

PURCHASING POWER.

Is your dollar as good as any other man's? Maybe it is and maybe it is not. A dollar is a hundred cents anywhere, no matter in whose hands it is, but some men can make it do a hundred and ten cents' worth of buying, while others can make it do only ninety cents' worth. There are more possibilities in the mere application of money than are dreamt of in some merchants' philosophy. There is close analogy between "purchase" as used in mechanics and as used in business. The money gives the medium and basis of leverage, the force laid out depends upon the agency which is handling it. A hundred pound man at the end of a crowbar in position will not raise as much as a two-hundred-pound man on the same lever. Money has a relative as well as an absolute value. This is illustrated in the differences of result attained by equal amounts in different hands. With one man ten thousand dollars will vanish to zero in five years, with another it will grow to fifteen thousand dollars in the same time, and all the conditions may be equal between the same two men, with the exception of the disparity in their buying ability. One man applies his money to the market as an engineer applies force to matter, with an eye to the maximum of effect with the minimum of energy. Another lays out his money as if he were simply making an exchange, instead of buying. There is usually a vast difference in the total result at the end of a lifetime. Buying is something more than converting money into merchandise.

A dollar can be made go farther just now in the grocery trade than it could a year ago. The balance is on the side of money as against merchandise; usually it is, of course, but is much more so now than it commonly is. Hence, the present is a buyers' market. Prices run low on the general average and distribution is divided up. The retailer has therefore advantages that he cannot afford to ignore. If he does, his competitor will not, and the local balance of trade will shift to the competitor's side. If A can go into a wholesale grocer's sample room and buy a certain quality of tea at 16c., B has himself to blame if he buys the same description of tea from the same wholesaler at 18c. It is not desirable to depress prices unduly, but it is material that each man should look out for the lowest that anybody else can secure. It is by attending to this that the tendencies of competition can be withstood.

A trader may have a special point of vantage as a buyer, in his readiness to pay spot cash every time, in his ability to place large orders, in his knowledge of the market, in his judgment of quality and value, or in some other strong point. Competitors who have no distinguishing strong point as buyers must usually pay higher—sometimes considerably higher—prices than he does. Perhaps it ought to be thus, that every man

should get the benefit of his own gifts or resources, but less favored competitors cannot allow themselves to be handicapped. They can make a specialty of close buying as a matter of principle, and should never capitulate to a quotation till they find out if they cannot better it. They should remember that no matter how unequal retailers may be in the eye of sellers, they are all equal in the eye of buyers, and it is the buyers who lay on the level. The smallest retailer must sell at the lowest price his big rival chooses to fix, and the smallest retailer should get all he can get in the way of concessions.

MERCHANTS' TAXES.

The bill proposing to change the basis of taxation for merchants from capital to net income, has unfortunately met with a colder reception in the Ontario Legislature than its friends expected, and as a result of the report of the Municipal Committee, was withdrawn. The argument that appeared to prevail most against the measure was that of J. K. Kerr, speaking for a deputation from the city Ratepayers' Association. He said that if the bill passed it would be unjust to real estate owners, and also to those who invested in municipal debentures, on the understanding that there would not be any radical change in the basis of assessment. Such a change as proposed would, he held, militate against the value of municipal securities. There appeared to be an opinion among some of the members of the committee that the bill would have too disturbing an effect upon the whole assessment law, and that this should be looked into before the bill was recommended to the House. The breadth of the general assessment question, it was felt, entitled it to a session of the legislature for its special consideration. Some members appeared to be so little acquainted with the question that they regarded it as a move in the direction of exemption. It is to be hoped that the principle of the measure will receive fairer treatment next year.

TRADE IN JAPAN TEA.

According to private advices from Yokohama, the shipments of Japan tea from that port and Kobe to the United States and Canada for the season 1891-92 show an increase of 2,277,049 lbs. over those for the season 1890-91. This difference, and indeed more than this difference, is credited to the Canadian trade, for the imports of the United States show a falling off of 1,577,413 lbs. from those of that country a year ago. This balance is redressed by the volume of sales assigned to Canada and turned into an increase of 2,277,049 lbs. for the American continent, by an increase of 3,854,462 lbs. in Canadian purchases for the season 1891-92. The decline in United States imports was entirely in purchases on western account, Chicago and the west having taken 2,735,042 lbs. less than was shipped to the same quar-

ter a year ago. The explanation given for this shrinkage in the western demand is that the imports of the year before (1890-91) were so very much above those of 1889-90 that a falling off was to be looked for. The Pacific and Atlantic centres of distribution took above half a million lbs. each more this season than they did last.

The gain in Canadian imports is not what it appears to be, as the figures are taken from invoices shipped via Suez Canal and bearing the "Canada clause." A large part of the tea so marked is as likely to reach New York as Canada. The aim of that clause is to get the tea into this country free of duty, a privilege here accorded to all tea shipped direct from the country of growth. Tea sent here from the United States has to pay a duty of 10 per cent. It is to avoid this that the Canada clause is resorted to by shippers, who, if they fail to find a market in the United States, want to be in a position to enter our ports free of duty.

The United States trade of 1890-91 was speculative to some extent, while that of Canada was normal during the same period, this country being less affected by silver fluctuations than the United States. Hence ours was comparatively a more receptive market during last season.

The total increase of 2,277,039 lbs. to the United States and Canada has been owing to excessive shipments of common teas. Heavy losses on these make it improbable that the same course will be followed in the coming season. The same advice states that crop prospects are favorable, but as there is a month of uncertain weather to be passed through before the leaf is ready for picking, crop prospects are an unknown quantity in the situation. Smaller shipments are expected to go forward this year on account of the large ones of the past two years.

SHORT SALMON PACK.

It is announced that all the managers of companies controlling canneries and most of the individual canners have signed an agreement to only put up a half pack this year. This is done on account of the large quantities of salmon carried over from last season. It is expected that it will have a salutary effect upon the salmon market. The heavy stocks on hand have no doubt induced the parties concerned to come to this resolve. Considering cost of production, etc., salmon have undoubtedly ruled very low—too low in fact to afford such a profit as might reasonably be expected. The runs have lately been heavy, a circumstance of which some canners have taken the utmost advantage, with the result that has now to be deplored—an over pack. The belief that the course indicated above would in all likelihood be followed has already had the effect of strengthening the market, and if the policy resolved on be consistently pursued—the indications being also that the run this year will be light—better times in this branch of trade may be looked for.—B. C. Commercial Journal.