

## IS WORTH A TRIAL.

As an incentive towards encouraging the cash system of doing business, would it not be well to give cash customers a small per cent. of reduction on goods purchased? To us it appears that the adoption of such a course would in all likelihood bring to the storekeeper who lives up to the discount-for-cash plan a class of trade which is at all times desirable. There is no reason why those who pay for their goods as they buy them should be expected to pay more for them than do those who pay weekly or monthly. Such, however, is the case at the present day. There is not a grocer who issues pass-books to customers who would not willingly make a reduction of from two to five per cent. if the entire amount due as per such cash books were settled up at once.

Thus we see that the retailers offer an inducement to trade on credit, whereas the reverse ought to be their aim. In cash transactions the dealer has the money of the cash customer to use in buying goods and paying cash for them, and thereby saves a discount which means profit to him, and also makes him a desirable customer among the jobbing trade, which enables him very frequently to obtain "inside" prices, while with his credit customers he must wait weeks and sometimes months before he receives his money. If no difference is made between the two classes of customers, the cash customer, knowing that fact, will be justified in demanding credit and using his money in some way so as to make it bring some interest to him.

Take it, for instance, where a customer has been paying cash for his groceries, and his payments amount to about \$35 per month, but finding that there is no advantage in paying cash, he resolves to put his money in the bank and pays his grocery bill every three months, would he not be benefited by the change? He certainly would. And yet there are many grocers who would be very glad to have such a customer where he could count on getting his money at a certain stated period, and furthermore would give a premium in the shape of candy or nuts for children, whenever the account was settled.

Many people would manage to pay cash for everything did they but know that a saving was made by so doing. Did the credit customer fully understand that a pass-book meant one or two cents upon everything purchased, we are inclined to believe that the credit customer would do all in his power to soon get down to a strict cash basis of doing business. But they don't understand anything of that kind. They know that they are charged the same price as the customer who pays cash, and in this case, where is the incentive to change their mode of doing business. This is a question which should receive the consideration of the retail trade, and in our opinion, the adoption of this system is well worth a trial, and would be a step nearer to cash business.—*Retail Grocers' Journal.*

## A POLICY OF CHANCE.

Credit is like fire; it is a good servant but a bad master. When it is well bestowed, it is doubly benificent—like

mercy, that in the phrase of Shakespeare "blesses both him who gives and him who takes." It has also the same twofold power to destroy, and oftener does wreck both dispenser and receiver than it prospers them. Those who mete it out take risks between these two chances in probably nine cases out of ten, having moral certainty of getting full payment in the other one chance. They get full pay of course in more than one-tenth of the number of cases, but that fact does not diminish the risk they ventured on.

The risk is not solely in the admitting of a man to credit privileges. At that stage, the giving of credit is a matter of choice with the trader. But it becomes a matter of necessity very often in later stages of the trader's dealings with a customer who has been allowed to get on a time footing. You may be a wholesaler or retailer. You have mistaken a buyer's honesty, business ability or financial standing, or you have been too eager to make a customer of him, and you let him into you for a good sized account. He pays you a small sum and wants more goods. You are uneasy about the debt he owes you, and dread giving him offence by refusing further credit, as by doing so you will estrange his trade and, put it out of his mind ever to pay you at all. You let him in a little further. If he comes along with a margin, and has something of the manner of being conscious that he has "got you," you'll venture a little further. You finally get to a stage, if you are a wholesaler, when you desire to sell him all the goods he buys, and for fear of his going to some other wholesaler, you rather press him to buy, hoping, in the extremity of your distress, that when he comes to a state of bankruptcy there may be nobody to divide up his assets with, and that you may get them all. Not infrequently, as has been hinted above, the debtor sees his advantage and shows a little impudence, being disposed to swagger on the strength of his dishonesty as the physical bully is on the supposed strength of his muscle. Many a trader knows that when he has come to a certain pass in credit giving, he has to go on or lose all he has ventured. He plays a desperate game after that and commonly loses. When a man cannot keep up, he had better be dropped with all that he has been able to secure of his creditor's substance, if there is no means of recovering it.

In such cases, continued credit giving is exactly analogous to stock gambling. You pay your ten per cent. on a venture in wheat, corn or pork; the market goes down, but you believe it will recover, and not wishing to lose what you have in you continue paying. You get after a while to a point where you have to stop, and your name goes to swell the long list of victims who started out in the flush of their conceit in their own cleverness. Progressive credit-giving is gambling. It can be depended on to come out right in about as many cases as gambling can. A sure loss is better than an uncertain gain of much larger size.—*Hardware.*

As a result of the first year's operations the Ottawa electric railway has paid a dividend of 7 per cent.

## THE CROPS FOR 1892.

It is gratifying to be able to announce that reports received from nearly all sections of the country this week promise good average crops, and in some parts of Ontario the yield, judging from present prospects, will be even larger than last year. The recent heavy and continued rainstorms have not occasioned as much damage as was anticipated, and the root crop was not injured to any great extent. The hay harvest will be abundant, and in some sections farmers have commenced cutting. Some of the wheat has a sappy and rank appearance, but rust or rot is not feared unless wet weather continues. Barley and peas have also suffered to some extent in low places, but on the whole there is no cause for alarm. Fruit of all kinds, with the possible exception of peaches and grapes—the last named being thinner and less plentiful than the past few years—will be above the average crop.—*Toronto Merchant.*

## OVERZEALOUS ENDEAVORS

As an illustration of the inflexible business methods of the Rothschilds, Mr. James Payn, the eminent English novelist and journalist, relates the following: Several years ago, the Rothschilds held a large quantity of cotton in New Orleans, which they instructed their agent in that city to sell when cotton should reach a certain figure. The agent, believing that the price of cotton would go beyond the figure named by his employers, held on till he was able to sell it a price which netted \$40,000 more than he would have received for it if he had obeyed his orders from London. He joyfully informed his employers of his success, supposing they would share his satisfaction at the result. Imagine his surprise and chagrin, when he received a reply, saying in substance, "The \$40,000 you made by disobeying your instructions is not ours. It is yours. Take it. Your successor starts for New Orleans to-day."

## THE COAL SUPPLY.

The United States is using coal, it appears, at the rate of about 150,000,000 tons a year, and with an annual increase which will carry it up to 200,000,000 tons a year at the beginning of the next century. The question has been raised, what will become of the coal, or rather, what will become of the country without coal, in the course of the twentieth century, supposing the ratio of increase in consumption to continue unchecked?

It has been calculated that the annual requirement a hundred years hence, under the conditions named, will be in the neighborhood of four thousand millions of tons, or about eight times as much as the entire yearly production of the world at the present time. This is a formidable prospect, truly; but if we indulge in looking forward too far, whether as regards the coal supply or any other requisite of civilized life, we are pretty sure to run into a difficulty of this kind. The twentieth century will have to paddle its own canoe; and if it is as bright and smart as the nineteenth century has been, it may be trusted to meet all its liabilities promptly at maturity.—*Canadian Trade Review.*