

GERMAN SHIPPING IN 1921

A Year of Satisfactory Accomplishment

For German maritime shipping last year was a period of development, during which the process of reconstruction initiated in the previous year was steadily continued. The characteristic features of the year were constant additions to the German mercantile tonnage, especially by the repurchase of ex-German ships from the Entente, enormous increases of capital by all the leading navigation companies, and the resumption of services to all parts of the world which had been suspended during the war, while in many instances ships that had been chartered for the purpose of carrying on these resumed services were replaced by German-owned vessels. The leading idea in Hanseatic shipping, says the *Hamburges Nachrichten*, was that it was imperatively necessary to place at the disposal of the country's foreign trade as quickly as possible German steamship lines run by German steamers, as they recognise that in the matter of economic reconstruction foreign trade and shipping are bound together very closely.

In the process of reconstruction of the German mercantile marine, however, many difficulties were encountered. In the first place, the shipping community was badly disappointed by the outcome of the negotiations with the Government on the question of compensation for war losses and the handing over of German merchant ships under the Peace Treaty. The amount of compensation that was agreed upon between the Reich and the representatives of the shipowners was, as will be recalled, only sufficient to rebuild one-third of the pre-war tonnage. But the hopes based merely on that assumption proved to be illusory, because of the sudden and very serious depreciation of the mark, which caused an enormous increase in the price of new tonnage. The instalment of the compensation money allotted for the first year was exhausted in the first few months, and at one time it looked as if the shipbuilding industry would have to come to a standstill or go on short time. As, however, owing to the constant extension of their overseas lines, the German steamship companies were in urgent need of new tonnage, some methods had to be found for achieving the object.

One after another, the leading companies announced new capital issues, and so far did this movement go that during the year 13 companies added a total of no less than 975,500,000 marks to their share capital. In every case the reason given for these increases was the acquisition of new flooring material. In several cases, besides ordering new steamers, certain companies found themselves able to repurchase a number of steamers that had been handed over to the Entente.

Another factor in the process of reconstruction was the so-called concen-

tration movement which consisted in groups of companies working various lines in common for their mutual benefit, thus reducing working expenses very considerably. Successful efforts were also made to interest other branches of German industry, which had been able to make large profits during the war, in the rebuilding of the mercantile marine. Thus arose a close association between Hanseatic shipping and the German iron and steel industry, and to some extent also with the electrical industry. Between various companies whose spheres of operation were almost identical "community of interest" agreements were arranged, with the idea of eliminating wasteful competition and reducing operating expenses. Typical of this movement was the close association of the Africa lines and the working together of the Hamburg-America Line and the Norddeutscher Lloyd in the South American and Far Eastern trades.

Extension of Overseas Service

Thanks to this close co-operation for their mutual benefit the German steamship companies were enabled during 1921 very considerably to extend their overseas services. Thus the Hamburg-America Line and the Norddeutscher Lloyd each introduced a regular service to South America, which they are now working in conjunction with their U. S. associates. Furthermore, the Hugo Stinnes Shipping Company opened a new line to South America, though this action led to a quarrel with the Hapag, with the result that Herr Stinnes was not re-elected to the board of the Hamburg-America Line, while the latter dissolved its connection with the Stinnes concern. The dispute which thus arose has not yet been settled.

In the North American trade the relations between the Hamburg-America Line and the Harriman concern were extended. The Hamburg company was able to exercise its right to introduce its own ships on the North America line, and the service is now being run by an equal number of German and American ships, in accordance with the terms of the original agreement. The North American service of the Norddeutscher Lloyd was affected by the bankruptcy of the Bremen company's U. S. partners, the United States Mail Steamship Company. It is, however, decided to create an independent service of its own to the United States, and this, it is announced, will very shortly be in operation. In connection with the services between Germany and the United States, it may be mentioned—though this matter does not actually belong to last year—that a member of the Roosevelt Steamship Company is reported to be on his way to Germany in order to have a meeting with Herr Hugo Stinnes. But whether the latter is proposing to extend his shipping interests to North America remains for the future to show.

In the traffic to the West Coast of South America the Kosmos Steamship

Company extended its services last year, working in conjunction with the Bremen Roland Line. The German-Australian Steamship Company entered into an agreement with a Dutch company for the joint working of its service between the Continent and the Dutch Indies. The Hamburg-America Line and the Norddeutscher Lloyd resumed their services to the Far East, and are working them in close association with the Bucknall Steamship Company. This means a renewal of the so-called East Asiatic Conference.

Very considerable also was the extension during last year of the German services to Africa, in which the Woermann Line, the German East Africa Line, the Hamburg-America Line (Africa service), and the Hamburg-Bremen Africa Line are participants. On the various lines to the Cape run by these companies four steamers per month are despatched.

Thus German shipping can look back to a year of satisfactory accomplishment in the face of numerous difficulties, and, to quote the observation that is made in various shipping journals it begins the year 1922 "in a difficult but not altogether hopeless position."

The following figures have been courteously supplied by the Dominion Bureau of Commerce of Ottawa. These figures represent quantities exported during the 12 months ending January 1921.

Aluminum, Ingots, etc.	176,774 Cwt.
Asbestos,	188,792 Tons
Brass and old scrap	32,274 Cwt.
Nickel	572,437 Cwt.
Silver	12,120,433 Ozs.
Printing paper	15,233,214 Cwt.

The following represents the total amount of metals, etc. exported.

Copper	\$15,343,864
Gold	3,500,511
Iron and Steel	16,593,108

The rubber export for the same period shows \$12,556,915.

Five hundred American manufacturers built or leased plants in Canada during the past five years at a total investment of \$150,000,000. Up to date Canada has 14 passenger cars and 13 motor manufacturers.

Seeing that Canada has only .5% of the world's population it is very interesting to note the following figures.

Canada produces 90% of the world's Cobalt, 88% of its Asbestos, 85% of its Nickel, 32% of its Pulp Wood, 20% of its Lumber, 20% of its Cured Fish, 18% of its Oats, 15% of its Potatoes, 12% of its Silver, 11½% of its Wheat, 11% of its Barley, and 4% of its Gold.

It is very interesting to note that the census of the decade ending 1911 shows an increase of 1,835,328 population in the Dominion of Canada. Considering the census taken of the decade ending 1891 the increase only showed 508,429. It is expected that the difference between the increases of the two decades will be twice the number of the former increase.