It seems clear that the establishment of a store is predicated upon there being business to support it reasonably. It is also equally certain that if there are two or three times the number of stores which the country will support, then some of these are fore-doomed to failure. Anyhow, if there are now more stores than are needed, why should the farmers increase the alleged evil by establishing additional stores of their own?

SIXTH. It is true that a large number of our country merchants are men who have gone into business without previous experience, but it is difficult to see how that can be used as an argument for the establishment of stores by farmers who have themselves no business training. If it is urged that the latter can employ competent managers, then it must be admitted that such have no personal interest, except their salaries, in the success of the business, and not the same incentive and inducement to efficiency and good work as the country merchant who stakes his entire future upon the success of his enterprise, and who has his own local interests. It should also in fairness be said that many merchants, starting with no experience, have developed into successful business men.

SEVENTH. I am thoroughly in accord with the idea that there should be a separate cash and credit price, or rather, I should say that there should be a fixed price, with a discount given for cash. Where this has not been done, undoubtedly the purchasing community has a just ground for criticism. I know that many retailers do not think that this is practicable, but the dissatisfaction which has arisen over present methods must be allayed [illegible] the farmers and retail trade are to work harmoniously together.

EIGHTH. The credit system is not the cause of the conditions which have obtained throughout the west. It is their effect. Its necessity in the development of a new country is admitted by Mr. Rice-Jones, but it is thought that by cutting out some credits the rest could have been taken care of by the banks. The answer to that is that up to the present time the banks have not done so, nor in my judgment will they. I notice with a great deal of interest a proposition on the agenda for the financing of the homesteaders, which perhaps has already been discussed. Anything that can be done in that direction will be of great assistance to the farming community. Nevertheless, the banks, from the very necessities of their business, must confine themselves to secured risks. The struggling farmer is not such, and yet he must get credit if he is going to live. This country has grown to its present magnificent proportions solely owing to the credit system. If it had not been for credits extended by retail and wholesale merchants, farmers could [illegible] have lived. It is true that credits have been improperly given, that is to say, to the [illegible]rmers themselves, but it is difficult to understand the logic of placing the blame for this upon the retailers. No retailer sells for credit as a matter of choice. He would much prefer to have cash, but if the farmer needs and insists upon credit, the merchant must give it to him or lose his trade. Every farmer knows that, and while the system has been abused, still there is no getting away from the fact that, broadly speaking, such credits have been a necessity. Indeed, it is only of late years, with the increasing prosperity of the agricultural class, that there has been any talk either of co-operative buying, or of the abuses of credits. With a crop failure there would be a different stor[illegible] I venture to say that these abuses [illegible] not appeal strongly to the [illegible] the tenant, or the new farmer [illegible]sidering that this country is really [illegible] infancy, that we are all looking [illegible] influx of fresh settlers after the war [illegible] we have vast stretches of land [illegible] the proposition that [illegible]ecessary and should be [illegible] with, would seem to be ab[illegible]enable. The "cash only" basis [illegible]ra.

NINTH. The assumpti[illegible] that losses from bad debts are owing [illegible] the credit system, and that therefor[illegible] [illegible]lesalers have to increase their prices [illegible] the consumer, is fallacious. Th[illegible] doubt, do to a slight exten[illegible] losses in fixing prices, but the p[illegible]