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EDITORIAL.

Advantages of the Cash System.

In the last issue of the "Farmer's Advocate" we began a consideration of the credit system of buying manufactured articles. From various considerations pointed out, it seems to us that the conclusion can reasonably be drawn that the adoption of the cash system, or a close approximation to it, should very materially reduce the farmer's outlay for machinery and other supplies. The manufacturers of agricultural implements, for example, are in business to produce and sell implements, and not to deal in credits, which is the function of the banks of the country. The manufacturers will pay the banks about six per cent., or nearly that, for the credit. In passing it on to the buyers of machinery, whose notes they have received, they will most assuredly figure to get back not only their original outlay of six per cent., but to be reimbursed for the services performed in handling this credit, referred to at length in our last issue, and which some firms estimate as amounting to as much as three per cent, making a total of about nine per cent., in addition to which there is the element of greater risk to be considered in extended time.

The selling of implements is now almost altogether done through commission agents (some of the latter buy outright for cash, and handle the farmer's paper themselves), and the goods are supplied them at a net price upon a basis of payment about October 1st for harvesting machines. If a farmer paid spot cash, he could, no doubt, do even better than the net October-1st price. Where the time for payment extends beyond that date, the contract price is increased for two or three payments at the rate of 8 or 9 per cent. In other words, the machinery costs at least 8 or 9 per cent. more than if it were paid for in cash.

One leading manufacturer with whom we discussed this subject, admits our contention by saying: "Our life would be happier and the percentage of worries less if customers paid cash. We would rather sell and give a discount for cash than sell on time and take 7 or 8 per cent. interest on notes. If a purchaser buys on thirty-days terms (cash) he saves a good rate of interest, but if the cash system were adopted, it is so radical that it would curtail business materially."

Another firm says: "We adopt the principle of allowing a discount of 5 per cent. if we receive the cash in thirty days from the date of shipment of our product, but trade would be considerably restricted if farmers decided to pay cash or decline to purchase, as the credit given enables him to use a machine one or two years sooner than he could otherwise. We admit that our customers who pay cash have quite an advantage over those who take time and pay interest."

Still another very large concern writes: "In Ontario—in fact, generally speaking, in Eastern Canada—a large percentage of the puchases are for cash and short dates than in the earlier years. In Western Canada this is true, also, but not to the same extent, and we think the cash principle is adopted in so far as the farmer is in a position to do so. It will be a long time before the average settler can do without credit, much as he [illegible] desire the change."

A firm that sells their goods largely outright, [illegible] to local dealers, states: "Our usual cash [illegible]unt to dealers is 3 per cent. on four-months' [illegible] equal to 9 per cent. per annum, and, we [illegible]me, the retail customers would receive at [illegible] that rate for cash discounts, or probably

"Comparatively speaking," writes another firm, "a very small proportion of our goods are paid for on cash terms, but there is an increase in this respect every year, especially in Ontario. The time will come when farmers will purchase the largest proportion of their implements for cash. We allow some discounts, equal to 10 per cent. per annum, for cash, and would be glad to get the cash for all our goods on that basis."

The case is thus presented by the sales department of another concern: "We make a difference of $5.00 on harvesters and binders between one-payment and two-payment sales, and a difference of $6.00 between two- and three-payment sales, making a total difference of $11 in favor of a cash transaction, or in favor of a payment made in the fall of the year in which the machine is purchased. We aim to make our schedules an inducement to the man who can pay cash, and at the same time not to put at a disadvantage the man who has not the cash, when the condition of time and credit is considered. It is very probable that, with improved agricultural conditions, the tendency will be towards a larger percentage of purchases being settled upon a cash basis."

In discussing the subject, the managers of another establishment take this ground: "It's not the province of the manufacturer to conduct a banking business, and we are sure that it would be a very great advantage to dealers and farmers to have goods sold on one payment, either in the summer or fall of the same year in which they purchase the goods."

The information brought out by our enquiries on the above subject is deserving of careful study on the part of our readers, because it makes very clear the advantages of the cash as compared with the credit system of purchase, and indicates that, though some manufacturers are skeptical of effecting a change while human nature remains as at present, it is evident that progress is being made, and we have sufficient faith in intelligent determination of the farmer to adopt as rapidly as possible a system that is in his own interest. An incidental value of this discussion is that it indicates what advantages really should accrue to the man who pays cash, and he will thus be in a better position to insist upon getting it.

Bars Up Against Hogs and Swine Disease

The Dominion Minister of Agriculture (Hon. Mr. Fisher) is to be commended for the prompt action taken in regard to the importation of American hogs. The unrestrained privilege of slaughtering in bond of hogs drawn from the unlimited corn-fed supplies of the States, would incidentally have left farmers at the mercy of the packers, but probably the real basis of the Government's action is to preserve the hog stock of Canada from disease. For several years our efficient Veterinaty Director-General (Dr. Rutherford) and staff have battled with hog cholera, which by herculean efforts and the expenditure of thousands of dollars for compensation, has been got under control. Letting down the bars to the American hog lots, might mean any day the complete undoing of all this valuable work and the ruin of the industry for years to come. Only those thoroughly acquainted with the facts, or have suffered from visitations of swine disease, can realize the gravity of the menace. The new order just issued from Ottawa rescinds sections 45 to 52, inclusive, of the Animal Quarantine Regulations of 1904, and substitutes therefor a provision that all imported swine must be accompanied by a certificate signed by a veterinarian of the U. S. Bureau of Animal Industry, stating that neither swine plague nor hog cholera has existed within a radius of five miles of the premises in which they have been kept for six months preceding the date of shipment, but such swine shall be subjected to a quarantine of 30 days before being allowed to come in contact with Canadian animals. This stops importation for immediate slughter and doubles the period of quarantine. Swine found to be suffering from contagious disease will be subject to slaughter without compensation.

Taxation of Bachelors.

As one of a series of subjects for discussion in rural literary societies, it was proposed in our "Home Magazine" for Dec. 14th, that a tax be levied upon bachelors over 35 years of age. Without anticipating what may be said for or against so radical a procedure, or formally reopening the exhaustive correspondence on "Why the Farmer's Son Does Not Marry," recently concluded in these columns, we may say that the subject is one that Premier Whitney and his Minister of Agriculture, Hon. Mr. Monteith, might very well take into their most serious consideration, as it is from the Province of Ontario that complaints have been most frequent and loud with regard to the alarming spread of old bachelordom. In a series of articles last season in the "Farmer's Advocate," it was shown that the most serious handicap under which Ontario labors is the want of sufficient population, not only to occupy new land, but to properly work that already under cultivation, either as farm help, tenants or owners. It is questionable if the agricultural possibilities of older Ontario are yet more than half developed. We were pleased to observe this vital subject under editorial discussion in a recent issue of the Toronto News, where the ground was very properly taken that the situation is one warranting an exceptionally vigorous immigration policy. It is also true that every legitimate effort should be made that will lead the immigrant to find the conditions in the Province so congenial and promising that he will conclude that he need never cast his eyes towards any other "Promised Land." Not only that, but the natural increase of the country should find it in their interest to stay here. That increase might reasonably be greater than it is, and thus strengthen the native-born population in properly assimilating the influx of the foreign element.

It is just here that a judiciously-levied tax on old bachelors might prove most effective in arousing the lethargic class of men to a sense of their duty to themselves and the country.

The succession duties proved to be a happy scheme of the former Government for replenishing depleted treasuries, and we surmise that in the taxation of bachelors there are undreamed of possibilities for the Provincial financiers which, if we are to believe the Opposition press, will all be needed when Dr. Beattie-Nesbitt gets his machine in full working order. But this is on the side, for the "Farmer's Advocate" must not talk politics.

An esteemed reader assures us that in one township alone in the County of Oxford, Ontario, there are, upon a moderate estimate, at least 150 bachelors, most of them well-to-do land-owners. When one considers the numbers of eligible young women, whose equal no other land has produced, and who are gradually flocking to the cities where their activities find other channels, this is simply appalling!

An observant and thoughtful correspondent calls our attention to a still more aggravated aspect of the case in Halton County. One school-section there comprises forty-one 100-acre farms of as fertile and well-tilled land as there is in the