TOPICS OF THE ONTARIO MERCHANTS' CONVENTION.

ARTICLE I.

Those upon whom has fallen the onerous duty of convening and carrying to a successful issue a general meeting of the merchants of the country have earned the gratitude of the community generally by the way in which they have done their work. The meeting at Hamilton was large; it was representative; and those who attended brought evident honesty and earnestness to the consideration of the subjects presented. The fact that those engaged in business have a common interest received a practical illustration in the success of the meeting. Another fact, amply demonstrated, is, that there are crying grievances to fight against, else neither the attendance nor the close attention could have been secured.

The very fact that, in the midst of heated rivalry and contention for public favor, merchants are able to sink their differences and realize that their course of dealing should be dictated in some measure by supreme considerations of common import, is, in itself, a distinct gain to all those who have taken part. It tends directly to broaden their views and clarify their conceptions with reference to the real principles that underlie all permanent success. The importance of united action was well put by Mr. McLaughlin, of Wallaceburg, who said: "The assemblage of a body of "intelligent merchants for the purpose of "interchanging views and for the dissemi- "nation of sound business principles will, "doubtless, do much to establish that "*esprit de corps* without which no remedy "can avail for the suppression of these "trade evils. The retail merchants must "work in unison and sink all petty rivalries "if they would mitigate in the slightest "degree some of the many nuisances which "at present obtain in connection with their "business."

For such reasons as the above, we heartily commend the proposal to form county associations of merchants. It may be that such associations will not be able to do much directly towards the mitigation of the bankrupt stock nuisance. Certain we are that very great practical difficulties will be encountered in working out the proposal to undertake the purchase and distribution of bankrupt stocks through such an agency. But even if that part of the programme should fail, or only partially succeed, there is still much that such associations ought to be able to accomplish for the common good.

One reason why we are sceptical about any scheme for purchasing and distributing bankrupt stocks effecting a radical cure, is, that we believe the conception underlying any such arrangement fails to strike at the root of the trouble. It is clear to all who have carefully considered the subject, and was made abundantly clear during the discussion at the convention, that underlying the whole bankrupt stock question, with all its concomitant evils, is the vice of long and easy credit. It was not made quite so clear, although referred to by several speakers, that underlying this vice is over-competition and over-stocking on the part of wholesale merchants.

Something has, undoubtedly, been already accomplished in this regard to secure a better state of things. The grocery trade, especially, has shown itself alive to the true spirit of the time, and while there is even here much room for improvement, a vast gain has been made within the past few years. In some of the other departments of business, notably dry goods, perhaps the most important of all, very little has been accomplished, notwithstanding that there never have been wanting those in the trade who have realized the evils of the present state of things, and who have been desirous and who to some extent have striven to mend them.

One of the most promising features of the class of discussion indulged in at the convention is that it will inevitably deepen the determination on the part of retailers to visit with just displeasure the wholesale men who fail to evince practical sympathy with better methods both as to credit and compromises. Once let retailers generally realize that the alleged leniency and indulgence of their wholesale brethren is the greatest hindrance to their genuine success, and a state of things will be brought about where the successful wholesaler of the future will be the man who adapts himself to the new conception. Hence, it would be a mistake to assume that the retailers are helpless in curing the evils of the present state of things, even where the root of the difficulty lies in the wholesale trade. The whole fabric of commerce is so intimately interwoven that every department of trade is able to some extent to influence every other. This principle of interdependence it is that causes all to feel the bad effects of the evil doings and folly of certain merchants. Influences for good as well as for evil may, however, be evoked from the same principle.

How far this over-competition and over-stocking on the part of wholesale merchants is in its turn caused or encouraged by a lack of firmness in dispensing credit on the part of monetary institutions, is another question worthy of the careful consideration of all concerned. Space forbids our doing more than merely mentioning the point here.

At the other end of the line the same evil confessedly exists, and was repeatedly emphasized during the meeting. The retailer is too ready to give credit. Reformation is needed here as well as elsewhere. This point is patent to all, is admitted by all; but, unfortunately, acted on by few. It is to be hoped that the discussion of the subject at the Hamilton meeting will result in strengthening at this point and elsewhere the good cause of cash dealing.

Many scathing things were said about the facility with which all classes of debtors are able to secure compromises with their creditors. Few, if any, of these were too strong. The wholesale trade has many sins to answer for, but few of them more mischievous or of more constant occurrence than the weak and shortsighted policy of compromising with debtors, irrespective of their past record, merely because compromise appears for the moment the cheapest and easiest way out of difficulty.

ARTICLE II.

Old difficulties in connection with business recur after it has been believed that they had been got rid of for good. Dating forward is an English practice, transferred to Canada. Its inconvenience was felt there as well as here and efforts were made to get rid of it. The leading dry goods houses agreed to abandon it, but the agreement was ill-observed, departed from by one or two firms, and then abandoned. English wholesale houses often gave six months' credit with a right of three months' renewal, practically nine months. Dating forward and subsequent renewal would make it longer. A credit at one end is pretty sure to be made the rule for credit at the other; in other words, what the importer gets he will be very much inclined to give. Are credits, apart from renewals, larger on this side than the other? If not, a shortening of credit is more difficult than it would otherwise be, if the practice of two countries had not to be taken into account. Where competition is keen, each competitor will make every possible bid, whether in the form of credit or otherwise, to extend his hold on the market. If he gives the same length of credit that he gets himself, he does not expect to lose by the operation. When he dates forward, he is probably tempted to do so from the consideration, well or ill founded, that the goods may as well be in the customer's store as in his own warehouse during the extra time. Whether spring or winter goods, they are sold in advance of the time at which they could go into actual consumption, and in the meantime they must be somewhere. And then, if certain customers get in their stock, they are in no danger of going over to rivals for their purchases. Doubtless considerations such as these help to account for the system of dating forward; and it is for men in the wholesale trade, each for himself or collectively, to say whether they constitute a justification for the practice. The Hamilton convention shows that doubts on this point are wide-spread, doubts which we have ourselves often emphasised, but whether they will lead to a lasting change of method the future alone can answer.

It is easy to say that too many persons go into trade, but it is not easy to see any artificial remedy for the evil. Of those born in the country many have a strong, some an irresistible, inclination to remove to town. From remote times the inclination has been universal, both in Europe and Asia as well as in America. With such a disposition it is useless to quarrel. Warning and admonition to act prudently are legitimate weapons for combatting the excess of this tendency, and they may do something to check it, though nothing can put an end to a movement which on the whole is on the lines of civilization; and it is not desirable that it should be altogether arrested, but only that it be so far controlled as to move at a reasonable pace. The best remedy, perhaps, is self-acting, and is even now beginning to operate. The