



into the wholesaler's office and informs him that he wants five hundred or a thousand dollars worth of goods, he seems to think that all he has to do is to mention the fact in order to get them. Does the wholesaler ask him a few leading questions about his standing and affairs, how he proposes to pay his bills, he gets insulted at once, and fancies he is being accused of having dishonest designs upon the wholesaler's goods.

The merchant who has this business super sensitiveness, has sometimes occasion to seek the services of a banker in his own town. He wants to raise money, and getting together the notes of some of the best of his customers, he endorses them and goes to interview his banker. Now in offering such paper for discount, the merchant pledges to the bank, not only his own worth and reputation, but that of his customer, the maker of the note. Does this satisfy the banker? Not at all. Before he will entertain the matter, he not only wants from the merchant a statement of his business affairs, but the facts in regard to his property and interests of every kind, and not until he gets these does he consider himself in a position to make up his mind as to whether he will advance the money upon the security of the notes offered.

Does the merchant kick when asked by the banker about his affairs? Not by a long chalk. Why? Simply because he knows that he can't get the loan in any other way, and he is only conforming to the usual custom of the banking business. He knows very well that it is of no earthly use for him

to go to the banker and ask a loan of money, simply on his own word, or even on his own promissory note. No, in order to get a hearing at all, he must take in fairly good business paper made by some one else, and add to it his own endorsement.

How different is all this from his action when he interviews the wholesale merchant for the purpose of obtaining say the same amount in merchandise. He does not offer the merchant another man's note endorsed by himself to secure the payment of the account when due. No indeed, far from it, and he almost feels insulted when the merchant kindly and cautiously suggests that he give him some particulars about his resources and chances of payment. In fact he seems to consider, that although the banker has every right to get both security and information, the wholesale merchant has no claim to any consideration in this respect at all.

That such an idea is unfair and illogical may be readily seen if such people would only take the trouble to think over the thing fairly. As a matter of fact, the banker is really just as much of a merchant as the wholesaler, the only differ-

ence being that the former sells "money," while the latter sells "goods." Merchandise is only money in another form, and the wholesaler's goods have been paid for with the banker's money, probably within a few days of their having been passed into stock, so that to all intents and purposes they are money to the wholesaler.

There are very few merchants who would care to go to their wholesalers and ask them to loan them say, \$500 or \$1,000 in cold cash for four months; but these same gentlemen do exactly the same thing when they ask them to sell them their merchandise on four months' credit.

Now we don't desire any of our readers to carry away the idea for one moment that we are averse to the credit system. While we believe that the cash system is best, and that the closer we can approach it the better it will be for this or any other country, still it is not feasible at this stage of Canadian national development. It may, and probably will, come later on, but this country is not yet ripe for it. Under present conditions, credit must and ought to be extended to retail merchants, but this should be carefully done, and not indiscriminately as was formerly the case.

It is to the advantage of the honest, careful, 100-cent-on-the-dollar merchant, that the giving of credit should be conservatively administered by the wholesalers, for indiscriminate credit was undoubtedly the cause of the inordinate and often dishonest competition, that was years ago so prevalent amongst Canadian trade.



TORONTO FIELD BATTERY, "QUARTER COLUMN."

The merchant who pays cash for his goods when he buys them, will always be careful to see that not only does he sell them at a living profit, but that if he sells on time, the purchaser will be good for the amount of his purchase. He is selling his own money, and it is only reasonable to suppose that he should want to see it again, if not, he has to pocket the loss himself.

Next to the cash merchant, the one who buys on credit and pays his notes at maturity, will incline to do a safe and legitimate business, because he knows that honor demands his carrying out his obligations promptly and faithfully.

The most dangerous competitor that either of these merchants can have, is usually one who without any resources of his own, buys entirely on credit, and has no real care whether he succeeds or not. These are usually the men who slaughter goods, sell any Tom, Dick or Harry, and demoralize trade generally.

In asking for a better system of giving credit among our wholesalers, it is not entirely in their interests that the retail trade should be required to furnish satisfactory information before such is extended, but equally in the interests of the