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## SAMSON, KENNEDY AND GEMMEL.

Before entering upon the Spring Trade it may be profitable to stop at the threshold and take a retrospect and also an outlook. That we have passed through trying times, is evident from the failures that have taken place in Canada during 1875, the total number being 1,968 or 30 in every thousand traders, the aggregate Liabilities of which, are 29 Million Dollars. These figures show that the amount of the Liabilities during the past year was four times as large as that of 1874, proves how severe the pressure has been. In no year since 1857 has so many business firms succumbed. In addition to an unhealthy expansion of business and incompetence on the part of many we will notice a few features that have produced this state of affairs.

- 1st. A want of correct information of their standing arising from the neglect of the important duty of a periodical stocktaking.
- 2nd. Imprudent buying—buying more than they want, buying before they want and spreading their business over too many Houses.
- 3rd. Too many in business. There are hundreds of Insolvents to-day, who, if they had remained on their farms might now have been prosperous and rich.
- 4th. Luxuriance and Extravagance. Many Insolvents might have been doing well in business if they or their families had not lived too fast. These Habits have been greatly on the increase the past ten years and 1875 has exhibited the result.
- 5th. The Long Credit System that Prevails. Time and again we have endeavoured to Impress the minds of storekeepers with the benefits that would accrue by adopting a system of shorter credits, and requiring farmers to pay their accounts at least once in the half-year. Advantages flowing from such a course, would be almost incalculable. The storekeeper could afford to sell at a smaller profit, make a quicker turnover, and prevent a heavy interest account, by which thousands have been strangled. Not a little of the stringency in monetary affairs has been caused by this extended system of Credit given to Farmers by Storekeepers, thereby enabling the Farmer to hold his products, in hopes of higher prices, (which he often never realises) and thus locking up a large portion of the Capital of the Country, which operates as a powerful Brake on the Wheels of Commerce, and prevents this country from cancelling its foreign indebtedness as soon as it otherwise would.

All our trouble, however, has not been caused by the Retail Trader. Many wholesale importers have been acting in a reckless manner. Increased Banking facilities have tempted many to extend their business far beyond their capacity to carry it. The amount of Goods forced upon the country the last few years has been out of all proportion to either the increase in numbers or wealth of the people, and consequently sales have been freely made to weak men. We condemn in the most unqualified terms the delusive practice of dating goods forward, the evil effects of which can hardly be calculated.

The fury of the financial storm may be greatly spent, but it has not wholly subsided. The most conservative policy is still needed by both the Wholesale and Retail trader. The reduced imports of the Fall of 1875, and the likelihood of the same course being pursued this Spring, is a proof that merchants are having a prudent regard to the lessons taught by the experience of recent disasters. The imports of the first nine months of 1875 in Toronto show a marked decrease. Thus Woollens fell from \$449,000 to \$229,000; Cottons from \$263,000 to \$116,000; Wearing Apparel from \$27,000 to \$18,000; Books from \$43,000 to \$16,000.

To a prudent business man the year opens with fair prospects. Farmers are prosperous and rich. Notwithstanding the monetary crisis, our Cash Receipts in 1875 were far in advance of each month of 1874, and remittances continue to come in well.

An evidence of the class of men with whom we do business will be seen when we state that in one day's remittances of \$15,000 we only received one registered letter, the remainder were in drafts and cheques, showing that those people who buy from us are prudent men, and keep Bank accounts.

Our Spring stock is coming forward, and the assortment will be fully up to any former season. We will be glad to see our friends.

SAMSON, KENNEDY AND GEMMEL,  
44 Scott & 19 Colborne St., Toronto.