

# The Commercial

WINNIPEG, SEPTEMBER 7, 1896.

## HOW TO INDUCE PEOPLE TO BUY AT HOME.

Several provincial papers have recently denounced the custom of sending away to eastern cities for goods which can be procured at home. It appears that this custom is very much in vogue in some parts of Manitoba. The Neepawa Press says that fully \$50,000 was sent away from that place during the past year, to Toronto or other eastern cities, for goods. The Press adds that most of those who send cash away for goods are indebted to the local merchants. The latter remark gives the key-note to the way of correcting the evil, by a system which The Commercial has set forth on several occasions, in times past, namely, the cash system.

While considerable improvement has been apparent in the mode of carrying on store business in Manitoba, during the past year or two, there is still great room for further improvement in the matter of credit business. Credit is still too free in a great many instances, and open accounts are allowed to run to unreasonable dates in many cases. Now it is evident that if merchants will reduce their credit business, and sell as closely as possible on a cash basis, their customers will have less money to send away for goods. By giving his customers long dates of credit, the merchant places in their hands the weapon which they turn upon himself. If he obliged them to pay him cash, they would not have the cash wherewith to send to Toronto or elsewhere for goods.

The eastern merchant does not sell his goods on credit. He gets the cash in every instance, and can consequently sell on close margins. If our provincial merchants could sell for cash, they would be able to do better for their customers than any eastern house could do. What The Commercial has always advised, is to make a sharp distinction between cash and credit business, giving such a discount for cash as would greatly encourage the people to spend their cash at home. There are no losses in bad debts from a cash business, and it is only reasonable that credit customers should pay something extra to pay losses from bad debts and provide for the extra cost of carrying on a credit business. Even aside from the losses on bad debts, it costs more to do a credit than a cash business, owing to the extra labor and expense in book-keeping, besides the loss in forgetting to charge goods bought on credit. So far as the customer is concerned, we believe that as a rule they can trade to better advantage at home, either for cash or credit, than by sending away. They see the goods and know just what they are getting when they buy at home, whereas they may get something which does not suit them by sending away. In the latter case there is no redress.

Now that the fall season is at hand again, The Commercial would again advise merchants to be ready to push the collections. It is not too soon to have your bill heads

printed and accounts ready, so as to obtain your share from the proceeds of the season's crops, as soon as the return begins to come in. It also is a good time to make any change in the direction of reducing your business more closely to a cash system, and thus strike a blow at the custom of sending east for goods, which no doubt is followed by some of your long credit patrons.

## FLAX SEED

One of the most noticeable features of the Manitoba crop this year is the great reduction in the flax area, as compared with the previous year. Last year the flax area was characterized by a remarkable expansion, it having increased from 30,500 acres in 1891 to 82,668 acres in 1895. This year, however, it experienced even a more remarkable decline, dropping back to 20,325 acres.

The big increase in the flax area of 1895 was an experiment. The farmers were urged to grow more flax, on account of the low price of wheat, and many of them accepted the advice and went in for some flax last year. Evidently their experience with flax was not satisfactory, as indicated by the great reduction in the area this year. The low price of flax last year no doubt was the principal cause of this discouragement. The farmers went into flax in 1895 with the idea that they would get from 75 cents to \$1 per bushel for the crop. These expectations were not realized. The crop was a good one, but the price obtained was only about 60 cents per bushel or less, flax having been lower than usual last year, on account of the great increase in the production of flax seed in the United States in 1895.

This year it looks as though prices would be even lower for flax seed than they were last season, notwithstanding that the crop in the United States is not nearly as large as last year, on account of decreased area and smaller yield. A year ago the price of flax seed at Chicago ranged at about 98 cents to \$1 per bushel, while the present price is about 65 cents per bushel. There is a duty of 20 cents on flax going into the United States, so that Manitoba flax cannot go there at profitable prices. It is perhaps just as well that the Manitoba flax crop is very small this year. The official estimate of the Manitoba crop this year is 288,000 bushels, as compared with an estimated crop last year of 1,280,000 bushels. There will not be any surplus from this small crop for export, though crushers are understood to have a large quantity of seed on hand from last year. The low price in the United States is due largely to the enormous production of flax seed last year, considerable of which is still on hand.

## EDITORIAL NOTES.

The reported loss from hail storms in Manitoba this year is growing larger every day, as it is repeated from one source of information to another. One item which has been going the rounds of some of the papers, says the loss is stated to be "not less than \$3,000,000." The loss is bad enough as it is, without magnifying it in this way. The total loss, on the basis of the present value of grain crops, will not, however, likely exceed one-tenth of the sum named.

NOTWITHSTANDING the lighter crops this year, large sales of farm machinery have been made at some points. One provincial paper reports that the dealers of the place sold 140 binders this season, and one dealer has sold a dozen thrashing outfits.

The Minnesota state prison binder twine factory has proved a failure, says a Minneapolis exchange. One reason for the establishment of the flax fibre industry in the state, but flax binder twine has not proved a success.

In parliament at Ottawa last week Col. Prior was told that it was not the intention of the government to grant any railway subsidies this session. No doubt Mr. Prior had the proposed Crow's Nest Pass railway in view when propounding his question. It is a matter for regret that a start could not be made on this road this year.

Premier Laurier is authority for the statement that a plebiscite on the prohibition question will be taken, but he would not announce the date for the event. If the people of Canada are in favor of prohibition, we suppose they will get it, but it would be a great mistake to try to enforce such a measure, unless it can be shown that public opinion is overwhelmingly in favor of prohibition.

The legislative committee of the Winnipeg city council has been authorized to enquire into the working of the system of a board of control for municipal affairs, as established in Toronto. The committee is also empowered to look into other systems of civic government, established on the principle of a paid executive. Winnipeg has been enquiring into and agitating for an improved system of civic government for many years, and apparently the farce is to be continued. Is it not about time some practical results were becoming apparent?

An item last week in the daily press despatches says that the mercantile establishment law has gone into effect in New York state and in a way will revolutionize the employment of women and children in mercantile establishments. The most important sections of the law provide that no child under fourteen years of age shall be employed in any mercantile establishment in the state. No boy under sixteen and no woman under twenty-one years of age shall be required to work in such establishments more than sixty hours a week. There is no doubt ample room for the restriction of the employment of children and young people in mercantile establishments, factories, etc. Reasonable legal restrictions of this nature are indeed quite proper.

It is very gratifying to note that the crops this year are free from smut. All crop reports so far agree that the Manitoba wheat crop will be wonderfully free from smut. It will probably be the cleanest crop ever produced in this respect. Last year smut was very prevalent in wheat, about 19 per cent. of the crop having graded "rejected," according to the returns of the official grain inspector at