

Montreal Markets.

Flour—The market has been somewhat unsettled during the week. Opening on Monday with a somewhat better feeling in sympathy with the advance in wheat, it has since dropped back again to the old status, and at time of writing is as dull and depressed as ever. During the past day or two, however, there has been a little better enquiry for local account, and one or two good sized sales of strong bakers have been made at current rates, ranging from \$3.75 to \$3.90 for fine to choice grades. Other sales have transpired at \$3.25 to \$3.60 as to quality. In the present state of the market, prices must be considered more or less nominal as no sale appears to be no criterion for the next. In straight rollers there has been some business direct from the mills west of Toronto for account of Quebec, St. John, N.B., and St. John, N.F., at \$2.80 f.o.b. point of shipment, and in some instances it is said this figure has been shaded. Ontario straight roller is now as cheap as American if not cheaper. In this market the sale is reported of 2 cars of straight roller at \$3.12½ on track, while sales have been made of broken lots delivered at \$3.20 to \$3.30.

Oatmeal—The market is quiet and steady, and we quote it: Rolled and granulated \$4.35 to \$4.50; standard, \$4 to \$4.15. In bags, granulated and rolled \$2.10 to \$2.20, and standard \$1.95 to \$2.10.

Feed—There has been a little more enquiry for bran, and the market is firm at \$13.25 and \$13.50 for car lots. Sales have transpired in the west \$11.25 to \$11.50 f.o.b. Shorts are quiet but steady at \$16.50 to \$17.50, and moultrie at \$20 to \$21.50.

Wheat—The market is quiet and easy in sympathy with the west, Manitoba No. 2 hard being quoted at 79c to 80c; No. 2 Upper Canada red and white winter wheat 70c to 75c; No. 2 spring 65c to 70c; but these prices are purely nominal. Millers are paying farmers 6½c to 6¾c per bushel for red winter wheat as to position.

Oats—The market is said to have eased off somewhat, No. 2 white being obtainable at 40c per 34 lbs. afloat, and No. 2 mixed at 39c afloat, but buyers hold off.

Barley—The market is quiet and said to be firm at 42c to 45c for feed, and 48c to 55c for malting.

Cured Meats—There has been a fair demand for Canada short cut mess pork mostly of a jobbing character with sales reported at \$21 to \$21.50, round lots being obtainable at a shade under the inside figure. A good country enquiry has been experienced during the past week, and higher figures in some instances have been obtained owing to the few days longer time that have to be granted for returns. In fact there is no particular change, sales of compound having been made at \$1.90, and in some instances \$1.85 has been accepted. In smoked meats competition is said to be met with from Hamilton and Toronto firms, although prices are fairly well sustained. Between the home and new export trade, however, curers state that supplies will be needed between now and the close of navigation.

Butter—Regarding creamery, business in the country has been put through at 21 to 21½c during the past few days, but it is said that buyers have withdrawn the outside figure owing to easier cables from England. Prices here will be ruled from this out by the course of the English market, and should the late copious rains there increase the production to the extent expected, the recent high prices will not be maintained on either side of the Atlantic. During the week a fair business has been done in creamery and western, trading in Eastern Townships being curtailed by the limited supply. There is quite a lot of butter still held in the west in cold storage, but it is not for sale, as it has been purchased for Montreal and English account.

Cheese—Finest western colored going out by this week's steamers, cost from 9½ to 9¾c, f.o.b. and finest western white 9½c. The scarcity of colored of course accounts for the premium. For finest Quebec colored goods 9½c has been paid, and 9 to 9½c for finest white. Under grades range from 8½ to 8¾c.

Eggs—Sales reported of ordinary run of 8 ock at 11½c in round lots, strictly choice in single case lots selling at 12c to 12½c, with culls at 10c.

Wool—The firmness of the English market appears to have created a healthier feeling here, and holders are decidedly firmer than they were a week ago. A few sales of Caps are being made to cover the immediate requirements of the mills at 14 to 15½c, and the market has a better tone all round, and had it not been for the demoralized state of the American market, prices here would have been 1c higher than they are. We quote prices as follows:—Caps 11c to 15½c, Scoured E.A. wool 28c to 33c, Canadian fleece 19c to 20c, and Northwest wool 12c to 14c as to grade.

Hides, etc.—The drop of ½c in light hides to dealers which went into force last week has been followed by a decline of ½c to farmers, sales having been made of No. 1 at 5c, to Quebec farmers. Although all light hides meet with fair sale, heavy hides still move very tardily, and are difficult to dispose of. Calfskins are quiet and unchanged at 7c. Several good sized lots of lambskins have changed hands at 40c. We quote prices of hides and skins as follows: Nos. 1, 2 and 3 hides to tanners 5, 4 and 3c and to dealers 4½, 3½ and 2½c for Nos. 1, 2 and 3. Calfskins 7c, lambskins 35 to 40c.—*Trade Bulletin*, July 25.

Cutting of Prices.

A great hubbub has been raised in the Canadian dry goods trade during the past month on account of the cutting of the price of staples by certain Toronto houses. *The Dry Goods Review* explained in its June issue, how at least three of the Toronto houses were selling domestic staples at a very small advance on cost. Some jobbers claim that it is foolishness to adopt such methods, when the cost of selling these goods must be at least 10 per cent. The cheating one's self out of all profit is called mercantile suicide and absurd short sightedness. But as mentioned before this new method promises to become apparent.

The Montreal houses have taken a hand in the matter, and have decided that this cutting must be stopped. At a meeting held last week they decided to interview the Canadian Colored Cotton Mills Co., and see if the supplies of those doing the slashing could not be stopped. But before considering this new feature, a history of the new practice may be found interesting.

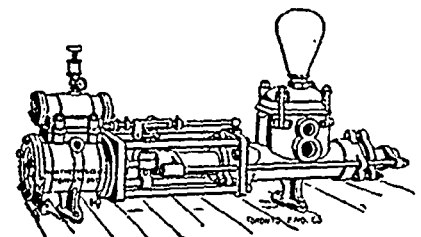
It is not over 15 or 20 years since there was a peaceful, quiet and profitable trade in the Canadian dry goods market. The jobbers were selling goods at large advances on cost, and the manufacturer was also having a profitable season. But a practice was introduced, which was then intended to accomplish much good, which has since been the cause of much trouble. Cash discounts on Canadian staples at that time were 2½ to 3 per cent, but payments not being very prompt, some of the houses decided to give an all round cash discount of 5 per cent in order to ensure prompt returns. It certainly stimulated cash payments, and thus accomplished the purpose for which it was introduced.

But after 1878, when the National Policy was introduced, domestic manufactures multiplied with great rapidity, and competition increased accordingly, then profits began to go down, as both jobbers and retailers found it more important to know how close domestic goods could be bought. Slowly and steadily the margins narrowed, until the jobbers woke up to the realization that if staples were to be sold at 10, 15 or 20 per cent advance, this 5 per cent cash discount stood in the way of making a fair

profit on these lines. The keenest competition began about 1884, and has continued ever since. The consequence was that discussion took place at various times, and a most important one was when the dry goods section of the Toronto Board of Trade in May, 1861, decided to make an attempt to shorten credits and lessen cash discounts. But there were difficulties in the way. Caldecott and McMaster of the Toronto Dry Goods section were sent to Montreal to confer with the trade there. It was of no avail, as no agreement could be arrived at. One Montreal dry goods house absolutely refused to have anything to do with the meeting, which was held to discuss the matter. The reformers were balked in their efforts to secure union of terms in both Toronto and Montreal quotations. They were also unable to secure union in this city, because one house absolutely refused to adopt anything less than a five per cent. cash discount. So the five per cent remained and so did the long credit system. One house got around the difficulty by rolling staples at 60 days net.

Now another phase of the question must be mentioned. A Toronto house eight years ago began to look about for a way to increase their trade, as all good business men do. Some master spirit suggested that they sell their staples at a small advance on the mill prices; and by adopting this plan they are said to have secured good paper just when they needed it most, and also to have secured many excellent customers who were taken with the new way of doing business. There is no doubt that the house who first adopted this method of doing business have found it to answer their purpose. But in this case their gain was someone's loss. About six months ago the manager of the staple department of this particular house left their employ and entered the employ of another house, assuming the management of the staple department, and under his guidance this house has been selling staples at prices which do not please its competitors. Other Toronto houses are falling into the same method of doing business when forced to, and the advance asked for Canadian staples is only 5 per cent with many of the best retailers. Some of the Toronto houses are selling temporarily with little profit, in order to maintain their share of the staple trade. Other Toronto houses and most of the Montreal houses are making vigorous protests against the new methods, and that brings up the point which was mentioned before, namely the action of the Montreal houses in the matter.—*Dry Goods Review*.

At Brockville's cheese market, on July 25, 2,900 boxes of cheese were offered and all sold at 9½c for white and 9¾c for colored. At Kingston 600 boxes were offered and all sold at 9 5/16c. These are high prices.



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