

what, before all else, led to the creation of the free port at Hamburg. Merchandise can be bought free of duty into the free port, stored in its warehouses, repacked or mixed, and then, as conditions of the market dictate, sent across the customs line into Germany or shipped to Scandinavia and the Baltic. In the free port foreign merchants can maintain sample or consignment stocks. Bonded warehouses do not offer the same opportunity for unhindered movement of merchandise within a port; everything must be done under the harassing control of customs men.

Competition with Hamburg

Hamburg has waterway communication with all of eastern Germany, with Berlin, and the Silesian industrial district, in addition to its own territory of the Elbe. This connection is denied Hamburg's rival, Bremen, for there is no canal between the Elbe and the Weser. It is a splendid hinterland and one bound up, in times of peace, with oversea trade.

It will be interesting to watch the effect of the competition between Marseilles and Hamburg which will be manifest after the war. Hamburg has in the Elbe and its connecting waterways a splendid means of communication with all Eastern and Central Germany. Primarily for this reason, Hamburg in ordinary times predominates in the foreign trade of Central Germany and draws heavily on the eastern part of the Empire. The greatest advantage is taken of the opportunity to use the waterways. Huge sums have been spent on their betterment, the floating stock of the

river has been modernized and transportation organized under large companies. Most important of all, modern terminal facilities have been provided for the barges, both in Hamburg and in the river ports.

A Great Work Executed During the War.

The "Aibany Argus" says:—"For the two years France has been at war, work on the Marseilles Canal has been steadily carried on, notwithstanding the fact that the French were in sore need of all their resources, both in men and money. And now the canal, which was started twelve years ago, is finished and it is confidently expected that it will make Marseilles one of the greatest ports in the world; and not only that, but it will make Marseilles the central clearing house for all North American trade.

"Fifty miles long, the canal has cost \$200,000,000. Nearly five miles of it consists of a subterranean tunnel 72 feet wide and 45 feet high, blasted through the Nerthe Mountains, a wonderful engineering feat.

A Waterway From London to the Mediterranean.

"The canal completes a waterway between London and the Mediterranean by an almost straight line, making Marseilles the greatest gateway to the East. It enables Marseilles to expand industrially along the shores of the great inland gulf known as Etang de Berre, which will now be studied with huge factories and warehouses. It is said that its effect will be to make Marseilles a free port, which will be a hard blow to its rival.