

BETTER CREDIT CONDITIONS

The recent meeting of the national council of the credit men's association of Canada brings to mind the fact that the responsibility for the commercial morality of Canada depends very largely upon the conduct of the members of this association.

It was gratifying to note that the selling of goods, even for cash, to men of doubtful or evil reputation, came up for discussion. It may mean present profit but ultimate loss. Many men have built up foundations of credit by gradual increasing purchases for cash, finally obtaining large quantities of goods on credit for which they have never paid; whilst by their competitions they have driven honest men out of business.

The prosecution of fraudulent debtors is an after-clap consequent upon the giving of credit without due enquiry as to the habits and antecedents of the persons to whom the credits were carelessly or recklessly given. A person does not become dishonest by reason of a change of the weather.

Too many people enter mercantile business without any idea of the expenses incident thereto, such as freights, rents, taxes, light, heat, deliveries, depreciations, insurance, waste, overweights, bad debts, or the cost of collections. They take no note of their personal expenses or of the goods used or consumed by their own families. A serious fact is that they never take stock, weed out shop-worn goods or know the goods on which they may make profit or are making losses; selling staples at a loss without selling sufficient other goods to produce a margin of gain; some are too lazy, others are afraid to look facts in the face, whilst others are too ignorant to know how any business should be conducted, and some others are so conceited that they cannot be made to learn. All these work to the disadvantage of the man who knows his business and endeavors to conduct it honestly and intelligently.

The association can effect many reforms by insisting upon periodical stock taking, keeping of accounts in a proper manner, proper balance sheets and periodical reports, but they should furnish the forms and the instructions necessary to their preparation, and should exercise reasonable supervision. The Lumbermen's Credit Association of Chicago many years ago used a form of report by means of which real information was obtained.

If the members of the association will act for the moral and financial benefit of the whole, there will be fewer failures, fewer frauds and fewer fires: but, if goods are sold with a lien attached thereto; if chattel mortgages are taken to enable the mortgagees to collect debts from the sale of goods to be supplied by other merchants who are kept in ignorance of their existence, and if other sharp practices are permitted, then the necessary reforms should begin at home.

The usefulness of the mercantile agencies' services depends upon the good faith of those who impart or neglect or refuse to impart information to them.

Discussing the Canadian Pacific Railway's earnings, the London *Financier* newspaper considers the outlook very favorable. It thinks it would be a pity if, after keeping the dividend at the present high level for several years, the directors were forced even to temporarily reduce it. The *Financial Times* also gives prominence to the article from a correspondent suggesting that the company can maintain the former dividend, says a Canadian Associated Press cable.

THE SPIRIT UNBROKEN

(Reprinted from *The Monetary Times* of a year ago.)

Once again British diplomacy has played fairly, satisfying the most delicate conscience. Once again it has maintained the British standard of honor, this time at the expense of valuable points in warfare, now gained by the enemy. Germany having pushed war, it has challenged a nation which has strained every diplomatic nerve and sinew to preserve peace. Flouting Britain's heroic determination to strangle war, now it must face that determination in a grim shape. It is not war upon Great Britain alone. It is a challenge to the Empire, one which has done for civilization more than other Empires have even tried to dream. That challenge the Empire has answered. Canada, Australia, South Africa, every dominion overseas join with the Motherland in this international struggle, one into which that Motherland has done everything possible to prevent the Empire having to plunge. Victory on one side may mean a new map of Europe, the flowering of autocracy and the predominance of belligerence. Victory where the British Empire may place it, will mean the preservation of individual nationalities, the progress of democracy, always arbitration and perhaps lasting peace.

Seldom has England girded its loins in such a good cause, especially as the struggle has been forced upon it. Heaven knows of the prayers which have been offered and the statesmanlike efforts made for peace. War has come to bring it. Having entered the fight, the British Empire will proceed to the end. In this struggle it has the help of some and the sympathy of all, except perhaps two, of the civilized nations of the world. May Right ride as conqueror!

Workers, not cynics, are wanted now.

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Blue-pencil blue talk but nevertheless work hard.

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Do your part of the common round and daily task.

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Do not act as a negative influence in national development.

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Business never comes to the man who waits—at least not good business.

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Would you rather be doing business in a country other than Canada?

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Keep up your spirits, if only because it helps credit and credit helps you.

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The British bull dog is not handsome, but he sticks to business and never gets the blues.

Receipts to date on account of the Dominion special war tax, insurance companies, and railways, amount to a total of \$823,211.40. Of this amount chartered banks have contributed \$248,500.78 for the quarter ended March 31st, and \$248,284.29 for the quarter ended June 30th. Railways have contributed about \$145,000 for the quarter ended June 30, that being the first date on which the act requires returns to be made by railways.