

JOHN MACDONALD & CO.'S

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The close of the year enables us to review the business of the past six months.

Has it equalled the expectations created by the promise of an abundant harvest? We think not.

Not to the sanguine only, but to those whose conclusions by reason of their greater experience are of more value; the result has been disappointing.

Some there were who, taking it for granted that the harvest would be largely in excess of the previous season and that prices would rule high, imported freely. Others with better judgment, and knowing how easily goods could be re-ordered, imported lightly. Those who adopted the latter policy are reaping the benefit to-day of lighter stocks and fewer bad debts; while those holding heavy stocks were compelled to force sales, and are burdened to-day with unseasonable goods.

It is now generally admitted that the result of the crop of last season has been over-estimated.

The yield has not been what many imagined, nor have prices been such as were expected.

The season has been mild beyond precedent. The sales of all heavy goods, such as furs, blankets, heavy clothing, etc., have been light, and heavy stocks of these goods will doubtless be carried over.

The mild season, (which has been felt as far west as Winnipeg,) has not, however, been without its advantages.

To thousands of families whose means are slender it has proved a blessing. Farmers have been able to plough until the close of the year.

Hoise building has been carried on without interruption. Very many mechanics and labourers have found full work, who, but for the mild season, would have been among the unemployed.

Failures have been numerous—many of them SHAMEFULLY DISHONEST—and the amount of money lost to creditors in consequence something appalling.

Remittances have been good, and indebtedness consequently decreased. This to our mind is the redeeming feature in the trade of a season that throughout has been marked by a lack of elasticity.

The primary cause of the long-continued derangement of business is doubtless found in the excess of imports superinduced by the ruinously cheap credit which obtains in Great Britain. We have referred to this so often that we now merely note it. Nor can any change be expected until heavy losses awaken the British merchant to the fallacy of the system.

The ease with which fraudulent and dishonest debtors obtain their discharge and return to their "old stand," only to DEMORALIZE TRADE, and become insolvents again, is doing as much as anything else to prevent a healthy revival of business. How can the honest trader compete with men who get rid of their liabilities by the payment of 30c. or 40c. on the \$?

What encouragement is there for an honest man to follow

a business where among his competitors he finds so many of this class? None whatever.

From this evil there will be no relief until merchants realize the necessity of opposing the discharge of EVERY FRAUDULENT AND DISHONEST dealer as a duty which they owe not only to themselves but to every one of their customers who conduct their business with a view to the honest payment of their debts.

In the coming season we see nothing to warrant the prospect of either a large or a very profitable trade.

So long as Importers and Retail Dealers are so largely in excess of the actual requirements of the trade there can be no permanent "REVIVAL OF BUSINESS;" that excess may be put down with great safety at 30 per cent.

Until trade is in fewer hands there can be no profitable employment of capital in business, and no safety from the demoralization consequent upon overtrading.

If Canadian merchants would but for one twelve months reduce their importations Fifty per cent., they would then import all the country needs, and Canada would experience a freedom from obligations and enjoy a prosperity which has not been felt for many years.

We are glad to know that this policy is being adopted by some houses, and only hope that their example will be largely imitated.

Retail men who buy their spring goods when they need them, will do better than those who give orders for them now; having them dated in March or April.

Men are awaking to the folly of buying goods many months before the Trade opens for them.

The old story that "goods will be scarce" or "dearer" has lost its charm.

The very opposite is the case. Goods, towards the close of the season are cheaper, not dearer, as every man who conducts his business with prudence knows. Those who reap the benefit of such changes are those only who buy goods when they are wanted, and not before.

What we say to the trade for the coming season is

Buy Carefully!!

Keep Your Stock Well Assorted!!

Reduce indebtedness so as to have the Interest account in your favour!!

And that these ends may be secured,

Abandon the old destructive system of long credit and Sell your goods for Cash!!

It may be said that our view is a sombre one; perhaps it is; time will show, however, that it is correct!!

Those who frame their business policy in accordance with it for the coming season will not go behind!!

Will not need to call their creditors together!!

And, although they may not make any very large addition to capital, will be in a position to take advantage of the tide when it turns.

JOHN MACDONALD & CO., TORONTO.