The MacLean Publishing Company Ltd.
TRADE NEWSPAPER PUBLISHERS,
AND
FINE MAGAZINE PRINTERS.

JOHN B. MACLEAN, President. HUGH C. MACLEAN, Sec.-Treas.

TORONTO, - - - - - - 26 Front St. West. Telephone 2148
MONTREAL, - - - Board of Trade Building. Telephone 1255
LONDON, ENG., - - Canadian Government Offices, R. Hargreaves, Representative.

Subscription, $2.00. Published the First of each Month.

CAN GERMAN GOODS GET IN?

IN some lines, such as underwear, hosiery, embroideries, etc., there is much anxiety amongst Canadian producers of these manufactures to know whether the minimum tariff now extended to British goods alone can be enjoyed by German manufacturers in a roundabout way.

The question is interesting. The Government say no matter what the terms of these two Imperial treaties may be, they will not allow Germany to take advantage of the minimum tariff unless the British authorities force Canada to do so. But can the German manufacturer get into this market via London? It seems a simple thing for a Canadian house to place an order for German goods with an English firm and have the shipments come in along with British purchases. To get into England the German goods must be stamped "made in Germany." That is enforced by the law called the Merchandise Marks Act which calls for the foreign origin of goods to be affixed to the articles. Our new minimum tariff provides that the country—at present Great Britain only—which shall receive the benefits of the lower rate shall receive it on goods the "product and manufacture" of that country alone. German goods purchased in England would still be German goods, but the question is can their identity be concealed before they are shipped to Canada.

The Merchandise Marks Act provides against the foreign articles being sold as any other than foreign articles. But when you get down to detail this is a law not easy to carry out. It is often evaded, sometimes unwittingly, sometimes by design. Cases of violation have been brought to the attention of the British Board of Trade—a department of the Government—for prosecution, but evasions go on. It is said, for instance, that a firm which sells religious books has been accused of pasting a small label over the words "printed in Germany." This, if true, would indicate considerable ingenuity in getting round the law.

In the case of silks in the piece, the material is not stamped and the removal of the label would be no difficult task. With hosiery and underwear, each garment is not stamped, so that re-packed German goods of this description could apparently be sent into Canada and the Customs appraisers be unable to check it. This view of the question may be wrong, and there are possibly difficulties in the way which practical men here are not aware of. But from what some people in the Canadian dry goods trade tell THE REVIEW the grounds for anxiety are not wholly the product of imagination. If the reduced tariff did apply to Germany there is no doubt at all that the increase of imports would in some lines be enormous.

TAXING DEPARTMENT STORES.

BETTER perhaps than some of the legislative remedies presented for meeting the department store problem is the suggestion that they be taxed on the turn-over of their business.

This proposal means that the municipality will get some return for the loss of taxation occasioned by small stores that close up, being unable to stand unfair competition. Surely a city or town has a right to make up this loss by extra taxes on the people who are responsible for the loss. Some people assert that legally you cannot increase the taxes in this way; that a company must not be restricted from enlarging its business until it covers the whole area of trade. These authorities assert that any law passed to prevent the expansion of big stores would be declared unconstitutional by the courts. This argument is based on the assumption that the law provides for unrestricted competition, and that opposition is thus useless. But there is the case of labor unions, which are permitted to keep up rates of wages, and thus undoubtedly interfere with competition. Competition is good just as long as the community deems it good, and no longer. And if it can be shown that the department stores are injurious to the community the right to restrict them can be invoked.

The practical question, however, is their escape from a fair share of taxation. This is a municipal matter, and the individual taxpayers, whose rates go up as the number of stores decreases, ought to be sufficiently wide awake to see that they are not milked by a system which skilfully transfers to their shoulders a burden greater than they feel able to bear.

A FIVE PER CENT. BASIS.

A subscriber to THE REVIEW would like to know THE REVIEW's opinion of a wholesale dry goods firm who do business on a five per cent. basis; that is, they produce their invoices and sell to the retailer with five per cent. added.

This is a query that is sent the editor. It shall be answered here and now. Assuming the case to be correctly stated, we marvel at the firm wasting time in the dry goods business. They are cut out for greater things. A firm that can thrive on a five per cent. basis should be straightening out the Turko-Greece difficulty, or acting as consulting agents for the Continent of Europe, or undertaking to run the world. They are thrown away in a limited sphere. They should write to President McKinley, and offer to relieve him of his burdens; he is probably sick of the job by this time.

Yet, it is a question whether they should even waste their time with mere mundane affairs. Several of the neighboring planets must require just such great men as these. That would give greater scope for their undoubted abilities. We regard the five per cent. basis man as one of the wonders of the age—electricity isn't in it with him.