

is really a light matter after all. If they can arrange to pay a less sum and still continue their business, they will come to think in time that it is quite the correct thing to do so.

Aside from this view of the matter there are also purely business reasons which can be urged against the custom of compromising. It is unfair to those who are striving to pay 100 cents on the dollar, to force them to compete with another in the same branch of trade who is only paying 50, 60 or 70 cents as the case may be. Jobbers are bound to protect the trade from the competition of those who would like to do business on the basis of paying 50 cents or so on the dollar.

The decision of the Winnipeg jobbers to refuse all compromise propositions has already had a good effect on the trade. Some assignments have evidently been made with the expectation of being able to force a compromise settlement from the jobbers. They have failed and the estates have been wound up. It only remains for the wholesale houses to persevere in this line of action to bring about in time a much healthier moral sentiment in the matter of paying trade liabilities in full.

PROVINCIAL FINANCES.

Provincial Treasurer McMillan delivered his budget speech in the Manitoba legislature on Monday last. The total expenditure of the past year had been \$975,513.61. The total revenue was \$618,094.25. Mr. McMillan endeavored to show that the expenditure had increased only where rendered absolutely necessary by the increase in population, and he made out a fairly good case in this respect. The expenditure on account of the administration of justice and the maintenance of public institutions is necessarily much greater now than it was when the present administration came into power.

The most important statement made by Mr. McMillan was that to the effect that hereafter it would be possible to keep the expenditure for all purposes within the revenue of the province. In past years a considerable expenditure has been necessary on capital account, to provide public institutions, etc., but these having now been provided, "the capital expenditure," said the provincial treasurer, "was pretty well over." The estimated revenue for the year is placed at \$717,089.74, and the expenditure at \$716,274.68. The estimated revenue is about the same as last year in all items except the increase of \$30,000 in subsidy from the Dominion government. The estimated expenditure is about \$10,000 less than the ordinary expenditure of last year. The estimates are given in detail in another column.

MANITOBA'S VACANT LANDS.

The Commercial has referred in recent issues to the movement inaugurated by the Winnipeg Board of Trade to secure settlers for our vacant lands. The movement is not intended as a money-making scheme. The persons who have taken up the work are simply acting in the best interests of the country at large. There are large quantities of choice land, even in close proximity to

good markets, which are lying idle for want of settlers. It is the object of the present movement to encourage the settlement of these lands. What form the effort will eventually take it is impossible to say at the moment. Much will depend upon the action of those who hold the vacant lands. Considerable quantities of these vacant lands are held by private parties and corporations. Large quantities are also held by some of the rural municipal corporations. Much is hoped from the action the latter bodies will take in the matter. If a large area of land can be placed at the disposal of the committee having the work in hand, on a basis which will permit of their going ahead in the matter, the success of the movement is assured. The whole matter, we may say, hinges on the question of obtaining control of the land on a favorable basis.

The committee is now investigating, with a view to finding out what lands can be had, and on what basis. Every effort will be made to expedite the work, so as to enable the committee to begin placing settlers in the spring. Already quite a number of applications have come in from parties who want land, so that there is work to be done at once in placing settlers, if the lands were arranged for.

Much, we said, is hoped from the rural municipalities. Some municipalities near the city have already intimated that they are willing to place their lands at the disposal of the committee. Large areas of land are annually sold for taxes in Manitoba and these fall into the hands of speculators. In some cases the lands have been bought in by the municipalities, who now hold large quantities of land. It would pay the municipalities much better in the long run to hand these lands over for free settlement, rather than hold them for sale at a price which would mean that they would remain vacant for years. If they are settled up at once, even though they should be given free to settlers, they would at once begin to bring in a revenue to the municipality, which they will not do while they are idle. Besides, the settlement of the lands would improve the value of surrounding property, and the increased number of settlers would enable the municipalities to proceed with the work of road-making and other local improvements to better advantage.

There is no question as to obtaining settlers, provided the lands can be got on the right basis. Several hundred settlers are already in view, though the movement has only been started and has not yet taken definite form. If the lands can be obtained right, we believe there will be no difficulty in organizing a colonization company on a basis which will result in a regular "boom" in the settlement of the vacant lands in the organized municipalities of Manitoba. Such a condition is greatly to be desired, in the interest of the advancement of the country, and it is to be hoped that those municipalities holding lands will be prepared to at once grasp this opportunity, and thereby enable the committee to go on with the movement.

What form the movement may take, as we have already said, cannot be known until full information as to the lands has been received. If the holders of vacant lands are willing to turn them over on the right basis, a company could be formed of representative men, to take the management of the work of securing settlers. Such a company could borrow money on very favorable terms, to be used in placing settlers on the lands. We mentioned recently that \$1,000,000 had been borrowed in England at a rate of $\frac{1}{4}$ of 1 per cent. Of course such a low rate as this could not be secured, but it indicates that a very low rate could be secured by a responsible company.

We will not, however, attempt to anticipate what may result from the present movement. The time, however, is most opportune. The possibilities are great indeed. Thousands of families in the drought-stricken western states are anxious to move some where, but they do not know where to go. Some of these, representing hundreds of families, are already in communication with the committee here. It remains with our own people, who hold these lands, to come forward and place them with the committee, and if they do so, we believe such a movement of settlers to the organized districts of Manitoba will result, as was never before felt in this country.

MERCANTILE INTEREST CHARGES.

The irregularity of interest charges in mercantile business is a matter which is perhaps worthy of attention. Interest charges vary all the way from 6 to 12 per cent. When the charge for interest on overdue accounts gets beyond 7 or 8 per cent, it is becoming rather steep and must be felt a grievous burden to those who have to submit to such a charge. Even among wholesale houses there is a wide variation in the rate of interest charged on overdue accounts, and it would no doubt be a business-like procedure if some understanding were come to among wholesale dealers to agree to a uniform interest charge in such cases. It would look more business-like to have a uniform rate of interest, and it would besides save some of the disagreements which sometimes arise from interest charges. If all jobbers adopted a uniform rate of interest, there would at least be much less reason for complaint on the part of retailers. Jobbers would no doubt prefer the payment of accounts when due, rather than have occasion to charge any interest at all. At the same time, when a high rate of interest is charged, and compounded at frequent intervals at that, it is a severe tax upon those who are so unfortunate as to be behind in their payments.

UNNECESSARY DRAFTS ON DEBTORS.

A merchant complains to The Commercial in the matter of drafts. He asserts that it is the custom of some wholesale houses to draw frequently at sight upon retailers who are in arrears to them, although they know well that the drafts will be refused. The exchange is charged up each time against the retail

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