

legislation. "There is nothing more demoralizing in trade at the present day than the manner in which credit is dispensed. The root of the evil is here. And while dispensers of credit are chiefly responsible for the loss they bring upon themselves, for Parliament by special class enactment to aid these in inflicting injustice and wrong on thousands of others by their reckless haste to increase riches and wilful perversion of the use of capital, is most pernicious and thoroughly vicious in principle. When the law provides for the distribution *pro rata* of the assets of insolvent debtors, the dispensers of credit rely to a great extent upon this partial security and neglect the true commercial basis, honesty, integrity and ability. Thus an indefinitely greater number of industrious and legitimate traders, directly and indirectly, are made to suffer loss and injustice under a law than of those would suffer loss without a law." "Such a law would entail far more loss and injustice among honest traders than the absence of such a law can inflict on the dispensers of credit. And there is this essential difference between the two, that in the first case those would suffer chiefly who could not possibly avoid it, not being immediately connected either with the debtor or the creditor. In the other case suffering would fall on those who had brought it on themselves by reckless credit-giving. Without such a law the good name and honest earnings of the upright trader stand to him for what they are worth."

Mr. Ritchie feels strongly upon this subject, it is evident, for he uses very strong language. In his view, manufacturers and importers, in whose interest he declares this proposed law is framed, are "unscrupulous and scheming traders;" "inconsiderate but wealthy dispensers of credit," who, the wealthy few, in "their rapacity" desire "a law that will give them more power to crush their poorer brethren in trade, and draw from them their very heart's blood." They have the "impudence" to ask this—which Mr. Ritchie qualifies as "what wretched cant." They (wholesale dealers, bankers and other managers of monetary institutions) "ask parliament to protect them from the consequences of their own evil doings, and this in order that they may do more evil and roll it as a sweet morsel under their tongues." All but one in a hundred of them are, it seems, "by their reckless haste to increase riches, the direct cause" of prior judgments, preferential claims, &c. against debtors, "and indirectly the cause of most of the fraudulence and wrong-doing of the debtor." Nay, more. Experience hows the worthy young retailer that "the majority of the wholesale houses care little or nothing for commercial morality." They "cajole" the retail dealers and "make them their slaves and tools," while they maintain an army of 400 commercial travellers, at an outlay of \$5,000,000 per annum, employed in "forcing credit on their victims."

A pretty strong arraignment, this, of the parties on one side of a bargain. But what of the other parties to the contract? Are we to believe that the man who receives credit, the retailer, the country dealer, the bank's customer, is faultless, admitting, as we do, that credit in Canada is sadly lax?

Are the customers of these cormorants, these "unscrupulous and scheming" importers and bankers, all like the typical young shop-keeper instanced by Mr. Ritchie "honest, industrious, prudent, nobly resolved to do the right?" Certainly not, and the president of the Belleville Board of Trade forgets himself when he classifies so sweepingly all who give credit as commercial goats and all who take credit as mercantile sheep.

It is surely a forlorn hope of the writer of these letters to influence public opinion against the passage of a distribution of assets law by such violent and one-sided contentions. The wisdom of legislators must be sadly at fault in enacting, as has been done in all ages and countries, laws governing insolvency, if as the writer contends, these laws are in the interest of the wealthy few and for the crushing of their customers. There have always been "bad debts" in commerce, and it is probable there always will be. Credit is given too freely the world over. But let Mr. Ritchie put himself in the place of an English exporter who sells goods to a Canadian firm: suppose this firm falls behind, creditors on the spot get judgments against it by the dozen, the assets are inadequate to pay all debts, and for the English house, unaware of the circumstances, as has been the case many a time and oft, there is left but five shillings in the pound, would there be no hardship in this case? We are unable to coincide with the view that the proposed measure is "oppressive and unjust," and have no fear that by the adoption of a law for the equitable distribution of an insolvent trader's assets the country will be "enslaved under the despotism of the wretched few." With reference to the farmer, who is quoted in Mr. Ritchie's second paragraph as being aggrieved by such a law, it is fair to say that the bill now reported to Parliament *does not* provide for the release of the insolvent from liability to a farmer who may have sold him produce on credit.

#### THE WOOD TRADE.

What the insurance fraternity might term "the war hazard" is being considered, just now, with reference to prices in many lines of goods. The wood trade we find, is no exception. An active trade in lumber and timber, at good prices, is so important to Canada that the interest felt in the prospects for our lumber in this coming season of navigation is quite natural.

As we note elsewhere, the demand for our best pine boards and bill stuff, from the United States, is constant, and the price had advanced even before war with Russia was deemed imminent. But of ordinary or inferior goods there is no scarcity nor is there for these any decided rise in quotations. Advices from American markets are to the effect that the natural consumptive demand will call for a heavy distribution of lumber. But the late opening of navigation means, as the *North-West Lumberman* says, that lumber will come forward late and that the mills will start late; and meanwhile, in the eastern markets, winter has lingered long in the lap of spring and movement is as yet limited. The state-

ment is made, on good authority, that all the cut of good Canadian pine lumber is pretty well placed for spring delivery; and the proportion which this bears to the whole crop is sufficiently small to make a good price certain.

The *resume* made by our Chicago contemporary on the 11th instant is that while business in the Eastern States is backward, the distributive trade west of Lake Michigan is active. Building operations in New York and New England cities, however, promise well for the season, and a brisker movement may be expected later. As for Chicago, "it is sufficient to say that shipments in March were considerably in excess of the aggregate in March last year."

Supposing war to be declared, there is no doubt that the Baltic would be blockaded, and shipments of lumber thence practically stopped. This means much when we remember that Britain receives most of her timber and deals from Baltic seaports. Norway and Sweden constitute the great source of supply, but Russia furnishes no small amount. Russian cruisers might seriously damage the British carrying trade, and give rise to a much greater export from the United States, carrying in American bottoms. According to last mail advices from England stocks at the receiving ports for timber are very low, and imports must be soon begun in order to furnish the yearly supply for that market.

At Liverpool business in wood was paralyzed by uncertainty and transactions limited. "Orders from the country are small in extent and few in number" says the *Timber Trades Journal* of 4th. With the withdrawal of tonnage from the Atlantic trade in two Cunard mail steamers and two of other lines, some sailing vessels have already been withheld from market, looking for higher freights; 21/- to 22/- Quebec to Liverpool, were the figures talked of in the first week of this month. Accounts from other ports in the United Kingdom state that at Hull, the political strain with Russia is still showing its effects on the wood trade. The salesmen are nearly all withdrawn from the road, and there is no desire to sell stock except at an advance.

Slackness of trade is noted at Cardiff; Norway mining timber a drug there; some Baltic orders in market. A Sunderland letter says the building and shipbuilding trades are far from brisk, and everything points to a bad year. At Leith, "trade remains in the same depressed condition."

Deliveries of wood goods at Glasgow during March fell off nearly a fourth as compared with the previous March and stocks of everything at Yorkhill yards except red pine deals, St. John spruce boards and oak plank were smaller than a twelvemonth before. As to Clyde shipbuilding, the amount of tonnage launched last month has touched a low point, comparatively, the total being 15 vessels, 18,667 tons. The first of the timber fleet, the *Somand*, a Norwegian owned vessel, left Greenock for Quebec on the 30th March.

—Every week there is now manufactured at the St. Croix soap factory in St. Stephen, 15,000 lbs. of soap.