ter so far, threatens to sell right along at cost to effectually sicken the three firms who have been the greatest offenders. They contend that this state of affairs utterly demoralizes business and that it may lead to even worse things if it is not stopped, for when it costs fully 10 to 12 per cent to handle a class of goods, a house cannot go on selling them at such low prices as the ones complained of with impunity. For all these reasons it is held that the trade as a body and the manufacturers should take action. What will be the outcome of all this strong feeling is hard to say. Another point is that when a sales agent is working for a commission on his business he is not apt to be very discriminating if the fact is likely to seriously interfere with the showing on his sales sheet at the time he reckons up with his principals."

THE CONCLUSION OF THE WHOLE MATTER.

The history of the strife given above and the critical analysis of the situation by our Montreal correspondent leaves little to be said. But even wholesalers themselves who are opposed to the cutting have overdrawn one or two points.

The first is that not more than one wholesaler shows mill prices and then asks a straight advance on these prices. Some houses who are supposed to be showing the original invoices are not doing so. If they did show mill prices and then ask a straight advance say of five per cent., they would be severely criticized and deservedly so. They would merit criticism because they should have a certain amount of esprit du corps, which would prevent them from placing their brother wholesale merchants at such a disadvantage. Still while we maintain that this showing of original invoices is not a general practice, even amongst those who are selling on close margins, yet it has been done in some cases. It has been done by men in Toronto, and, what may seem more remarkable under present circumstances, it has been done by Montreal men. They have done it because the cotton combines of Canada have fixed prices on all goods, and the smallest house buys on almost equal terms with the largest. This enables the small man to say to a large retailer, "Here you know we can buy as cheap as the larger houses, and we will sell you at a closer margin if you give us your order." Before the prices were fixed, this could not be done, because the larger houses bought better than the smaller.

The second point is that some wholesalers and many retailers are running away with the idea that some Toronto houses are going to sell at cost in order to sicken the houses who are selling at close margins. As far as we have been able to learn this report is without foundation, and the house that sells at cost to accomplish such a purpose would find it had laid out more work than it might care to finish. The houses who commence to sell at cost only make matters worse, they draw down the profit line so much further.

There will be one good result, THE REVIEW hopes, from this strife and talk, and that is that the long credit system will be done away with. In several places throughout this issue will be found arguments and statements of facts which go to show that this system of selling goods after July 1st and dating them October 1st is nonsensical, unnecessary and antiquated. For years everybody has wanted to get rid of it except the wholesale merchants, and a few of these would like to see its abrogation. But the circumstances of trade have found a new way out of the dilemma. The new way is to sell staples 60 days net, or at a small advance on cost without a cash discount. It is the strife between the old system of long credits, big risks, and dating ahead, and the newer and more progressive system of selling at close prices to those who can take large quantities and pay cash. This is one case where the Canadian trade is emulating the progressive methods of their dry goods brethren of the Republic to the south.

It is well that there should be rivalry between Toronto and Montreal houses in order that trade should not become stagnant. But the rivalry should not become an unfriendly one, nor develop a strife which would be unworthy of cool headed and gentlemanly business men. If there are differences which the majority would like to see arranged, a conference is the proper manner in which to settle them. The Montreal Dry Goods Association has already written to the Toronto section, and it is to be hoped that a friendly and thorough discussion of the situation take place. If such a discussion would lead to an abrogation of the lengthened credit system, the dry goods trade both retail and wholesale would receive an upward impetus, the momentum of which would long be felt.

A GRIEVANCE AMONG IMPORTERS.

IMPORTERS have a grievance, and considerable anxiety was caused at first among them which has been to a certain extent alleviated. For many years there has been a customs law that all invoices should be made out in the currency of the country from which the goods were imported. That is goods imported from Germany must be invoiced in German currency, Swiss goods in Swiss currency, etc. But this law has been a dead letter until about a month ago. The consequence was that all goods were invoiced in the "Sterling" currency which is adopted by all continental merchants and manufacturers when exporting to Great Britain, North America and Australia.

About a month ago it was announced that after July 1st the rule would be enforced; but the announcement was made in such an obscure manner that very few importers knew of it. But some did, and made preparations for it, by sending instructions to all the houses from whom they expected goods to make invoices in native currency. Then about the middle of the month a number of importers waited on the Comptroller of Customs and stated that their fall goods were coming in now and would continue until the end of July, and desired that the extension be granted until the season was over. They made no complaint as to the general working of the order, but showed that they would be greatly inconvenienced if the order went into effect on July 1st. The Comptroller granted their request and the enforcement of the order will be postponed until the end of the season. On July 3rd (Monday) the first day of the supposed new ruling, it was reported that some invoices thrown out according to the previous order; but finally all were allowed to go through according to the decision of the Comptroller. Thus all the announcements and contra-announcements leave the matter as it has been for years. The only result being that some invoices of July shipments will be made out in native currency instead of sterling, a proceeding which will cause much unnecessary trouble to dry goods buyers and clerks.

If such a ruling is to be enforced this season, the Comproller of Customs would do the dry goods trade a favor by making the announcement early and by making it sufficiently public. Dry goods importers can see no reason why the ruling should obtain, and recognize that it will cause them a great deal of trouble. But no trouble is so disastrous as uncertainty.