencies tended to retard trade, but since devaluation took place the outlook has appeared to improve.

Steel output increased during the period, and at the end of September the daily average steel production was the highest since the early months of 1930. This improved demand for steel is a reflection of the expanding output of durable goods industries generally. Automobile manufacturers required smaller quantities of steel in the past quarter as production declined to the seasonal low in the latter part of September when assembly operations of most companies were suspended. Manufacturers of building materials have had the most active quarter in several years.

RETAIL SALES

Retail sales during the quarter increased on a seasonally adjusted basis, and were considerably in excess of the sales in the corresponding months of 1935. Sales throughout the quarter benefited from the further rise in consumer income and the distribution of Government funds in settlement of the veterans' bonus. Actual cash farm income increased more than seasonally as a result of the higher prices of farm products. Prices of non-farm products also tended to advance during the quarter.

IRON AND STEEL INDUSTRY

According to the latest figures issued by the American Iron and Steel Institute, steel ingot production for the first nine months of this year has been estimated at 33,605,304 tons compared with 24,051,412 tons for the like period of 1935, an increase of about 40 per cent. In the month of September operations averaged 72·12 per cent of their capacity, while for the nine months they averaged 65·44 per cent compared with an average of 46·62 per cent for the same period of 1935.

In addition to automobile buying, the demand for steel has been broad and from many industries. In part, it is due to the announcement of price advances on semi-finished steel effective on orders after October 1, and to the general firmness of the price structure due to rising prices for scrap, demands for higher wages, and fear of labour trouble to come. These orders are partly at the expense of future business, but in conjunction with automobile requirements they make it certain that mill operations will continue high for a time.

Pig iron output in September was placed at 2,730,293 gross tons, and represented a gain of 0·7 per cent over the 2,711,431 tons produced in August. The total for the nine months of 1936 amounted to 21,564,398 tons, an increase of 7,337,373 tons from the amount of 14,227,025 tons for the like period of 1935.

AUTOMOBILE INDUSTRY

The third quarter of the year brings to a close the production of 1936 model automobiles by the various manufacturers. Stocks of unsold 1936 models still

in dealers' hands have been reduced to a point where dealers of many companies are sold out or at the most have only a few demonstrators left. In this respect the industry is in as good or better shape than a year ago. The used-car stocks have also been greatly reduced, which places the dealer in a better position to handle 1937 models.

According to the preliminary reports of the Automobile Manufacturers' Association, covering all but one of the major producers of automobiles, factory shipments by members of the association during the first nine months of 1936 amounted to 2,561,905 cars and trucks compared with 2,030,897 vehicles for the corresponding period of 1935. On the basis of this estimate, operations for the group are running 26 per cent above last year and 72 per cent above the five-year average.

BUILDING CONSTRUCTION

A much-needed recovery in residential building appeared in the first nine months of 1936, when this type of building construction totalled 23 per cent more than was reported for the entire year of 1935. The F. W. Dodge Corporation indicates that at the end of the third quarter residential building in the thirty-seven Eastern States amounted to \$558,030,600 as against only \$338,907,000 for the like period of 1935, an increase of 73 per cent.

Total construction work of all kinds in the thirty-seven Eastern States amounted to \$2,041,627,200, a gain of 71 per cent over the figure of \$1,191,697,700 shown for the corresponding nine months of last year. Both public works and private work contributed to make the large gain between the two years in total construction.

With the further improvement in construction operations, building supply manufacturers have experienced a rising volume of business through the nine months. Compared with the results of 1935, the improvement in demand for construction materials has been very impressive.

AGRICULTURE

Farmers' cash income from the sale of farm products in August amounted to \$637,000,000, according to the Department of Agriculture. This total compares with \$711,000,000 in July, the highest figure since 1929, and \$566,000,000 in August, 1935. In addition to this income, farmers received \$12,000,000 in government rental and benefit payments in August as compared with \$24,000,000 in July and \$44,000,000 in August, 1935. Total income from marketings and benefit payments during the first eight months of this year amounted to \$4,677,000,000, the highest for the recovery period, as against \$4,125,000,000 for the corresponding period of 1935.

DROUGHT CONDITIONS

Two months ago severe drought conditions prevailed over an area which normally has about two-thirds of the total acreage of field crops and which had about 46,000,000 units of grazing live stock out of the 80,000,000 in this country. Recent rains have restored approximately normal moisture conditions over the eastern and southeastern sections of this area. The remaining area, which has had only slight or partial relief from drought conditions, includes northern and eastern Montana, Wyoming, the Dakotas, and part of Minnesota and Nebraska.

CROP ESTIMATES

This year's corn crop is expected to be slightly smaller than that of 1934, but the shortage is much more than offset by larger crops of other feed grains.

Apples, potatoes, and various other fruits and vegetables are in lighter supply than in 1934. With these exceptions, no important crops are expected to show as low a production as was harvested in 1934.

The Crop Reporting Board in their report of October 1 estimated the production of corn at 1,509,000,000 bushels for this year. The spring wheat yield was placed at 108,130,000 bushels, and durum wheat at 7,962,000 bushels. The production of durum wheat is 65.3 per cent below the 1935 yield of 22,957,000 bushels.

The 1936 oat crop was estimated at 783,750,000 bushels, or about 35 per cent less than last year's crop of 1,196,669,000 bushels, which approximated the five-year average. Barley production was forecasted at 143,916,000 bushels, or 49 per cent less than the 1935 output of 282,226,000 bushels.

The board places the potato crop at 322,263,000 bushels, about 11 per cent below the 1935 crop of 387,678,000 bushels. The October 1 condition of grain sorghums was 42 per cent normal, and was estimated at 60,836,000 bushels, compared with 97,823,000 bushels harvested last year.

STOCKS

Corn stocks on farms were estimated by the bureau at 173,770,000 bushels, as against 61,655,000 bushels on October 1, 1935. Farm stocks of wheat, including new wheat from the current year's crop, were placed at 227,098,000 bushels, or 36 per cent of the 1936 production, compared with 267,972,000 bushels on October 1, 1935.

COMMODITY PRICES

The Bureau of Labour Statistics monthly index of wholesale prices reached 81.6 for August, a new high since October, 1930. The drought, through its influence on prices of farm products and foods, continued to be the most potent factor in raising the combined index, though the indices of practically all the leading group and subgroup components were higher for August than for July. With the partial breaking of the drought, numerous farm commodity prices, during the first three weeks of September, have moved irregularly and less rapidly than during August.

Grain and corn prices have continued to fluctuate more or less rapidly, although the upward movement of grain prices appeared to be checked. Prices of steers and hogs have varied widely throughout the year. Butter and cheese prices have been at a high level and are likely to average considerably higher during the winter.

Metal prices have been firm. Copper, lead, silver, and finished steel prices have shown the greatest stability. Zinc rose slightly, while the increases recorded by tin and scrap metal were very pronounced.

FOREIGN TRADE

According to the latest figures on United States foreign trade issued by the Department of Commerce, the total exports for the first eight months of 1936 amounted to \$1,511,730,000, an increase of \$142,262,000 from the total of \$1,369,466,000 for the like period of 1935. Imports into the United States for the first eight months were valued at \$1,552,337,000 compared with \$1,340,127,000 for the corresponding 1935 period, a gain of \$212,210,000. The increase in total foreign trade for the period was 12.5 per cent above the same period last year.

The United States exports, including re-exports, and general imports for the first eight months of 1936 as against the first eight months of 1935 are as follows:—

Exports from the United States

	Jan.-Aug., 1936	Jan.-Aug., 1935
January	\$ 198,560,000	\$ 176,223,000
February	182,024,000	163,007,000
March	195,100,000	185,026,000
April	192,786,000	164,151,000
May	200,398,000	165,459,000
June	184,837,000	170,244,000
July	179,776,000	173,230,000
August	178,249,000	172,126,000
Total	\$1,511,730,000	\$1,369,466,000

Imports into the United States

	Jan.-Aug., 1936	Jan.-Aug., 1935
January	\$ 187,482,000	\$ 166,832,000
February	192,770,000	152,491,000
March	198,496,000	177,356,000
April	202,799,000	170,500,000
May	191,217,000	170,533,000
June	190,377,000	156,754,000
July	194,180,000	176,631,000
August	195,016,000	169,030,000
Total	\$1,552,337,000	\$1,340,127,000

Exports for the month of August were valued at \$178,249,000 compared with \$172,128,000 for August, 1935, and with \$179,776,000 in July. Imports for the month of August amounted to \$195,016,000 as against \$169,030,000 in August, 1935, and \$194,180,000 in July.

The excess of imports over exports for the month of August was \$16,767,000 compared with a similar adverse balance of \$14,404,000 for July. For the first eight months of 1936 there was an unfavourable balance of \$40,607,000 compared with a favourable balance of \$29,339,000 for the similar period of 1935.

Imports of meat products were up 31,000,000 pounds for the eight months ended August, 1936, compared with the same period a year ago, with an increase in value of more than \$3,000,000. Purchases of foreign edible animals and animal products during the period approximated \$59,353,000 compared with only \$49,290,000 for the corresponding months of last year.

Butter imports declined sharply, entries approximating only 6,171,000 pounds as against more than 21,826,000 pounds last year. Imports of cheese were higher at 36,368,000 pounds compared with 30,384,000 pounds for the like period of 1935.

Entries of vegetable food products and beverages for the January-August period had a total value of \$415,604,000 compared with the 1935 figure of \$407,038,000.

Corn imports showed a sharp decline to 8,509,000 bushels against 31,823,000 bushels for the 1935 period. Likewise, despite the drought, imports during August alone were only 1,546,000 bushels compared with 8,554,000 bushels for August, 1935. Wheat imports during the eight months of 1936 rose from 17,302,000 bushels last year to 32,699,000 bushels. Entries of whiskies and other spirits during the period were valued at \$36,060,000 as against \$19,492,000 for the eight months of 1935.

EMPLOYMENT

Increases in employment between mid-July and mid-August were registered by the manufacturing industries, who reported an increase of 173,000 workers. In the non-manufacturing group, the seasonal recession in employment in retail trade and declines in the number at work in anthracite mining and a few other industries offset the increases elsewhere in this classification, with the result that there was a net decline in this group of about 2,000 workers.

Aggregate employment in both manufacturing and non-manufacturing industries showed a gain over August of last year of nearly 1,000,000 workers.

Factory employment in August was at the highest level since the middle of 1930 and was above any previous August since 1929. While increases among the durable goods industries were numerous, these were largely offset by the sharp recession in the number at work in the automobile industry, in which operations were curtailed while preparations were being made for the change-over to new models.

Among the non-manufacturing industries the following reported increased employment: building construction, bituminous coal mining, quarrying, and non-metallic mining, and the wholesale trade.

CAR LOADINGS

Railway freight traffic for the first nine months of 1936 showed an improvement over the traffic of the corresponding period of 1935, when car loadings for the first forty weeks totalled 26,997,718 cars, compared with 23,818,058 cars in the like period of 1935, an increase of 13.3 per cent.

Loading by commodities for the first forty weeks of 1936 compared with the same period of 1935 are as follows:—

Commodity	1936 Cars	1935 Cars
Miscellaneous freight	10,796,976	9,178,528
Merchandise	6,300,767	6,211,218
Coal	5,073,021	4,580,246
Forest products	1,267,266	1,048,241
Ore	1,266,191	835,450
Coke	347,315	247,369
Grain and grain products	1,412,759	1,204,399
Livestock	533,423	512,607
Total	26,997,718	23,818,058

BANK CLEARINGS

Bank exchanges at the principal clearing houses of the country for the first nine months of 1936 amounted to \$237,375,740,415 compared with \$219,962,-682,575 for the corresponding period of 1935, an increase of 7.9 per cent. In New York City bank clearings for the nine-month period amounted to \$96,039,-431,370, an increase of 14.9 per cent from the amount of \$83,565,632,950 for the like period of 1935.

MONEY AND BANKING

The most important financial development during the third quarter was the announcement on September 25 by the French Government of the devaluation of the franc.

Changes in the banking position in the United States during the past three months have been influenced chiefly by the gold imports resulting from the movement of capital to this country and by payments of income taxes and subscriptions to the new Government bond issue on September 15.

GOLD IMPORTS

United States gold imports for the first eight months of this year amounted to \$620,291,000 compared with \$867,761,000 for the corresponding period of 1935. Gold imports for the month of September have not been reported as yet, but it is a known fact that large shipments have been received from France. Contrasted to the large imports of gold are the small exports from this country. During the first eight months of 1936 the United States exported \$27,149,000 worth of gold as against \$1,386,000 for the like period of last year.

As a result of the continued gold imports into the United States, mainly because of financial uncertainties in the gold bloc countries, and the disbursement by the Treasury of funds previously accumulated with the Federal Reserve Banks, the estimated excess reserves of the member banks reached a total of almost \$2,000,000,000 on September 9. However, the payment of taxes and the subscriptions to the Treasury issue reduced this amount to \$1,710,000,000.

SECURITY OFFERINGS

The volume of security offerings during September was slightly above the volume a year ago and, without being high, substantially above the level of August. The total of \$379,645,915 compared with \$365,494,000 last year and with \$285,889,089 in August. The amount of security offering for the first nine months of this year was \$4,004,890,693, an increase of about 50 per cent, as against the total of \$2,693,912,500 for the corresponding period of 1935. Of the total financing for the nine months of 1936, state and municipal offerings accounted for 20.2 per cent; railroad, 12.1 per cent; public utility, 27.9 per cent; industrial, 21.8 per cent; and financial, 17.1 per cent.

TRADE COMMISSIONERS ON TOUR

The following Trade Commissioners are at present on tour in Canada in the interest of Canadian trade with their respective territories: Mr. G. B. Johnson, Glasgow; Mr. Frederick Palmer, Bristol (whose territory includes the West of England, South Wales, and South Midlands); and Mr. R. P. Bower, who was Acting Trade Commissioner at Batavia, Java.

Their itineraries are as follows:—

Mr. Johnson

Toronto and district..	Nov. 2 to 18	Stratford and district ..	Nov. 30 and Dec. 1
Hamilton and district ..	Nov. 19 and 20	Kitchener and district ..	Dec. 2 to 4
Brantford, Simcoe. . . .	Nov. 21	Guelph	Dec. 5
St. Catharines.	Nov. 23	Brampton	Dec. 5
Niagara Falls, Fort Erie.	Nov. 24	Montreal and district. . .	Dec. 7 to 22
London, Woodstock	Nov. 25 and 26	Granby	Dec. 23
Windsor and district. . . .	Nov. 27 and 28		

Mr. Palmer

Ottawa	Nov. 2	Saskatoon	Nov. 24
Winnipeg	Nov. 4 and 5	Winnipeg	Nov. 25
Regina	Nov. 7	Ottawa	Nov. 27
Calgary	Nov. 9	Fredericton	Nov. 30
Vancouver, New West-		St. John..	Dec. 1 and 2
minster	Nov. 11 to 18	Yarmouth	Dec. 3
Victoria and district. . . .	Nov. 19 and 20	Bridgetown and Kentville	Dec. 4 and 5
Edmonton	Nov. 23	Halifax	Dec. 7

Mr. Bower

London	Nov. 2	Kelowna, Vernon.	Nov. 14
Windsor and district. . . .	Nov. 3	Vancouver.	Nov. 16 to 28
Winnipeg	Nov. 5 to 7	Victoria.	Dec. 1
Calgary	Nov. 12		

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, Winnipeg, Edmonton, Vancouver, and Victoria, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other cities, with the respective Board of Trade or Chamber of Commerce.

FOREIGN TRADE OF BRAZIL FOR 1935

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(All tons in this report are metric tons. One conto equals 1,000 milreis or \$57.60. Conversions of milreis values into dollars have been made at the average rates of exchange of \$0.71 for 1934 and \$0.576 for 1935 to the milreis.)

INTERNATIONAL TRADE

Rio de Janeiro, September 24, 1936.—It is difficult to obtain a clear view of Brazil's position in foreign trade because of the depressed value of the Brazilian currency in terms of foreign currencies, the depreciated values in terms of gold of practically all currencies, and the continued low prices obtained by Brazilian commodities on world markets. Satisfactory increases in certain directions are offset by decreases in others.

TONNAGES

There has been a general increase of 15 per cent in the tonnage of the external trade of Brazil, with an increase of 10 per cent in imports and of 26 per cent in exports. The export tonnage in 1935 was nearly 500,000 tons more than the highest year since 1901, which was 1930, when a total of 2,274,000 tons was reached. Tonnage values for exports decreased from 1,581 milreis per ton in 1934 to 1,486 milreis in 1935 and, in terms of pounds gold, from £16 1s. to £12 per ton.

Import tonnage has shown a marked increase in milreis value not only over 1934, when the value per ton was 626 milreis, but over the past five years, the 1935 value being 898 milreis as against 527 milreis in 1931. Gold values for 1934 and 1935 remained the same, but there was a drop from £8 1s. in 1931 to £6 4s. in 1935.

CURRENCY VALUES OF INTERNATIONAL TRADE

In terms of Brazilian currency there has been an increase in the total value of the trade of 33 per cent, 54 per cent in the case of imports and 18 per cent in that of exports, over 1934. Dollar values show a decrease of 0.5 per cent in total trade, 6 per cent in exports and an increase of 6 per cent in imports. In gold pounds the total has decreased by less than 1 per cent, exports by 6 per cent, while imports increased by 7 per cent.

Total international trade in 1935 amounted to \$494,170,272 (7,960,000 contos) as against \$494,344,870 (5,961,000 contos) in 1934. Exports showed an increase from 3,478,000 contos in 1934 to 4,104,000 contos in 1935. The dollar value, however, decreased from \$286,600,000 to \$269,300,000. Imports increased from \$207,700,000 (2,502,000 contos) to \$224,800,000 (3,856,000 contos), or an increase of \$17,000,000.

BALANCE OF TRADE

The favourable balance in 1935 was as follows: £9,049,148 sterling, £5,580,707 gold, and in dollars \$44,578,958. These three balances represent respectively decreases from 1934 of 43 per cent, 42 per cent, and 43 per cent. The milreis value showed an increase of 18 per cent. This shows a less satisfactory condition than existed in 1934, and it is problematical whether the balance will be sufficient to meet all requirements or whether foreign exchange, which otherwise would be used in payment of imported merchandise, will be diverted.

Milreis values in each of the three classes of Brazilian exports reflect by their increases a greater export effort in 1935. These increases are carried forward into the dollar value for the first two classes, those of animal products and mineral products, but the most important class, that of vegetable products,

decreased from \$228,500,000 in 1934 to \$213,753,000 in 1935. Coffee accounts for the greatest decrease, \$150,000,000 in 1934 to \$124,000,000 in 1935. Cotton export values increased from \$33,000,000 in 1934 to \$37,000,000 in 1935.

As regards imports, increases have been recorded in all classes. In raw materials there has been an increase from \$43,000,000 to \$69,000,000, in manufactured articles from \$101,000,000 to \$112,000,000, and foodstuffs from \$33,000,000 to \$40,000,000.

The greatest increases in raw material imports have been recorded in coal, which is primarily used for power; iron and steel; gasoline; and jute—the jute increase to handle the enhanced exports of Brazilian products.

The increase in value of automobiles imported in 1935 was \$3,900,000, bringing the total to \$10,200,000—an increase of over 50 per cent; and iron and steel manufactures rose by \$6,500,000 to bring the total to \$19,000,000.

In foodstuffs, wheat accounts for the greatest increase—882,000 tons valued at \$25,000,000 as against 809,000 tons valued at \$18,000,000 in 1934.

CHIEF SOURCES OF SUPPLY

The United States continues to be Brazil's best customer, followed by Germany, with Great Britain in third position. In 1935 South American countries, excluding the Argentine, supplanted in fourth position France, which now occupies fifth place. Important changes have occurred in the order of importance of countries supplying Brazil with her requirements. The United States continues in first place, but Germany, which in 1934 occupied the fourth place, has now moved to second place, followed by the South American countries, excluding Argentina. Argentina has moved from fifth place to the fourth place, while Great Britain has slipped from second to fifth.

TRADE WITH CANADA

(The figures in square brackets refer to Canadian exports and represent amounts and values as shown by the Dominion Bureau of Statistics for the calendar years; the other figures are Brazilian imports converted into Canadian equivalents.)

Brazil's trade with Canada continues to show satisfactory increases. The total trade rose from 11,830 contos in 1934 to 19,663 contos in 1935, or in dollars from \$1,283,000 to \$2,288,000, or nearly 50 per cent.

The whole of the increase in terms of dollars is due to Canadian exports, which increased \$989,000 from a total of \$882,000 in 1934 to \$1,811,000 in 1935. Brazilian exports, on the other hand, decreased from \$477,000 to \$460,000. This decrease, however, was due more to lowering of the milreis value subsequent to the return to a free currency basis and continued low prices of Brazil's export products in terms of foreign currency. The milreis value of exports increased from 6,758 contos to 8,077 contos in 1935, while tonnage increased from 3,150 metric tons to 12,900 metric tons.

CANADIAN EXPORTS TO BRAZIL

Canadian statistics indicate total exports to Brazil valued at \$3,500,000 in 1935 as against \$2,606,000 in 1934, an increase of approximately 35 per cent. The discrepancies between Canadian and Brazilian figures may be accounted for in two ways. First, Canadian figures are the f.o.b. values which would tend to show a lower export value than the Brazilian figures which are c.i.f. values. Second, as a considerable part of Canada's exports to Brazil passes through the hands of American firms, who either export Canadian products on behalf of their branches in Canada or act as export agents and forwarding agents for Canadian suppliers, these goods may lose their identity and be classed

as products of the United States. Much the same situation exists as regards Brazilian exports to Canada.

PRINCIPAL INCREASES AND DECREASES

The most important increases in imports from Canada occurred in the case of the following commodities: Copper plates and sheets for the first time appear in Brazilian statistics as coming from Canada. In 1935, 1,923 tons valued at \$389,000 were imported [42,857 cwts., \$369,000]. Aluminium manufactures also appear for the first time with a total value of \$3,300 [\$6,018 in 1934 and \$5,595 in 1935]; raw and scrap aluminium imports increased from a value of \$18,000 to \$93,000 [\$29,000 to \$104,000]. Tires and tubes increased from a total value of \$11,000 in 1934 to \$74,000 in 1935 [\$437,000 to \$660,000]. Electrical machinery increased by \$10,000, and sewing machines by \$500,000 [\$343,000 to \$1,405,877]. Canada appeared for the first time as a source of supply of electric cable to the extent of \$15,000. A small amount of wheat flour was imported, despite the fact that total imports of wheat flour decreased from 3,557 tons to 1,852 tons. Canada is credited with 95 tons valued at \$6,100 [5,363 brls., \$23,300]. Zinc imports increased from 208 tons valued at \$18,000 to 447 tons valued at \$39,500. In newsprint the Canadian returns show a substantial increase [from 142,992 tons valued at \$273,982 to 184,645 tons valued at \$333,469]. Other increases took place in the case of furs, rubber hose, electrical apparatus, iron and steel cutlery, electrical insulators, and asbestos manufactures.

Decreases in imports from Canada into Brazil have taken place in the case of raw lead from \$117,000 in 1934 to \$106,000 in 1935 [\$114,712 to \$95,766]; wheat from \$149,000 to \$6,100; codfish from \$14,900 to \$7,400 [\$38,615 to \$9,372]; apples and pears respectively from \$24,500 [\$34,849] and \$4,500 to \$10,000 [\$20,277], and zero; malt from \$21,000 to \$8,300 [\$84,376 to \$9,376]. Railway material, artificial silk yarn, and asbestos have also registered slight decreases.

Of the Brazilian exports to Canada, totalling \$461,000 in 1935 as against \$477,000 in 1934, coffee [\$370,000 as against \$346,000 in 1934], shelled and unshelled Brazil nuts [\$98,000 as against \$59,000], cocoa [\$38,000 as against \$59,000], and cocoa butter [\$28,400 as against \$13,000], represent over 75 per cent of the total.

TRADE WITH THE UNITED STATES

The increase in trade with the United States from \$138,900,000 in 1934 to \$144,833,000 in 1935 is due to an enlargement in the imports, from \$41,954,000 to \$51,701,000 in 1935, while Brazilian exports to the United States decreased from \$97,000,000 to \$93,000,000.

Export tonnage to the United States increased from 608,000 tons to 796,000 tons and milreis values from 1,366,000 contos to 1,616,000 contos in 1935. The United States continues to be Brazil's best customer. Exports of coffee to that country increased from 7,650 tons in 1934 to 8,684 tons in 1935, dollar values decreasing from \$80,900,000 to \$71,500,000. With the exception of coffee, cocoa butter, and timber, the dollar values of all the more important commodities registered increases; the most important were raw cocoa, hides and skins, and carnauba wax.

Thirteen of the twenty-six largest imports from the United States show increases in 1935: motor cars and chassis from \$3,946,000 to \$9,275,000; gasoline from \$3,260,000 to \$4,310,000; kerosene from \$2,713,000 to \$2,942,000; electrical machinery from \$746,000 to \$1,012,000; rubber tires and tubes from \$1,017,000 to \$1,235,000; radio apparatus from \$988,000 to \$1,259,000; refrigerators from \$533,000 to \$1,095,000; apples from \$361,000 to \$455,000; pears from \$289,000 to \$295,000. Artificial silk yarn; tinplate; sewing machines; paper not including book paper, printing paper or newsprint were among the other increases.

Decreases in imports may be primarily laid to two causes. First, loss of the trade to other competitors and, secondly, the growth of Brazilian industry. In the first category is coal, which showed a slight decrease to \$392,000; barbed wire, which has dropped from \$459,000 to \$295,000; rails, from \$2,000,000 to \$330,000; pipes and tubing, from \$402,000 to \$275,000; agricultural machinery, from \$426,000 to \$64,000; and machinery in general, which has dropped from \$1,772,000 to \$420,000.

Of the decreases which fall in the second category, cement is an important item, not so much in value as in indicating the trend of the national industry. In 1930, 384,000 tons of cement valued at approximately \$5,194,000 were imported into Brazil, of which the United States supplied roughly one-fourth. In 1935, 114,000 tons were imported valued at \$1,000,000, the United States' share of the market decreasing in value from \$65,000 to \$25,000. Prepared paints have decreased in value from \$253,000 to \$28,000; wheat flour from \$804,000 to \$387,000.

TRADE WITH GREAT BRITAIN

Total trade with Great Britain has decreased in value from \$60,252,000 in 1934 to \$49,286,000 in 1935, reflected in both import and export values. Exports to Great Britain decreased from \$29,726,000 to \$21,780,000, although there was registered a satisfactory gain in both the tonnage and milreis values.

The most significant decrease in exports was in cotton—\$16,500,000 in 1934 and \$6,370,000 in 1935. Coffee shipments decreased from \$236,000 to \$7,000, raw rubber from \$309,000 to \$81,000; and oranges from \$2,736,000 to \$1,540,000 in 1935. Cotton yarn, jute yarn, unmanufactured aluminium, coal, rubber tires and tubes, railway rolling stock, iron and steel manufactures, linen piece-goods, industrial machinery, agricultural machinery, and caustic soda represent the sole increases on the import side. The most important single item was cotton yarn, which rose from \$1,590,000 to \$2,070,000; followed by rolling stock for railways (primarily those of English ownership) from \$430,000 to \$867,000; coal from \$3,800,000 to \$4,000,000; and agricultural machinery from \$31,000 to \$221,000.

Increased imports of tinplate from Germany cut down United Kingdom shipments from \$768,000 to \$569,000. The heretofore satisfactory market for wood-pulp practically disappeared—\$957,000 in 1934 and \$10,000 in 1935. This business was lost to Northern European shippers. Great Britain has in the past been an important supplier of codfish, but in 1935 there was a decrease from \$958,000 to \$600,000. Pig lead, iron plates and sheets, wool yarn, cement, cotton piece-goods, newsprint, chemical manures, and chemicals general also showed decreases.

TRADE WITH GERMANY

Brazil's trade with Germany in 1935 showed an increase of \$27,000,000 over that of 1934, having risen from a total of \$57,000,000 to \$84,000,000. The greatest part of this increase was the result of larger imports, which rose from \$24,900,000 in 1934 to \$45,000,000 in 1935. Brazilian exports to Germany increased from \$32,200,000 to \$39,100,000, leaving an unfavourable balance of trade of \$6,000,000.

This unfavourable balance of trade requires payment by Brazil either in goods or currency and, failing the former, it will probably mean that Brazil will be forced to pass on to Germany foreign exchange developed through the sales of her products to other countries.

The greatest increase in the export trade was in raw cotton, which rose from \$5,900,000 to \$22,200,000. Raw cocoa, raw rubber, Brazil nuts, oranges, leaf tobacco, and timber and lumber are the commodities in which exports increased—in the case of leaf tobacco from \$1,600,000 to \$2,200,000. Decreases have occurred in the case of cocoa butter, hides and skins, carnauba wax, herva mate, sheep skins, and coffee [from \$18,500,000 to \$7,300,000].

Out of thirty-six of the most important items making up imports from Germany into Brazil, there have been decreases in ten. These in total amounted to approximately \$1,250,000, the greatest of which have occurred in the case of medical ampoules, from \$590,000 to \$202,000; electrical machinery, from \$552,000 to \$359,000; iron and steel manufactures, from \$605,000 to \$99,000; locks, from \$536,000 to \$294,000; and cotton goods, from \$269,000 to \$36,000. In the case of ampoules, locks and padlocks, and cotton goods, the decrease was due to the growing Brazilian industry manufacturing these articles. Iron and steel manufactures and electrical machinery decreases are to a great extent made up by increased imports from Great Britain and the United States.

There are four important increases registered: iron and steel unmanufactured, from \$617,000 to \$2,785,000; coal, from \$388,000 to \$1,320,000; wire, other than barbed wire, from \$555,000 to \$1,116,000; and paper, from \$347,000 to \$1,194,000.

Other increases took place in wood-pulp, malt, and hops. Vehicles increased from \$60,000 to \$233,000; barbed wire from \$341,000 to \$602,000; tinplate from \$392,000 to \$683,000; iron and steel pipes from \$366,000 to \$910,000. Grinding wheels, photographic material, sewing machines, fertilizers, and motor cars and accessories were among the other increases.

TRADE WITH JAPAN

Brazilian exports to Japan increased from \$755,000 in 1934 to \$1,182,000 in 1935; exports of cotton increased from \$414,000 to \$780,000.

Brazil imported \$2,000,000 worth of goods from Japan in 1935 against \$1,100,000 in 1934. Fifteen items make up the bulk of this trade. The most noteworthy increases were in wool yarn and silk yarn, which have respectively risen from \$55,000 and \$17,000 to \$248,000 and \$211,000. Increases have also been shown in cotton piece-goods [from \$6,000 to \$21,000], in cotton manufactures, rubber and celluloid toys, and grinding wheels. On the other hand, rubber-soled shoes have decreased from \$7,000 to \$3,000; bicycles from \$59,000 to \$37,000; porcelain and earthenware manufactures from \$280,000 to \$10,000; and electric lamps from \$104,000 to \$97,000. Paper and celluloid plates and sheets have also decreased. In 1934 Japan entered the market with codfish—7 tons valued at over \$1,000; in 1935, 5 tons valued at \$690 were entered.

MORATORIUM IN GUADELOUPE TERMINATED

Mr. W. F. Bull, Canadian Trade Commissioner in Port of Spain, Trinidad, writes that the moratorium in the French colony of Guadeloupe, which began on October 6, terminated on October 20.

SILK INDUSTRY OF SOUTH CHINA

K. F. NOBLE, ACTING TRADE COMMISSIONER

[A report was published in last week's issue on the "Silk Industry of Central China."]

Hongkong, September 10, 1936.—South China, although a producer of silk for many centuries, has during the past few seasons passed through a cycle of poor years.

The vicissitudes of the South China raw silk trade have been attributable to a number of contributory causes, including (a) deterioration of quality or, possibly, to the failure of Canton silk to appreciate in quality in a comparable way to the competitive silks of Central and North China, and more particularly

Japan; (b) as Government standards are lacking in the case of Canton silk, it has suffered from the growing consumption of rayon silk and its sub-products; (c) the depreciation of the Japanese yen in 1932 made the Government-graded silks of Japan attractive not only in uniformity and quality but also on the basis of price.

EDUCATIONAL WORK

The Kwantung Provincial Government has recognized the gravity of the position of the sericulture industry and the necessity for improvement in the quality of their domestic silks. A sericulture section of the Department of Reconstruction has been conducting educational work in the silk-producing districts of Kwantung, with the object of improving the breeding and feeding of worms, of reducing disease, of producing better and more uniform cocoons, and of increasing production. To date the work has only been on an experimental scale, but the results have been of sufficient importance to justify the anticipated widespread extension of the scheme.

MAINTENANCE OF STANDARDS

The Provincial Government, however, have achieved a greater success with their raw silk testing bureau, likewise under the Department of Reconstruction. As its name implies, the bureau is equipped to carry out all tests on raw silk, including those for sizing, winding, seriplane, elasticity, tenacity, and conditioning. With the exception of this latter, all tests are optional and free of charge. The conditioning tests, however, are compulsory, and no silk can be exported without the Silk Testing Bureau certificate of moisture content, for the purpose of ensuring exact net weight for invoicing purposes. The Silk Testing Bureau's weight certificates are based on the premise of a natural moisture content of 11 per cent, and all invoices, whether in respect to purchases by members of the Association of Raw Silk and Waste Exporters of Canton and of resale to foreign buyers, are against such adjusted net invoice weights.

Although not subject to Government standards, the Association of Silk Exporters in Canton are now selling on well-maintained company standards, which, through the services of the association, have been brought to a substantial degree of uniformity and to the point where the association's classifications of brands by quality are accepted by foreign buyers.

A detailed list of grades recognized by the association and their classifications of the numerous export brands under these grades are available on application to the Department of Trade and Commerce, Ottawa.

THE PREVAILING CLASS

All New York purchases and the major portion of shipments to buyers in Indo-China and India are of the "new style crack" type, which is the commonest quality of Canton silk, and which is represented by more than 125 export labels out of the 160 recognized by the Silk Exporters' Association. These "new style crack" labels, incidentally, account for more than 80 per cent of Canton's total raw silk exports. The preferred sizes for shipments to the New York market are 14/16 deniers and 20/22 deniers, which, presumably, would be the specifications which would be attractive to the Canadian buyer.

PRODUCTION AND EXPORTS

The normal production of Canton silk has ranged from 45,000 to 50,000 bales of 108 pounds net weight, though subsequent to the crisis of 1932 seasonal exports declined by more than 50 per cent and are only now beginning to recover.

With the more optimistic note of the present season, independent opinion of the several members of the association is that the long-term average export will be reached again and probably exceeded within the next three years.

Trade figures of the Association of Raw and Waste Silk Exporters record exports amounting to 21,577 bales during the 1935-36 season (May 1 to April 30) as against 29,069 bales during 1934-35 and 35,900 during 1933-34. Countries of destination are not clearly stated in the returns.

HARVESTING

Canton silk is normally white in colour, with a distinctive lustre which has been described as a "pearl sheen." Of the seven crops of cocoons each year, which appear at the rate of one a month from April to October, the fourth, fifth, sixth, and seventh, from late July to October, are of better quality owing to the drier climatic conditions. Even such better quality silk is admittedly inferior to that of Japan and Shanghai, having a more irregular thread and a larger percentage of defects, which have restricted the use of Canton raw silks to the manufacture of velvets, crepes, and prints, the texture of which is such as to conceal flaws.

The decline in the quantity of raw silk produced in Canton appears to have been arrested. During the past three to four years local producers have found cocoon farming unremunerative, but the currency reform brought in by the National Government in November, 1935, with the resultant lowering of the Canton dollar in terms of foreign currencies, has enabled the Cantonese to obtain better prices for their silk, without increasing its cost to the buyers abroad.

WASTE SILK

As a by-product of the raw silk trade is the export of waste, comprising the outer layers from the cocoons, which, having been spun first by the worms, are too fine for use as silk, and the unsatisfactory ends of partly unwound cocoons. The annual production of waste is about equivalent to that of raw silk. New York is the largest single export market, taking an average over a period of years of some 50 per cent of the total turnover.

Additional information, including the names and addresses of the members of the Canton Silk Association and the association's classification of brands by qualities, are available as an appendix to this report on application to the Department of Trade and Commerce, Ottawa.

PRELIMINARY RICE CROP ESTIMATE OF JAPAN

Mr. A. K. Doull, Assistant Trade Commissioner in Tokyo, writes under date October 3, 1936, that, according to the Department of Agriculture and Forestry, the 1936 rice crop of Japan will amount to 339,200,000 bushels, second only to the record yield in 1933. This estimate is based on surveys made on September 20. The authorities believe that the estimate may be made even larger when they make their second estimate towards the end of this month. Prices are expected to be 10 per cent lower than last year because of a large crop. On the basis of the present estimate this year's crop is 18.1 per cent larger than the actual 1935 crop and 14.8 per cent above the last five years' average yield. The crop per tan (0.245 acres) is estimated at 10.58 bushels approximately. The 1933 yield was 11.16 bushels per tan.

SUMMARY OF THE TRADE OF CANADA: MONTH, NINE MONTHS, AND TWELVE MONTHS ENDING SEPTEMBER, 1936

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of September, 1936				Nine Months ending September, 1936				Twelve Months ending September, 1936			
	Total Imports	From United Kingdom	From United States	To United States	Total Imports	From United Kingdom	From United States	To United States	Total Imports	From United Kingdom	From United States	To United States
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for Consumption</i>												
Agricultural and Vegetable Products.....	10,105,315	1,373,063	2,620,026	84,880,980	11,922,669	27,128,610	114,957,094	17,580,373	34,129,890			
Animals and Animal Products.....	2,197,967	363,449	1,026,604	19,192,985	2,850,135	9,489,437	25,254,705	3,920,501	11,765,697			
Fibres, Textiles and Textile Products.....	7,841,704	3,828,471	2,411,040	71,739,587	33,607,225	23,208,000	94,108,845	43,061,566	32,036,197			
Wood, Wood Products and Paper.....	2,442,153	396,994	1,811,572	19,395,747	2,557,304	15,402,292	25,603,725	3,563,225	30,049,831			
Iron and its Products.....	10,098,221	1,840,205	7,840,245	19,435,325	15,599,552	19,147,647	42,855,221	21,392,235	99,092,595			
Non-Ferrous Metals and their Products.....	2,525,160	413,920	1,683,022	25,900,200	3,897,592	78,045,480	34,645,480	5,308,200	24,074,278			
Non-Metallic Minerals and their Products.....	11,118,591	1,147,371	8,386,272	81,747,885	9,358,850	61,489,512	110,462,111	12,302,746	82,247,538			
Chemicals and Allied Products.....	2,480,498	631,054	1,297,264	22,539,373	4,653,318	13,414,167	31,158,303	6,780,821	17,868,796			
Miscellaneous Commodities.....	4,173,363	911,216	2,692,634	27,034,291	4,984,045	18,381,861	36,098,101	6,641,277	24,298,394			
Total Imports, 1936.....	52,982,972	10,905,743	29,758,679	450,866,373	89,430,693	265,706,867	598,144,608	121,082,350	345,560,216			
1935.....	44,689,463	9,729,408	24,195,166	403,036,316	85,018,570	232,563,255	539,256,521	115,852,732	307,716,012			
1934.....	42,207,602	9,321,257	23,740,068	377,249,292	82,581,822	218,027,056	497,398,663	112,644,956	280,909,965			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	31,075,618	18,755,274	6,742,299	211,855,998	119,613,806	42,367,438	305,251,618	184,191,871	57,977,793			
Animals and Animal Products.....	10,264,457	6,058,027	3,205,964	89,169,131	47,265,847	33,744,022	117,035,637	63,280,137	40,869,045			
Fibres, Textiles and Textile Products.....	1,088,439	172,913	189,834	8,952,440	1,808,319	2,047,830	11,569,633	2,332,713	2,830,817			
Wood, Wood Products and Paper.....	19,816,610	3,125,770	13,837,691	148,816,965	22,988,687	102,123,775	199,816,552	31,678,550	136,836,065			
Iron and its Products.....	3,782,568	959,978	331,243	38,373,186	8,831,053	4,332,892	50,556,855	11,408,403	5,961,579			
Non-Ferrous Metals and their Products.....	17,906,568	7,269,153	7,961,822	147,726,576	56,248,467	68,757,987	209,624,237	72,526,186	105,792,250			
Non-Metallic Minerals and their Products.....	2,055,701	228,361	1,423,035	16,054,616	1,874,403	10,120,462	21,788,480	2,632,530	13,493,512			
Chemicals and Allied Products.....	1,528,653	299,793	544,020	12,917,763	2,600,604	5,882,020	7,251,333	3,498,942	7,708,915			
Miscellaneous Commodities.....	1,425,568	265,702	884,770	11,294,348	2,838,502	6,496,570	14,375,605	3,285,286	8,610,899			
Total, 1936.....	88,894,179	37,164,971	35,120,686	685,161,023	264,089,688	275,872,996	947,269,950	374,834,618	380,080,875			
1935.....	77,288,615	25,637,322	38,603,286	563,175,187	196,132,112	254,361,857	780,991,262	285,294,166	340,089,152			
1934.....	63,566,136	29,969,909	20,894,890	540,859,166	208,092,500	215,431,114	729,946,907	299,240,496	266,349,285			
<i>Exports (Foreign Produce)</i>												
Total, 1936.....	688,219	56,693	567,988	7,465,366	697,486	6,211,005	11,609,077	926,866	9,924,899			
1935.....	1,587,227	34,995	1,499,861	8,615,234	584,942	7,820,863	10,577,928	794,384	9,112,669			
1934.....	679,567	43,711	568,702	5,353,098	668,356	4,158,180	7,136,732	851,909	5,575,224			
<i>Excess of Imports (t) or All Exports (e)</i>												
Total, 1936.....	(e) 39,599,426	(e) 26,315,821	(e) 5,929,995	(e) 291,700,016	(e) 175,338,481	(e) 16,377,134	(e) 360,734,419	(e) 254,082,134	(e) 44,445,558			
1935.....	(e) 24,156,379	(e) 15,842,869	(e) 15,307,981	(e) 109,084,105	(e) 111,698,484	(e) 29,619,465	(e) 252,282,668	(e) 170,235,818	(e) 41,455,809			
1934.....	(e) 22,038,101	(e) 20,662,363	(e) 2,306,476	(e) 108,962,972	(e) 126,179,034	(e) 962,238	(e) 239,684,976	(e) 187,447,449	(e) 8,985,486			

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom Tariff Revision Proposals

The Import Duties Advisory Committee of the United Kingdom give notice of an application for an increase in the import duty on hand sewing needles (at present 20 per cent ad valorem).

In connection with the anticipated review of certain trade agreements the committee also give notice of applications for increases in the import duties on the following articles:—

Softwood planed or dressed boards, including weatherboards, floorings, matchings, and skirtings, whether processed in various ways or not (at present mainly 10 per cent ad valorem); boxboards other than plywood boxboards (at present softwood boxboards in sets or not, except dove-tailed, mortised, or tenoned at the ends, 10 per cent ad valorem; hardwood boxboards not in sets and not further prepared than rebated or tongued or grooved, 10 per cent ad valorem; other boxboards, 20 per cent ad valorem); wood flour (at present 15 per cent ad valorem); sodium chlorate (at present 10 per cent ad valorem, except R grade which is subject to Key Industry Duty of 33½ per cent ad valorem).

The committee announce that they have decided not to make any recommendation in regard to the application previously advertised (see *Commercial Intelligence Journal* No. 1668, January 18, 1936) for the imposition of a specific duty on certain dressed and dyed fur skins, which are at present dutiable at 15 per cent ad valorem.

The foregoing, when Canadian products within the meaning of the Imperial preference regulations, are admissible into the United Kingdom duty free.

United Kingdom Trade Agreement with Peru

The Canadian Trade Commissioner in London writes that a trade agreement between the United Kingdom and Peru was signed at Lima on October 6 and is to come into force on the exchange of ratifications. The tariff articles of the agreement took effect provisionally from the day after publication of the treaty.

The basis of the agreement is reciprocal most-favoured-nation treatment of goods in respect of customs duties, customs formalities, and import prohibitions. In addition, special tariff treatment is conceded by each of the contracting countries to certain classes of goods imported from the other.

Netherlands Abolishes Import Restrictions on Leather

Mr. J. C. Macgillivray, Canadian Trade Commissioner, Rotterdam, advises that by a royal decree effective October 8, 1936, the restrictions on the importation into the Netherlands of sole leather, leather belting, harness and saddlers' leather, to which reference was made in *Commercial Intelligence Journal* No. 1688 (January 18, 1936), page 134, have been abolished.

Netherlands Import Restrictions on Plywood

Mr. J. C. Macgillivray, Canadian Trade Commissioner in Rotterdam, states that by a royal decree of September 29, 1936, the restrictions on the importation into the Netherlands of plywood, with the exception of alder, birch, beech, and Douglas fir, to which reference was made in *Commercial Intelligence Journal* No. 1681 (April 18, 1936), page 713, have again been extended. During the period from October 1, 1936, to September 30, 1937, inclusive, imports shall not exceed 50 per cent of the gross weight imported from each exporting country during 1934. A certificate of origin is required for the entry of plywood.

The Minister of Commerce, Industry, and Shipping may in addition grant special quotas to designated countries.

Removal of Swiss Import Duties on Fresh Apples

Mr. J. C. Macgillivray, Canadian Trade Commissioner in Rotterdam, writes under date October 12, 1936, that by virtue of a Federal decree of October 2, 1936, which became effective on October 5, 1936, the duties on fresh apples have been removed. The former rate was frs.2 per 100 kilos when in bulk or in sacks and frs.5 per 100 kilos when in other packages.

While apples now enter Switzerland duty free, the existing quota restrictions remain in force.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.	Chatham, Ont.	Portage la Prairie, Man.
Halifax, N.S.	Kitchener, Ont.	St. Boniface, Man.
Quebec, P.Q.	Stratford, Ont.	Winnipeg, Man.
Montreal, P.Q.	Woodstock, Ont.	Vancouver, B.C.
Toronto, Ont.	St. Mary's, Ont.	New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Belleville, Ont.	Hamilton, Ont.
Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
Oshawa, Ont.	London, Ont.	Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Sardines in Oil.....	689	Brussels, Belgium.....	Agency.
Miscellaneous—			
Anklets of Cotton and Rayon....	690	Hamilton, Bermuda.....	Agency.
Men's Fleece-lined Underwear...	691	Belfast, Northern Ireland...	Agency.
Pulpwood.....	692	Amsterdam, Holland.....	Purchase and Agency.
Chemical Wood-pulp.....	693	Amsterdam, Holland.....	Purchase and Agency.
Rubber Stamps or Accessories Used in the Manufacture of Complete Units.	694	Cape Town, South Africa..	Agency.
Rubber Garden Hose.....	695	Melbourne, Australia.....	Agency.
Floor Sanding Machines (Motor- ized and Hand).	696	Johannesburg, South Africa	Agency.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCTOBER 26

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 26, and for the week ending Monday, October 19, 1936, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending October 19	Nominal Quotations in Montreal Week ending October 26	Official Bank Rate
Austria	Schilling	.1407	\$.1872	\$.1875	3½
Belgium	Belga	.1001	.1682	.1683	2
Bulgaria	Lev	.0072	.0130	.0129	6
Czechoslovakia	Krone	.0296	.0354	.0354	3
Denmark	Krone	.2680	.2180	.2182	3½
Finland	Markka	.0252	.0215	.0216	4
France	Franc	.0392	.0465	.0464	2
Germany	Reichsmark	.2382	.4022	.4020	4
Great Britain	Pound	4.8666	4.8843	4.8887	2
Greece	Drachma	.0130	.0090	.0090	7
Holland	Guilder	.4020	.5365	.5390	2½
*Hungary	Pengo	.1749	.2958	.2955	4
Italy	Lira	.0526	.0526	.0526	4½
Jugo-Slavia	Dinar	.0176	.0230	.0230	5
Norway	Krone	.2680	.2454	.2456	3½
Poland	Zloty	.1122	.1883	.1882	5
Portugal	Escudo	.0442	.0444	.0445	4½
Roumania	Leu	.0060	.0073	.0075	4½
Spain	Peseta	.1930	.....	.....	5
Sweden	Krona	.2680	.2518	.2520	2½
Switzerland	Franc	.1930	.2296	.2298	2
United States	Dollar	1.0000	1.0000	1.0000	1½
Mexico	Peso	.4985	.2775	.2775	4-5
Cuba	Peso	1.0000	.9992	.9992	—
Guadeloupe	Franc	.0392	.0465	.0464	—
Jamaica	Pound	4.8666	4.8943	4.8987	—
Martinique	Franc	.0392	.0465	.0464	—
Other British West Indies	Dollar	1.0138	1.0175	1.0185	—
Argentina	Peso (Paper)	.4245	.3256	.3259	3½
Brazil	Milreis (Paper)	Unofficial	.2770	.2775	—
		.1196	.0868	.0868	—
		Unofficial	.0583	.0587	—
British Guiana	Dollar	1.0138	1.0175	1.0185	—
Chile	Peso	.1217	.0517	.0517	4½
		Unofficial	.0417	.0417	—
Colombia	Peso	.9733	.5690	.5690	4
Peru	Sol	.2800	.2400	.2500	6
Venezuela	Bolivar	.1930	.2500	.2500	—
Uruguay	Peso	1.0342	.7979	.8000	—
South Africa	Pound	4.8666	4.8781	4.8825	3½
Egypt	Pound (100 Piastres)	4.9431	5.0250	5.0100	—
China (Shanghai)	Dollar	.....	.2933	.2934	—
Hongkong	Dollar	.....	.3302	.3028	—
India	Rupee	.3650	.3690	.3692	3
Japan	Yen	.4985	.2853	.2856	3.29
Java	Guilder	.4020	.5390	.5415	—
Siam	Baht (Tical)	.4424	.4491	.4481	—
Straits Settlements	Dollar	.5678	.5727	.5731	—
Australia	Pound	4.8666	3.9075	3.9100	—
New Zealand	Pound	4.8666	3.9390	3.9350	2½

* Unofficial: .1978

The Dominion Bureau of Statistics has supplied the following note:—

Exchanges continued to exhibit a marked degree of stability during the week ended October 26. Montreal rates on the pound sterling and the French franc declined fractionally, but quotations on New York funds remained at par. Recent central bank statements failed to reveal any significant changes in gold holdings, but the evidence of these statements is now inconclusive since the arrangement of the three principal Equalization Authorities to facilitate gold transfers to each other. These transfers are not made public. News intimations from financial markets indicated that considerable transfers of French capital were being made from London to New York, but the amounts actually returning to France were not considered to be very great.

CERTIFICATES OF ORIGIN FOR BRITISH PREFERENCES

Canadian exporters are reminded of the importance of supplying correct certificates of origin for goods entitled to preferential tariff treatment in Empire countries. The regulations to be observed vary enough to preclude use of uniform documentation for the different British markets. As regards the principal market, the United Kingdom, goods regarded as growth or produce require 100 per cent Empire content; optical goods and parts require 75 per cent; a selected list of manufactured goods (see F.T.D. Leaflet No. 95) require 50 per cent; for other manufactured goods 25 per cent Empire content suffices. A small number of ingredients must qualify independently for preference. Each "article" is subject to the preference test separately, so that when machinery, etc., is shipped to the United Kingdom knocked-down each separate assembly or part must qualify in itself to be entitled to preference. Notice 27A of the London Custom House, issued in March, 1935, prescribes appropriate forms as follows: D, 119 (Sale), for growth or produce; E, 120 (Sale), for manufactured goods; F, 121 (Sale), for manufactured tobaccos and sugars; FF, 122 (Sale), a supporting certificate for ingredients.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Richmond, Nov. 6; Duchess of York, Nov. 14; Duchess of Atholl, Nov. 20; Duchess of Bedford, Nov. 25; Montrose, Nov. 26—all Canadian Pacific; Antonia, Nov. 6; Andania, Nov. 20—both Cunard-White Star Line.

To London.—Beaverdale, Nov. 6; Beaverburn, Nov. 13; Beaverhill, Nov. 20; Beaverford, Nov. 26—all Canadian Pacific; Ascania, Nov. 6; Aurania, Nov. 13; Ausonia, Nov. 20; Alaunia, Nov. 27—all Cunard-White Star Line.

To Manchester.—Manchester Producer, Nov. 5; Manchester Commerce, Nov. 12; Manchester Division, Nov. 19; Manchester Regiment, Nov. 25—all Manchester Line.

To Avonmouth, Cardiff and Swansea.—Dakotian, Nov. 4; Norwegian, Nov. 21—both Cunard-Donaldson and Dominion Lines.

To Southampton.—Montrose, Canadian Pacific, Nov. 26.

To Cardiff, Bristol and Swansea.—New York City, Bristol City Line, Nov. 12.

To Glasgow.—Delilian, Nov. 6; Athenia, Nov. 13; Sulairia, Nov. 20; Letitia, Nov. 27—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk, Nov. 5; Cairnglen (calls at Dundee), Nov. 19; Cairnross, Nov. 28—all Cairn-Thomson Line.

To Aberdeen and Hull.—Kelso, Nov. 3; Kyno, Nov. 26—both Ellerman's Wilson Line.

To Dublin and Belfast.—Melmores Head, Nov. 5; Fanad Head, Nov. 18—both Head Line (cargo accepted for Londonderry and Cork).

To Antwerp and Havre.—Beaverburn (does not call at Havre), Canadian Pacific, Nov. 13; Kings County, Nov. 14; Brant County, Nov. 27—both County Line.

To Rotterdam.—Columbia, Nov. 3; Grey County, Nov. 20; Hada County, Nov. 28—all County Line.

To Hamburg.—Beaverdale, Canadian Pacific, Nov. 6; Frankfurt (calls at Bremen), North German Lloyd Line, Nov. 27.

To Copenhagen, Gothenburg and Baltic Ports.—A steamer, Swedish-America-Mexico Line, November.

To Bilbao, Lisbon, Casablanca, Barcelona, Genoa and Leghorn.—Akre, Gardiaz Line, Nov. 16.

To Seville, Valencia, Barcelona, Marseilles, Genoa, Naples, Messina and Palermo.—Capo Olmo, Capo Line, Nov. 11.

To St. John's, Nfld., and St. Pierre-Miquelon.—Delia, Nov. 2; Lotos (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Nov. 6; Rein, Nov. 10—all Shaw SS. Co.; Belle Isle, Nov. 6; a steamer, Nov. 9—both Newfoundland-Canada SS. Co.

To Cornerbrook, Nfld.—A steamer, Clarke SS. Co., November.

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Nov. 12.

To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).—A steamer, Canadian National, November.

To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—A steamer, Ocean Dominion SS. Corp., Oct. 26.

To Brisbane, Sydney, Melbourne and Adelaide.—City of Canton, Montreal Australia New Zealand Line, Nov. 21.

To Auckland, Wellington, Lyttelton, Dunedin and Bluff.—Canadian Constructor, Montreal Australia New Zealand Line, Nov. 28

To Manila, Hongkong, Shanghai, Yokohama and Dairen.—Myrmidon (does not call at Yokohama or Dairen), Blue Funnel Line, Nov. 14.

To Freetown (Sierra Leone), Cape Town, Port Elizabeth, East London and Durban.—Kepwickhall (does not call at Freetown, Sierra Leone), Nov. 5; Calgary, Nov. 15; Egba (calls at Walvis Bay, Lourenco Marques and Beira)—all Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.—City of Ripon, Ellerman & Bucknall SS. Co., Nov. 28.

To Santos and Buenos Aires.—Rigel (calls at Rio de Janeiro), International Freight Line, Nov. 10; Nordkap (calls at Montevideo but not at Santos), Canada-South America Line, Nov. 15.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Nov. 7.

From Halifax

To Liverpool.—Manchester Exporter, Nov. 10; Manchester Hero, Dec. 2—both Manchester Line; Newfoundland, Nov. 14; Nova Scotia, Nov. 28—both Furness Line.

To London and Hamburg.—Quaker City, Nov. 12; Capulin, Nov. 26—both American Hampton Roads (call at Hull and Dundee); Beemsterdyk (calls at Rotterdam but not at Hamburg), Holland-America Line, Nov. 2.

To Manchester.—Manchester Exporter, Nov. 10; Manchester Commerce, Nov. 15; Manchester Spinner, Nov. 24; Manchester Regiment, Nov. 26; Manchester Hero, Dec. 2—all Manchester Line.

To Cardiff, Bristol and Swansea.—Moorish Prince, Nov. 23; Montreal City, Dec. 19—both Bristol City Line.

To Newcastle and Leith.—Cairnesk, Nov. 9; Cairnglen, Nov. 23; Cairnross, Dec. 1—all Cairn-Thomson Line.

To Copenhagen and Baltic Ports.—Batory, Nov. 6; Pilsudski, Nov. 30—both Gdynia-America Line (call at Gdynia).

To Gothenburg.—Drottningholm, Nov. 21; Gripsholm, Dec. 10—both Swedish-America Line.

To St. John's, Nfld., and St. Pierre-Miquelon.—Fort Townsend, Nov. 2; Fort Amherst, Nov. 9—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Nov. 2; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Nov. 4; Newfoundland, Nov. 14; Nova Scotia, Nov. 28—both Furness Line (do not call at St. Pierre).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Nov. 5; Lady Hawkins, Nov. 19—both Canadian National.

To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—A steamer, Ocean Dominion Line, November.

To Santiago (Cuba) and Kingston (Jamaica).—Kirston B, Pickford & Black Ltd., Nov. 4.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne (calls at St. Georges, Bermuda), Nov. 2; Chomedy, Nov. 16—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Kingston (Jamaica) and Belize (British Honduras).—A steamer, Canadian National, November.

To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.—Silvercypress, Nov. 7; Siamese Prince, Nov. 21; Silverwalnut, Dec. 5—all Silver-Prince Line.

From Saint John

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Canadian National, Nov. 11.

To Kingston and Jamaican Outports.—Harboe Jensen, Nov. 7; a steamer, Nov. 21—both United Fruit Line.

To Alexandria, Port Said, Suez, Port Sudan, Aden, Karachi, Bombay, Colombo, Madras, Rangoon and Calcutta.—A steamer, American and Indian Line, November.

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Nov. 18; Hiye Maru, Dec. 5; Heian Maru, Dec. 26—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Japan (calls Honolulu), Nov. 14; Empress of Asia (calls Nagasaki), Nov. 27; Empress of Canada (calls Honolulu), Dec. 12; Empress of Russia (calls Nagasaki), Dec. 18—all Canadian Pacific; Talthybius (calls at Miike but not at Manila), Blue Funnel Line, Nov. 22.

To Tsingtao and Dairen.—Harpasa, Ocean Shipping Co., early November.

To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Belawan Deli, Colombo and Bombay.—Silveray, Silver-Java Pacific Line, Nov. 30.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Nov. 4; Niagara, Dec. 2—both Canadian-Australasian Line.

To Auckland, Wellington, Melbourne and Sydney.—Golden Bear (calls at Lyttelton and Dunedin if sufficient cargo offered), Oceanic and Oriental Navigation Co., Nov. 15.

To Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—Limerick, Canadian-Australasian Line, Nov. 25.

To Brisbane, Sydney, Melbourne, Adelaide and Newcastle.—Tolken, Empire Shipping Co., Nov. 12.

To Sydney, Melbourne and Adelaide.—Wearpool, November; Uganda, November; Induna, November—all Australian Freight Line.

To London, Liverpool and Rotterdam.—Drecht dyk (calls at Glasgow), Nov. 14; Nebraska, Nov. 28; Damsterdyk (calls at Glasgow), Dec. 12—all Holland-America Line.

To London, Liverpool and Cardiff.—A steamer, Reardon Smith Line, November.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—A steamer, Empire Shipping Co., November.

To Scandinavian Ports.—Annie Johnson, Nov. 9; Argentina, Nov. 19; Canada, Dec. 7—all Johnson Line.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Empire Shipping Co., Nov. 15.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., November.

To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira and Calcutta.—Siantar, Nov. 5; Silverpalm, Dec. 5—both Silver-Java Pacific Line.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro and Bahia.—Hoyanger, Nov. 27; a steamer, Dec. 28—both Empire Shipping Co.

From New Westminster

To London and Liverpool.—John Baake (calls at Glasgow, Manchester and Belfast but not at London), Canada Shipping Co., Nov. 8; Fresno Star, Nov. 10; Gaelic Star, Nov. 25; Ionic Star, Dec. 7; Albion Star, Dec. 21—all American Mail Lines Ltd. (call at Glasgow, Rotterdam and Newcastle); Parthenia, Nov. 15; Corrientes, Nov. 28; Gracia, Dec. 12—all Balfour Guthrie & Co. (call at Glasgow); Drecht dyk, Nov. 15; Nietheroy, Nov. 29; Damsterdyk, Dec. 12; Lochgoil, Dec. 26—all Royal Mail Lines Ltd. (call at Glasgow, Southampton and Rotterdam); Lauritz Swensen (calls at Hull and Oslo), Anglo-Canadian Shipping Co., Nov. 19; Pacific Exporter (calls at Glasgow and Manchester), Furness Line Ltd., Nov. 18.

To Yokohama, Kobe and Osaka.—Hikawa Maru, B. W. Greer & Son Ltd., Nov. 7.

To Australian Ports.—Tolken, Empire Shipping Co., Nov. 7; Limerick (calls at New Zealand ports), Canadian-Australasian Line, Nov. 15.

To South African Ports.—Siantar, Dingwall Cotts & Co., Nov. 15.

To Manila and Iloilo.—Silver Ray, late November; Hopecrest, late December—both Dingwall Cotts Co.

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

L. M. COSGRAVE. Address for letters—Box 196C, G.P.O., Melbourne. Office—Safe Deposit Building, Melbourne. *Cable address, Canadian.*
Commercial Agent: B. MILLIN, The Royal Exchange, Sydney, N.S.W.

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British Malaya

ACTING TRADE COMMISSIONER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: W. F. BULL. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225. Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

Shanghai: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China, North China, and Manchuria.) *Cable address, Canadian.*

Cuba

E. L. McCOLL. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

PAUL SYKES, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, Hungary, Poland, Lithuania, Latvia, Esthonia.) *Cable address, Canadian.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

India and Ceylon

R. T. YOUNG. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. *Cable address, Canadian.*

Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 40 Victoria Square, Belfast, Northern Ireland.

Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Japan

Tokyo: J. A. LANGLEY, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: R. S. O'MEARA, Trade Commissioner. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

M. B. PALMER. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Cancoma.*

Netherlands

J. C. MACGILLIVRAY, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

New Zealand

C. M. CROFT. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martín, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: H. R. POUSSETTE, Martins Bank Bldg., Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: FREDERICK PALMER, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

New York City: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

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

BRITISH INDUSTRIES FAIR (LONDON AND BIRMINGHAM)

February 15 to 26, 1937

There is no better medium offered the Canadian exporter seeking an outlet in the British market for his products than the British Industries Fair, which is devoted exclusively to the display of British Empire products.

This Fair, which is held annually, is divided into two main sections, one organized by the Department of Overseas Trade in London, and the other by the Birmingham Chamber of Commerce under the auspices of the Board of Trade in Birmingham. The London section is divided, one part being housed at Olympia, while the other part will be housed in the new exhibition building at Earls Court.

The articles which fall within the following general classification, are eligible for display in each section:—

- LONDON, OLYMPIA. Brushes, chemicals, drugs, cutlery, jewellery, leather and sports goods, stationery, metal office furniture, musical instruments, etc.
- LONDON, EARLS COURT. Textiles, clothing, foodstuffs, beverages, tobacco, furniture, etc.
- BIRMINGHAM. Hardware, heating, gas, building, electricity, engineering and transport industries.

Individual stands will be available in the Canadian Section for rental by Canadian producers or their agents in the United Kingdom at the following rates:—

When exhibit is shipped from English Depot—4/6 per square foot. These charges cover:—

(a) rental of space; (b) stand construction and tinting; (c) ordinary lighting; (d) cleaning; (e) signs bearing names of Canadian manufacturer and English importer; (f) cost of carriage on exhibits from English depot to and from the Fair.

When the exhibit is shipped from Canadian Depot—\$2.50 per square foot.

(Exhibitors may accept this flat rate, covering transportation, or pay at the English rates and bear the cost of transportation on their own exhibits.)

This charge of \$2.50 covers (a), (b), (c), (d), and (e) as above, and the cost of carriage on exhibits from Canada to the Fair and return, if required.

Extra charges, at cost price, will be made for:—

(a) Additional light and power outlet; (b) water and waste services; (c) additional counter construction, if required; (d) additional construction on the stand of cupboards, pedestals, etc.

NOTE.—Units of space available are approximately 10 feet by 10 feet in size.

Any further information may be obtained from:—

THE DEPARTMENT OF TRADE AND COMMERCE, Ottawa, Canada, or

THE CANADIAN GOVERNMENT EXHIBITION COMMISSIONER,

Canadian Building, Blackburn Road,

London N.W. 6, England.

(Cable address: Cangovex, Kilb, London.)

The following information was obtained from the report of the engineer in charge of the project...

The project was carried out during the years 1910 and 1911, and the results are as follows...

The work was done under the supervision of the Chief Engineer of the project...

The project was carried out in accordance with the plans and specifications approved by the Board of Engineers...

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