

**"Buying Cheap  
and Selling Dear."**

The effects of decreasing prices upon Canada's foreign trade are to be found chiefly in its showing of imports. Many of the raw materials imported for manufacturing, as well as finished products from abroad, fell considerably in price. India rubber may be instanced. The Bureau of Statistics at Washington reports that while United States imports of this raw material during 1908 were 11 per cent. greater in quantity than in 1907, their appraised value was quite 10 per cent. less. Many other cases might be cited. On the export side, the lowered price of cotton told against the United States showing, though this was partly offset by a larger crop. Canada's export showing, on the other hand, was considerably strengthened by the circumstance that the major part of its products are subject to steady demand, in fat years and lean. Price-declines in products of the forests and the mine were more than counterbalanced by high returns from an increased agricultural output. That the "cost of living" for the average man, in Canada as elsewhere, remains at so high a level is due chiefly to the fact that day-by-day necessities are not those which have declined generally in price.

The trade record of Canada during 1908 is not to be dismissed as merely showing general business recession. Decreased value of imports and an increased showing of exports, tell also that Canada was able last year to follow to a notable degree the good old merchandising rule: "Buy cheap and sell dear." Carefulness in buying from abroad, combined with increased disposal of surplus products, should contribute materially to the country's steady advancement.

**A Trade  
Forecast Recalled.**

A year ago, THE CHRONICLE ventured the prediction that trade declines in Great Britain during 1908 would be less severe than in the United States—and that Canada's course might possibly be somewhat of a *via media*. The fact that domestic traffic earnings of British railways fell off only 3 per cent. during the year, as compared with declines of 12 to 2 per cent. and 8 per cent. in the United States and Canada respectively, is one of several indications that the forecast was not altogether astray. A close examination of foreign trade returns also points to this conclusion. Summarizing the ratios of the statistical table given on page 203, the following is obtained:—

Ratio of Change.	Imports.			Exports.		
	U.S.	Can.	U.K.	U.S.	Can.	U.K.
From '07 to '08..	-21.6	-22.8	-8.1	-8.9	+4.0	-11.4
" '06 to '08..	-15.5	-9.4	-2.4	-2.5	+3.7	+4.4

Were trade changes between 1907 and 1908 alone considered, it might at first sight seem as though Canada's imports declined more sharply than those

of the United States, and that the United Kingdom's export trade had a proportionately larger falling-off. When it is taken into account, however, that trade disturbance affected the United States very considerably during November-December, 1907, the comparison takes on another complexion. Going back to 1906, as affording a fairer basis for observation, it will be seen that the import totals to the United States, Canada and the United Kingdom during 1908 were respectively 15.5 per cent., 9.4 per cent. and 2.4 per cent. less than those for 1906; while in the matter of exports, the United States shows a falling-off of 2.5 per cent., in contrast to gains of 3.7, and 4.4 per cent. made by Canada and the United Kingdom.

Regarding speculation, some **Bucket Shops in** writers are declaring, very **Staid Old London.** philosophically, that the British public has been taught by experience that "speculation does not pay" and is accordingly holding aloof; that there must rise, in fact, a new generation of speculators who have not had the bitter financial experience of coming in at the attic window and getting out by the cellar flap, before the London market has another really orthodox "boom." It should, taking a broad view, not be altogether a bad thing were this really to be the case. But there is a more practical, if less philosophic explanation of the very obvious fact that speculative business on 'Change is not what it once was, nor even what it should be, according to all the accepted canons. The rise of the outside broker, and the bucket shop (much of whose business, while satisfying gambling instincts, does not go to the Exchange even at second hand) will probably account for a good deal of the falling off which has been noticed. Were one to go by appearances, the bucket shop fraternity has lately been flourishing like the green bay tree; but, according to our London correspondent, some of them were recently hit uncommonly hard by the meteoric rise in Yankees and the improvement in Kaffirs. As a result of recent events the public has been treated for some time past to the most circumstantial stories of the difficulties of several of the most prominent of these concerns, and it surprised no one, except perhaps, its own clients, when a crash came to one of them a fortnight since.

Mr. Robert Fleming, the London **Lake Superior** financier, having completed his **Corporation.** arrangements in connection with the Sault Ste. Marie industries, sailed for England by the SS. Mauretania on the 3rd inst. Several improvements and enlargements are in contemplation which will make these industries more complete, economical and up to date in every respect.