

by wholesalers, etc., I say to my own country or people here—Let us boycott Canadian or Upper Province wholesalers, and keep them out of the place—Nova Scotia for Nova Scotians—to the devil with Canadians and a curse upon Confederation—I remain, yours etc.,

J. R. SAUNDERS

P.S. I forgot to mention, in the matter of preferences, that outside of Mr. Hohecker's full claim the others are all for cash loaned me in a friendly way and on which no interest was charged, and I considered I was in honour bound to protect them. I might add that I am now trying to make arrangements with my creditors to continue. J. R. S.

BELLEVILLE, April 2nd, 1889

DEAR SIR, IN BOOKS AND NOTIONS for February I notice that you give a good deal of credit to Messrs. Day, of Guelph, Rothwell, of Brantford, and Sharp, of St. Marys, for the result of their efforts in trying to induce the managers of the Mail, Globe and Empire newspapers to give better terms to newsdealers on their daily papers. Well, I am forced by the result to take exception to the arrangement arrived at in some particulars. Will you or any one, or all, of the gentlemen named be kind enough to point out wherein the newsdealers are benefited by reducing the profit on monthly subscriptions to the Mail from 26 to 16 cents. This is benefiting the newsdealer with a vengeance. The Mail costs newsdealers just the same now as it did previous to issuing the new schedule of prices, and the retail prices remain the same, with the exception that the price by the month has been reduced ten cents, which amount is therefore taken out of the dealer. So it is easily seen that, so far as the Mail is concerned, the only change made in price is clearly to the disadvantage of newsdealers, for we could get 65 cents per month for the Mail before, but can get only 55 cents now. This is all that need be said as far as the Mail is concerned.

I will now examine the new prices of the Globe and Empire. Prior to the new schedule of prices coming in force, we used to pay 1 1/4 cents each for Globes and Empires, which makes \$3.91 per year for each of these two papers, but now, under the present scale of prices, we have to pay \$4 a year, and that in advance for these papers, which demonstrates a drawback against the newsdealer of at least 25 cents per year on each yearly subscription; for the yearly subscription price, bear in mind, has not been advanced to meet this. But some one may say, "How do you get 25 cents difference between present and former cost of Globe and Empire?" I get it by adding 12 cents for interest on advance payment of the \$4, which is the only correct way in getting at the actual difference in cost. We must not forget that when we got these papers for a year for \$3.91, we paid this amount in twelve monthly instalments, whereas now we must pay, not \$3.91 as be-

fore, but \$4, all in advance, and consequently the publishers get the use of the whole \$4 for the year, and, therefore, we should reckon interest on this amount, if we wish to adhere to strict business principles. Of course, I will admit that, if newsdealers choose to pay a whole year's subscription in advance, when the old prices were in vogue, they would have to pay \$4 as now. But any newsdealer would be acting unwisely to pay \$4 in advance, when by purchasing them by the copy at 1 1/4 cents each they would have to pay for only one month's supply or one-twelfth of the cost of the paper for a year at a time at the end of each month, and then would have to pay only \$3.91 for a year. It must be admitted then that in this particular news agents are worse off, under the new prices, to the extent of at least 25 cents on each yearly subscription. But how do we stand as regards papers ordered by agents to be sent from office of publication by mail to yearly subscribers? We are just where we were in this respect; our profits are just the same on subscriptions of this kind now as under the old rates. Nothing whatever has been gained by news agents in this matter. But as far as the writer's experience goes, there are very few papers ordered to go by mail direct to subscribers.

Now, as to half yearly subscriptions for Globe and Empire. These cost the dealer \$2.25, and he sells the same for \$2.75, realizing 50 cents profit, providing he pays the publishers six months in advance, but 10 cents less if bought by the copy and charged in monthly account, which shows a loss to the dealer, in comparison with the old prices, of at least 12 1/2 cents, including interest, on each half yearly subscription. Score once more against the newsdealer.

We will now consider the quarterly subscriptions. In this particular I must concede that the dealer gets a little larger margin of profit now than he did prior to January 1, 1889, as far as the Globe and Empire are concerned. But considering the fact that nearly all the papers under consideration, as far as I know, are subscribed for either on the half yearly or yearly principle, dealers derive but little benefit from the increased margin on quarterly subscriptions. Subscribers who wish to take one of these papers regularly month after month for six months or a year, or more, prefer saving money by subscribing on the half-yearly or yearly plan; at least this is according to my experience. Very few subscribe for three months at a time if they intend taking the paper longer.

On monthly subscriptions we now have about 3 cents more profit than formerly on Globe and Empire, but what is this in comparison with the 10 cents reduction of margin on the Mail, as shown herein? It is probable that of all the Globes, Mails and Empires sold, one-third are Mails, consequently in the new tariff of rates the newsdealer is out of pocket on each monthly subscription of the three papers combined, to the

extent of about 4 cents, or 48 cents per year on the three where subscribers pay monthly for a year; and there are some who take papers year after year, and pay monthly rates, a month or two months at a time. This is another point that has been scored against newsdealers in the new price list E. & O. E.

Exactly the same argument applies to the present weekly prices, with a similar result. Any one can see that the newsdealer is out about 1/2 a cent on the three papers weekly on the weekly subscription basis on account of the retail weekly price of the Mail being cut down from 15 cents to 12 1/2, the wholesale price not having been reduced to meet this. The three papers combined formerly cost us 24 cents and sold for 35; we now pay 27 and sell for 37 1/2, showing a loss of profit to the dealer of 1/2 a cent each week, making 26 cents a year loss on the three papers combined. (E. & O. E.)

The remaining item of the new price list to be considered is the price of single copies. Here we really have something substantial in the change of price for Globes and Empire, for while the cost price to dealers has been raised only 1/4 of a cent, the retail price has been elevated a cent higher. This is as it should be, considering the number of papers which are not subscribed for that remain unsold, and which is the dealer's loss. But the trouble is, and I think the majority of newsdealers who do business in stores and sell their papers over the counter, will bear me out in saying that we sell only a very small proportion of the papers we get by the single copy, and, therefore we do not reap anything like the benefit we would if the same increase in profit were on yearly or half yearly subscriptions. Probably we would not have got such a large increase in profit on the single copies if it had been possible to make the retail price 2 1/4, 2 1/2, or 2 3/4 cents. The time was, not many years ago, when we were allowed \$1.50 on yearly subscriptions for the Globe and the Mail. It paid one then to "hustle for subscriptions."

In passing I would like to remark that 12 1/2 cents per week and 55c. per month for these papers are outrageously absurd retail prices, considering that as a rule we could just as easily get 15c. and 60c. Besides 12 1/2c. per week is just about equivalent to 55c. per month, which encourages customers to take by the week instead of by the month, and results in giving the dealer a lot of extra work without any extra pay.

Now, Mr. Editor, don't you think this whole matter looks rather gloomy from a philanthropic standpoint? The fact is I don't see how the scheme ever stood the light of DAY, nor how any SHARP man could help but see its disadvantages to the newsdealers. No wonder that one of the gentlemen who tried to get better terms from the newspaper publishers was ROTH if he was—WELL.

I might mention the fact that I do not encourage the sale of one-cent papers. Life is