

profit on The Mail pays for the delivery or handling of the others. We desire news agents to have a fair profit on their work. At the same time we do not feel that we ought to be supplying facilities for other newspapers to compete with us. If papers forced upon the public at such low prices as to preclude the possibility of fair profits to agents receive the same attention from those agents as papers on which there is good profit, we must consider our own interests as well as those of the newsagents, and will have to reduce the margin of profit to the lowest point. We are willing to do one of two things—either newsagents must cease to handle other papers at a less profit than they get on The Mail, or we will reduce the commission to meet the lowest fraction on which agents handle other dailies."

The position taken by The Mail was the correct one, and the Executive Committee of the Booksellers' Association at a special meeting called to consider the subject passed the following resolution:

"Resolved, That the profits to newsagents on handling daily newspapers are entirely inadequate, and that all efforts looking toward an increase of those profits should receive the hearty co-operation of the trade;

"That on examination of The Mail's special circulars to newsagents dated May 28th, 1888, and July 10th, 1888, we believe that they are making an honest endeavor to place the commissions on a proper basis, and should receive general support from dealers."

After this commenced the action of the individual newsagent. One here and another there and a hundred from all over wrote in to the publishers pressing for a new rate, explaining that the old commissions were utterly inadequate, and that finally they would have to cease handling any paper which would not give them proper profits.

In November Mr. Sharpe, President of the Booksellers and Stationers' Association, and Mr. B. H. Rothwell, of Brantford, were again instructed to interview the publishers. Their work this time resulted in a circular from The Globe on November 26th, suggesting a new schedule of rates, and asking the dealers for their approval.

The Managing Director of The Empire had also been seen by the committee, and he stated that the rates proposed by them (which were almost identical with those now adopted) met with his approval, and would if adopted by other publishers be accepted by him for The Empire.

The above is the story of the transaction which brings an increased profit of \$62,400 per year to the pockets of our newsdealers, and we want the praise to be placed where it belongs. First to Messrs. Sharpe, Day and Rothwell, second to those local associations and agents who pressed the publishers for a

The improved condition of affairs brings with it certain responsibilities to the dealer. The better rates were obtained by: 1st—A promise on the part of our representatives that we would live loyally by the conditions, that we would not cut on prices, and that we would push the business when there was something in it to push for. 2nd—The strongest plank in our representatives' platform was that we could not afford to handle papers at any less commission than that asked for and now granted. We must not stultify them by continuing to handle other publications at a less margin. To carry out this provision it is not necessary to cease selling any paper, but we should make the retail price large enough to yield the one cent per copy margin for each delivered paper.

And now finally a hint as to where the most money is in these rates for us. The net rate to dealers is 1½ cents per copy or \$4 by the year. One and one-half cents a copy comes to \$4.68 for the year—a difference of 68 cents for payment in advance, a difference of 17 per cent. truly good interest on your money. Any agent who can in any way do so should pay in advance for his regular supply, and thus obtain the benefit of the best rate. The publishers say that it is worth this difference to avoid expenses in bookkeeping and making drafts, and we may as well take advantage of it.

Since writing the above we learn that the London Free Press has accepted the new rates, and will thus give our Western Ontario members still another chance for profit. Other publishers may have adopted the rates, if so we will be pleased to hear from them and give them the benefit of the announcement. Will newsdealers kindly forward to us immediately on receipt any new rate cards they may receive.

#### POSTAGE ON PERIODICALS.

When in Ottawa Messrs. A. S. Irving and D. Rose had an interview with the Deputy-Postmaster-General regarding a reduction in the postage on periodicals to meet the competition with the States. They urged a reduction for 4c. to 1c. per lb., being the rate now charged from the States to Canada. They received but little encouragement, however. Colonel Smith said that there was a deficit now of over \$750,000, and the Department wanted to reduce rather than increase it. Mr. Rose asked for a reduction in the paper-covered book postage, but the Deputy said it would be impossible to consider the matter. On the other hand, the States authorities, which now carried them at a cent a pound rate, intended placing them at a book rate, namely, 4c. per lb.

It is not likely that the matter will be allowed to rest, so unfair is it to the Canadian trade. Some of the dealers have lost heavily by it. As is well known, dealers used to

bring the matter in from the States by freight and express. Now the bulk of this is brought in by mail. Private citizens have it delivered at their houses free, while dealers have to go to the Customs Department of the Post Office for theirs. A petition is to be drawn up and circulated at once, asking for the reduction.

#### THE TENDENCY OF TRADE.

A recent issue of the Boston Herald contains the following interesting article upon the subject: It seems to be the opinion of some of the best informed European authorities that what is termed the American system of trade is fast coming into use in all of the civilized countries of the world, and that its development is likely to be productive of great changes in the ordinary methods of business. This American system consists in the keenest sort of competition, brought about by the thorough utilization of every cent of capital employed. This leads to the rapid turning over of stocks of goods, on the theory that quick sales and small profits are to be preferred to slow sales with the chance of large profits; in the enlargement of both mercantile and manufacturing enterprises, so as to reduce by the size of the output the proportionate costs of rent, taxes, insurance and other fixed charges. The effect of all this has been to reduce the price of almost all articles of consumption to their purchasers, and to compel the seller to be content with a fraction of profit which in years past would have been altogether insufficient to make the business a satisfactory one.

Naturally, under such conditions, those enterprises have succeeded best where there has been an abundance of capital or credit to enable the managers to buy whenever the market seemed to justify a purchase without regard to stocks on hand, trusting to exceptionally large sales caused by special inducements in the way of low prices. We are now informed that in European countries, both in retail and wholesale business, competition is producing practically the same results; that is, the consolidation of the manufacture and distribution of products in fewer and fewer hands, in consequence of the considerable reductions in incidental costs that attend large operations, or operations conducted on the theory of quick sales.

It is pointed out that one of the potent causes for the formation of trusts may be found in this evolution of business methods, since the keenness of the competition has been such that often the margin for profits has been entirely swept away, and the interested manufacturers or merchants have considered it necessary to agree among themselves upon a basis which would admit of profits to all included within their combination, the form of trust owing its adoption to the fact that it is the most satisfactory way of insuring good faith on the part of all. Obviously the trust method is in oppositio