

Communication.

To the Editor of the "Commercial."

SIR,—Your article in the *Commercial* of the 14th inst. on the "The Extravagant Credit System" was read with deep interest, not only by myself, but I trust also by all merchants in the wholesale and retail trade throughout the country. To those who may not have read it, I would commend its careful perusal, and particularly to general merchants. The action taken by the dry goods firms in Toronto is no doubt a step in the right direction, but if carried out will affect more directly the retail merchants in this country, as about three weeks, and sometimes more, is taken in the transit of goods from Toronto and Montreal to most of the points west of Winnipeg. Then again merchants in this country will not allow themselves to be persuaded into buying a season's stock so far ahead—this may not then be necessary, as eastern as well as our local wholesale houses may see it to be to their advantage eventually not to force sales so far ahead. Many retail dealers confine the bulk of their spring and fall orders to one house, and the traveller for such a house reaches them, say, in November or December with spring samples; and oftentimes unless they give their order at that time they cannot see samples again for some months, and then are not sure of their selections being in stock. That buying goods from four to six months is most detrimental in many respects must be admitted, and it certainly leads to over-stocking in a large number of cases, but at the same time it is advantageous in a sense to the retailer who has in so many places throughout this province to carry customers from eight to twelve months, and perhaps longer. This is also an evil, and one that demands the immediate and most serious consideration of the business men of to-day. Some means should be devised to overcome or combat with this ruinous system of doing business. In all places there are men who are anxious and willing to curtail credits, but there are also in these places men who are willing to carry all risks. The argument advanced in these cases is, "In selling for cash mark your goods so low that competitors doing a credit trade cannot meet you." This may be all right for an argument, but when we come to facts I am sure that the majority of real business men will bear me out in the statement "that no matter what losses some may sustain they will meet these cash prices and even go below them," and at the same time give long credits. Then again the majority of farmers to-day would rather take the six or eight months' credit than part with their ready cash—in fact, cherishing the idea that one merchant sells as cheap as the other, whether he does his business on either a cash or credit basis. Now my point is this: while wholesale merchants have their standing terms of credit, why cannot the retail dealers of this country have also a board of their own, and endeavour to arrive at some arrangement whereby credits might be curtailed. It is certainly a question of vital importance, and must be met and dealt with sooner or later. It may be admitted that there are but few farmers who are in a position to pay cash throughout the whole year. When harvesting time arrives,

also the threshing season, but few of them have the ready money to purchase the extra necessaries required. Now retail dealers could afford to carry them at this period of the year for say three or four months, but when a customer pays up a bill in November or December and commences a new account, expecting it to run through a whole year, the idea appears almost absurd and unjust. Should a retailer ask a wholesaler for a year's credit on a purchase, what would be thought of him? Comment on the probable answer that would be given him, is unnecessary. It, therefore, becomes necessary for some action to be taken, and the question is, who is to make the first move and how is it to be proceeded with? It occurs to my mind, that the board of trade, in Winnipeg, being centrally located, might discuss this question and arrange for the calling of a meeting of all the merchants in the province or both the province and the territories. In places where they have their own boards of trade, delegates could be sent, but a general invitation should be extended to all, and I am confident it would be largely attended. Hard experience has made retail merchants alive to the extent of this evil and it will be found that most of them are anxious to find a remedy, and all they require is a movement made in the right quarter and then they will fall into line. If such a board is formed, there are other questions of importance which could be discussed to the benefit of all traders, for instance the ruinous cutting upon so many staple articles, and also the grading of butter, etc., etc. I think straightforward business men will agree that if some scheme of this kind were carried out, that it would prove equally beneficial to both the wholesale and retail trade. When retail men are selling goods at a fair margin and for cash, the chances of the wholesale merchant receiving one hundred cents on the dollar, besides the prompt payment of his customer's paper maturing at the bank will be much greater than under present existing mode of doing business. United action, on the part of all parties concerned, will result in the matter being brought to a successful issue. Cannot THE COMMERCIAL throw in its support and influence in a movement of this kind and give us, as it does in many other instances, some valuable pointers. Yours, etc.,

COUNTRY MERCHANT.

January 16th, 1889.

JOHN GRANT has been re-elected mayor of Victoria, B. C.

THE poles for the electric light at Brandon are being planted.

THERE is a splendid opening at Keewatin for a first-class doctor, so says the local paper.

G. H. MENZIES is building at Keewatin; he expects to open out shortly in fruits, meats and vegetables.

WM. JOHNSTON, tinsmith, has opened business at Carman, Man., with a stock of stoves and tinware.

A LONDON, England, cable says: It is understood a movement is on foot to induce the Imperial Government to make the proposed China and Japan mail service from Vancouver fortnightly instead of monthly.

THE Bank of Montreal is calling for tenders for the erection of a branch bank building at Calgary, Alberta.

R. BUTT has been appointed manager of the branch of the Bank of British North America opened recently at Brandon.

A JOINT stock company for the manufacture of cheese is being formed at Beulah, Man. The shares are \$10 each, and are being rapidly taken up.

THE N P & M R have rented the building at Brandon, Man., formerly occupied by L. Stockton, and will open their city ticket office there, in charge of H. H. Hellyar.

A MOVEMENT has been inaugurated to start either a cheese factory or creamery at Plum Creek, Man. The committee composed of J. S. Hitchcock, Councillor Hopkins, W. A. Dolmage, Johnstone Brandon, William Sanderson and G. L. Ferguson, wish to correspond with practical dairymen, who would be willing to start a factory.

THE dissolution of the partnership of the firm of E. Penner & Co., general merchants, Gretna, Morden, and other points in Manitoba, as noted last week, has now been publicly announced. Otto Schultz and H. P. Hansen, of the late firm, will form a partnership and carry on business at Morden and Plum Coulee. E. Penner will continue the business at Gretna and probably at Rhineland.

THE Customs department of Canada have received during the first half of the fiscal year from Chinese immigration the sum of \$28,361, compared with \$5,095 for the corresponding period last year. The increase is due to the United States exclusion bill, several hundred Chinese returning before they were aware of the new law, preferring to pay the Canadian tax than go back. Since then this special immigration to Canada has again dropped and only nine Chinamen entered the country last month.

THE members of the Brandon board of trade are making an effort to increase the membership of the organization. A good many of the local merchants have hitherto kept out of the board. At the last meeting of the board, Secretary Flumerfelt read a couple of drafts of circular letters setting forth the importance of a rising city like Brandon, having a strong board of trade, and urging citizens to attend the annual meeting and connect themselves with the board. A good board of trade is a great help to any city, and it is to be hoped the business men of our energetic western city will take hold of the matter in earnest.

Milly—Don't you think Mr. Ribbons has a rich voice?

Tubbs (heartlessly)—So he ought. He's been yelling "Cash!" for the last ten years at Poplin's.

Little Johnny (looking curiously at the visitor)—Where did the chickens bite you, Mr. Billus? I don't see any of the marks.

Visitor—Why, Johnny, I haven't been bitten by any chicken.

Johnny—Mamma, didn't you tell papa, Mr. Billus was dreadfully henpecked? Why, mamma, how funny you look! Your face is all red.