

and although no grace days are technically allowed, yet it was more than once pointed out to the writer that the Spaniard would often ask to have the draft renewed and that no hard and fast rule should preclude the foregoing of such an accommodation. The Spaniard wants to pay his debts, but he will often request such a facility, and it is generally in the interests of the exporter, in anticipation of further business—provided he knows the importer's financial condition is sound—to meet the customer's wishes in this respect.

Naturally our manufacturers and exporters with a Canadian and British banks in Spain should not find it difficult to negotiate reasonable and yet accommodating payment for the goods they sell.

#### DELIVERY OF GOODS.

A word about delivery should be useful. The Spaniard wants to know, after he has made up his mind to purchase in Canada, when he can expect shipment and arrival of merchandise. This is most important to the Spanish firm, and even of greater importance to the Canadian if he wishes to build up any substantial trade and retain what trade he gets. Up till now the Canadian exporter has been subjected to many difficulties in guaranteeing any fixed delivery of goods not only to Spain but to Mediterranean countries. He has either shipped—except in rare cases—via New York or via English port of transshipment. This has been necessitated as Canada had no direct steamship service to Spain, and has undoubtedly prevented a great many orders being placed in Canada from Mediterranean centres. Whatever has been the policy in the past, it would now seem an opportune moment to effect a change and ship direct from Canada to Spanish and Mediterranean ports.

To-day freight rates and transportation are against us and will continue to be adverse unless Canada has her own Canadian service direct. In this period of keen commercial competition for overseas trade it is not to be expected that American ship-owners will show any partiality for carrying Canadian goods at the sacrifice of United States interests. The time has apparently come for Canada to look after, so far as possible, the carrying of her own exports and much is being done at present in Canada to realize this ideal.

#### DIRECT STEAMSHIP SERVICES RECOMMENDED.

As regards a Mediterranean service the writer is of the firm opinion that a steamship connection is one of the first if not the primary prerequisite to successful trading in these European countries.

It does not seem likely, however, that at present Spanish trade would warrant a separate service to Spain alone; but the writer believes that a more extended Mediterranean service touching Spain, France, and Italy is what would most beneficially serve our interests. It might also be further found expedient to touch at Lisbon on the outer voyage. Cadiz with its free port could properly be made a point of call for Canadian trade in Northern Africa, although Barcelona is the port most adapted to meet our Spanish requirements as an unloading centre. Further, Marseilles affords facilities to be considered in connection with Canadian trade with Southern France, while Genoa, Naples, Palermo, and Trieste have also claims upon any Canadian Mediterranean service. On the homeward route, Valencia and Malaga each would appear during the fall and winter seasons at least to hold out more advantages than Barcelona for ports of call, while Naples rather than Genoa might be made the tap service for Italian freight. At first a six weeks' or two months' service could be established, and even if increased trade was not at once what might be desired, there is no doubt in the writer's mind that, given enterprise and commercial intelligence, the suggested line would be a material asset in our trade expansion with these countries and at no distant date would compensate the efforts put forward for its beginning and operation.