

try as men would a plague stricken region, and even the speculative leader became convinced that his game was played out, & those of his class disappeared in hundreds much to the disappointment of hotel and boarding house keepers, and tradesmen in the city of Winnipeg and smaller cities and towns. The spring had been late of opening, but the acreage of crop sown was something wonderful compared with that of the previous year. The early summer was very favorable in weather, and early in August it looked as if Manitoba would export from the ripening grain crop, after supplying the demands of her own people, nearly four million bushels of wheat, besides other grain. But cold moist weather set in about the middle of that month, and when September opened, the process of ripening had made very little headway. There was general anxiety, for the season was late, and warm ripening weather did not come. On the evening of September 7th, anxiety reached nervousness, as thermometers were seen to drop rapidly. Yet the wind was from the south, which should bring higher temperature. Hundreds of men were sleepless that night, and when morning came a heavy hoar frost covered the country, ice formed on ponds, and water puddles, potatoes and other vine plants were blackened and cut to the ground, and three-fourths of the magnificent but still only partially ripened crop of wheat was either destroyed or materially injured by the frost. The morning was the blackest in the agricultural record of the northwest in one sense, and yet as if to tantalize those who beheld the work of ruin, the sun shone out brighter than it had for weeks previously, and developed into a day of warmth and brightness, such as had been earnestly wished for and by many earnestly prayed for during the three weeks preceding the killing frost.

CHAPTER III. THE SQUEEZE.

Residents of Manitoba were all waiting anxiously for the opening of the spring of 1884, and hoping almost against hope for something to turn up, which would relieve the depression which prevailed in the province, and which was generally attributed entirely to the heavy damage by frost to the crops of the preceding year, but which was due to some measure to the over hopeful least, many if not all had built up in the results of that same crop. The truth was, few residents of the prairie province had ever got down to the close study of economy until a crop failure compelled them to do so. Up to that point credit had been free and easily obtained by all classes, and few gave the importance to preparation to meet future obligations which should be given. During the winter the country had gone through a time of exciting agitation, and struggling settlers were prepared to fasten the blame of their troubles on anything, everything, anybody and everybody but themselves, who were most of all to blame. The Dominion and Provincial Governments were soundly abused, and for what it was often difficult to tell, except that the influence of neither was sufficient to bring the crop of 1883 out in safety or compel millers and grain dealers to pay a dollar a bushel for every grain of wheat in the province sound or damaged. Farmers were not the only agitators, for every worthless dead beat of a local politician chimed in with his oratory, enlarged on their grievances real and imaginary, and sought to make popularity out of the general discontent. Many good business men too, were equally fond in their denunciation of the Governments, and still more so of the millers and others engaged in the grain trade, all of whom were, accused of being bound up in a conspiracy to cheat, impoverish and ruin the poor farmers. One would imagine to hear the loud complaints, that none but farmers were suffering in any way, and that all in commercial pursuits were fast making wealth by the farmer's poverty.

How the merchants generally fared during these trying times may be guessed at from the fact, that of the twenty-seven hundred business institutions in the Canadian Northwest in existence in the summer of 1882, over eleven hundred were forced into insolvency or compelled to give up business as unprofitable before the close of the summer of 1884. Distant capitalists who had invested money in the Northwest were pressing to realize and get out of the country. Banks, as is customary in a time of depression, kept up a galling pressure of contraction, gauging the same so as to keep it as severe as possible without bringing actual panic. Eastern manufacturers and wholesale dealers by the dozen withdrew from the northwestern field, and quite a few cut and slashed in a financial sense at their customers here, with the object of realizing as highly as possible, and many a country merchant, who with a little nursing would have paid every creditor what he owed him, was forced into insolvency and his estate in a large measure squandered in the crash and eagerness to realize.

Jake Millbank was still on his feet in a business sense in the spring of 1884, but his props were by no means too solid under him. He had used up all his reserve capital and every dollar he could gather to meet obligations, but had only partially succeeded in that respect. He had frequently been forced to ask part renewals from his several creditors, but had taken care always to provide in some way for obligations maturing. He had followed his policy of taking a hand at everything, and had a cellar full of butter, hides, potatoes and such like, and a shed full of second hand wagons, plows, harrows and other truck, most of which he held as security for unpaid store bills, but was at liberty to sell for cash at fixed figures, and ere it to the owners in his books. It is needless to say, however, that a cash sale of such truck was out of the question in such times. His books showed several thousand dollars due him, but to collect one little of his outstanding debts was a matter impossible. He felt the pressure heavy on him, and had joined freely in the general cry of discontent and agitation. In fact he had become a local leader in an organized agitation, and had shown signs of developing into a good political stump speaker.

"Sam Whitman has skipped, Jake," said Mr. Slickmouth the farm machinery agent one April morning as he entered Jake Millbank's store.

"Skipped where," gasped Jake, as he started at the calm agent.

"O! I suppose across the boundary. He'd get out of Canada anyhow," said the agent as he reached for a cigar.

"Then I'm out at least a hundred and twenty dollars," said Jake, then after a pause he added "I thought you considered him honest."

"So I did," replied Mr. Slickmouth. Then as he puffed the cigar he half muttered, "my house carried him over three hundred dollars and only got the half of it." But I got a mare and colt, which I got a mortgage on, and I guess we will get out even on them, once I get a buyer for them.

Jake Millbank paced up and down behind his counter in silence for several minutes. He was doing some hard thinking. Slickmouth had recommended quite a few farmer customers to him, and among the number the absconding Whitman. Of course he only recommended men he was prepared to trust himself, but some how or other when it came to collecting, Slickmouth always had some kind of a lien or mortgage which made him comparatively safe, whereas Jake had nothing except some of the truck securities now lying useless and unsaleable in the shed in his back yard. There was scope for thinking here, and he was likely to come to the conclusion that he was an ass in business matters, and should change his tactics in a hurry. But he began to think over the affairs of neighboring merchants, and consider, that they were in the same boat as himself. Fudge, it was a loss and he must bear it quietly. Such securities as Slickmouth managed to get hold of were necessary in the implement business, but general merchants, dependent upon the patronage of the farmers, could not expect to get security, when they gave credit.

This conclusion at which Jake Millbank arrived in his mind may seem strange in print, but it simply gives expression to the policy followed by retail merchants in other agricultural countries as well as the Northwest. The farm machinery man, who often sells to a farmer some machine, which is a matter of secondary consideration, if indeed not altogether unnecessary to him, seldom fails to take some security for payment, and never fails to have the obligation acknowledged in writing in an instrument which gives him quite a start of ordinary creditors. On the other hand the retail merchant, who supplies the farmer with food and clothing for himself and his family, has to give credit without any security and in most instances without any acknowledgement on the part of his customer, which would prove the debt in a law court. When the retail merchant meets a loss and the machine man comes out safe or nearly so, the latter gets abused as a sharper and rascal, whereas the whole matter lies in the fact, that the machine man's system of business makes full provision for the collecting of outstanding debts, whereas the merchants' system, if he has any, makes no such provision, until it is as a rule too late to follow a safe or successful one.

Mr. Slickmouth had eyed Jake very cautiously during the latter's pacing and thinking, and as he saw his features relax, he touched him on the arm and said, "Jake you snap that farm of Whitman's, you can get it for the mortgage and interest." Then he explained to Jake how there was only four dollars an acre mortgage on Whitman's farm and the company wanted only the interest on their loan, while the farm was well worth ten dollars an acre of any man's money. The company for payment of the back interest about \$130, would give an

agreement to foreclose on Whitman and sell to Jake for the amount of the mortgage and costs. If Whitman ever came back to get his farm before the foreclosure was secured he would have to pay what he owed Jake and all costs and interest. Slickmouth concluded his persuasive argument with the declaration, that if he was in a position to swing it, he would own that farm himself.

There are few men who will not launch out money to recover a loss, and Jake was too quick sighted not to see the force of Slickmouth's argument. The latter was a little ahead in the way of making collections from the absconding Sam Whitman, but he no doubt wished to see a friend coming out whole also. And Mr. Slickmouth really did want Jake to come out ahead in this matter, while by getting him to take the farm, he himself made a small commission of thirty-five dollars out of the mortgage company on whose hands it was left. It is needless to add that in two weeks afterwards Jake Millbank controlled, with a hope of in a few months owning a farm of 320 acres.

Before the fall of 1884 came round Jake Millbank had passed through quite a few squeezes in business. He had managed to collect only a very small proportion of the debts due him from the previous year, while he could not for fear of losing both their money and their patronage refuse to give further credit to many who thus owed him. In spite of all he could do his book debts kept increasing, as did also the collection of truck in his shed and cellar. In the spring he had shipped to Winnipeg, several tons of butter, a large proportion of which had been stored for months in his cellar, and instead of making a profit, he made a heavy loss by handling it. Butter production had increased amazingly in the fall and winter of 1883, and prices went crash the following spring. A shipment of salted hides brought no profit, although not a heavy loss like the butter, and it slowly became apparent, that where ever he had calculated on making a double profit, a loss came on one side. He could not stand this a very long time, but he hoped for better times soon, and expected in the fall to get several hundred dollars from Mr. Ponsonby Neville, whose account had grown to abnormally large proportions. Then there were several smaller farmers to whom Mr. Ponsonby owed money, for work, hay, etc., and who in turn owed Jake, all of which would come right as soon as the administrator of the Neville estate in England got matter's arranged, and could send Mr. Ponsonby a portion of the funds due him. The cash from these sources would be quite a help to him, and as he carried a stock much smaller than a year ago, he hoped to weather through all right, and the returns from the crop generally, would make him easy before spring. Then he had that farm, which he could not fail to sell soon at a good profit. He had little thought of these calculations proving mere empty hopes without fulfillment, before the coming winter had passed.

The harvest of 1884 came round in Manitoba, and its results varied much in different localities, around the locality in which Jake Millbank was, streaks of fine crops were sandwiched with streaks where frost had done heavy damage, so that some farmers were well satisfied and others badly disappointed. Jake found the work of raking in country collections very hard, and far from satisfactory. His own farm instead of being a source of profit was a load. The foreclosure and conveyance expenses amounted to quite a little sum, and the cost of breaking and summer-fallowing had been heavy, although paid mostly with old store bills due him. Christmas was close at hand, and he sent to his old mother and brother some curios of the prairie country as Christmas gifts, among others a fine buffalo head and horns, left with him for sale by Mr. Neville. He had been anxious for several days to see that gentleman to know the price he placed on the buffalo head, and had asked Mr. Slickmouth to see him and tell him to call. The train carrying off his presents had not left the town half an hour, when Slickmouth brought the news that Mr. Neville was off for parts unknown, and as to his estates in England, he, Slickmouth, believed they were more likely to be located in the moon. He had left nothing which could be attached, unless a bull terrier and a setter bitch, both of unquestioned breeding, and these he had brought to Jake in the wagon.

The blow was a heavy one on Jake Millbank. He had lost over six hundred dollars by this one man, and who knew how soon other losses would follow. He lost no time in enquiring as to the truth of Mr. Slickmouth's story, and found it to be too true. He took delivery of the canine assets, scarcely knowing what to do, and put them in his back shed, each chained up. That night he slept but little, and in his night tossings he mapped out a new policy for himself, which like all other policies not

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