

ing operations, and hardware merchants are getting their stocks in readiness accordingly. The rural end of the business too seems likely to be prosperous, especially in the West. In Ontario, where crops were not so abundant, the farmers are likely to be a little less enterprising in the matter of new building requirements and extensions. There is likely, however, to be, even from them, sufficient demand to give trade a steady character. In metals, the general tendency of most has been upward. Pig-iron has regained its strength, which was drooping a little towards the end of last year. Now however, that, and indeed all the structural metals, are quite firm.

Country produce has been very high-priced all winter, partly owing to the insufficient supplies on account of the difficulties of transport, the snow having been unusually deep. Butter has been almost phenomenally high-priced, while cheese, owing to the late demand by English dealers, has also been good property.

Hides, skins and leather have been in about the position which usually characterizes them at this time of the year. The situation of the last-mentioned, however, may be said to have improved.

In conclusion, all that is necessary to say is that the indications point towards a continuance of the present satisfactory state of things in the business world.



#### A SCHEMING MERCHANT.

The case of Hill, the St. Thomas merchant, found guilty by a jury last week of obtaining goods on false pretences, is one which should be dwelt upon. Mr. Hill was not an ordinary malefactor, not such a person at any rate as one would naturally think predisposed to fraud or likely to reach the prisoner's dock. He came of decent people, had been a school-teacher, stood well in the place in which he lived not only in commercial circles but in religious circles. In fact he was a class teacher in a church—the same church, by the way, in which Mr. Rowley, of the Elgin Loan Company, of unhappy memory, was similarly engaged.

This St. Thomas merchant could not have planned his frequent borrowings from trusting friends or plotted his purchases from too credulous wholesale merchants in Montreal and Toronto, but that his conscience must have told him that he was leading people astray. He had borrowed, as he admits, \$23,000 or \$25,000 from friends and relatives in 1903, and he owed a still larger sum, probably \$38,000 or \$39,000, in trade obligations in 1904. He made a specious plea of ignorance of his obligations. But he was informed by an accountant of the state of his affairs, and after being so informed he knew enough to cut a page out of his ledger, which page contained his merchandise account, so that it might not be evidence against him. He surely knew that his business was going behind.

The conclusion reached by the jury was the conclusion any man would reach who heard or read the evidence. Hill made false statements in order to get more credit. What he told his Montreal creditors we are not informed, but to his Toronto creditors he lied most profusely. The judge's charge disposes, quickly and neatly, of the plea made by Hill's counsel that the McKinnon claim was covered and that defendant had made no false representation on which that firm acted.

A villainous habit, that of making false statements of one's financial position in order to obtain

credit, but it is as old as the St. Lawrence or the Lakes, and hundreds of times practised with impunity. Lest it may be pretended that want of knowledge of financing or of commercial accounts led this particular merchant into such a tangle, one of his creditors who is a practical book-keeper says he has rarely found among his customers a shrewder or more clever accountant than Hill.

And a curious, though not a novel notion—to distinguish between borrowed money and trade debts; that the first must be paid but the others, the wholesale merchants' claims, may go hang. These borrowings of Hill from relatives or friends were not put down in his bill-book or any other book because "he did not consider them trade debts." This sort of discrimination is swept away, however, by the Judge, who points out that all creditors have to be paid out of Hill's estate, and that "you cannot distinguish a debt when you come to pay it."

Judge Winchester's charge to the jury in J. B. Hill's case, which we reproduce in the main on another page, enforced the value in the business world of the old-fashioned virtue of honesty, which appears to be on the decline of late days. "In all commercial transactions," said he, "honesty is the only thing that men can rely upon between man and man, between firm and firm. If that is gone, then commercial life is gone entirely in our country. If we have not honesty between merchants, wholesale and retail men, then the whole fabric of our commercial enterprise is shaken. It depends upon the honesty, the truthfulness in dealings between man and man, to establish a proper commercial community. If that is gone, then good-bye to all honesty in dealings in other matters. That is the foundation of the whole of society."

True words, these, necessary to be spoken in days when truthfulness between man and man in commercial transactions is not so much the rule as it was in a more primitive state of mercantile procedure in this Canada of ours. We could wish, too, that modern competition between wholesale houses had not so largely relaxed the mutual confidence that ought to exist in a wholesale community. It has come about that "for fear of one another," so to speak, importing firms will not always take the firm attitude they ought towards customers whose soundness or bona-fides they have reason to suspect. "We might lose the account—and there is our neighbor so-and-so only too glad to take it up," is the argument occasionally used when a retailer asks something unreasonable or does something of questionable morality which ought not to be condoned.

A subscriber reminds us of Hill's religious professions and connections, adding that he actually obtained money from half a dozen of his church or Sunday-school class and put it into his business, thus adding them to the number of his creditors. This sort of thing is detestable. But this sort of characters exist. May there not be, however, an unconscious as well as a conscious hypocrisy, for all who display that sin are not Tartuffes. There are numbers of dissemblers in ordinary life less easy of detection, but not therefore less dangerous than the Pecksniffs and Chadbands. But it is a public duty, in the interest of morality, to expose the man who in commercial circles, makes merchandise of his knowledge of Scripture, or his familiarity with sacred things in order to entrap his friends or to cheat his creditors.



—A combination offer of practical helpfulness to all classes of business men is made on page 1319 of this issue, to which your attention is especially called.