

RT. HON. SIR GEORGE E. FOSTER, K.C.M.G., M.P.  
Minister of Trade and Commerce

# Report *of* Special Trade Commission

TO  
Great Britain  
France and  
Italy

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MAY—SEPTEMBER, 1916

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RT. HON. SIR GEORGE E. FOSTER, K.C.M.G., M.P.  
Minister of Trade and Commerce

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*In classifying its findings on the various commodities which will enter into increased trade between Canada and the countries visited, the Commission has adopted the headings of the four main natural resources used in the trade returns of the Dominion Government, viz.:*

- The Farm*
- The Forest*
- The Sea*
- The Mine*

*The various manufactures are included under the headings of the natural resources with which they are most closely allied. For some manufactures, however, where the relation is not immediate, the heading—"Other Manufactures" has been used.*

LETTER OF TRANSMITTAL

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TO THE RIGHT HON. SIR GEORGE EULAS FOSTER, K.C.M.G.,  
Minister of Trade and Commerce,  
OTTAWA, ONT.

SIR:

On behalf of the Special Trade Commission appointed in accordance with your representations to the Committee of the Privy Council, and approved by His Royal Highness the Governor-General on the 9th May, 1916, and further elaborated in the report of the Committee and approved by the Governor-General on the 11th May, 1916, I beg to lay before you a report framed in accordance with our instructions upon the opportunities for trade between Canada and Great Britain, France, Italy and Belgium.

I have the honour to be, Sir,

Your obedient servant,

(Signed) J. W. WOODS,  
*Chairman.*

Ottawa, November 18th, 1916.



CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY  
COUNCIL—APPROVED BY HIS ROYAL HIGHNESS THE  
GOVERNOR GENERAL ON THE 9TH MAY, 1916.

PRIVY COUNCIL, CANADA.

The Committee of the Privy Council have had before them a Report dated 22nd April, 1916, from the Minister of Trade and Commerce stating that about three months ago a number of business men and experts from France, with the knowledge and authority of the French Government, visited the United States and Canada for the purpose of enquiring into the sources of supply therein for materials needed for the work of reconstruction in France, to be undertaken in part at the present time and more extensively after the termination of the war.

That during their short stay in Canada they expressed their surprise at the resources of this country and the possibilities of the supply therefrom for the present and future needs of France along the lines required for the purposes above mentioned, and strongly urged the advisability of a visit to France of a representative commission of business men.

The Minister submits that it is apparent that the new conditions brought about by the war, not only in France and Belgium, but as well in the United Kingdom and other Allied Countries, have opened up possibilities for the supply of many commodities needed in Canada and which formerly were obtained from Germany and Austria.

The Minister believes that the time is opportune for making a thorough and practical enquiry into these possibilities of profitable interchange, and that this can best be done through the instrumentality of a small honorary commission of business men of standing and capacity, assisted by experts in certain of the leading lines of industrial enterprise in Canada.

The Minister, therefore, recommends that the undermentioned gentlemen should be appointed as a commission to carry out under the instructions of the Minister of Trade and Commerce, an enquiry as above outlined in the United Kingdom, France, Belgium and Italy and to make reports thereof not later than the end of August, 1916, viz:—

Mr. H.-Edmond Dupré, Quebec, Que.  
Mr. W. Frank Hatheway, St. John, N.B.  
Mr. Theo. H. Wardleworth, Montreal, Que.  
Mr. Frank Pauzé, Montreal, Que.  
Mr. James W. Woods, Toronto, Ont.  
Mr. George W. Allan, Winnipeg, Man.

The Minister further recommends that he be authorized to provide for the travelling and living expenses of the Commission, which is to serve without salary, and for such Secretarial and other assistance as may be necessary.

The Committee concur in the foregoing and submit the same for approval.

(Signed) RODOLPHE BOUDREAU,  
*Clerk of the Privy Council.*

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY  
COUNCIL, APPROVED BY HIS ROYAL HIGHNESS THE  
GOVERNOR GENERAL ON THE 11TH MAY, 1916.

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PRIVY COUNCIL, CANADA.

The Committee of the Privy Council, on the recommendation of the Minister of Trade and Commerce, advise that your Royal Highness may be pleased to forward a copy of the Order-in-Council of the 9th May, 1916, to the Secretary of State for the Colonies with the request that the Foreign Office shall be moved to communicate the substance of the same through the British Ambassador to the French, Belgian and Italian Governments in order that they may be advised of the visit of the Trade Commission from Canada and their permission asked for such facilitation of the work of the Committee as they may be disposed to give.

The Minister observes that the Commission is not charged with any official duties of negotiation or arrangements with the Governments mentioned in respect to Tariff or other matters, but is simply instructed to make enquiries and report upon the possibilities of developing trade exchanges between these countries and Canada for the mutual benefit of all concerned.

(Signed) RODOLPHE BOUDREAU,  
*Clerk to the Privy Council.*

The Honourable,  
The Minister of Trade and Commerce.

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Mr. James W. Woods was appointed Chairman of the Commission by the Minister of Trade and Commerce. Mr. Theo. H. Wardleworth was elected Vice-Chairman by the members of the Commission. Mr. Roy Campbell, Montreal, was appointed Secretary by Order-in-Council on the recommendation of the Minister of Trade and Commerce.

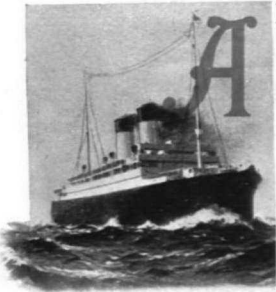
# Report of Special Trade Commission

TO

Great Britain, France  
and Italy

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## ITINERARY



ARRIVING in London on May 30th, 1916, the Commission began its preliminary studies of British trade conditions.

On June 6th, 7th and 8th, the third Imperial Conference of Imperial Council of Chambers of Commerce of the Empire, was held in London. On the special invitation of the President, the members of the Commission were privileged to attend the gatherings. Upon the request of the President, the Chairman of the Commission explained the objects of the Commission, and spoke of the part which Canada hoped to play in the winning of the commercial war. The participation in this Convention was of no small moment to the Commission, as an opportunity was afforded to grasp the attitude of business men from all parts of the Empire on the subject of trade after the war.

In London the Commission had consultations with the Acting High Commissioner for Canada, Sir George H. Perley; the Rt. Hon. A. Bonar Law, Secretary of State for the Colonies; Sir Hubert Llewellyn Smith, Permanent Secretary, and other officials of the Board of Trade; the Representatives of the Provinces of the Dominion; Officials of the Board of Trade; the Managers of the Canadian Banks; the Trade Commissioners of the Department of Trade and Commerce; Members of the Export Association of Canada; the British Empire Producers' League; Officials of the Canadian Pacific Railway, Grand Trunk Railway, Canadian Northern Railway; the Credito Italiano, The Hudson Bay Company, and of other important bodies.

A meeting of the Exporters Club on June 4th was attended by some of the most prominent of the Canadian business men in London.

The Commission left London on June 9th for France.

At Havre, M. Philippe Roy, Commissioner General for Canada in France, and M. Maurice Damour, member of the Chamber of Deputies for the Departement of Landes, to whose initiative the interchange of ideas on trade between France and Canada is largely due, received the party, which began at once the interesting programme of visits which proved to be most instructive and valuable. From the moment of arrival at Havre on June 10th, where a reception was tendered by the Chambre de Commerce du Havre, to the departure for Italy on July 25th, the Commission received every hospitality from their hosts in France. The meetings held during the travels of the Commission will undoubtedly lead not merely to an extension of commercial relations, but also to the cementing of the most cordial and fraternal bonds.

In Paris, the Commission was received by M. Clementel, Minister of Commerce, by the President of the Paris Chamber of Commerce, by the President of the Société d'Expansion Economique, and other leading members of French commercial bodies. After a week of visits to industrial establishments, the Commission left for Bordeaux, as the first city in a tour which covered the greater part of France. The following cities and towns were visited: Bordeaux, Limoges, St. Junien, Felletin, Aubusson, La Bourboule, Le Mont Dore, St. Nectaire, Clermont Ferrand, Royat, Chatel Guyon, Vichy, Thiers, St. Etienne, Saint Chamon, Lyons, Arles, Marseilles, Grenoble, Grand Chartreuse, Chambéry, Aix-les-Bains, Chamonix, Annecy, Evian-les-Bains, Thonon, Yonnax, St. Claude, Morez, Pontarlier, Besançon, Montbéliard, Belfort and Epinal.

At all the points at which the Commission stayed during its journey they were most hospitably received by Senators, members of the Chambre des Deputés; Prefects and Sub-Prefects; Mayors and Members of Municipal Councils; Officers of the Army and Navy; Presidents and Members of Chambers of Commerce, and Presidents and Members of the Syndicats d'Initiative.

The Commission was accompanied by Senator C. P. Beaubien of Montreal, whose eloquent speeches added much to the success of the meetings in France.

The Commission was also accompanied in France by Messrs. Paul A. Seurot and L. N. Patenaude. These gentlemen represented the interests of the Chambre de Commerce Française de Montréal, and their contribution to the work of the Commission was most useful.

In Italy the visit of the Commission, though short, was of intense interest. Nothing could have been more generous than the welcome extended by the Italian Ministers of Commerce and of Agriculture, who received the Chairman of the Commission in Rome, under the auspices of the British Ambassador.

In Milan and Genoa the good offices of the British Consul and the British Chambers of Commerce, were much appreciated. The officers of the Credito Italiano entertained the Commission most hospitably and placed every facility for investigation at its disposal.

The reception of the Commission at Turin, though unfortunately brief, was a most flattering tribute to the esteem in which the Dominion is held in one of the largest industrial centres of Italy.

The Commission begs to express its profound thanks for the courtesy and hospitality extended to it during its travels in France and Italy.

Returning to Paris the Commission attended a luncheon given by the Commissioner General of Canada. This was attended by many Presidents of the French Chambers of Commerce and Syndicats d'Initiative. Among those present were distinguished French soldiers, writers, and men prominent in French commercial life.

Reaching London on August 7th, the Commission was courteously received by the London Chamber of Commerce, who placed offices at the disposal of the Commission and arranged a special meeting of the Chamber to meet the members. Interviews were arranged with the Presidents of the various trades sections of the Chamber. Those buyers and sellers of goods who had expressed an interest in the work of the Commission were invited to come to the Chamber for conferences. This plan was followed out during the trip through the provincial centres, and the results of these interviews are the basis of the great part of the findings of the Commission with regard to Great Britain, as noted in the following pages.

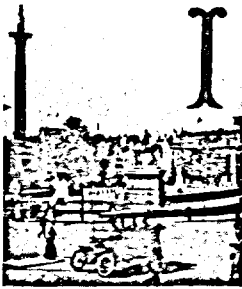
In the provincial centres of the United Kingdom the Commission had the benefit of the counsel of the Canadian Trade Commissioners, who paved the way for the visits and completed arrangements with the municipal authorities and Chambers of Commerce to receive the Commission.

To all those who made the visits to Bristol, Birmingham, Bradford, Hull, Leeds, Glasgow, Edinburgh, Manchester, Liverpool and Belfast the great success that they were, the Commission presents its sincere thanks.

The Commission is convinced that its labors will be followed by practical results, to the great advantage of the Dominion. The Commission has already been the means of bringing buyers and sellers together on both sides of the Atlantic.

# UNITED KINGDOM

## Introductory



It is not necessary to dwell upon the general features of Great Britain's industries and commerce. Britain's purchasing power, and the extent to which she draws upon the rest of the world for supplies of foodstuffs and raw materials for manufactures, and even of fully manufactured articles, is well known. The brief synopsis given below indicates in a general way the classes of goods which Britain imports and exports.

### IMPORTS 1913

Food, Drink and Tobacco .....	£290,202,323
Raw materials and articles mainly unmanufactured .....	281,822,444
Articles wholly or mainly manufactured .....	193,602,375
Miscellaneous and unclassified .....	3,107,597
Total .....	<hr/> £768,734,739 <hr/>

### EXPORTS 1913

Food, Drink and Tobacco .....	£ 32,587,942
Raw materials and articles mainly unmanufactured .....	69,904,992
Articles wholly or mainly manufactured .....	411,368,358
Miscellaneous and unclassified .....	11,383,997
Total .....	<hr/> £525,245,289 <hr/>

Her chief trade in 1913 was, in the order named, with India, Germany and the United States, so far as exports are concerned; with the United States, Germany and India in imports, and with the United States, Germany, India and France, in total volume of trade. Canada stands eighth on the list of total volume of trade.

Britain's total foreign trade, imports and exports together, is one and a half times that of Germany, over twice that of France, and seven times that of Canada.

One of the outstanding features of Britain's activities during the war has been the tremendous, seemingly miraculous, development of industries which provide materials for the Army and Navy. These are not only munitions and armour plate, but run into an infinity of manufactures which have required a new industrial basis. It is safe to say, therefore, that Britain has developed artisans by the million from those classes which were previously in less intensely productive walks of life. Britain has caught a glimpse of what intensity in industrial pursuits means. She will, undoubtedly, hereafter press more vigorously for foreign trade, and for the maintenance of industry after the war.

While Britain is looking for markets she is also looking for raw materials for industry, and other products of a nature which Canada and the other overseas Dominions are well able to supply. There is no doubt of the possibilities of developing a very large trade between our country and the Motherland.

With the object of securing accurate information on this point, the Commission, through the kind offices of the Chambers of Commerce of the United Kingdom and particularly their central point of contact, the office of the Associated Chambers of Commerce of the United Kingdom in London, sent out many thousands of enquiry forms to be filled out by those desiring to import from or export to Canada. The results of the enquiry have been most gratifying, and with this report the Commission is able to place in the hands of the Department of Trade and Commerce 1700 enquiries giving full details of requirements, classified according to geographical distribution and commodity.

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# Canadian Exports to United Kingdom

## Products of the Farm and Allied Manufactures

### W H E A T



**C**ANADIAN Wheat is the standard of the British market. Manitoba wheat, for strength, is paramount. It stands the tests of the ocean voyage. British millers, particularly in Glasgow, are finding it advantageous to brand their flour "made of Manitoba Wheat." This fact has to some extent forced British millers to grind Canadian grain and to advertise it.

The Dominion Government inspection of wheat confers a benefit which it is hardly possible to over-estimate. "Dominion Inspection" will bring a price above that offered for "Seaboard Inspection," in any market of Europe.

The continued vigilance and skill of Canadian Government Inspectors will keep Canada's grain well to the fore.

The grain trade is well developed and is handled through channels which need little deepening or strengthening to provide Canada with a steady outlet for her greatest product. Ocean going vessels are glad to carry Canadian wheat; British millers are glad to have it; Canadian railways are glad to bring it to seaboard. There is nothing, therefore, except the actual freight rates to impede in any way the great development of Canadian exports of grain.

### BARLEY

The imports of Barley into the United Kingdom are valued at \$40,000,000 per annum, the leading countries of origin being Russia, the United States, Germany, Austria-Hungary, Roumania, Bohemia, Moravia, Turkey and British India. Imports from Germany and Austria-Hungary in 1913 were valued at \$860,000 and \$725,000 respectively. Imports from Canada rose from \$260,000 in 1910 to \$4,000,000 in the year before the war.

Canadian barley contains a relatively large proportion of diastase which makes it specially valuable to the distiller of grain spirit who requires this grain. The imports of Canadian barley are largely used by the Scottish grain distillers. In addition large quantities have of recent years been used by the potstill distillers, whose product, whiskey, is entirely



made of barley malt. The barley for the latter, imported into Glasgow and Leith, is distributed over great distances by rail and water, usually by rail, at considerable cost. The buyers complain of the presence of extraneous matter, particularly of black oats, on which they have to pay both the ocean freight and the distributing freight. These black oats when extracted from the barley at the distillery, have small value. It would greatly enhance the price of Canadian barley if it were clean and free, as far as possible, from such foreign matter. If barley growers would develop a fine grade of clean barley it is stated that a very large trade could be opened with distillers at good prices. One firm doing a large business in importing barley for distillers stated that it would be willing to give full particulars and send samples of the required grains if any of the Canadian farmers cared to develop this trade. On the other hand another Glasgow firm recommended that the Canadian farmers should select their own seed and develop a fine clean grade suitable for distilling.

The Commission was warned, however, that our land is not capable of growing Scotch barley and that to attempt to raise two row barley in Canada is to follow a will-o'-the-wisp. On the other hand, the Commission was shown samples of very fine two rowed barley grown in Canada, from seed sent from Scotland, and the Glasgow merchant claimed that he had hopes that the quality might be still further improved by the farmer who had specialized on this variety. It had been grown in the Northwest and the buyer was willing to pay a much higher price for the two rowed barley than for the ordinary type.

Seeing that such a difference of opinion exists with regard to the possibility of growing this type of barley, would it not be well for the Department of Agriculture to investigate the matter and see if the two rowed barley cannot be grown in Canada with success in some districts?

Canadian Malt should find an export market. Glasgow imports barley and exports malt. To the layman this is an indication that Canadian maltsters might profitably explore outside markets. Malt is used not only by brewers but also in the manufacture of malt extracts, vinegar, etc., and the imports of malt by South America, South Africa, Egypt and Japan heretofore supplied largely by Germany and Austria have run into substantial figures.

### FLAX SEED

The Commission found that there was a good demand for Flax Seed in Hull, which occupies the premier position as a centre of oil crushing in the British Empire. Of the total quantity of oil-producing seed imported annually unto the United Kingdom, Hull normally takes 50%. This proportion has been well maintained during 1916.

The crushers would be glad to receive offers of Canadian flax seed if it should be to the advantage of the Canadian shippers to export. The chief competition would come from the Argentine and India.

### GRASS AND CLOVER SEEDS

Imports of Grass and Clover Seeds into Great Britain in 1913 were valued at \$3,000,000, Canada's share being \$100,000. The United States and Germany were the leading sources of supply, imports from the former in 1913 being \$750,000, and from the latter \$725,000. France also supplied about \$640,000 worth.

### FLOUR

Britain imports the equivalent of four loaves of every five her people eat. Of flour she imports about 11,000,000 cwt. annually, of which half comes from Canada.

Canada is eminently in a position to export flour, as with an annual capacity of 30,000,000 barrels per annum and an approximate home consumption of less than 10,000,000 barrels per annum, Canadian mills must grind very largely for export.

Freight rates are practically the dominating factor in the extension of Canadian business in flour. The shipping companies have at times established rates which have not been fair to Canadian millers. It is fairly well established that in normal times the differential between wheat and flour should be about  $7\frac{1}{2}$  cts. per 100 lbs., flour occupying about one-sixth more cargo space than wheat. On June 14th, 1916, however, the ocean rate between Montreal and London was 35 cts. per 100 lbs. on wheat and 80 cts. per 100 lbs. on flour. The British Requisitioning of Ships Committee was waited upon by the London Flour Association and on the same day the rate of flour was reduced from 80 cts. to 60 cts., and within seven days was 45 cts. as against 30 cts. for wheat. With such a large variable factor standing between the Canadian miller and his market, it is desirable that some measure of control should be devised. The Commission refers to this again under the head of Transportation.

The Steamship Companies claim that their loss through damage to flour is 1 ct. per 100 lbs. greater than on wheat. Glasgow importers, however, say that this is not the case; that there is practically no difference between the damage claims made on wheat and on flour. However, in 1915 the steamship lines discouraged the shipping of flour, as grain was more easily handled, and they were able to get as much grain as they could carry.

## CEREAL FOODS

Oatmeal and Rolled Oats are the staple breakfast foods of Great Britain. Some attempts were made a few years ago to introduce various kinds of Canadian breakfast foods, but a good deal of advertising would be necessary to bring them successfully before the public. This is particularly true in view of the fact that the business which is already done in these lines is carried on by United States manufacturers of breakfast foods, who have been established for years and who spend huge sums in advertising.

Canada sends to Great Britain about \$700,000 worth of oatmeal yearly, and over \$1,000,000 worth of rolled oats. For both commodities she is still Great Britain's main source of supply.

## STARCH

The Commission received enquiries for this in quantities of 1,500 to 2,000 tons, with indications that Canadian starch would be welcomed if it could be offered to advantage.

No rice starch is imported from Canada or other British Possessions, the whole quantity, valued at over \$1,000,000 a year, being brought from Germany, France, Belgium, the Netherlands and Austria-Hungary. Certain other kinds of starch are brought from the United States varying in value from \$1,000,000 to \$2,000,000 a year.

POTATO FLOUR comes mainly from the Netherlands and Germany in normal times. The annual imports are valued at \$2,500,000 a year.

FARINA (Potato Starch): 30,000 to 40,000 tons have been hitherto imported in the Manchester District per year from Germany and Holland, but the manufacturers would welcome offers of this article from Canada. They intimated, however, that a special potato has to be grown for making good potato farina such as they require.

## CATTLE-FEEDS

There is every indication that for some time there will be a brisk demand in the United Kingdom for all kinds of cattle-feeds. Canadian exporters have not taken full advantage of the market in the past. Supplies are drawn from distant sources with which Canada should not find it difficult to compete. It is obvious, of course, that the Canadian home demand influences the supplies available for export, but it is gener-

ally contended that much larger supplies should be forthcoming in the future, particularly as prices are likely to be more tempting than they were in pre-war days.

### HAY

Imports of Hay fluctuate in value in accordance with the state of the British crop. As hay has always been treated by the shipping companies as the last commodity they care to transport, business depends upon abnormal conditions. However, for many years Canada has been the main source of imports into the United Kingdom. In 1911 Canadian sales of hay to the U.K. were valued at nearly \$2,000,000 out of a total import of \$2,400,000. Large shipments are made from St. John, N.B.

The qualities best suited to the British market would appear to be clover and clover-mixed grades. While it would appear that Canadian exporters are able to beat competitors, a certain prejudice has to be overcome in some quarters of Great Britain as in the past there have been some very unsatisfactory shipments.

### FLAX FIBRE

There is in the United Kingdom and Ireland a very urgent demand for Flax Fibre to replace supplies which formerly came from Russia, Belgium and other sources. The probability is that this shortage will continue for some considerable time, as the producing districts even in the Allied countries have been ravaged. Considerable time will have to elapse before satisfactory cultivation can be resumed. The importations of flax dressed and undressed into Great Britain are valued at \$20,000,000 per annum.

The Commission devoted considerable attention to the question of the utilization of Canadian flax straw. In doing so it studied as far as practicable the problem of retting, which would be suitable to the Canadian conditions and climate. Much time and money has been spent in endeavouring to overcome the climatic and labour conditions in the Dominion, which have hitherto prevented a satisfactory solution of the problem. From information gathered by the Commission and investigations made upon the spot, it is hoped that one or two new processes or both, may be employed in Canada for the purpose of utilizing flax straw in the desired direction, thus adding a new source of wealth to the Dominion.

One of the new processes under consideration is a combined chemical and physical method which offers considerable promise of success. The other is bacteriological in its character; it is possible

that it may be adapted to the needs of Canada in such a way as to give successful results.

Two members of the Commission are following this question up and hope to report further as to the feasibility of one or both methods.

### HOPS

Samples of Canadian Hops have been received at the Birmingham Trade Commissioner's offices and distributed among brewers in this district. They were satisfactory and there is no doubt that the trade can be considerably developed. By far the larger quantities are imported from the United States with Germany and Belgium next in importance. The annual value of imports range from \$5,000,000 to \$7,000,000. Purchases from Canada rose from \$430,000 in 1910 to \$940,000 in 1912, but they fell to \$1,300 in the fiscal year 1914-15, containing six months of the war period. Imports from Germany used to range from \$600,000 to \$2,000,000 a year.

### LINSEED CAKE

Imports of Linseed Cake from Canada which rose from \$300,000 in 1911 to \$566,000 in 1913, fell to \$275,000 in 1914, rising again in 1915 to over half a million dollars. The British market is a very important one, and Canadian exporters should not find much difficulty in increasing their sales, although it is understood that her capacity for export is limited on account of home requirements. The United States, Russia and British India are the leading competitors of Canada. The total annual imports range from \$2,100,000 to \$3,100,000. Germany appeared, before the war, to be gradually losing her hold on the British market, as her exports fell from \$840,000 in 1910 to \$63,000 in 1913.

### APPLES

The total apple arrivals at the principal ports of the United Kingdom from the United States and Canada, during the season of 1915-16, were as follows:—

Liverpool and Manchester, 652,944 bbls.; London, 383,938 bbls.; Glasgow, 330,975 bbls.; total 1,367,857 bbls. Of these totals the following quantities came from Canada:—

Liverpool and Manchester, 179,534 bbls.; London, 222,886 bbls.; Glasgow, 89,006; bbls. total 491,426 bbls. Canadian apples, therefore, formed nearly 36 per cent of the total arrivals from North America. For purposes of comparison, all box arrivals have been included in the above figures, reckoning three boxes to a barrel.

The following table gives the Canadian apple arrivals in greater detail:—

From	Liverpool & Manchester	London	Glasgow	Total
Ontario (bbls.) . . . . .	54,538	1,794	69,987	126,319
“ (boxes) . . . . .	6,631	2,657	10,586	19,874
N.S. (bbls.) . . . . .	121,575	218,290	14,358	354,223
“ (½ bbls.) . . . . .	.....	320	....	320
“ (boxes) . . . . .	1,846	1,888	....	3,734
B.C. (boxes) . . . . .	1,786	3,380	3,395	8,561

The figures of apple arrivals (in bbls.) from Canada and the United States during the past three years are given for purposes of comparison.

Year.	Liverpool	London	Glasgow	M'chester.	Total
1915-16 . . .	527,547	383,938	330,975	125,397	1,367,857
1914-15 . . .	1,050,359	646,957	522,158	211,351	2,430,825
1913-14 . . .	642,695	426,884	362,435	88,934	1,520,948

In general, it may be said that the quality, grade and pack of Canadian barrel apples obtained through reliable and experienced shippers compare favorably with any other apples on the market. The Fruit Branch of the Department of Agriculture has been steadily improving the inspection system. Considerable additions to the inspection staff were made during 1915, and the stationing of a number of inspectors in the producing districts has rendered possible a much greater degree of official control over the grade and pack.

The best inspection system, however, cannot bring all packers and shippers up to the required standard. This is a matter of education, necessarily a slow process, on account of the large number of individuals who have no organization interested in proper inspection.

The 1915 crop was unusually short and also generally of inferior quality. During the heavy shipping months of November and December especially, there were many justifiable complaints by the trade as to the inferior quality and pack of many of the Canadian apples received. In a short crop year there are strong temptations to make use of apples that would not be considered marketable in a year of average or large output, and to these many of our shippers succumbed. Many No. 3 apples especially were very scabby, reaching the market in so wasted a condition as to fetch prices that must have represented an actual loss to the shipper.

**BOXES.** Washington and Oregon box apples have a deservedly high reputation on the British market. British Columbia box apples are scarcely known. The annual quantity so far exported has seldom

been in excess of 10 or 12 cars. The best packs of British Columbia apples are fully equal to the Oregon apples. Ontario box apples were on the market in 1915 in fair quantities, and some packs inspected left nothing to be desired. In general, it may be said, however, that the eastern box apple is very far from the high standard of grade and pack that has given the western box apple a distinctive place on the market. The sizing, especially, is frequently very poorly done, resulting in slack packs; and there is often a lack of uniformity as regards color requirements. There is, undoubtedly, a certain field for the expansion of the box-packing of eastern apples, but it would be a mistake to pack in boxes any but the best apples of the best varieties. A considerable improvement in the standard of grading and packing is also necessary.

Canadian apple shippers owe a great deal to the thorough and painstaking work of the Canadian Cargo Inspectors at London, Liverpool, Manchester, Glasgow and Bristol. These officials are on hand at the discharge of every apple boat, and make it their business to see that there is no unduly rough handling in unloading the barrels. Their influence is a very real and definite one, and has been especially valuable during the past season, when labor shortage has resulted in the employment of a constant succession of new and inexperienced men at the docks. There have been many instances in which the action of the inspectors has been effective in securing a change for the better in the methods of handling the apples. The value of these services will be realized, when the great loss which rough handling entails in the shipment of slack barrels is considered.

### CANNED VEGETABLES

TOMATOES present an opportunity for increased export if greater care can be taken in the packing. Canadian tomatoes are naturally soft and difficult to pack. For this reason the Italian so-called "plum" tomato is very popular, as it is capable of being used for grill purposes in the hotels, and when served direct from the can, presents a neat, appetizing appearance.

On the other hand, the natural disadvantages of the Canadian variety have been accentuated by the practice of including too large a proportion of water in the contents of the can. One of the practical outcomes of this situation is that the British Government has, it is said, paid threepence per dozen cans higher for Italian tomatoes than the price at which they could purchase Canadian varieties, because of the greater relative value.

In one city which the Commission visited, samples of canned fruits and vegetables were compared, and it was evident that the greatest care

must be exercised by the Canadian canners if the British market is to be developed.

**PEAS.**—Canadian peas are at a disadvantage in not being bright enough. The French pea has the advantage in being small and bright green. In some instances the competing lines are coloured artificially. As Canadian manufacturers are not allowed to brighten the pack, the product cannot make the same appeal to the purchaser.

There is a demand, of course, for peas which are guaranteed free of colouring matter, and in this direction Canadians can compete.

The grades of green canned peas are as follows:—Petits Pois, Sweet Wrinkle, Early June and Standard. Canada can hardly hope to grow the first mentioned, but investigations are under way to see if climatic conditions can be overcome so that the Dominion may succeed in growing the finer types.

**SWEET CORN.**—While the British public has not yet developed the taste for canned corn, Canada is in a position to supply the demand whenever it arises. British dealers are introducing it in one or two directions. The caution with regard to the quality should also be borne in mind in this class of goods.

**STRING BEANS.**—These are known in Great Britain as "Green Beans". They would command a larger sale if better selections were made, similar to that made by the Italian and French packers. Instead of the beans being "thrown" into the tins indiscriminately, they should be selected and carefully packed. When "wax" beans are packed they should be so described for the English market, as the public in Great Britain is unfamiliar with this particular bean. The buyers are apt to regard the bean as faded unless they are advised to the contrary.

**BAKED BEANS.**—During the past year very large orders for Baked Beans for campaign supplies have been placed in Canada by the British Government. It seems possible that this may lead to the acceptance of this article of food among the many men who have acquired a taste for baked beans during the war.

A few extracts from conferences held in the United Kingdom in August last in relation to canned goods are given herewith. Packers of canned goods should remember that all the gentlemen quoted were most anxious for the reputation of Canada's pack and were eager to increase Canada's trade.

**LONDON.**—"Tomatoes 3's, a little too sloppy,—not nearly as nice or as solid as Italian." It is suggested that Canadian tomatoes be packed more "solid"—that the tomato water be thickened, put into 5-kilo tins (11 lb.) and marked and sold as "Tomato Purée"—10 tins to a case.



BIRMINGHAM.—“Buys only Italian tomatoes—Canadian stock not as good—Condemns poor colour of peas.”

NEWCASTLE.—“We have, so far, touched only a small proportion of Canadian vegetables, as we found them unsuitable for our trade, mainly because of the price, and in some instances, because of the packing. The vegetables we are principally interested in, are canned Peas, Haricots Verts, Spinach, Tomato Purée and Tomatoes. We are in a position to handle anything up to 5,000 cases of Tomatoes and Purée, and a similar quantity of Haricots Verts, Peas and Spinach. The sizes of cans we find most suitable for our trade, are 3's Tomatoes and 2's Purée, Spinach, Haricot Verts and Peas, also 1's Peas. We have not handled a great deal of Canadian canned vegetables, with the exception of Peas. We have never found the peas to give the same satisfaction as the French and Italian, this probably being occasioned through the different grading.”

NEWCASTLE.—“The trade in Great Britain in canned vegetables is confined at present to canned peas and tomatoes. With favorable prices, we are buyers of 5,000 cases of Canadian tomatoes in 3 lb. tins, but everything would depend upon the rates that the canners are able to quote as to whether business would be possible with either of these goods.

“As you know, the excessive freights and the high packing costs have made business very difficult. Our experience on previous Canadian packs has been that the tomatoes are variable, and contain too much liquid.

“So far as the development of the English market is concerned by Canadian Packers, I can suggest no better way than by bringing their prices into competition with the Italian and American Canners who are at present doing the bulk of the trade.”

BIRMINGHAM.—“Tomatoes have too little solid and too much water. Should be more like Italian both in colour and solidity.”

There is a British law against colouring vegetables over a certain percentage. The Commission could not find that persons in London, Bristol, or Birmingham had been prosecuted under this law. The difference in the colour of Canadian peas and beans compared with Italian is very great, and militates against the Canadian. It is evident that the Italian are artificially coloured, but Canadian are not.

BIRMINGHAM.—“Baked beans in tomato sauce should have a good market here.”—“A United States firm is doing a large business in the above and in pork and beans.”—“90% of the stores in Birmingham sell his goods”—“this U. S. packer quotes at his own store in London or c. i. f. to the larger cities of the United Kingdom”—“to be successful, Canadian packers should have their agents and stores in central British cities.”

Another firm gave virtually the same opinion.

## CANNED FRUITS

Of the imports of canned fruits into Great Britain of about \$1,000,000 per annum, Canada is securing a steadily increasing share. In 1910 purchases from the Dominion were valued at \$125,000, by 1913 they had risen to \$210,000. This amount has been maintained through the first two years of the war.

APPLES, commonly known as "gallon" apples, have been sold in increasing quantities, as follows:—1911, \$200,299; 1912, \$229,881; 1913, \$217,183; 1914, \$362,854; 1915, \$433,808. These goods were used principally in the bakery trade in the manufacture of pies. They have not been used much in the British household. The demand is, of course, to some slight extent dependent upon the size of the British apple crop, but is fairly regular from year to year. The possibilities of a surplus for the British market naturally depend upon the Canadian apple crop. It cannot be too highly emphasized, however, that it is absolutely necessary to improve the quality of the pack. The Commission was informed upon excellent authority that the quantity of solid material in a can of apples was distinctly less than competition requires. Experiments have been made which show that in some cases there is a difference of  $1\frac{1}{8}$  lb. between the weight of apples in a Canadian "gallon," and that of competing lines.

In Glasgow, a complaint of short weight was made to the Commission by an importer who had received from a Canadian canning firm, about 14,000 cases, each containing six one-gallon tins of apples. The average net weight was found to be 3 lb. 3 ozs., whereas the average net weight per tin shipped by other Canadian canners was 4 lbs. 1 oz. In the shipment in question there was a shortage of fully 22%, and the importer claimed that such deliveries must inevitably seriously impair the reputation of Canadian brands.

PEACHES.—Canadian Peaches are much desired for their fine flavour. They have the disadvantage, however, of being rather soft in texture, and therefore a little difficult to can. This, combined with a widespread disregard of the tastes of a discriminating public, has made it difficult to sell extensively in the British market.

The Californian peach is in great demand. It is firm, and the United States packers take advantage of this to cut the fruit into two halves and so make the peaches available for the highest class of table use. These peaches are very commonly used for desserts in the large hotels.

Canadian packers have sinned in many ways; they have packed the fruit when unripe, cut it into small uneven pieces, in many instances over-processed the pack, making the fruit a bad colour. While it is

quite apparent that the nature of the fruit itself is against attractive packing, there is, nevertheless, a very obvious carelessness on the part of Canadian canners. If a trade is to be developed the matter of improved packing must have the serious attention of the canners.

PEARS have suffered in the same way. It may come as a shock to Canadian producers to learn that the Director of the British Army Canteen Committee, supplying more than 2,000 canteens, on one occasion refused to purchase Canadian pears. A Canadian Government official hearing of this at once communicated with the Director, and asked for an explanation. He was invited to visit the Committee's headquarters, where cans of Canadian pears were opened in his presence by the experts of the Committee. The fruit was seen to be so inferior in quality that he at once realized why the Committee had been unable to authorize the purchase. It should be explained that the Committee, while not a buying body, supervises the purchasing of supplies for all the military canteens in the United Kingdom, and permits the buying of only those goods which they list. The Committee is naturally anxious to purchase everything possible within the Empire. This particular instance indicates the value of the market, as most of the canteens under the supervision of the Committee will remain open permanently.

The Commission was assured that the lines which Canadian fruit packers can best push in the British market are peaches and pears. There is a large demand, as our fruits have a fine flavour. The packing practices alone stand in the way of large trade.

The following are the most suitable sized tins for the market:—

PEACHES, PEARS, APRICOTS	Nominal 2's and nominal 3's.
TOMATOES AND BAKED BEANS	“ “ “ “ “
PEAS, BEANS, SUGAR CORN	“ “ “ “ “
APPLES.....	Gallon Tins, “ “ “

SMALL FRUITS.—The sale of raspberries, plums, strawberries, etc. will be problematical, as with the existing supplies in Britain and those available from the Continent, and with the extensive organization for preserving fruits already existing in Britain, there is likely to be an over-supply in the United Kingdom rather than a shortage.

### EVAPORATED APPLES AND OTHER FRUITS

While the chief demand for these is Continental, there has been an increasing consumption in the United Kingdom.

The quality of the Canadian product was not considered altogether satisfactory. Some improvement, however, in the Canadian quality has been shown recently, and no doubt the trade can be considerably increased.

Several enquiries have been made for Canadian PRUNES. In this fruit California has captured much of the trade formerly done by France and other European countries, and there seems no reason why the British Columbia growers should not secure a share of this trade, if they can place on the market fruit of the same high standard of excellence as the product which now finds favor.

### CHILLED AND FROZEN BEEF

The provision of sufficient quantities of meat for the requirements of the United Kingdom was a serious problem long before the war, and the maintenance of adequate supplies was largely met by increase in home production.

For a number of years past, supplies from the United States had practically ceased, and imports were largely from South America. Australia also ships large quantities to the United Kingdom.

Great Britain could take practically unlimited supplies of Chilled and Frozen Beef from Canada, and would eagerly welcome this new source of supply.

The Commission was informed upon excellent authority that the quality of Canadian meat should be improved if the carcasses can be shipped cold. It is said that the poorer qualities from the West do not stand shipment except on the hoof.

### CANNED MEATS

The war demand has greatly stimulated the importation of Canned Meats into Great Britain, and, while Canada has shared in the increased market, her exports have been small, as compared with those of the Argentine and the United States. In fact, Canada stands last in every class of import of meat preserved other than by salting.

So long as the local market for fresh meat continues to absorb the choice parts of Canadian beef, the exports of canned meats are not likely to be large. Something is to be desired in the quality of the Canadian pack, to which prospective exporters are counselled to pay particular attention.

### BACON AND HAMS

BACON.—There is a large market in Great Britain, whose imports exceed \$80,000,000 a year. Canada's record year before the war was 1911, when her sales to Great Britain exceeded \$8,800,000. During

the same year, purchases from the United States exceeded \$25,000,000, and those from Denmark exceeded \$33,000,000. Imports from the latter country had risen from \$31,000,000 in 1910 to \$50,000,000 in 1914, and those from the United States from \$22,250,000 to \$28,700,000.

In Great Britain Canada has to compete with established English and Irish brands and also has to contend with the large and well-regulated shipments from Denmark. The Canadian brands are everywhere well spoken of on account of their clean and bright appearance. The strong salting necessitated by the ocean voyage tells against Canadian bacon in the British taste, which demands a mild cured product. The suggestion has been made in Great Britain that Canadian exporters should pay more attention to a combination of curing and cold storage in order to secure the delivery of mild cured bacons and hams in Great Britain. This would then place the Canadian shippers on a level with the Continental curers, who through their geographical position have the advantage of being able to deliver their product within a few days in the British market, thus meeting the demand for mild cured hams and bacons.

HAM.—In the year before the war British imports of hams were valued at \$15,300,000, over \$13,500,000 of which came from the United States. Imports from Canada were valued at \$1,600,000, an advance of \$950,000 over the year 1910. Canada may look for an extension of her sales, according to her producing capacity, as her hams are highly appreciated in the British market.

### BONELESS BEEF AND PORK TRIMMINGS

At one of the London Conferences, the question of the Canadian Veterinary Inspectors' certificate of Boneless Beef and Pork Trimmings was brought before the Commission.

An importer stated he was of the opinion that the Canadian examination is in accordance with the requirements of the English authorities, but in the case of Boneless Beef and Pork Trimmings, the English Inspectors at port of arrival frequently insist on having a large proportion of these goods thawed out for inspection. The process of thawing out at port of arrival means that the goods have to be re-frozen for transport in England. This makes the business difficult. The importer claimed that if Boneless Beef and Pork Trimmings are passed by the Canadian Veterinary Inspectors in the packing houses as being fit for shipment, then steps should be taken to ensure that the inspectors in Great Britain be asked to accept the Canadian inspection. This would allow these products to move freely from ships' cold store to destination in Great Britain, without undergoing the thawing process at port of arrival.

### LARD, TALLOW, CASINGS, ETC.

The United Kingdom imports largely of lard, tallow, casings, and other by-products of packing establishments, the chief source of supply being the United States.

Canada has exported some of these articles to a small extent. When the growth of the packing industry creates a permanent surplus for export, the Dominion should be able to increase this trade to the United Kingdom, provided competition from the United States can be profitably met.

The lard business is largely in the hands of the United States. Out of a total import, valued at \$27,700,000 in 1913, \$25,500,000 worth came from that country. Purchases from Canada advanced from \$565,000 in 1911 to \$1,100,000 in the year before the war. Packers should endeavour to gain more of this trade.

The United States and New Zealand are the leading countries from which supplies of bladders and sausage casings are drawn. The imports are valued at \$3,000,000 a year, Canada's contribution being about \$75,000. Supplies valued at over \$400,000 a year formerly came from Germany. Canada has a good opening in Great Britain for a growing trade.

### DAIRY PRODUCE

Canada has been one of the chief sources of supply in this line for many years. Statistics for the year 1913 indicate that Canada stands fourth in importance as an exporter to the United Kingdom.

Prominent in this business has been CHEESE. Canadian exports annually to the United Kingdom have been upwards of \$20,000,000. for many years. The shipments of cheese to the United Kingdom have been immensely increased during the past two years, as the article has been placed upon the list of soldiers' rations. In the winter of 1915-16 alone 36,579 boxes of cheese were imported into Manchester by direct steamers from Halifax and St. John, as compared with 8,360 boxes in the preceding season.

One of the largest firms of cheese importers states in its report dated July 1915, "Canadian cheese has passed through most of the difficulties of manufacture and troubles arising from lack of cold storage as at present experienced by New Zealand and Australia. The Canadian product has so firmly established itself in the good opinion of consumers in this country that criticism is now uncalled for."

Some of the cheese going to Glasgow brought forth some adverse comments on the points of short-weight and softness, but generally speaking the boxes and contents arrived in good condition.

The Commission learned that in some districts the demand for Canadian cheese exceeds the supply.

**BUTTER.**—It is difficult for Canada to compete with Denmark. The Danes use margarine for practically all purposes for which butter is generally employed, and send Great Britain all their best qualities of butter. As farmers in the Dominion are gradually adopting “mixed farming,” it is to be hoped that a return of the export trade in butter may be realised.

**EGGS.**—British imports of Eggs exceed £8,000,000 a year, the chief source of supply being Russia and Denmark. As a result of the great decrease in shipments from these two countries, particularly the former, Canada has been sending over large quantities during the past year or two.

While handicapped by the absence of the usual cold storage accommodation on the ships, quality on the whole has been fairly satisfactory.

There are, however, many complaints about breakages, etc., and the majority of the trade consider, in this direction, that the Canadian box is greatly inferior to the much larger case in vogue in the British market, viz., 12 great hundreds. The main reason is that whereas the Canadian eggs are packed in cardboard fillers, and are thus subject to movement, the Danes and other shippers pack the eggs in successive layers of excelsior, which makes a solid interior, incapable of suffering from shaking.

### CONDENSED MILK

Swiss and Dutch Condensed Milk has hitherto been imported in immense quantities into Great Britain. Some is also imported from Norway. The market for imported condensed milk is valued at about \$11,000,000 a year. Australia is endeavouring, and with success, to gain a foothold in this market with preserved milk. From \$250 in 1910 she increased her sales to \$85,000 in 1913. New Zealand managed to export, for the first time, during the last five years, \$32,000 worth in 1914. The Commission noted with satisfaction that there is a desire on the part of the British public to buy Canadian condensed milk. Before the war many sizes were common in Great Britain, varying from 4 oz. to 24 oz. The demand now is for only 6 or 8 sizes. One buyer at Birmingham “prefers skimmed milk condensed, but sweetened with sugar.” He has been buying in Holland at the following prices:—

Cases	8 doz.	7½ oz. size	.....	23/-	c.i.f.
“	4 “	12½ “	.....	20/-	“
“	4 “	16 “	.....	22/-	“

He could use several hundred cases per month. Another dealer wanted full cream, tins 5 oz. and 16 oz.

A dealer in Manchester wants both the full cream and the skim milk—cases 48 1-lb. tins, 96  $\frac{1}{2}$ -lb. tins. Margarine and confectionery makers use large quantities of Milk Powder. The demand is for 28 lb., 56 lb., and 336 lb. packages.

The war greatly affected trade with Allies and Neutrals. Great Britain had to pay a high price to the Netherlands in 1915 for condensed milk and milk-powder. Italy had to drop out, and Canada took the lowest place on the supply record.

There is a market in Great Britain for milk powder. The imports are valued at \$350,000 a year. Heretofore the Netherlands have been the chief source of supply. Australia (Victoria) sent \$60,000 worth, and New Zealand \$15,000 in 1913.

## POULTRY

During certain seasons of the year, notably towards Christmas, there is always a good opening for foreign chickens, ducks and turkeys. The chief countries of origin in normal times are Russia, France and the United States. Of the total imports of dead poultry in 1913, valued at \$4,700,000, \$1,700,000 worth came from Russia, \$1,000,000 from the United States, and \$700,000 from France. Imports from Canada in 1913 were valued at \$7,500; but they rose to \$45,000 in the fiscal year of 1914-15 (six months' war period).

Prospects were thoroughly investigated by all the Canadian Trade Commissioners in the autumn of 1915, and very concise reports of the requirements of this market were transmitted to Canadian shippers, while many of the poultry salesmen in Great Britain exchanged correspondence with Canadian exporters. It is understood that comparatively little resulted, largely owing to the fact that good prices could be secured in Canada. But Canadian poultry is very popular, and the trade can be developed.

From enquiries made in various centres, it seems that better methods of packing and grading are necessary on the part of Canadian shippers.

## HONEY AND CIDER

Canadian honey is sold in small quantities and the market could be developed. British imports are valued at \$200,000 a year. The chief countries of origin are the West Indies, Chili, Peru and the United States.



Canadian Cider is stated by experts to surpass the home product. Much of it came into Birmingham a few years ago, and while the standard of quality was maintained it readily found a market. For some reason or other the quality deteriorated about 1909, that is the quality of the cider imported from a specific brewer in Ontario, upon whom the Birmingham importers relied.

It is a trade capable of considerable development. The cider is received in barrels and then bottled in Britain. Imports are valued at about \$30,000 annually. More is received from British possessions (presumably Canada) than from all other sources.

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## Products of the Forest and Allied Manufactures

### TIMBER



THE average annual value of wood and timber imported by the United Kingdom is \$1,250,000,000. The largest import from Canada is associated with sawn or split fir, pine, and spruce, which was valued at \$13,000,000 in 1914-15 (fiscal year). The total British imports were valued at \$63,500,000, so that Canada does not supply more than one-fifth. Her chief competitors are Russia, Sweden, the United States and Norway. In normal times imports from Russia exceed \$35,000,000; from Sweden \$15,000,000; from Norway \$5,000,000 and from the United States \$8,000,000.

From the time of the earliest settlers, Canada has exported timber. Many large and prosperous firms have carried on business with Great Britain for decades past. To-day the timber business with the United Kingdom is carried on by relatively few firms. Some of the largest shippers in Canada are closely connected with British firms. They understand the business thoroughly and carry it on most profitably. From an outsider's point of view it would appear that the bulk of the sawn lumber suitable for the English market is under the control of very few dealers. It would seem that the business has been largely left with them without serious efforts on the part of a large number of Canadian lumber manufacturers to compete.

The consequence has been that with a limited supply the prices often went up on Canadian lumber, while other countries competing with Canada for the valuable British market, kept their prices reasonable and supplied sufficient quantities.

While the Commission, with its comparatively limited knowledge of a trade which has been steadily developing for many years, can hardly hope to point to any improved methods of carrying on the business, it would nevertheless conclude, on the evidence at its disposal, that if more of our Canadian dealers looked after the British trade, a much larger and more varied production at home and for exportation is bound to follow in coming years.

The situation in Great Britain is notably different from that found in France, in two important respects. First, Canadian forest products are well known; second, the difficulty of securing ocean transport is, in

normal times, comparatively slight. It is therefore easier to sell Canadian timber in Great Britain than in France.

A point of outstanding importance in connection with Canadian timber trade with Great Britain is that an evident lack of initiative on the part of our producers has denied to us the important place in the British market which is due to one of our great national industries. Few merchants are sufficiently interested to send their agents overseas to ascertain the needs and prices current in Great Britain. Many Canadian firms even do not reply, or reply carelessly, to enquiries from abroad. In fact the British merchants have found it necessary to open up agencies in Canada. They naturally attend to the needs of their own business, and it is unreasonable to expect that they should go beyond this for the sole purpose of expanding Canada's lumber trade.

Another very serious obstacle is the cost of present ocean transportation, although it must be admitted that prior to the war when occasionally rates were reasonable, we rarely tried, and more rarely still were prepared to take advantage of such opportunities in Great Britain.

Bristol, Liverpool, Manchester and the Western coast of the British Isles can absorb our entire present production without taking into account the needs of London, Hull and the Eastern coast.

The investigations of the Commission do not lead to the conclusion that pit props, railway sleepers, poles and pickets are in themselves paying items of our lumber trade. It seems, however, that they would largely help the expansion of our present sales in Great Britain. They are necessary commodities, and if customers in Great Britain must seek them elsewhere, they will also fill the rest of their orders elsewhere. Tariffs may have largely prevented us from selling doors, windows, mouldings and floorings in the French market, but this reason does not hold good for the English trade. How can Canada hope to build up an extensive export trade in these commodities, when in 1914 for instance, for the needs of our own market, our imports of wooden doors alone, from the United States totalled \$476,000? In 1915, the smallest year of the building trade for a long period, imports reached \$235,000. The doors which we import in such large quantities are exactly those which are required in England.

While this condition has lasted about four years, it is only temporary, and may very well correct itself in the near future, as prices of United States wood products have already advanced and will probably continue to do so. Of course our own manufacturers cannot expect to recapture even the domestic market, unless they are fully equipped, not only in

the manufacturing end, but also in selling organization. They should seize the opportunity which the war has created for an extension of trade.

This practically unlimited demand which will exist in France after the war, cannot possibly be satisfied by the United States. Canada should have a large share of it. If so, why not, at the same time, make a determined effort to conquer the British market? It must, however, be borne in mind that cheap production alone is not sufficient, and that large and effective selling organization, generously stimulated by advertising, is also necessary.

In the past, Norway and Sweden have competed with the United States and not without success. This is indicative of possibilities. At all events prices offered are fairly attractive.

### SMALL WOODENWARE

**BROOM HANDLES.**—In 1912 an average of 3,400 gross were imported per month. About 1,200 gross came from Scandinavia, 700 gross from Finland, 1,100 gross from United States and 400 gross from Canada. Canadian and American handles are preferred to others, inasmuch as the wood used is more suitable. The importers will pay slightly higher prices for Canadian handles. The average price in 1914 was 12/- per gross—£1980 per month, or \$118,800 per year.

SIZES.....50" x 1½" x 1".

QUALITY.....1st, 2nd, and 3rd.

PACKING.....½ gross or 1 gross bundles, preferred in canvas wrapping.

**DOWELS.**—In 1913 about 68 million pieces entered Great Britain, 13 million from Austria, 14 million from Scandinavia, 32 million from the United States, 9 million from Canada. The Austrians had been gradually increasing their exportation, up to the outbreak of the war, but on account of their not having any other timber available but beech, which is not suitable for all classes of dowels, their sales were limited. Scandinavian timber is most unsuitable and their goods have always been sold as second quality. They were cheaper than the United States or Canadian product, but the goods were not sold in large quantities. United States manufacturers specialize in the dowel business, but Canadian manufacturers could probably compete to advantage if they were organized for export business. When Canadian dowels are imported they give every satisfaction. The average value of dowels imported

to Great Britain in 1913 was £1 per thousand, or \$34,000 per year.

PACKING... 3/16".....	1,000	per bundle
1/8" to 5/16".....	500	" "
3/8", 7/16" and 1/2".....	200	" "
9/16", 5/8", 11/16" and 3/4"....	100	" "
7/8" and 1".....	50	" "

**WASH BOARDS.**—The average importation has been about 1,800 dozen per month, 50% from Scandinavia, 20% from Germany, 20% from the United States, and the balance from Canada. The reason why Canadian manufacturers have not been able to compete is that the Swedes use the Augenter Brissel machine for the corrugated parts, which the Canadians have not yet introduced. The machine has so far been made under a German patent. The average price per dozen for these washboards is 4s. 4d.—\$23,400 per annum. They are packed in bundles of one dozen by nailing battens on each side.

**CLOTHES PEGS.**—These goods are only made in the United States and Canada, for the reason that timber grown in other countries is not suitable. It is considered that the United States has 80% of the trade. The average yearly imports have been 902,777 gross at 2/- per 5 gross case; in all about \$90,275.

**SKEWERS.**—While this article is not very profitable to the manufacturer, large quantities are made in the United States, and to a certain extent in Canada, the reason being that it is necessary to use maple or hickory, and these woods are not grown in other countries.

**CABINET TURNERY.**—Although up to now Canada has not exported very much of this class of wood product, there is no doubt whatever that we could do a large and profitable business in this direction. Under this heading may be included Windsor legs, fore feet, spindles, couch and table legs. These goods are usually imported from Austria, Scandinavia, and Finland.

**BRUSH TURNERY.**—Norway and Sweden have practically all the trade. Some eight years ago one or two Canadians tried to compete but were unsuccessful. Within the last year or so prices have risen enormously and it would appear that there is a good opportunity for Canadian exports in this class of goods. The field is large and almost any kind of wood may be used.

**PASTRY BOARDS.**—Canada has a fair share of the better class trade, on account of having the most suitable timber, basswood. The cheaper boards, as produced in Germany and Sweden can easily be made profitably.

**TOOL HANDLES.**—File and chisel handles made from beech, birch and ash, mostly come from Germany, Scandinavia and the United States.

Hickory pick, sledge and hammer handles and ash hay fork and rake handles are imported chiefly from the United States. Canada is capable of producing the latter class at least. Such Canadian handles as do enter the British market give every satisfaction.

Other articles required in Great Britain are Plugs for paper mills, Rolling Pins, Spring Clothes, Clips, Towel Rollers, parts for toys such as Balls, Wheels, Reels and Picture Blocks, Tea Trays, Ladders, Coat Hangers, Knife Trays and Box Boards. Samples of all the foregoing can readily be secured by the Canadian Trade Commissioners.

The Government and the manufacturers of Canada have given much thought to this subject of small wooden goods, and it will require still much more. It is full of possibilities for our own people, who will adapt themselves readily to this work and find the material at hand.

The difficulties in the trade itself can no doubt be remedied. The country people of Canada have always, by hand, in their own home, made the very best of axe handles, toboggans, sabots, etc., all of which require ingenuity and skill—more indeed than any of the articles comprised under this heading.

Centralizing and specializing, as suggested, may be useful, but will probably not prove altogether sufficient to implant the industry of these smallwares in Canada. It could rapidly be disseminated in thousands of homes by the exhibition of models, and the assurance that the production could be sold at a reasonable price. It would be unwise to depend exclusively on the production that will result from the labour of factory hands, from obtaining large quantities of raw material, and from elaborate modern equipment. These advantages alone will not conquer and hold the business in a way profitable to the community. An appeal for the employment of the idle moments of our long winters by the people at home, who do not depend on the immediate wage payment of time occupied and material employed, might result in a large production.

To promote this idea, technical schools might be brought into co-operation, and primary schools also be organized to cultivate large production. This development would also demonstrate the value of our forest products when used in this line of industry. The marketing of this product should not involve any more difficulties than the wheat crop, the fruit crop, the fisheries, etc. When we are assured of an outlet we should not stop to doubt that the purchaser will appear.

If Canadians bear in mind that every year five times more of our forest resources go up into smoke than are cut and made use of; and that 60% of what timber we cut goes into waste, then surely it is time to face the question in as many ways as can be suggested and work hard on it.

PULP

The Pulp market in Great Britain is at present so abnormal that it is best to state in a summary pre-war conditions and the rapid evolutions which have brought about this situation.

In the first place Great Britain uses just short of 1,000,000 tons per annum and depends on foreign countries for all of this amount. The average total imported for the years 1913-4-5 including all grades (mechanical figured moist) amounted to 974,026 gross tons made up as follows:

Dry bleached chemical.....	23,185 tons
Dry unbleached .....	377,865 "
Chemical, moist.....	14,910 "
Mechanical, dry.....	8,355 "
Mechanical, 50% moist.....	549,711 "
	974,026 tons

Of this quantity Sweden furnished 64% of unbleached chemical, Norway 12% and Russia and Germany 10½% each. Norway was the chief source of mechanical, shipping 56% as compared with Sweden 22% and Canada 12½%. The total dry weight of all grades of pulp consumed is therefore close to 690,000 tons yearly. This is used to produce 360,000 tons of newsprint and 250,000 tons printings, higher grade papers and wrapping, for which England has a considerable export market, and the balance for box-boards and so forth.

England's geographical position in relation to Scandinavia is of course favorable to the maintenance of ample supplies of pulp at prices not greatly affected by the cost of transportation in normal times. In January 1914 quotations c. i. f. British ports were nominally as follows:

Sulphite, bleached.....	£11 0s. 0d. to £12 0s. 0d.
	—\$47.79 to \$52.14 per 2000
“ easy bleaching, first quality.....	£8 15s. 0d. to £9 0s. 0d.
	—\$38.00 to \$39.11 per 2000
“ strong or news quality .....	£7 17s. 6d. to £8 5s. 0d.
	—\$34.21 to \$35.85 per 2000
Soda, unbleached, 1st quality.....	£7 15s. 0d. to £8 5s. 0d.
	—\$33.68 to \$35.85 per 2000
Soda, unbleached, strong.....	£7 10s. 0d. to £7 15s. 0d.
	—\$32.58 to \$33.68 per 2000
Kraft.....	£8 0s. 0d. to £8 5s. 0d.
	—\$34.76 to \$35.85 per 2000

At this same time mechanical wood-pulp-figured moist as is the custom, was quoted c. i. f. London and other ports at from £2 5s. 0d. to £2 7s. 6d. per long ton which converted amounts to \$19.55 to \$20.64 per 2,000 lbs. Freight rates at this time from Norway were in the vicinity of 5/6 to 6/- per ton and from Sweden about 8/6. These prices underwent very little change until war broke out on August 4th. The natural anxiety that followed, together with rumours of prohibition of exports and the probable difficulties of shipping, sent prices up within a fortnight about 30% to 40% all round. However after hostilities had been in progress for a few weeks, confidence in shipping was re-established, so that the year closed with prices practically normal. In fact the year 1915 opened with considerable dullness in the market, which however disappeared within a few weeks. About the same time shipping difficulties were encountered, and freight rates started to rise to very high figures. From that time on the market was steadily advanced, and supplies have become more and more difficult to obtain. At the end of the year 1915 quotations c. i. f. British ports were as follows:

Sulphite, bleached . . . . .	£20 0s. 0d.—	\$86.90	per 2000 lbs.
“ easy bleaching, first quality	£15 0s. 0d.—	65.18	“ “ “
“ strong, or news quality . . . .	£14 0s. 0d.—	60.83	“ “ “
Soda, unbleached, first . . . . .	£12 10s. 0d.—	54.31	“ “ “
Soda, unbleached, strong . . . . .	£12 0s. 0d.—	52.14	“ “ “
Kraft . . . . .	£ 9 15s. 0d.—	42.37	“ “ “
Mechanical wood-pulp . . . . .	£ 3 2s. 6d.—	27.16	“ “ “

During the present year the advance has continued all round. Sweden was not convinced of England's necessity to withhold supplies of coal, and followed by shutting off shipments of sulphite pulp except by special license. The position of the manufacturers was made rather more difficult when on the 1st March, 1916, the British Government restricted imports of pulp to the extent of allowing only two-thirds of the quantities imported in 1914. With supplies from Sweden practically cut off and Norway unable to make up the deficiency, having encountered serious labour troubles, and being handicapped by the lack of shipments of pulp from Russia, British manufacturers very naturally turned to Canada for the necessary relief. The chief difficulty in this direction however was the comparatively small amount which Canada could spare, and the problem of transportation. Some shipments have been recently made however, and it would appear that these may be expected to increase. Shipping difficulties became more pronounced, stiffening freight rates and quickly bringing about the present unprecedented state of affairs.



Comparing imports of the first 6 months of 1916 with the average of a similar period over 1913-14-15, there was a shortage in 1916 of 78,658 tons or 28½% of mechanical pulp and 123,711 tons of 65½% of chemical pulp. The manufacturers contended with this serious shortage by using a lower percentage of sulphite in their products and users have to be content with the resulting poorer quality. Stocks at the beginning of the year were fortunately very good. However the great demand which this condition has produced brings prices today up to the following remarkable level (July, 1916):

Sulphite, bleached.....	£47 0s. 0d. to £50 0s. 0d.	
	—\$204.22 to \$217.26 per 2000 lbs.	
“ easy bleaching, first quality	£38 0s. 0d. to £40 0s. 0d.	
	—\$165.12 to \$173.81 per 2000 lbs.	
“ strong, or news quality ..	£35 0s. 0d. to £36 0s. 0d.	
	—\$152.08 to \$156.43 per 2000 lbs.	
Soda, unbleached, first.....	£37 0s. 0d. to £39 0s. 0d.	
	—\$160.77 to \$169.47 per 2000 lbs.	
Kraft.....	£34 0s. 0d. to £35 0s. 0d.	
	—\$147.74 to \$152.08 per 2000 lbs.	
Mechanical pulp .....	£4 5s. 0d. to —————	
	—\$36.93 to	per 2000 lbs.

These quotations are c. i. f. West Coast deliveries: East Coast quotations are 5/- to 8/- less. Present Ocean Rates are 28/- to 32/-.

Pre-war prices were certainly not attractive to the Canadian pulp mills, but it should not be taken for granted that these prices will necessarily be reverted to after the war. The whole question resolves itself largely into one of transportation; but it is quite within the bounds of possibility that the conditions which will exist in Great Britain after the war will neutralize the handicap which the Canadians have so far had to contend with. The outlook of the market for chemical pulp is of course better than for mechanical, because of the economy effected in shipping by the difference in moisture. All things being equal, the British manufacturers will undoubtedly much prefer to obtain pulp within the Empire, and at the present time this feeling is very well defined.

### PAPER

During the past ten years Canada's exports of paper products, particularly newsprint, wrapping, and wood pulp board, have been developing and strengthening their position in the British market. This is another instance in which the actual distance between the two parts

of the Empire is the only drawback to a great expansion. Canada's surplus of paper is sold to the United States. Norway and Sweden are Great Britain's great outside sources of supply.

The war has made Canadian exports of pulp and paper to Great Britain almost impossible. When shipping becomes easier, the Dominion should be in a position to send over large supplies, as signs point to an expansion of the industry.

The expert of the Canadian pulp and paper trade who accompanied the Commission was able to make detailed investigations, the results of which have been made available to the Canadian firms interested.

### FURS

The Commission found that while there was considerable restriction in the sale of the more expensive furs among the better class, there was a largely increased demand among the workers in Great Britain who profited by the high wages now being paid for munition work. This condition of things naturally cannot be permanent but in the meantime it largely compensates for the shrinkage which otherwise would have taken place owing to the restrictions among the more wealthy in regard to the use of furs. They also learned with satisfaction that the fur sales in London were feeling a sense of relief due to the absence of the Teutonic element, which it is claimed has had a very lowering effect upon the general character of the fur sales for some years past. The fur merchants claim that there has been, in a large measure, a return to the old standards of trade, and it is to be hoped that this condition will prevail after the war. While the Canadian fur trade is practically in the hands of two very large fur trading companies, the general effect of the sale of furs upon the country, plays an important part and affects a large number of the inhabitants. The Commission has no suggestion to offer as to improvements in this direction as it is felt that the present channels of collection and distribution are well organized.

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## Products of the Sea and Allied Manufactures

### CANADIAN FISH



CANADA produces the following fish:—Cod, pollock, hake, haddock, halibut, cusk, skate, flounders, lobsters, salmon (five kinds, known as sockeye, spring, coho, pinks, dog salmon or chum), mackerel, herring, alewives and sardines.

Canada also has the Great Lake fish known as white fish, trout, lake herring, pickerel, pike.

The value of the fisheries of Canada annually before the war was from \$33,000,000 to \$35,000,000.

The fish chiefly exported from Canada to Europe are either salted and dried (mainly codfish), or canned.

For a number of years quantities of salmon from the Atlantic Coast, and salmon and halibut from the Pacific Coast have been sent to Great Britain in a frozen condition. This trade will develop more in the future, though it is not likely to spread to any great extent to other kinds of fish. Salmon and halibut are comparatively scarce in Europe. There is, however, in Great Britain, some prejudice against frozen fish. Since the war broke out transportation facilities have militated against the development of the frozen fish trade.

At the present time, if transportation facilities and rates were reasonable, it would appear feasible to ship large quantities of fresh fish in frozen condition from the Atlantic Coast to Europe.

There is room for great expansion of trade with Great Britain and other European countries in canned fish. There is every prospect that this form of food will enjoy greater favour in the future. This industry could be developed in Canada to any extent, as the production could keep pace with any demands made upon it. At the present time, canning of fish is largely confined to salmon, lobsters, sardines, and to a small extent, large herrings, cod and haddock. The demand for canned salmon in Great Britain and France is growing rapidly. Up to a year or two ago there was very little inquiry for other than sockeye salmon, but now there is a good demand for cohoes and pinks.

The following is a statement of the exports from Canada to Great Britain, Italy and France for the fiscal year 1915:—

	Great Britain	Italy	France
Dried Cod, etc.	12,411 cwts.	52,055 cwts.	....
Green Salted Cod, etc.	13,360 "	....	....
Pickled Herring	30,651 bbls.	....	....
Smoked "	4,950 lbs.	....	....
Canned "	590 cwts.	....	5,500 cwts.
Lobster, canned	2,815,158 lbs.	....	1,396,909 lbs.
Salmon fresh	854,429 "	....	....
" canned	25,385,101 "	....	1,188,816 lbs.
" smoked	1 cwt.	....	....
Halibut, fresh frozen	1,940 cwt.	....	....

It must not be forgotten that Newfoundland is a great competitor with Canada, in the supplying of European markets with dried fish.

The Commission has noted that every dealer in Canned Goods who gave evidence expressed the strongest desire to give Canada a preference. All were in favour of tins and cases being stamped "Canada."

The imports of all kinds of fish into Great Britain are roughly \$20,000,000 a year. Until recently no attempt was made by Canada to export fish other than canned.

### CODFISH AND OTHER DRIED AND SALTED FISH

The outlook for Canada's trade with the United Kingdom is not encouraging. The hundreds of British craft, their ports only a few miles off the fishing grounds, and the cutting off of the enormous German demand for pickled herring, will make it most difficult for Canada to sell dried cod, pickled and smoked herrings in the British market.

Before the war, selected salt cod sold at £16 to £20 per ton, and in 1916 they were £25 to £30 per ton—less than seven cents per pound. Herrings are supplied so cheaply along the Scottish coast that it seems useless for Canada to try the British market.

Even in the fine qualities of boned salt cod in small boxes, we could not hope to do much trade except by a costly advertising campaign. It might be possible to place the boneless cod, small boxes, and the 100-lb. boxes of skinless cod, as described on page 90, but it would be an experiment.

Canada might help to supply cargoes of cod for Britain's export trade to the Mediterranean. These fish cargoes are from 300 to 500 tons. The fish are packed in casks of about 448 lbs., sizes of fish are from 12 to 18 inches long; large sizes are 18 to 30 inches long, packed each size in separate casks.

**DIGBY CHICKENS.**—These are a fine quality Bay of Fundy smoked herring. They are known in Glasgow, Liverpool and a few other places, but are slow sellers. These fish are packed in small boxes of 4 lbs. net, about 30 fish to a box. St. John, N.B. and Halifax, N.S. are the principal points of origin.

### FROZEN FISH

As has already been reported by the Canadian Trade Commissioners in England, the demand for Canadian frozen salmon and halibut is steadily increasing. Unfortunately it has not been generally known that this class of Canadian fish is procurable during the winter months. This is due chiefly to the fact that English dealers have sold the Canadian fish as "English," with the result that the consumers' demand ceases as soon as the English fresh fish season is over. Certain difficulties stand in the way of launching a general advertising campaign in the interests of Canadian fish. Some means, however, would appear to be necessary to secure to Canadian producers the market which the taste of the British public naturally affords.

Vancouver and Prince Rupert ship halibut in 300 lb. cases and salmon in 260 lb. cases.

Dealers in Hull, Glasgow, and other cities speak highly of the quality and style of packing of Canadian salmon.

An inspection custom prevails which presses unduly on imports of frozen salmon into the United Kingdom. The Board of Fisheries decreed that all cases of Canadian fresh salmon landing in Britain between September 1st and February 1st must be opened and examined by the officers of the Fishmongers' Board. An officer must go to Glasgow or any entry port, open the cases, examine the fish and place a seal on each individual fish, as a proof that it is of Canadian origin. The Glasgow Fish Dealers' Association complained of cost, etc., of this inspection, as follows:—

"Apart from the financial cost, the handling of frozen fish while in cold storage in the way of opening the boxes, unpacking the fish for sealing, and again wrapping up and packing the fish, tends to a rapid deterioration of the goods, and on this account alone is open to grave objection and should be avoided if at all possible."

The London Fisheries Board replied May 25th, 1916:

"The suggestion made by the Glasgow Wholesale Fish Dealers' Association, that the packages and not each individual fish be sealed, would not protect the retail fishmonger when the packages are broken at the market and the fish sold separately. A whole case of fish is very seldom bought by one fishmonger and in practice he prefers to have the proof of origin and the protection afforded by the seal affixed to each fish.

"These conditions do not apply to fish entered for re-exportation to the Continent. It is then sufficient if the case itself be sealed.

"The opening of the cases and the separate sealing of each fish necessarily involves some addition to working expenses, but the total cost, including the low charge for sealing of one penny per fish, cannot appreciably affect the profits of the consignment, nor is it to be anticipated that the handling of the fish would affect its quality or lower its market value."

It has been suggested that fish packers in Canada have a small metal shield  $\frac{1}{2}$  inch long, marked "Canada" attached to each salmon when packed. These shields, made in 50,000 lots, would cost very little. This would save the penny paid in the United Kingdom, and would avoid the opening of cases in Britain.

The following extract from a letter received by this Commission is of interest:—

"We think the suggestion made, namely, that a metal disc might be affixed to the salmon by the packer in British Columbia, might meet all the needs of the case, and we trust you will be able to have the matter put on a satisfactory footing with the British authorities so that these sealing restrictions may be done away with."

The Commission thinks it wise to remove all restrictions that are vexatious, and hopes the British Columbia Government will consider the suggestion made in the above letter.

There is a great future for the trade in canned and fresh salmon with Great Britain, France and Italy, and every effort should be made to facilitate trade.

While the Commission was in London, the question of supplying frozen fish to the British Army was under consideration.

One of the Commissioners, who is well informed in the subject, took steps to help remove the objection of the military medical authorities.

It is gratifying to note that since the return of the Commission, a large contract has been placed by the British War Office for a supply of Canadian frozen fish. It is to be hoped that a very large trade may be developed after the war in Great Britain and elsewhere.

### CANNED FISH

English dealers expressed a definite favorable opinion as to the good quality of Canadian canned salmon. One firm, which may be taken as representative of the English trade, stated that they "only buy Canadian packed salmon and have had no complaints." . . . . . "We generally buy fifty per cent sockeye, fifty per cent pinks."

**SARDINES.**—The same firm said "We cannot sell the kind in mustard. We buy the other kind in oil." . . . . . "Must not be over four inches long, and have key tin." This firm complained that "some Eastern Canadian kinds of sardines are inferior in quality and style." Another firm said "We prefer the key sardines. Canadian fish are not small enough. They are not clean and the oil is poor. . . . . We prefer 8 oz. tins, not 16 oz."

Canadian exporters of sardines should get full information on the legal definition of "sardines." There is a good market, as the imports are \$3,500,000 per annum, the countries of origin being Norway, France and Portugal. Much money is spent on advertising, and competition is keen.

**CANNED HERRING.**—A dealer in Birmingham said that his city could distribute 30,000 to 40,000 cases per annum. The tins should be oval, the fish six to seven inches long. This dealer now buys in Norway. The cases should be of 100 tins of half-pound size.

**CANNED LOBSTERS.**—A dealer in Liverpool, who is prominent in the trade, stated that he "buys lobsters from Prince Edward Island, one-quarter pound, one-half pound, and a few three-quarter pound. The quality does not improve and is not equal to the Nova Scotian." He complained about the "blue shade" in Prince Edward Island lobsters, claiming to have had some in late arrivals. From him and others the Commission learned that large quantities of canned lobsters were imported from Eastern Canada and reshipped to France. One Liverpool firm stated that "lobsters are all right, no blackness in tins." Japanese crabs, neatly canned, are selling freely in England. They are cheaper than Canadian lobsters. It should be especially noted that all tins containing fish should bear the word "Canada."

### FISH OIL

Notwithstanding her large fishing fleet, Canada is behind Norway, Newfoundland and even Japan in supplying the United Kingdom with fish oil. Since 1913 Norway and Japan have very much increased their exports of fish oil to the United Kingdom, but Canadian exports have decreased.

The Board of Trade returns indicate that larger quantities of fish oils are received from Newfoundland than from Canada, due probably to the former's exports of seal oil.

Several buyers of COD LIVER OIL were recently introduced to a firm in Nova Scotia. Prior to the war supplies were obtained largely from Norway, but a great shortage has accompanied the conditions of war. Newfoundland has exported large quantities during the last eighteen months to the United States and Great Britain. It is a trade worth the attention of Canadian producers, but it would have to be organized on a proper basis so as to ensure a product acceptable to the medical profession.

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## Products of the Mine and Allied Manufactures

### METALS—MINERALS



IN Great Britain the Commission found there were on every hand many enquiries for Canadian metals and minerals. There was a distinct desire on the part of the British merchant to import Canadian products; but it was mentioned that a deterrent feature in the past had been the fact that almost the whole Canadian output of metals had been sent to the United States for smelting and refining. The hope was expressed that this condition might be remedied.

**MAGNESIUM METAL.**—It is gratifying to note that since the outbreak of the war, Canada has solved the problem of making magnesium metal from her abundant stores of magnesite. The problem was attacked with vigor in the early part of 1915, and by June of that year magnesium metal of a grade testing 99.5 was being produced and shipped to Great Britain and her Allies. It is produced by the electrolytic process, and in view of the fact that Canada possesses abundant water power and enormous resources in good magnesite, there is every possibility of the establishment of a permanent and growing trade. Apart from the fact that the metal is used in shrapnel shells, starlights, etc., it has also been found that it alloys with other metals in such a way as to assure its increasing use in the future, and it is impossible to gauge the value of its employment in this direction.

**ASBESTOS.**—One of the leading articles for which enquiries were made was asbestos, and there is no doubt that the development of the trade in this mineral can be widely extended. Not only do the British importers require the crude article, but they ask for manufactured products such as asbestos packing, asbestos sheets, gloves, shingles; in fact every form of manufactured asbestos.

The Commission found that large quantities of asbestos fibre and crude asbestos has hitherto been shipped to Germany, where it has been converted into a variety of manufactured articles which were exported largely to France and Great Britain.

The rapid expansion in the shipments of asbestos from Canada between the years 1910 and 1914, is a certain indicator of the acceptability of Canadian asbestos in the British market.

When the Commission visited a paint and varnish factory in Hull they were shown a varnish building which had been roofed with asbestos shingles manufactured in Montreal. The proprietors stated that the Canadian asbestos shingles had given great satisfaction and they were well pleased with the product.

**ANTIMONY.**—Great Britain is a large importer of this article, and as Canadian mines are now able to produce a much improved quality, there should be an opening after the war for large quantities of metal and oxide.

**TUNGSTEN.**—Repeated enquiries were made for this article either in the form of metal or concentrates, and willingness was expressed to contract for large quantities. As Canada has many sources of wolframite and scheelite there is every encouragement to develop the output.

Canada's chief competition will come from the Burmese mines where the labor is cheap. On the other hand there are difficulties of transportation which will in some measure offset this advantage.

**COBALT.**—In consequence of the recently discovered improved processes for the use of this metal in electro-plating, and as an alloy of steel and other metals, there was much interest displayed as to the possibility of getting supplies from Canada.

As the Dominion is particularly rich in cobalt, it is to be hoped that the Canadian producers of the concentrates will be able to establish a satisfactory trade with Great Britain.

**GRAPHITE.**—Many enquiries were made for this mineral. As the deposits in Canada are widely scattered, it remains to be seen whether a profitable trade can be established in face of the competition of the Ceylonese, Japanese and Italian products, which are placed on the British market at very low prices. There is no doubt that offers of the article from Canada would be welcome in Great Britain and business would be possible provided price and quality were right.

**CORUNDUM.**—The Commission met with a demand for this and other abrasive materials in every important centre. Possibly it may be worth the attention of the electric water power industries to consider the question of producing abrasive material suitable for the British market.

**MAGNESITE.**—Quebec can produce enormous quantities of this mineral, and during the past two years has shipped very large quantities to the United States. Great Britain would be a good customer, but it would have to be borne in mind that not only would the competition of Hungary and Greece have to be met, but also that of British India, whence large supplies go to Great Britain at low prices. Fortunately the quality of the Canadian magnesite is very good and should command full market prices.

**CHROME IRON ORE.**—One firm of chemical manufacturers would be prepared to handle this ore in lots of 500 tons, provided it contained 50% chrome, but judging from past experience it is to be feared that the grade of Canadian chrome ore would not generally meet this requirement.

**MICA.**—In many centres mica was enquired for. In the Manchester districts there were enquiries for Canadian mica in powder. The statement was made, however, that the article hitherto shipped had not been satisfactory, the article not being ground sufficiently fine. 200 mesh ground mica is largely used in the Manchester district, and the principal source of supply up to the present has been India. Some criticism was offered as to the quality of Canadian mica, the opinion being expressed that some of the smaller shippers had forwarded goods which had not been properly graded, and generally the article was in bad condition. There should be more agreement as to qualities, it was claimed, and standards should be rigidly maintained. Buyers stated that the Indian mica business is very thoroughly organized and seems to give complete satisfaction. Complaints were also made of want of regularity in shipments on the part of some Canadian shippers. At the same time it was admitted that the quality of Canadian Amber Mica was second to none, and many of the importers are of opinion that if the exporters would organize a system on the lines of the Indian shippers, a largely increased and profitable trade in Canadian mica could be developed. It was remarked that apparently much of the Canadian mica that reaches Great Britain arrives through the United States. Enquiries in the Manchester district were also made for hard micanite plates, white micanite and flexible micanite. The Department of Trade and Commerce can show samples.

**MOLYBDENITE.**—The demand for this commodity was general. Canada possesses a considerable quantity but it is rather widely distributed and the chances are that in order to secure the best results, the trade would have to be well organized. Still, the high prices that the ore would realize makes the question of developing a trade one well worthy of serious consideration.

**ZINC.**—Canada has a great opportunity to secure a share of the British demand for this metal, now that a workable system has been evolved by which our low-grade ores can be commercially handled. It would appear that Great Britain will be a good customer when the war is over.

**NICKEL.**—The Commission found demands for nickel in all countries visited, chiefly for the hardening of steel; but some of the smaller buyers stated that they had difficulty in getting supplies and desired a better medium for obtaining their requirements at more favorable prices. In

some cases in the larger centres the buyers seemed to be contented with their position, but stated that they were large buyers in general, and would prefer to do business direct with Canada.

### STRUCTURAL STEEL

Structural steel is not yet rolled in Canada. It is imported from the United States and Europe; the large Canadian firms secure 50% from the United States and the balance from Belgium and Luxemburg. War conditions have altered the situation for Canada.

The principal difficulty is that of freight rates. It is necessary to secure a special rate from Pittsburg to seaboard via Montreal in order to secure the steel at a competitive price.

The second difficulty arises in the cost of conversion. Can Canadian steel workers manufacture their steel as cheaply as their American, French and Belgian competitors?

ENGINEERING STANDARDS.—Canadians at the present time use "American practice," and in order to secure the European market the engineers of the Dominion must, in any event, conform to European standards and practice.

There is a prejudice against American workmanship. The British is considered to be much better, and in the case of American steel practice it is often a question whether it is better to "scrap" or to repair.

Canadians must not expect to educate the British purchasers in a matter in which the latter have had vast experience.

The Canadian bridge firms should take a share of the world's business which is controlled in Britain. At the present time the Germans hold the great steel producing areas in France and Belgium, and have, therefore, changed the world situation. It is to be expected, however, that the large contracts for steel work will be let in England rather than in America. Possibly Russia, China and some other countries might prove a better market for Canadian steel manufacturers.

As Canada in this branch of industry is generally considered not to have reached the highest standard, the Canadian producers must naturally expect more rigid inspection than the British manufacturer.

It will probably be necessary to form groups to sell the different classes of steel work, such as locomotives, rails, structural steel, etc.

### MANUFACTURES OF IRON AND STEEL

A largely increased production in the United Kingdom of most manufactures of iron and steel is anticipated, more particularly if protection should be introduced. It seems certain, however, that this

increase cannot replace the vast imports previously obtained from both Germany and Belgium, and that very large supplies must still be imported.

In the manufacture of iron and steel Canada must be prepared to meet the competition of those countries where the industry is thoroughly developed and elaborately organized.

There are possibilities for billets, bars, angles, and similar heavy material.

Small quantities of steel rails have been imported from Canada in the past, but apparently competition with Continental Europe was the chief obstacle to a larger development of the trade. The requirements of British railway companies and the municipalities are increasing year by year, and Canadian manufacturers might find it profitable to devote more attention, particularly to street car rails, which hitherto have been imported mainly from Belgium and the United States.

Birmingham being an important centre for the manufacture of bedsteads, there is a considerable demand for bedstead component parts. Samples have been sent the Department of Trade and Commerce, Ottawa, for the inspection of Canadian manufacturers. The names and addresses of buyers also have been given. Steel angles are required in lengths ranging from 2 ft. 6 in. to about 6 ft. 2½ in., and may be either square or round back, but they must be in straight lengths and true to gauge which might be anything from 10 to 12. Flat Steel is required in long bars of about 15 ft., or short lengths of 2 ft. 1 in. Welded tubes, rounds and flats, springs and knobs are also in demand.

BOLTS AND NUTS, especially those used in the construction of railway rolling stock, are imported in large quantities, the chief country of origin being the United States. A fairly representative range of samples has been forwarded to the Department of Trade and Commerce, Ottawa, special attention being drawn to the thread, which differs in structure from the American thread. British imports are valued at about \$600,000 per annum.

## WIRE

In its investigation on the subject of Wire, the Commission had the benefit of the counsel of some experts who have had over twenty-five years' experience as sellers to home and export houses, and who have collected information over that period from an exceptional selling connection. Further, these experts were in a position to furnish technical data and actual samples of classes of goods required.

The demand for wire of many kinds is very large in Britain at the present time owing to the fact that prior to the war Germany largely

supplied the requirements. The result of the absence of such an important producing factor is that the demand greatly exceeds the supply.

On the assumption that there will be a continuance of this condition it is obvious that a very favourable opening exists for the furnishing of wire from Canada.

In this connection the greatest emphasis should be laid upon the fact that Canadian goods are always heartily greeted by British consumers and if Canadian manufacturers will give serious attention to the British market, they may rest assured of the best possible relations with the Motherland.

### COPPERED STEEL WIRE

for making spiral springs for upholstery is very greatly in demand. This wire is tempered, and must possess resiliency and hardness, and yet sufficient pliability to allow the end of the wire in the spiral to be twisted around the top circle in a small loop to bind it. Otherwise another piece of metal must be used to hold the loose end.

There are from twenty to thirty large manufacturers of springs who can take this class of wire in great quantities. One of them writes: "We should welcome any efforts on the part of Canada to manufacture this class of goods, and should be pleased to do anything to assist, either by supplying samples of wires of all gauges, as well as any information from our experience of the past twenty-five years, in the making of springs." The gauges of wires required in the trade are as follows:

*Nos.	Inches	Millimetres	*Nos.	Inches	Millimetres
7	.176	4.470	11	.116	2.946
7½	.170	4.317	11½	.110	2.793
8	.160	4.064	12	.104	2.641
8½	.152	3.860	12½	.098	2.489
9	.144	3.657	13	.092	2.336
9½	.136	3.453	13½	.085	2.158
10	.128	3.251	14	.080	2.032
10½	.121	3.073			

\*Imperial Standard Wire Gauge

PACKING.—Catch weight coils of about 24" internal diameter, wrapped with waterproof paper and canvas.



GAUGES.—7 to 9 are considered basis, and are all one price. The thinner gauges are subject to extras, increasing in amount as the gauge becomes smaller. Half gauges are usually sold at the price of the next thicker gauge, thus 10½ would be charged as 10, 12½ as 12, and so on. It is always necessary for manufacturers to state clearly their extras.

Samples of the wire required are in the hands of the Department of Trade and Commerce, Ottawa, and can be seen by manufacturers.

Much of this wire was of German manufacture. A big firm of spring makers report that they hold a permanent stock of wire of American, Scotch and English make. They have a little of the wire supplied in former times by Germany, and speak of this as the most suitable material. Canadian manufacturers will do well, therefore, to make every effort to supplant the German commodity. Sizes bought—7, 8, 8½, 9, 9½, 10, 11, 11½, 12, 13, 14, Imperial Standard Wire Gauge.

### WIRE FOR PRODUCTION OF HEXAGONAL NETTING

The very great shortage of this class of material in Great Britain is primarily due to the very large capacity of the netting mills, and secondarily to the fact that there was, prior to the war, a reciprocal arrangement between German wire manufacturers and English netting manufacturers whereby wires grading from 16 gauge to 22 gauge (by halves) were not made in the United Kingdom, but in Germany, and no netting was made in Germany. The Germans always liked arrangements of this kind.

The great part of the netting manufactured in Great Britain was exported to Australia for use in fencing fields against rabbits. In this connection it might be noted that the Australian Government has placed the Australian manufacturers of netting in a particularly favourable position by making special concessions to this industry.

The wire should be a well-annealed, soft, weavable wire, round and free from annealing furnace smoke, and clean and free from grease or tar. It is supplied in the following gauges, of which the equivalents in millimetres are subjoined, from 14½ to 22½ Birmingham Wire Gauge, showing the latitude in millimetres allowed under each gauge. The millimetre

sizes given are not the mathematical equivalents, but are those supplied uniformly by makers, and required by consumers.

Nos.	Millimetres	Nos.	Millimetres	Nos.	Millimetres
14½	1.80-1.86	17½	1.21-1.28	20½	0.83-0.88
15½	1.62-1.66	18½	1.03-1.10	21½	0.75-0.78
16½	1.42-1.45	19½	0.90-0.93	22½	0.62-0.64

Seventeen and a half is considered as basis price, and the standard extras are as follows:—

	14½	15½	16½	
	15/-	10/-	5/-	per ton less than 17½
18½	19½	20½	21½	22½
10/-	20/-	30/-	40/-	60/-
				per ton more than 17½.

The wire is supplied in catchweight coils, and each coil must consist of one homogeneous length or vein of wire. Works should state the internal diameter of the coils they can supply, and also the minimum weight of coils, to consist of one length only.

The wire is usually supplied unpacked, i. e., without protection, as a slight trace of rust is not detrimental. However, the finger gauges are frequently packed in 10 cwt. casks which are charged for extra at cost.

The extra sliding scale shown in the prices above is the one in force practically universally among German makers, and at present is the one understood in the trade and by consumers.

Canadian manufacturers will find the market for wire in Britain very large, and supplies will be very welcome. Evidence of this comes in a statement from the largest consumer of wire netting in the United Kingdom (contractors to War Office, Admiralty, Home Office, London County Council) who say that they will welcome the Canadian supply and will be happy to send specimens of standard make in various sizes. This firm's consumption runs into many thousands of tons annually.

### HAIR PIN WIRE

From 5,000 to 6,000 tons per annum of this wire is consumed in Britain, and supplies have been largely cut off through the war.

This is moderately soft, self-colour steel wire. It must not be too hard and springy, but must unwind flat from the coil. It must be truly round, true to gauge, and stand bending without breaking. An oval



or flat tendency in the shape in section is fatal to working. The gauges taken are in Birmingham Wire Gauge.

Nos.	Millimetres	Theoretical Extras per Ton of 2240 lbs.	Nos.	Millimetres	Theoretical Extras per Ton of 2240 lbs.
17	1.42	5/-	21½	0.76	55/-
17½	1.32	...	22	0.71	55/-
18	1.22	5/-	22½	0.66	65/-
18½	1.12	15/-	23	0.61	65/-
19	1.02	15/-	23½	0.58	107/6
19½	...	25/-	24	0.56	107/6
20	0.91	25/-	24½	0.53	147/6
20½	0.86	35/-	25	0.51	....
21	0.81	40/-	...	....	....

The wire is packed in cases of about 10 cwt. each, waterproof paper lined. Casks are charged in the price. The wire is required in catch-weight homogeneous rings of as long lengths as possible, and it is very desirable that each ring should be separately paper-wrapped.

As concerns the millimetre sizes given above, which will be found to differ from the actual equivalents of the Birmingham Wire Gauge, it should be noted that these are the ones supplied and understood. The remarks made concerning these sizes, and the extras in price mentioned in connection with netting wire, equally apply.

Samples of this kind of wire are in the hands of the Department of Trade and Commerce of Canada.

It is interesting to note that one firm at least in Great Britain reports the receipt of large quantities of this wire from Canada. Since this is true, and the demand is so large, the possibilities for an extension of this trade are at once evident. This is particularly true as the firms supplying samples expressed themselves as happy to foster Imperial trade in any way possible. The wire was formerly obtained from Germany as the industry in that country was especially laid out for its manufacture.

### GALVANIZED HEXAGONAL WIRE NETTING

The details of galvanized hexagonal wire netting, as supplied for the British home trade consumption, and for export outside Europe, are as follows:—

The following size meshes, gauges and widths are supplied:—

Mesh in inches.	Gauge (I.S.W.G.)
$\frac{1}{2}$	22, 20, 10
$\frac{5}{8}$	22, 20, 19
$\frac{3}{4}$	20, 19, 18
1	20, 19, 18, 17, 16
$1\frac{1}{4}$	19, 18, 17, 16
$1\frac{1}{2}$	19, 18, 17, 16
$1\frac{5}{8}$	19, 18, 17, 16
2	19, 18, 17, 16, 15, 14
$2\frac{1}{2}$	19, 18, 17, 16, 15
3	19, 18, 17, 16, 15, 14, 13
4	17, 16, 15, 14

All the above are supplied in rolls of 12, 18, 24, 30, 36, 42, 48, 70 and 72 inches in width.

Equivalents of above gauges (Imperial Standard Wire Gauge) are:—

Nos.	Inches	Milli- metres	Nos.	Inches	Milli- metres	Nos.	Inches	Milli- metres
22	.028	.7109	18	.0485	1.218	15	.072	1.828
20	.036	.9140	17	.056	1.421	14	.080	2.032
19	.040	1.016	16	.064	1.625	13	.092	2.336

The netting is galvanized after making, and the gauges stated above are those of the finished, i.e., galvanized, article.

Rolls contain 25, 50 or 100 yards, but usually 50 yards are called for.

PACKING.—No packing is required, but for consumption in the United Kingdom the netting must not be too tightly rolled. For export overseas it must be rolled as tightly as possible, to economize freight,—black tar paper must be rolled under the last lap of the netting both for British home trade consumption and export.

Netting which gauges exactly, and with exact size meshes is called "Standard Weight," but usually a netting about half a gauge thinner than normal is required. This applies to the home trade especially. Full gauge, i.e., "Standard Weight," should only be supplied when specifically ordered.

Every size mesh, gauge and width has a standard gross price, and quotations are in the form of a discount off such prices.

The firm supplying the above information adds that it is hardly to be assumed that Canada will for some time be able to place this article on the market; but the great demand for it, coupled with the fact of its being a line in which Germany very successfully competed, warrants its inclusion as an item of interest.

### MATTRESS WIRE

This is supplied in two descriptions, tinned and galvanized, in 17 to 26 Imperial Standard Wire Gauge.

Equivalentents in decimals of an inch and decimals of a millimetre are:—

Nos.	Inches	Millimetres	Nos.	Inches	Millimetres
17	.056	1.42	22	.028	.71
17½	.052	1.32	22½	.026	.66
18	.048	1.22	23	.024	.61
18½	.044	1.12	23½	.023	.59
19	.040	1.02	24	.022	.56
19½	.038	.96	24½	.021	.54
20	.036	.91	25	.020	.51
20½	.034	.86	25½	.019	.48
21	.032	.81	26	.018	.45
21½	.030	.76	...	....	...

The basis includes Nos. 17, 17½, 18, 18½, 19, 19½ and 20, that is to say that all these sizes are supplied at one price, and all others are charged at an extra.

The usual extras are as follows, and firms should state whether they accept these extras, or require different ones, and, if so, what.

17/20 20½ 21 21½ 22 22½ 23 23½ 24 24½ 25 I.S.W.G.

basis -/6 -/6 1/6 1/6 2/6 2/6 3/6 4/6 6/6 8/6 extra per cwt.

Mattress Wire should be packed in casks—oil casks, well dried. Preferably, casks should be pitch paper lined, and each coil separately wrapped with waterproof paper.

The ring diameter usually required is 12" and 18" external. Works should always state what diameters they can supply, and customers always what they require. Coils should average about 56 lbs. each, and not contain more than 3 homogeneous lengths in each bundle.

There is a distinct shortage of mattress (tinned steel) wire. The price before the war was 21s. per cwt. c.i.f., and in midsummer 1916 it had risen to 100s. per cwt. c.i.f.

A sample of the class of wire required is in the Department of Trade and Commerce at Ottawa.

### NAILS

There has been a very great shortage of wire nails in Great Britain since the outbreak of the war. While cut nails are manufactured in large quantities in Great Britain, there are practically no firms making wire nails. Germany practically ruled the market with prices which excluded competition. Before the war the German nails were selling at 5/9 per cwt. (112 lbs.) f. o. b. Rotterdam, less 3% thirty days. Soon after the outbreak of the war when the supplies were low, some of the Canadian nails came on the market, the price being 8/6 c. i. f. Manchester. At the time of the Commission's visit (June 1916) the price was 30/- per cwt. c. i. f. in bags.

In Great Britain the agent of a Canadian wire nail manufacturer has sold as much as 6,000 tons of nails in three months. This agent expects that this volume of trade will be permanent as he sees no reason for supposing that British firms will enter extensively into the manufacture of wire nails, and as German nails will be ruled out of the market. British consumption of German nails was about 56,000 tons per annum.

Canadian manufacturers must undertake to consider carefully certain peculiar points in the manufacture of nails, as the British public is rather particular about details of finish. It will not do, for instance, to have the nail of a dull colour; it must be bright. Again, peculiarities of checkered heads, countersink heads, pointing, etc., need particular attention. If these requirements can be met, there should be little difficulty in securing a large market. One dairy company selling butter, margarine, etc., buys 600 tons of nails per annum.

CUT NAILS are not available in any large quantity at the present time, and there is a possibility that Canadian manufacturers might get into this market. However, it should be borne in mind that there are hundreds of manufacturers of this class of nail, while there are only three or four manufacturers of wire nails.

WROUGHT NAILS came from Norway and Sweden. Under an arrangement with German syndicates, as of coal, coke, steel, etc., the Germans would allow rebates to the Norwegian manufacturers on raw material if invoices could be produced showing that the product had been exported from Norway. This is just one instance of the far-reaching ramifications of the German system.

Some consumers fear that there will be "dumping" after the war, and certainly the tremendous development of the German wire industry gives colour to this belief. The contrary opinion is, however, held in very well-informed quarters.

There is a market for  $\frac{1}{2}$ ,  $\frac{7}{8}$ , number 18 and 19 shoe rivets, and all other shoe rivets and small nails. Cap tacks are also in demand.

OTHER METAL GOODS which Canada might export to Great Britain are hoops, steel shafting and tubes.

Britain had a very large trade in cold rolled hoops with Germany. This commodity was in large demand in Great Britain for hide and wool baling, packing case making, etc.

The chief gauges and widths are:

$\frac{1}{2}$ "	wide	x	29	gauge
$\frac{5}{8}$ "	"	x	28	"
$\frac{3}{4}$ "	"	x	26	"
$\frac{7}{8}$ "	"	x	26	"
$\frac{7}{8}$ "	"	x	24	"

The metal should be coiled in catch-weight coils of about 56 lbs. each.

The Department of Trade and Commerce has a sample of the class of goods required. It is of United States origin brought in to supply the demand formerly filled by Germany.

TUBING, butt-welded and lap-welded is required. Acetylene welding in tubes is not popular, as sometimes under a heavy wrench the tubing will split. Canadian manufacturers might to advantage investigate the possibilities of exporting seamless tubing which has an ingot iron base.

It is most desirable that Canadian manufacturers should be more particular in the details of manufacture. There should be, for instance, a square edge on the socket in tubing. The London County Council length of socket is the safest to make, as it is longer than the ordinary. While the taper thread is favoured, the plain thread also finds acceptance where the workman takes a pride in the job. The length of tubing is an important factor; 14 to 16 feet is ample. The lengths required are those up to 6 feet, 6 to 10 feet and 10 to 16 feet.

Samples of the approved make of tubes can be obtained for the use of manufacturers in Canada if desired.

PROFILE IRON (Mannsted) for use in conservatories, etc., can find a market.

Britain at one time exported rolled rods, billets and bars, but the export has fallen off.

The market for structural steel, sheets, plates, etc., while open at the present time, is a large problem, and is dealt with in part under the special heading of "Structural Steel" following.

The question of protection of Canadian industry after the war enters very extensively into the whole situation, and will largely determine the extent to which export will be possible.

### CHEMICALS, Etc.

*(Manufactured from various natural resources)*

At the time of the visit of the Commission to Great Britain most of the chemical factories were fully occupied in dealing with the demands of the British Government for munitions, and it was only with difficulty that supplies of even ordinary chemicals could be secured. There is evidence on every hand, however, that not only are British manufacturers determined to maintain their position after the war, but also to take steps to provide within the Empire for the manufacture of many articles hitherto procured from Germany or other countries.

Canada may look to Great Britain in future for many things which have hitherto been obtained from Germany or the Central Powers generally.

On the other hand, Canada will undoubtedly find a very much larger market for many of her products. In the branch of chemicals the products of wood distillation will figure largely.

There is now and likely to be for some time a large demand.

ACETONE—This has either been procured in large quantities hitherto from Germany, or made locally. It is quite probable that there will be a large demand for acetate of lime and acetate of soda for the purpose of making acetone in England. There is bound to be an increasing demand for ACETIC ACID in Great Britain, especially the Glacial 99%. Steps are being taken to produce this in Canada, and a valuable ready market will be found not only in Great Britain but in many of the British Dominions.

CALCIUM CARBIDE.—The demand for this seems to be growing. Fortunately our manufacturers seem to be able to meet all requirements. The trade is apparently so well organized that the Commission received few direct enquiries, but the article was frequently mentioned.

GLUCOSE.—Enquiries were made for Canadian Glucose, and if our manufacturers can offer to advantage there is an opening in the Manchester district.

FORMALDEHYDE is needed in Great Britain; an increased demand may be looked for.

WOOD ALCOHOL is also in demand. Doubtless after the war there will be a large outlet for this product in Great Britain.

It is interesting to note that manufacturers in Great Britain are enquiring for a great many raw products which would enter directly into the manufacture of chemicals in Great Britain, as, for instance, chrome ores, magnesite, etc.

LACTIC ACID.—This article was previously imported in large quantities from Germany. It is extensively used technically, and there is a good demand in Great Britain.

BRONZE POWDERS.—Canada is fortunate in being able to produce these, as there are demands in Great Britain.

The position today is that there is an assured trade for many years to come. In fact, there seems to be no limit for the possibilities of Canada's activity in this direction, and a growing output is an assured condition of the future.

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## Other Manufactures

### MACHINERY, TOOLS, IMPLEMENTS, ETC.

Up to the time of the war the United States and Germany were the chief suppliers of Machinery, Tools, Implements, etc., in the ratio of about two to one, and since then the United States have captured practically all Germany's trade.

It is therefore a question of Canada's ability to compete with the great factories to the south of her. The total imports of machinery by Great Britain in the fiscal year 1914-15 were approximately \$33,000,000, of which only \$500,000 worth came from British Possessions. During recent years, Canada has considerably increased her exports of machinery (excluding agricultural) but very little of that increase is registered in her trade with Great Britain. On the other hand, imports of Canadian agricultural implements rose from \$200,000 in 1912-13 to \$300,000 in 1914-15. Germany was undoubtedly gaining a strong foot-hold in the British market for agricultural machinery, as her sales rose from \$30,850 in 1908 to \$135,000 in 1913.

Prior to 1914 sales of Canadian implements and tools were on the decline, having fallen from \$120,000 in 1911 to \$58,000 in 1914, but in 1915 they increased to over \$130,000. There is a good market for drills, hammers, saws, pincers, awls, chisels, etc.

**TOOLS.**—An importer in Birmingham told the Commission that many American tools are made from blanks furnished by Sheffield. From another source in Birmingham it was learned that the United States is importing Sheffield steel for their best tool-making.

**ELECTRICAL MACHINERY AND APPARATUS.**—Canadian exports of electrical apparatus are valued at about \$200,000 per annum, while her imports are approximately \$9,000,000, so that it seems probable that Canada is not in a position to devote much attention to the British market. It is certainly worth consideration, the annual imports being valued at \$10,000,000 a year. Imports from Germany were valued at \$3,500,000 and those from the United States \$2,000,000. The main items in these imports are: electric wires and cables, insulating, telegraph and telephone wires, carbons, electric lamps and batteries.

### AGRICULTURAL IMPLEMENTS

The Commission found that the business done in France by Canadian firms is in mowers, reapers, binders and threshers. These machines form an important factor in the harvesting of the agricultural crops of Great Britain and all Continental countries.



The agricultural implement manufacturers of Canada were the pioneers of Canadian export trade in manufactured articles. This export business was commenced about forty years ago and during the past twenty-five years has grown to very large proportions. The Commission recommends any Canadian manufacturer, who has not had experience in export trade, to study the methods adopted by the Canadian implement manufacturers, which have for a long series of years proved so successful.

The Commission was impressed with the fact that the representatives of Canadian agricultural implement houses, whom they met, had a full and intimate knowledge of their companies' lines of goods, and a perfect understanding of the market in which they were operating. The Commission found that Canadian implements occupy a high place in the estimation of agents and farmers in the countries visited, and command the highest price. The Commission found that the success of the business was due to the following:

First.—The sales organizations were formed and controlled by the Canadian companies;

Second.—Care has been exercised to have implements suitable for the conditions in which they are to be used, and so simple in design and construction that they can readily be adjusted and operated by unskilled labour;

Third.—Machines have been built only of high-class material and by careful and skilful workmen;

Fourth.—Special attention has been paid to packing, in order to protect the machinery against the rough handling incidental to rail and ocean transport, and to insure that no parts shall be missing when the shipment reaches its destination;

Fifth.—Duplicate parts have been kept on hand for emergencies, and experts have been retained to keep machines in satisfactory condition. Manufacturers lay great stress on the importance of this service.

While a large American company has established plants in most of the principal countries of Europe for the complete or partial manufacture of certain of their agricultural implements, the Canadian manufacturers have so far found it possible to manufacture everything, including repair parts, in Canada, and are able to compete successfully and profitably in the European markets. Prior to the war, Canadian companies were doing a large business, not only in Britain and France, but also in Germany, Austria-Hungary, Roumania and Russia, as well as a substantial business in all the minor European countries.

The smaller implements, such as walking ploughs, harrows, and scufflers are made locally, and the business done by Canadian firms in these lines has been very limited. In ploughs, nearly every country has a variety of requirements. Local customs and prejudices rule very strongly, and it is, therefore, difficult to standardize in this particular line. Germany, prior to the outbreak of war, enjoyed a very large business in ploughs in France, Italy and Russia; in fact, its trade was enormous in its proportions. Under conditions created by the war, there may be a greater opportunity for Canada to compete in ploughs and other of the smaller implements heretofore not found profitable.

Prior to the war, Germany was exporting to Russia three-quarters of a million to a million ploughs annually and enormous numbers of cultivators, small seeding machines and many other of the simpler lines of farm implements.

In view of the pronounced shortage of labour, there will unquestionably be a large demand for tractors in agriculture. There is no doubt that our engineers and manufacturers will be able to produce a satisfactory tractor at a reasonable price. When they can offer a machine, simple in construction, and capable of withstanding the rough usage of the fields, there will be undoubtedly an excellent opportunity for development in this direction.

The Commission found that the largest manufacturing organization in Canada was strongly represented throughout Great Britain and France, having its own branch houses, travellers and expert staffs, as well as local representatives in every small centre throughout the countries just as they have in Canada. The Commission understands that this Company has developed its foreign business to such an extent that in the year 1914 more than one-half of its entire product was sold abroad, and is informed on good authority that this portion of their business was more profitable than their home trade.

The experience of Canadian manufacturers of agricultural implements in export trade should furnish incentive for manufacturers in other lines who may have overseas trade in mind.

The export trade that has been secured by Canadian implement manufacturers has lessened the cost of production by increasing the volume of trade, and by enabling them to operate their factories in full force throughout the entire year.

This industry has been dealt with as an example of what can be accomplished by enterprise backed by sound business methods, in developing new markets under the handicap of distance and varying conditions. There is a stability that is most desirable about a business

widely spread, and therefore likely to enjoy from year to year fairly average conditions.

While the Commission learned that in the past the trade in agricultural implements had been well looked after, it gathered during its visits and investigation that there will be new opportunities in all three countries—Great Britain, France and Italy—after the war, for those now in the field to extend their business, and opportunities for manufacturers who have not heretofore been represented, to establish themselves in these markets.

### ENAMELLED WARE

Germany for many years has supplied large quantities of Hollow-ware to the United Kingdom, and has also successfully competed in many export markets which were formerly supplied by the United Kingdom.

A considerable proportion of the business, particularly in export markets, was in cheap articles sold at prices with which British manufacturers could not compete, though Britain now claims to be in a position, through improved methods recently applied, to meet German competition.

While it seems likely that a great proportion of the business in the home market will be regained by the United Kingdom manufacturers, there seems to be a prospect for Canadian manufacturers to secure some of the trade.

Full particulars of British requirements have been forwarded from time to time to the Department of Trade and Commerce, including illustrations from catalogues. In the past purchases have been made in Canada, but it is generally admitted that her prices were too high to compete with German manufactures of a similar nature. British imports of enamelled hollow-ware approximate \$3,500,000 annually. A study of British designs is recommended, and an endeavor should be made to produce at a lower cost than formerly.

A former representative of important German manufactures was so favorably impressed by preliminary enquiries instituted that he went out to Canada and discussed the situation thoroughly with a large Canadian firm, with a view to obtaining their agency. He reported upon his return that arrangements for representation had been concluded, and that he had spent several weeks at their works making suggestions, and had arranged that the company should manufacture certain patterns which he considered suitable for export trade. However, just as this

representative returned and was about to open an office, the importation of hollow-ware was prohibited, and in the meantime nothing can be done until some modification or removal of the restriction takes place.

As another firm also sent a representative over to Great Britain, it is thought that the principal Canadian manufacturers are aware of the situation.

### LAMPS AND LANTERNS

Lamps and Lanterns (except electric) are imported to the value of \$250,000 annually. With German competition suspended, Canada has been able to increase her sales, but they do not exceed \$5,000 a year. An even more formidable competitor is the United States, her contribution in 1913 being \$90,500 against Germany's \$85,000.

### PAINTS

Canada has increased her sale of painters' colors and pigments from \$2,250 in 1910 to \$108,000 in 1914, and this should be an inducement to continue her efforts in the British market. Imports are valued at \$10,000,000 a year. Germany found the British market very profitable before the war. She was the leading supplier of barytes, red and white lead and unenumerated paints and colours. Nickel oxide was imported solely from the United States, and the chief sources of supplies of zinc oxide were Germany and the United States.

### KNIT GOODS AND TEXTILES

As Canadian manufacturers of Knit Goods and Textiles well know, difficulties must be faced which appear unsurmountable should they undertake to develop an export trade in these lines. The Commission, however, came to the conclusion, after a careful study of the situation, that a certain amount of success is possible, and begs to make the following suggestions as to the methods that might be adopted:

KNIT GOODS.—First: It is evident that Canadian manufacturers are hopelessly beaten if mere cheapness is considered; and to secure business, the lines offered must have distinctive character, must be well finished, must appeal to sight and touch, and must above all prove satisfactory in the wearing. The world to-day is prepared to pay a good price for a good article.

Second: Co-operation among manufacturers for export trade would be advantageous because considerable expense is involved in any

earnest attempt to establish a permanent market, and any spasmodic efforts would be of little or no value.

Third: A prime requisite is a thoroughly competent representative, one who knows the market he is opening and the goods he is selling, a man strong enough to inspire confidence and one whose advice on all matters of policy would have weight.

Fourth: A stock room would be necessary. Merchants will buy more readily if assured that their stock can be replenished promptly in case of need.

Fifth: Goods should be sold at laid-down prices and in the currency the buyer is accustomed to, and should be sold in the quantities a buyer wants and can safely handle. It is better to have small orders which will be increased, than large orders which will not be repeated.

Sixth: Customers should be helped by judicious advertising. This necessitates the adoption of permanent trade marks, and in all advertising the word "CANADA" should figure prominently.

Seventh: Special provision must be made for export trade. To go after it in a half-hearted way or only when home trade drags, will never secure satisfactory results.

The Commission recognizes the many difficulties in the way, but during the past two years there has been such an addition to the knitting machinery installed in Canada that an export outlet is most desirable.

The Canadian manufacturer of knit goods has not, up to the present, spun any of his finer counts of yarn. These are imported largely from Britain, which constitutes a handicap. But it cannot be too strongly emphasized that there are other things than mere cheapness that go to make a market.

TEXTILES:—Canadian manufacturers of textiles cannot do any large amount of export trade with Great Britain. Cotton, wool and linen fabrics are manufactured in Britain under processes so perfected by generations of experience that a young country aspiring to compete would be credited with having a good deal of courage. Homespun of a distinctive character are produced in Canada and might find a limited market in Britain. Canadian cotton textiles are of a high order of merit, and are steadily improving. Our scale of wages will probably hereafter be quite as low as that obtaining elsewhere, and the larger market which an export trade would give would reduce overhead expenses and permit of specializing—the key-note of successful competition. Canadian manufacturers in all lines should look ahead. Present day conditions should not decide the question.

## LEATHER

The total British imports of leather, in which is included hides and leather dressed and undressed, were valued at \$25,000,000 in 1914, Canada's share being \$1,400,000. For dressed leather the main source of supply is the United States and Germany. In normal times, Germany was the leading source of supply for chrome tanned, box calf and fancy leather. Glacé kid came almost entirely from the United States.

Over \$5,000,000 worth of leather gloves are imported annually, chiefly from Germany, France, Belgium and Austria-Hungary. Canada appears to have devoted little, if any, attention to the market.

Imports of boots and shoes are valued at about \$4,000,000 a year. Very few Canadian boots and shoes reach the British market, due to the cheapness with which British manufactures are produced, and to the expensive advertising which would have to be incurred in order to introduce them. The manufacturers of the United States have retail stores in most of the large British towns.

The Commissioners found that there is a good demand in Great Britain for "patent" or enamelled leather. Montreal and Toronto firms make grades which have given great satisfaction, and the trade in this article is capable of indefinite expansion.

It was also reported to the Commissioner in London that leather supplied by Canada to the South African Railway had met with marked approval, and would lead to further business.

Boots and shoes under present conditions can not easily be exported to Great Britain except for army purposes.

## BRISTLES AND HAIR

The British market for Bristles is valued at over \$3,500,000 a year. The chief sources of supply before the war were China, Russia and Germany. Imports from Canada are not stated in the Board of Trade returns. The entire import from the British Possessions was valued in 1914 at \$400,000.

The British market for cow, ox, bull, elk and horse hair is extensive, being valued at approximately \$4,000,000 a year, and Canada should find it a profitable study. Chief countries of origin in normal times are Germany, Russia, China, Belgium, France and the United States.

## BROOMS AND BRUSHES

Two years ago an attempt was made by a Canadian firm to secure some of the Brush trade of the United Kingdom, but, except in a few cheap lines, the effort was unsuccessful. Prices were about 15 per cent



too high. Cheap brushes of all kinds are in demand, and an endeavour to reduce the cost of production should result in obtaining a fair portion of the British trade. Prior to 1914, Germany and Belgium were the main sources of supply. Of an annual total import of \$2,250,000, Germany claimed \$800,000, and Belgium \$600,000. A great demand for brushes followed the cessation of supplies from those two countries. When war broke out there was not one manufacturer of brush machinery in the United Kingdom, and labour was not forthcoming to engage in brush making. Japan, from which country was imported \$120,000, worth of brushes in 1913, immediately set to work to capture the trade of the United Kingdom hitherto held by Germany and Belgium, with the result that she has increased her sales enormously, being able to produce at even cheaper prices than Germany.

There is very little demand for corn brooms and whisks in the Midland counties and the south of England, but they are in fairly common use in the north of England, Scotland and Ireland.

#### ANIMAL OIL

ANIMAL OIL is imported in much larger quantities from Canada now than formerly. In 1910 imports from Canada were valued at only \$860; by 1914 they had risen to over \$34,000. The greatest contributor to the total British imports, valued at \$1,300,000 in 1914, was the United States whose sales exceeded \$820,000.

#### SOAP

Notwithstanding the large quantities of soap manufactured in the United Kingdom, her imports of household and laundry soap in bars or tablets were valued in the fiscal year of 1914-15 at \$580,000. In 1910 and 1911 they exceeded \$1,000,000. More than one-half of the supplies is obtained from the United States. Nearly all the imports of soap powder also are from the latter country.

#### ROPES AND TWINES

Canada enjoys a good share of the trade in Ropes and Twines and she has been able to increase her sales since the outbreak of war. Binder twine is Canada's chief contribution (\$20,000) to the total imports of cordage valued at \$2,300,000 annually. Canada's leading competitor in the British market for binder twine is the United States, imports from that country in 1914 being \$700,000. Before the war the larger propor-

tion of imports of cables, cordage and rope of not less than  $\frac{1}{4}$ " in diameter was from Belgium, and the larger proportion of "unenumerated cordage" was from Germany.

### RUBBER GOODS

This is a line in which Canadian export trade is being most satisfactorily developed. One Canadian firm has established itself in Britain with a head office in London, and is already doing a large business in certain kinds of footwear and motor tyres, with good prospects of extension in druggists' and other lines.

While rubber footwear has been used to a very limited extent in the United Kingdom, its suitability was becoming better recognized before the war, and as a result of the great use of rubber boots in the campaign, it may be taken as certain that this trade will be immensely developed in the future.

EBONITE OR VULCANITE in sheet, rod or tubing. The Commission received enquiries in Manchester for these, for electrical purposes, and the firm enquiring said they could take the articles in considerable quantities, provided quality and price were right.

### MOTOR TYRES

On account of the curtailment of the manufacture of rubber tyres in Great Britain during the war and the complete shutting off of imports from enemy countries, there will be a large demand for motor tyres from neutral sources. The United States has been a large contributor of this commodity, and if Canada can successfully compete in this and kindred lines, there is a valuable market awaiting her.

### GLASS BOTTLES

Owing partly to cheaper labour in other countries, and partly to domestic trade union troubles, Great Britain is an importer of large quantities of Glass Bottles, of which approximately half were supplied by Germany.

During the past year Canadian manufacturers have been doing a considerable business in Great Britain in certain varieties of bottles, and as they possess a number of the most improved glass bottling machines, and are thus advantageously placed for production, they should be able to export considerable supplies to Great Britain for some time to come.



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## British Exports to Canada

Extensive general remarks on Britain's trade and commerce appeared unnecessary to the Commission for the purposes of this report. Similarly, an enumeration of British exports to Canada is practically superfluous. In the appendix will be found a chart showing the relative importance of the commodities coming to Canada from the Motherland in normal times.

As already stated, the Commission has handed to the Department of Trade and Commerce a large number of definite trade enquiries from British exporters.

British goods have a preference with Canadians, both in sentiment and in actual fiscal policy. The great war can only cement more firmly the bonds with Great Britain which have existed throughout the life of the Dominion.

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# FRANCE

## Introductory



BEFORE proceeding to a detailed examination of the opportunities which exist for developing trade between France and Canada, it will be well to recall the outstanding features of our Ally, which are of prime importance in trade relations.

The area of France, 207,146 square miles, is approximately that of the land area of Manitoba, or three-fifths of that of Ontario.

Of France's population of 38,500,000, one-third live in towns. Her population per square mile of 146.5 is almost seventy times that of Canada with 1.93, Canada's population in 1911 being 7,206,643.

In 1908 the surface of the country was divided as follows:—23,590,915 hectares under cultivated crops, including sown meadows, 1,478,160 under forage; 3,601,830 under pastures; 1,723,635 under vines; 1,247,638 under divers industrial plants, truck gardens, etc., 9,309,760 under woods and forests; 3,951,970 uncultivated lands, 3,203,177 not included in above categories; total 52,954,085 hectares. The area under principal grain crops and yield (1911 yield preliminary) is as follows:

	Hectares	Thousand Quintals
Wheat.....	6,331,350	87,128
Rye.....	1,163,410	12,222
Barley.....	774,425	11,094
Oats.....	4,040,100	50,843

Hectare = 2.471 acres. Quintal = 220.46 pounds. Franc = 19.3 cents

The forest area is about 18% of the total surface of the country. About one-third is under public ownership.

The mines employ upwards of 5,000,000 workpeople and have an estimated product of about 750,000,000 francs.

The fisheries, including the catch of the Banks of Newfoundland are valued at over 140,000,000 francs.

France is pre-eminently a producer and exporter of manufactured articles. The following table of exports of products (in millions of francs) during the years 1908-1913, indicate the industrial tendency of the nation.

	1908	1909	1910	1911	1912	1913
Food Stuffs.....	746·8	823·6	858·2	736·9	849·8	838·9
Materials necessary to Industry....	1341·4	1693·8	1930·8	1830·1	1944·9	1858·1
Manufactured Goods.....	2962·5	3200·7	3444·8	3509·9	3917·9	4183·2
Totals.....	5050·7	5718·11	6233·8	6076·9	6712·6	6880·2

On the other hand, France has depended to a certain extent upon other countries for a portion of her food stuffs and manufactured articles. Raw materials, however, form the larger part of her importations for consumption, as the following table covering the six years up to and including 1913 will indicate:—

## IMPORTS FOR CONSUMPTION

(in millions of francs)

	1908	1909	1910	1911	1912	1913
Food Stuffs.....	934·5	952·3	1413·0	2020·0	1803·4	1817·6
Materials necessary to industry....	3589·9	4113·1	4345·7	4525·3	4813·2	4945·7
Manufactured Articles.....	1115·9	1180·7	1414·6	1520·5	1614·2	1658·0
Totals.....	5640·5	6246·1	7173·3	8065·8	8730·8	8421·3

Individualism is the keynote of French industry, as it is of French buying and selling. In such industries as the cutlery industry, which is thriving in the city of Thiers, the great bulk of the hand labor is performed in the homes of the workers. Of the 15,000 in that town of 52,000, who are engaged in the industry, fully two-thirds take the work home, and have their own apparatus for grinding and other processes of finishing in their dwellings.

Combined with the high artistic proclivities of the French people, this individualism makes for unusually fine initiative in design and workmanship. The French workman takes an unusual pride in the solidity,

fineness and finish of his work, and not only may basic quality be depended upon where quality is at all accepted as the standard, but the fine details of workmanship will be found to be incorporated in the finished article.

The French people have a high appreciation of individual effort and personal talent. Therefore, among their manufactured products, and even in the case of articles which are intended for very ordinary use, preference is given to the one which bears the impress of the individual workman.

However, after the war, not only will it be necessary for machinery to be more largely employed in order to make up for the tremendous loss of productivity during hostilities, but because of the drain which has been made upon skilled labour in France through the toll of war, these standards of fineness and individuality may have to be dropped in favor of economy. As this individualism in French products is an asset of France, any change will no doubt be most jealously challenged for fear that the French nation may lose to a great extent one of its most charming characteristics.

In the same way, the artistic temperament also evinces itself in the manufacture of fine goods of all types. This has a most important effect upon trade relations with Canada in the matter of shipping. While France is able to export fine artistic high-priced goods, Canada is engaged in shipping rough products, raw, semi-manufactured and manufactured. The ships which take cargoes of wheat, timber or pulp to France, are not adapted to carrying back silks, gloves, perfumery, objets d'art and other beautiful and costly articles which express the genius of the French people. This difficulty is a very practical one, and must be most carefully considered.

France has long been recognised as the nation to whom other nations, when in need of money for financing enterprises, can turn. Her wealth is composed principally of the savings of a people who are naturally thrifty. The Frenchman is a born saver. Canadian exporters when seeking markets in France for Canadian products, should bear this point in mind.

Trade with France should undoubtedly increase with the close of the war, if for no other reason than that France will stand in great need of materials for the reconstruction of cities and of industries, and will also desire to pay her war debts by increased exports.

Canadians will be glad to promote such an exchange. Canada has the goods which France needs, and there are many articles formerly purchased from Germany which we can with advantage secure from our Ally.

## BANKING FACILITIES

Canadian exporters to France will find that the banking system of that country is admirable, and the facilities afforded are adequate for the ordinary requirements of commerce. The Commission learned, however, that there is a movement on foot in France for an expansion of banking credit for the help of industrial establishments, based upon the systems obtaining in other countries; this will no doubt have an important influence upon France's future industrial development. The Bank of France holds a predominant position, and can be looked upon in the same way as the Bank of England is regarded amongst merchants of Great Britain.

Other banks which have an important influence in French finance, are the Banque Nationale d'Escompte and the Credit Lyonnais, and, in so far as trade with English connections is concerned, the French branch of Lloyds Bank has a most important influence. Canadian exporters will have no difficulty in establishing relations through these banks.

The functions of the banks are rendered all the more simple by the fact that the French people pay their financial obligations without the slightest hesitation, and exactly on the date set. They expect in return all debts due to them to be paid promptly.

TERMS.—The French trader wishes to conduct his business upon a cash basis. Canadian exporters who wish to extend business relations in France may rest assured of the best possible treatment in the matter of payments, when good relations and confidence between buyer and seller are established. Some French manufacturers are so punctual in these matters that they even require cash with the order, and importers on the other hand are so prompt in their payments that no notification of the maturity of notes is needed, and still less is any extension required.

The "Commissionaire" is an important factor in the mercantile life of France. His sphere of usefulness will appear unusually large to Canadian manufacturers. Very few business transactions are carried on direct, and the commissionaire or middleman therefore occupies a unique position.

## INTERIOR TRANSPORTATION

Hundreds of years ago the interior waterways of France furnished the great means of transportation from point to point. The Rhone was used at the time of the Romans. These waterways have consistently been

used for a large part of France's interior trade and will doubtless play a great part in future transportation systems. While slow, water transport is cheap. This fact will be of great importance after the war.

The principal ports have canal systems radiating from them, and Bordeaux in particular is able to serve a very large part of Southern and Eastern France on account of its canal systems. The interest which is taken by the French people in the development of their canals is seen in the construction of the wonderful canal from the Rhone to Marseilles. This remarkable engineering feat of tunnelling through hilly country for a distance of eight miles, brings the main artery of North and South trade within easy reach of the ancient and thriving port of the Mediterranean, Marseilles.

### RAIL TRANSPORTATION

French railways appear to serve the country consistently and well. The fact that much of the mileage in the country is administered by the State, puts into the hands of the general public a greater degree of control over rail transportation than if the lines were privately administered. The Company controlled lines provide a service which seems both cheap and rapid, and on account of the smallness of the carriages, the shipper whose consignments are not large, has an advantage not common in America.

### FRANCE AND GERMANY

Following the war of 1870, Germany had an advantage over France due to the indemnity which the latter was compelled to pay. This indemnity was paid ahead of time out of the people's savings to the surprise of Germany and to the admiration of the world. Germany's main advantage, however, consisted not in the indemnity but in the right as imposed by the Treaty of Frankfurt to secure the minimum tariff for all her products in all circumstances when imported into France.

This concession undoubtedly has worked great harm to French industry, as its development has been checked in many directions by Germany's system of Government subsidies and "Kartells." French manufacturers have undoubtedly had to submit to great commercial pressure brought about by the systematic and undermining competition of Germany, and in many cases they have experienced great difficulty in maintaining the prosperity of their establishments. Consequent upon this condition in French industry, the balance of trade with Germany has been growing steadily more and more adverse to France.

Canadian exporters who are considering business with France will find that many of the products imported from Germany are such as could be supplied from Canada—and if not from Canada then from other portions of the Empire.

### FRANCE IN THE WAR

France may have been ready for the war but she was not prepared for anything like the struggle necessitated by the high development of German preparations. France was caught exactly as England was caught, with some of her key industries at a low level of preparedness; but the coming of hostilities gave a tremendous stimulus to some of these. The difficulties by which the country was confronted were immensely increased by the fact that the greater part of her industrial territory was overrun. The steel producing plants of the Northeast, which ranked among the best in the world, fell into German hands; therefore the other centres of metal production were forced into unusual activity. Many other industries had practically to be developed from the ground up, and the best brains of the country were put into the making of changes rapidly and efficiently. The marvelous power of rapid improvisation was witnessed by the Commission, when it had the privilege of seeing a certain munitions factory, where a complete plant capable of producing 50,000 shells per day, was installed and working to full capacity within five months.

The national response among all classes has been quite beyond anticipation, and the world owes much to France for her hardihood and her adaptability under circumstances which were most difficult.

### FUTURE TRADE RELATIONS

Canadian exporters will find French business men active, alert and progressive. Their only difficulty will lie in the fact that Continental competition has already evolved a system of service to the French customer which was extremely good, and which relieved the purchaser of a good deal of trouble.

Let Canadian manufacturers therefore, if they wish to secure business in a way that will be perfectly fair, and in accordance with the customs of our French Allies, look particularly to the specifications which are laid down; let them endeavor to quote always in the customer's currency and at his own warehouse. In short, let them go more than half-way towards making business between the two countries easy and mutually profitable.

Canada is particularly interested of course in the changes which will come about in French industry after the war. Many of the brave Allies have fallen in the fields of battle, many others will be incapacitated; but demands for increased production along all lines will be very insistent, and therefore the introduction of machinery is much more than a possibility. Canadian manufacturers of machinery and other mechanical means of reducing labor costs will find in France a ready demand for their products. It only remains to be seen what can be done along the lines of transportation—and possibly also of fiscal changes—to make it possible for Canada to meet the competition which Germany will press upon her former customers, both directly and through neutral channels under the guise of neutrality.

Through the aid of the Ministry of Commerce and the good offices of the Commissioner General for Canada in Paris, the Commission was enabled to send out blanks to be filled out by French firms who wished to import from, or export to, Canada. The large number of replies received indicates the strong desire for closer trade relations which exists in France. The Department of Trade and Commerce can give full information regarding these to any who apply.

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