

business men of this country and do something to strengthen the bonds of the British Empire.

"We are not here as a glorified selling agency for Canadian manufacturers and producers, but to investigate the situation and markets, provide the fullest information, advise our Government as to credits, and so help them as much as we can to get business. The only thing that will save Great Britain is trade and more trade, and we in Canada want to co-operate with the business men in the United Kingdom, because it will help us all if we all work together."

HOW CHINA CONDUCTS ITS BUSINESS.

"Business Methods in China," forms the subject of a report to the Canadian Department of Commerce by Trade Commissioner J. W. Ross, which contains much of interest. The report states:

In seeking for trade with China it must constantly be borne in mind that it is the Chinese consumer whose tastes must be catered to. The comparatively small foreign population in the country represents a proportionately small demand, which can be easily and quickly supplied, but it is the ever increasing consumption of foreign goods by the native population which must determine the volume of the export trade with the country.

The foreign merchants in the large ports are the only direct importers, and practically all exports also pass through the same hands. The Chinese merchant has not yet reached to the importance of a direct buyer or seller himself, and all his dealings with other countries are done through foreign firms or agents. His orders are booked either from samples or catalogues, and for many lines of goods, notably piece goods, from well known brands or chops.

Knowledge of Language.

A knowledge of the native language, in order to do business successfully in China, while undoubtedly of use, is not absolutely necessary; in fact, there are so many local dialects that it is almost impossible for anyone to master many of them. The most that one can hope to do is to acquire a partial knowledge of the spoken language in the port wherein he conducts his business. The written characters are quite beyond the efforts of all but the very few.

Many successful merchants have resided in China for years and have never attempted to acquire a knowledge of the Chinese tongue, and the necessity for it is yearly diminishing. Young Chinese are leaving the schools and colleges yearly, all having a fairly good knowledge of English, and it is never difficult to find assistants and clerks who are both able to speak and write in that language.

The Chinese compradore represents a type of business man who has been much written about in relation to Chinese commercial methods, and even

in China the term has rather a wide application. Suffice it to say, in respect to this important official, that no foreign business house can successfully conduct its affairs without the assistance of a compradore.

The compradore is always a man of high business character. He is usually a man of wealth or commands wealth, and quite often is the descendant of a family of former compradores. In the case of a bank he is familiar with Chinese currency and finance. He fully understands the value of provincial and other currency and is an expert in exchange. He knows the standing and resources of all native banks and the quality of native commercial paper. He is, in fact, the Chinese manager of the bank, and is responsible to it in his transactions with their native customers. He holds the position through his character as a man of high financial standing as well as by heavy guarantees.

A great deal of the business of the country is done by means of samples, catalogues and price lists, but the last two are not sufficient of themselves; for the Chinese buyer always wants to see a sample of the goods whenever possible. The foreign firms of China are of almost every nationality, with the unfortunate exception of Canadian; British, American and Japanese firms largely predominate.

Some of these houses have been established in China for over fifty years, and a number of them have branches in the four leading ports named above, and several have also agencies in many of the smaller ports, and are thus in close touch with Chinese buyers everywhere. A great many are engaged in both import and export business. They do not carry stocks, but deal in everything. Some are large Government contractors; they can sell you anything from locomotives or field guns to a few cases of soap. Cotton piece goods largely predominate, however, for this is the chief British trade with China. Their export trade consists of tea, and silk, raw cotton, hides, wool, seeds and oil, egg products, peanuts and all native products for which there is a demand in foreign countries.

With the exception of a few drapery, jewellery and chemists' establishments in Shanghai and three or four other ports, the retail trade of China in foreign goods is entirely in the hands of Chinese; as the Chinese are the chief consumers, this of necessity must be the case. Shanghai may be taken as a guide to the conditions which generally prevail throughout the whole of China, with the exception that there are certain foreign and native shops here which cater not only to the foreign trade but to the high class native trade. Foreign drapery stores in Shanghai—the largest port in China—can be numbered on the fingers of one hand, and were it not for their Chinese patronage, the volume of their business would be materially less than it is. The drapery or dry goods sold in these stores come chiefly from England, with some

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