

Renewals.

The question of the advisability of granting renewals to debtors unable to meet their notes due at any given period seems, at first sight, to be purely a matter of individual experience. A renewal which would be the height of folly in one case may be the wisest course possible in another; but this is a matter which only the parties immediately interested can be competent judges, since they alone are able to estimate correctly the many outside considerations as to the character, prospects and commercial ability of the applicant, which, after all, are the real factors that decide the question of acceptance or refusal. But still it may perhaps be forgotten that there is another side to the question of the propriety of renewing an obligation already due, besides that of the private profit of the firm granting the extension, and that this is whether this favor redounds also to the advantage of the commercial community as a whole, or whether it is not indeed the means of enabling a practically insolvent trader to maintain an unfair competition with those of his competitors who meet their notes promptly, even at the cost of some personal sacrifice. From this point of view the question of the policy of granting renewals becomes public property, since in this case it affects the public weal.

Renewals may fairly be divided into two classes. Those bearing interest, and those which are simply the de facto extension of the date of payment for a further period without consideration of any kind. In the first case, a renewal is in the long run a very doubtful advantage to the recipient, since it simply adds to the amount of interest he is already carrying, and too often proves to be the additional burden that precipitates failure; but this form of renewal does not discriminate against those of his competitors who have met their bills promptly when due. In fact, it acts in their favor by adding to the burden of the recalcitrant trader. But, in the second place, the renewal becomes a direct advantage granted to one member of a trade against another. It means simply that the merchant obtaining this renewal actually receives so much longer time in which to pay for his goods than his conferrer, and consequently it becomes a discrimination in his favor to that extent. In this case the renewal can only be looked upon as a trade evil, and should therefore never be granted by those firms who endeavor to carry out the golden rule of treating every one of their customers alike.

A renewal without interest, even if met at maturity, is certain to have a deleterious effect upon the business character of the customer receiving it. Once having experienced the advantage of a lengthened term of payment it becomes almost certain that he will again endeavor to procure it. He argues, "Why pay in six months if you can get seven?" and consequently troubles himself very little about the due dates of his bills. His neighbors soon discover the state of affairs and resolve to put similar pressure on their wholesalers, and thus, like a moral poison, that one instance of mistaken leniency will permeate an entire neighborhood, and may possibly permanently lengthen the

term of credit. Of the gradual steps by which the renewal becomes the extension and ultimately results in the compromise, it is unnecessary to speak. They are all the result of the moral contagion engendered by the fact that an obligation when due can be evaded, providing a sufficiently plausible tale can be foisted upon the indulgent creditor.

It is in this sense that the renewal becomes a trade evil. Simply because it gradually saps the foundation of that commercial rectitude which calls for the meeting of an obligation when due. If the renewal be given with interest, the debtor pays honestly for the increased indulgence given to him, and in this case it is a perfectly legitimate trade transaction, and one which not only does not injure the chances of his competitors, but, on the contrary, confers upon them an advantage commensurate with the amount of its cost to him. With this form of renewal no condemnation is possible. But in the case of renewals without interest, the transaction is distinctly illegitimate, since it conveys an additional advantage to one man without consideration, and thus places him in a preferential position towards the others. In this case the honest trader actually loses interest by the promptitude of his payments, and a direct premium in the shape of extra credit is conferred upon the dilatory and careless storekeeper.—*Journal of Commerce.*

A Mountain of Gold.

The usually quiet little town of Hope is just now greatly excited over what may be one of the most important discoveries ever made in this country. On Tuesday last George McCombe, an old miner, started out from Hope to prospect a timber limit. He had not proceeded far when he noticed a good-looking fragment of quartz near the bottom of a gulch. He followed the traces along the ravine, and finally discovered the source of them—a mountain of quartz in which there is believed to be a fair percentage of gold! This is Hope Mountain, a most picturesque elevation, which forms a kind of background to that charming and historic mining town. Being within stone-throw of the town and the Fraser river, there is no obstacle in the way of economical mining; and if the ore is found to contain even ten or fifteen dollars to the ton, it will be a bonanza, for there is practically no end to the supply. Several claims have already been taken up, and pieces of rock have been sent away for careful analysis, so as to determine accurately the size of the fortunes of the fortunate owners. It need not be said that this discovery is likely to prove a boom in the old mining town, once so famous as the centre of one of the largest mining camps on the Pacific coast. In the early days the Fraser river about Hope yielded millions of gold, and it would not be remarkable if a connection should be established between the rich crop of nuggets taken from the river banks and the auriferous mountain discovered on Tuesday. We shall wait further developments with very great interest.—*Columbian, Westminster, B. C.*

A NUMBER of German immigrants have arrived at Regina from Wisconsin. Two brothers among them are going to establish a blacksmith shop and carriage factory at Long Lake.

Lumber Cuttings.

The saw mill at Brandon, Man., which was idle last season, will probably be put in operation this summer. J. A. Christie is endeavoring to arrange for a supply of logs for the mill.

The British ship *James Livesey*, 1071 tons, has completed loading at the Moodyville mill and sails for Peru. Her cargo consists of 780,804 feet of rough lumber, valued at \$7,808.04.

The four masted British ship *Knight of St. Michael*, 2221 tons, has completed loading at Moodyville mill and sailed for Melbourne, Australia; she takes out one of the largest cargoes of lumber ever taken out of this port. It consists of 1,820,020 feet of rough lumber, and is valued at \$17,299.35.

The *Birtle Observer* says: It is understood that an arrangement has been entered into with the representatives of the Federal and Merchants' Banks by which this town will take a certain portion of the saw mill property in lieu of arrears of taxes and will also grant exemption from taxation for five years to the mill owners on condition that the lumber business is continued here.

When Consul Hotchkiss, the representative of the United States government at Ottawa, Canada, stated some weeks ago that "the only parties to be benefited by free lumber would be the few manufacturers owning timber leases in Canada, who would probably find a profit in exporting logs to the United States to be sawn there," he stated in brief the opinion of the great mass of intelligent students of affairs in the world of lumber. It certainly was accepted by the Canadian as the probable outcome of an abolition of tariff, for many of them, expecting that congress would so legislate, increased their operations in the woods very extensively.—*Lumber Trade.*

Mississippi Valley Lumberman says: R. Balfour, inspector of bridges on the Canadian Pacific railway, has lately written a letter in which he speaks very highly of the value of British Columbia timber for bridging and similar purposes. He represents the British Columbia fir as having great strength in comparison with weight. In truss bridges of long spans, the length attained by this fir makes it excellent timber. Speaking of iron versus wooden bridges, Mr. Balfour says, that the principal cause of failure of the Howe truss is generally due to defective design and inferior timber, often being built of soft pine of short length. He thinks with present experience it is possible to build a span of 200 feet with this fir, which will in many respects be superior to the ordinary iron railway bridge. The chief argument in favor of the wooden bridge is that defects or deterioration can be readily detected, whilst this is not so true of the iron bridges. The first warning from the iron bridge is generally a total collapse often attended with serious consequences, whilst the wooden structure goes by degrees, and with a little care serious accidents can be guarded against. The Canadian Pacific railway company is using large quantities of British Columbia fir for bridging purposes in the mountains and other sections of its road.