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EVILS OF THE CREDIT SYSTEM.

Some of the speakers at the recent meeting of the Western Retail Hardware Association in Winnipeg gave useful advice in their comments on the evils of the credit system as it is allowed to go on at the present day, particularly in the west of Canada. The merchants there find themselves confronted with very large amounts of money outstanding on their books. Sometimes a man carrying say a \$4,000 stock will see \$10,000, or possibly even more of open accounts on his books, the consequence being that he finds himself completely tied up. The capital which he at first thought sufficient for his business is proved quite inadequate, owing to his having to pay interest on so many outstanding accounts, besides which he loses much in the form of bad debts. There can be little doubt that the merchants would all be in much better financial condition if they could shorten their credits. "There is scarcely a merchant," said one veteran hardware dealer, Mr. J. H. Ashdown, of Winnipeg, "who has not double or three or four times as much on his books as he should have," while a point to be thought of was, he said, the fact that as times goes on one's customers generally feel less and less inclined to pay their debts. The result of this state of things is that merchants who ought to have found their business quite profitable are year after year paying off bad debts, and at last end where they started, without having added anything to their capital.

One remedy would seem to be for retailers to place smaller stocks of goods on their shelves, and to be more chary in the way of credit, thus reducing interest charges and bad debts. While a strictly cash system is hardly practicable under present conditions in the West, the general opinion among those best qualified to judge is that some sort of a compromise may be effected. One speaker at another meeting of

merchants, in Winnipeg, the Retail Merchants' Association of Western Canada, suggested the closing of all accounts on the first of November, and the refusal of credit until the first of May. The matter is one of very great importance. Traders in the East have long known the encumbrances of an excessive credit system, and those who wish well to the West will be heartily glad to see its ill effects reduced at the earliest practicable moment.

THE DRY GOODS TRADE.

The presence in the Montreal and Toronto markets last week of so many people interested in the millinery openings, together with the fact that the weather was so mild and spring-like, did a great deal to push business. The wholesalers report that seldom have they seen such a busy month as this has been to date, while all the indications, so far as they can be interpreted by travellers in the rural districts, point to this state of things continuing during the season. The demand has been largely for articles, textile and other, of good quality, which indicates the general prosperity of the country. It has also shown a satisfactory inclination towards domestic manufactures, though at the same time it should be said that the importations of the various lines of dry goods have been of late decidedly increasing.

The sales of hats and millinery goods are reported to have been exceptionally large, both in Montreal and Toronto. Buyers were present in both cities from as far east as Nova Scotia, and as far west as Victoria. A feature which pleased them particularly was the news that deliveries of ribbons were being made in ample time, this being a point upon which many doubts had been felt. The consumption of ribbons this year not only in the form of millinery trimmings, but for other purposes as well would ap-