

do not cater for farmers' credit business—is not merely untrue but is diametrically the opposite of the facts. Indeed, the chief ground on which the banks are open to fair criticism is, that, in common with all other business interests, they have given too much credit in the past to great numbers of farmers.

Subsidiary points in the foregoing article which I should like to emphasize by recapitulation are:

1—Honesty, industry and thrift are fundamental pre-requisites to bank credit, but added to these must be approved farming methods.

2—Moreover, a farmer's financial position should be such that with an average crop he would have enough produce for sale to counterbalance his floating debts. Where this is the position, a bank would readily carry loans secured by such produce until the latter could be conveniently marketed.

3—In livestock districts, the possession by a farmer of a fair amount of stock greatly enhances his credit standing with a bank, and it is the declared policy of the banks to extend livestock credits to good farmers for a sufficient time to enable the stock to be carried to maturity.

4—Farmers should recognize that a bank is entitled to security for its loans, particularly where the loans have to be carried over from one season to another. Security in the hands of a bank on all of a farmer's assets has frequently operated to protect a good man against drastic action by an occasional outside creditor bent only on collecting his account—action which usually brings other creditors down on him.

5—The credit of a farmer with his banker would be greatly strengthened by his keeping a simple record sufficient to enable him to make out a correct list of his assets and liabilities. Deception in giving particulars of assets and liabilities will utterly destroy any man's credit with a bank.

6—A farmer's buildings, implements and crops in barn should be kept always fully insured against fire. Hail insurance is also desirable—so much so that banks now usually make it a condition of farming credits. Very few farmers insure their lives, though practically every business man does. It is just as much needed in the one case as in the other, and bank managers should advise their farmer customers to carry a moderate amount of life insurance.

7—While exemption laws sometimes serve a good object, all legislation aimed at shielding debtors from their creditors, operates to curtail credit and increase interest rates.

8—A farmer should take his banker into his fullest confidence and make him his financial adviser. Particularly should he consult his banker before entering upon any important commitments for the purchase of land, tractors, threshing machines, shares in companies, etc.

9—A farmer's floating credit should all be obtained from his bank. Credit which farmers now take from storekeepers, implement agents, horse dealers, etc., costs from 15 to 40 per cent., and