

THE PATRONS OF INDUSTRY.



OW easy it is for some men to get on in the world compared with others. It seems to be the fate of a few to be constantly beset with troubles and perplexities, and in this respect country storekeepers have a full share. Our heartfelt sympathy is extended to them in their impending struggle with the Patrons of Industry and the Farmers' Union. It is said that the one great and all important object of the former is to smash the combines. But it seems to us that another object will be accomplished, and that is to smash the storekeepers who do not enter into their cast-iron agreement. It is all very well for men to combine for that purpose so long as they do not,

by such combination, injure innocent third parties who are as much at the mercy of the combines as they are. In this instance it seems to us a case of "the pot calling the kettle black." The way to smash a combine is not by hitting at the storekeeper in compelling him to sell his goods at a certain profit and no more. People are, of course, perfectly justified in honorably endeavoring to get their goods as cheaply as possible, but they are not justified in combining to practically boycott certain storekeepers because they refuse to be dictated to as to the profit they shall realize on the goods they retail. Storekeepers should have sufficient backbone in them to decline point-blank to enter into any such agreement, and should hoist the Patrons of Industry with their own petard by combining amongst themselves to have nothing to do with the Patrons as such. The agreement that the storekeeper is required to sign reads as follows:—

ARTICLES OF AGREEMENT.

Province of Ontario
County of...
This agreement, made and entered into by and between..... of..... dealer in..... of the first part, and the Patrons of Industry of the second part, witnesseth, that the said party of the first part, for and in consideration of the covenants to be performed by the parties of the second part hereby agree with the parties of the second part as follows:

1. To sell goods to members of said order as follows, to wit: will sell all lines of goods in store, or that may hereafter offer for sale at store, at the following named prices (and furnish invoice of same if required), for cash or its equivalent in produce to be taken at the market price.

2. In case that any goods are sold to persons not members of the order as a "leader" or "specialty" or for other cause at less than the above rate, then the same kind of goods shall be sold to all members of the order at such special rate.

3. The party of the first part agrees to show the invoice of said goods to any member of said order having authority of said order, to be copied by said member if he so desires. And the said party of the first part further agrees that will not sell goods to persons not members of the order at the price aforesaid.

The Patrons of Industry, parties of the second part, agree to and with the said party of the first part, to patronize said party of the first part in line of goods, and to protect by their efforts and influence. And the parties of the second part further agree that they will not make known to persons not members of said order the price they pay for goods.

Should any member of the order feel himself wronged by any deal he shall furnish the president of his association with a bill and a description of the goods purchased, giving kind, marks, etc., sufficient to identify them, and said president shall investigate the same, and if he cannot satisfactorily arrange the matter, he shall refer the same to the proper committee, who shall take action hereon.

And it is further agreed by and between the parties that this contract shall be and remain in force for from this date, to be renewed if desired by the parties.

Witness our hands and seals the day of A.D. 189.. In presence of: [L.S.]

The storekeeper, by this agreement, is bound not only to sell his goods at a low figure but to take payment for same in cash "or its equivalent in produce to be taken at the market price." He can be

loaded up with produce to an unlimited extent, and be at the trouble and expense of selling it and running the risk of a fall in the markets. All the Patron has to do is to cart the produce to the store and serenely inform the storekeeper that it is in payment of his account. A very simple and easy arrangement for the Patron, but a most one-sided affair for the storekeeper who, in terms of the agreement, has no alternative but to grin and bear it. It will surprise us very much if any storekeeper will so far forget himself as to submit to such a high-handed, unjust, and dictatorial proceeding. There is little need for anybody of men to attempt to curtail the profits of the country storekeeper as bad debts and long credits are quite sufficient at present to keep his nose to the grindstone.

A FAITHFUL RECORD.

In my contribution of last month I spoke of the desirability of keeping a correct record of business transactions, and of the superiority of double entry, as compared with the method usually known as single entry for that purpose. I really do not know whether it is necessary or not to support such a statement by argument, not being familiar with the business mind of the country. If I take it for granted that the spread of business knowledge (theoretical of course) has kept pace with that of other departments in our educational system, it will be perhaps a superfluous task to prove that which is already admitted. But it is not safe to take things for granted, and I shall proceed on the assumption that here and there throughout the country there are men in business—grocers, dry goods men, etc.—who still follow some old-time plan which seems to accomplish everything desired.

The simplest form of single entry is that of one book, namely, a blotter or day-book, in which customers are debited with the articles sold them on credit, the pen being drawn through the entry when the amount is paid. This is a stage in advance of the back of the door spoken of last month, and if a man does not attach much value to time it will perhaps be a pleasing occupation to run his finger back over the pages of the day-book for months, picking out the entries one by one, until at last he is brought up by the word "Paid" in the last entry of the old account. Not many men, of course, retain or adopt so clumsy and uncertain a method as this, but among the very small storekeepers, no doubt, there are some. In this method the cash received on account, or in full, of some former sale, is put in the till with that received for ordinary cash sales during the day, no cash book being kept. The next step in advance would be the addition of an Index, in which the credit sales are gathered together opposite the names of the customers at longer or shorter intervals as may be thought desirable. This method will prevent the great loss of time caused by the first, but is scarcely more accurate. Next in the scale of progress we add a Ledger, to which the items are posted daily or in bulk sum at the end of the month. Cash received or paid is entered also in the day-book and posted to the Ledger in the same manner as other entries. Still ascending we add the Cash book, then the Invoice book, the Bill book, etc., until we have all the books necessary for a simple system of double entry. But it is not double entry, for although we may enter our invoices in the Invoice book, our cash in the Cash book, etc., we have yet to discover and put in practice the one principle of all others which insures as perfect accuracy as is possible to attain, namely this, that every debit entry in the Ledger must have its corresponding credit, and consequently that when the books are correctly transcribed the debit and credit sides of the Ledger must be equal to each other, or, in book-keeping phraseology, must balance. So long as we are without this safeguard, we can never be certain that our books are correct. We may check 50c. for \$50.00, or \$500 for \$5.00, and when we have got through checking, and think we are all right we may be out the difference between some such amounts as these, and never know it until some fortunate accident or some honest man reveals the mistake. With double entry we should have been obliged to check and re-check, as many do to their sorrow every month, until the discrepancy was found.

Assuming that my readers have followed me thus far with some interest, and that most of them agree with me, I shall be glad in some future issue to speak of some systems of double entry adapted to various kinds of business. J. B. HARRIS.