The Commercial

WINNIPEG, DECEMBER 15, 1890.

THE EXHIBITION BY-LAW.

To morrow the municipal voters of the city of Winnipeg will have an opportunity of voting for or against a by-law to authorize the expenditure of $20,000 for the purpose of erecting and maintaining permanent buildings, and securing permanent grounds for a provincial exhibition, to be held annually each fall; and as the by-law is one which was lost at an election held for the purpose last spring, simply for want of interest in the matter on the part of the ratepayers, it is to be hoped that the same apathy will not exist this time. A scrutiny of the votes after the last election showed the singular anomaly, that the by law was lost for want of opposition, for had there been some three hundred or so of opposition votes in addition to the few cast, the necessary number of resident voters would have been to the polls, and the supporters of the by-law would have had the necessary majority to carry their point.

To-morrow there should be a much larger vote than turned out at the special election, as the annual election of alderman for the different wards takes place the same day and at the same polling places. Unfortunately for the by-law, if not for the city's interest otherwise, there is no contest for the mayoralty, and only in two wards is there contests for aldermanic honors, and this is very unfavorable for the turning out of a large vote. For instance in the central ward four, which has nearly enough of resident voters of itself to carry the by-law, there is no contest of any description, and in ward two, another ward with a heavy vote, there is only a contest for the position of school trustee, in which a large proportion of the voters take little or no interest. Only in one populous ward, namely ward five, is there an aldermanic contest, and even there the interest is by no means as keen as in contests of former years. Looking at the situation as it stands for to-morrow, there is therefore great danger that the exhibition by-law may be wrecked again through the apathy of the ratepayers, while there is but little chance of its being swamped by any opposition vote. In fact there is no organized opposition to its passing, and if there was, its chances would be pretty near to a certainty of success.

It seems almost unnecessary to impress upon people in Winnipeg the advantages of having an annual provincial exhibition in the city. It is now beyond a mere question of an exhibition in Winnipeg, but is one of having a provincial exhibition or not. The old system of the provincial government of holding one at a different point each year proved a dismal failure, and the attempt to establish one permanently at St. Boniface met with no better result. The only hope therefore of having an annual exhibition in Manitoba lies in the Winnipeg project, and that can only be a success when it receives the hearty co-operation not only of the city council, board of trade and such like bodies, but of the citizens generally from the wealthiest and most influential down to the poorest ratepayer in the city.

The city council has done its duty in endorsing this by-law and submitting it to the voters. The private citizens who have taken stock in the proposed company and those who have taken the additional step of placing their names on the guarantee fund have done their duty by paying their cash and pledging their credit, so that financial failure is a matter impossible in connection with the undertaking. The Local Government are prepared to do their duty by aiding the project with a grant, if the citizens will furnish the buildings and other necessaries, and now we have the Dominion Government ready to furnish suitable and convenient grounds to the extent of sixty acres, at the nominal price of $20 an acre, thus relieving the committee of management of a large estimated outlay. All round those from whom aid was asked or expected have done their duty, and to-morrow if the ratepayers of Winnipeg will only do their duty by going to the polls and voting for the by law, there will be a provincial exhibition in Winnipeg next fall, on a scale of magnitude such as few people in the province expected to see for a number of years to come.

Now it might be wise to give a word to a class from whom opposition to the bye-law might be expected. These will be the chronic parsimonious obstructionist, who is ready to kick over the expenditure of every cent of civic funds. He can register his vote, and satisfy his narrow conscience, for the number like himself is too small to do any injury, or do anything but swell the number of votes polled and thus help the bye-law. There is that class, however, who will look at the large outlay by the city and its citizens, compared with the very limited grant from the Provincial Government, and argue that Winnipeg bears too great a burden of what is, after all, to be as much for the benefit of Manitoba at large as for the city itself. This miserable "dog in the manger" feeling found its origin in the cupidity of some of our real estate speculators years ago, and their application of it to almost every provincial undertaking, in which the corporation of Winnipeg was needed, has done much towards keeping up that feeling of jealousy towards the city, which is known to exist in a few other places in the province. If Winnipeg is to be the commercial, financial and political centre of the province as the citizens naturally desire it to be, these same citizens must be prepared to shoulder the heavy end of any burden, which it is necessary to shoulder, to secure provincial progress; and when an estimate is made of a division of advantages as well as burdens, we cannot see that the rate payers of Winnipeg are asked to carry an extra share of the latter, in connection with this exhibition undertaking, when they are asked to vote for the bye-law to-morrow.

SHORTENING CREDITS.

The movement in the wholesale grocery trade of Eastern Canada to shorten credits, is of special significance. It is indeed time that some effort was made to correct this evil, which is really the chief cause of all the loss and the unsatisfactory condition of business in Canada. The banks have it in their power to remedy this evil to a great extent, but they do not feel disposed to take action. Every now and again there is an agitation in some branch of wholesale trade to shorten credits, but it usually fizzles out before anything is accomplished. It is to be hoped the grocers may be more successful. The grocers propose to shorten the length of credit to three months on general goods, and to thirty days on sugars, molasses, etc. These dates are one month shorter in each class. In the United States sixty days is the limit of credit, while cash and thirty days is the rule on a large variety of goods. It is also much easier to obtain credit in Canada than in the republic. If business in this country were reduced to the same basis as regards credit, as it is in the United States, it would be better for all concerned.

It is apparently a very easy matter to obtain credit in Canada. Many examples of a surprising nature have been brought to view in Western Canada during the last few years. Men who should have had no credit have branched out with large stocks of goods, and the inevitable failure has followed in due time. This ease with which credit is obtained by irresponsible and incompetent persons, combined with the long dates for which credit is given, will continue to keep our commercial condition shaky, and rotten at the core. So long as these conditions remain as they are, commercial disasters will be frequent, and business will be unsafe.

Even with retailers in fairly good circumstances and of average business ability, the long credit system is a menace. It is such a strong incentive to over-buying, that few can resist its seductive influence. Under a rational business system many would succeed, who now go to smash. With credit at thirty to sixty days, buying would be done much more carefully. The retailer would purchase in smaller lots and more frequently. But with these long credits, he is tempted to purchase heavily, thinking that all will be well by the time the goods are to be paid for. One trader buys heavily because he has a long time to pay for the goods, and his competitor in the same line must buy equally as recklessly in order to make as big a display as his neighbor.

If credits were shorter there would be less disposition to get into business. Irresponsible parties without means would not find it so easy to start in trade. Following this up, there would be fewer failures, and responsible parties in business would be more successful. Men who get into business easily, without capital, are generally the very worst competitors which legitimate merchants can have. They frequently play havoc with prices, resort to all sorts of schemes to work up trade, and finally when they assign, which is only a matter of time, a large stock of goods are slaughtered, to the detriment of the trade of the legitimate storekeeper.

The long credit system leads to free and indiscriminate credit. If credits were shortened up to a reasonble date, the tendency would be to render it more difficult for any but responsi