

## MERCANTILE FAILURES.

The failures in the United States, for the first half of the year now current, were 6,004, as compared with 5,510 for the same period last year, an increase of 494. The liabilities, however, for the first half of the present year, show a marked decline, amounting to seventy-four millions, while they were one hundred and twenty-four millions for the first half of 1884.

These figures show a marked decrease in the amount of liabilities between the two periods compared, of fifty millions. This is the only pleasant feature about the statement. What these failures mean may be readily left to our readers—competition, over-production, heavy business expenses, and a small amount of trade. They also mean capital destroyed and consumed. And how does this come about? The manufacturer sells to the commission house or to the jobber, and the jobber to the retailer, and he to the consumer. The consumer does not pay his bills in consequence of lack of work and money, the retail dealer cannot pay his, nor the jobber his, and the manufacturer, too, finally, goes under. Thus a series of failures occur which are linked together. This loss of capital is a kind of hard and unwelcome equalizer of the wealth of the world. It will not do to suppose that all these losses have occurred through rascality or improvidence. Many of the debts were contracted honestly with the best intention of paying, but failure to obtain work and sell goods, and a general shrinkage of prices, adversity of one kind or another, fires, unfortunate accidents, and the like, have prevented debtors from paying, and so this gloomy mountain of losses appears.

First of all it may be remarked that these losses are borne by capital. They do not come out of the man who has nothing. It is also true that somebody gains by this transfer of it. The consumer gets the most of it in the end. Yet he would be a much happier man if he could pay his bills as in former times, and keep them within reasonable limits, rather than accumulate them, and finally square accounts by not paying at all, or by paying a portion. Anyhow, he gets what others lose. If he did not, then, in many cases, he would starve or subsist only by the charity of others. These losses, however, extend to all kinds of business, and affect all classes in manifold ways. The indebtedness of the consumer, as we remarked, is to the retailer. His indebtedness is largely to the jobber or to the banks, or to friends who have loaned him money. The jobbers' indebtedness is to the commission house or the manufacturer, or to banks. With the commission house the loss is essentially of the same character as that of the jobber. With the manufacturer his indebtedness is to the banks and to the owners of raw materials. If this raw material be owned by the sellers, they are the losers. If sold on consignment, then the loss finally extends back to the farmer who owns the wool, to the planter who owns the cotton, and to the pig iron manufacturer, and so on all around. Thus the losses which we are now sustaining are distributed in a general and wonderful way, and, of course, in many instances are severely felt. While this is true, they would be felt far more severely if distributed otherwise. The banks probably of all classes of losers can best afford to lose, because in the main the losses come out of a surplus which is accumulated for this very purpose.

The cheerful side of this dismal story is, if

we can fairly say that it has a cheerful side notwithstanding these heavy losses, the wealth of our country is constantly augmenting. The balance sheet of every year shows a goodly set of figures on the right side, and so long as they are on the credit side we need not despair and lose heart, and believe that the country is "going to the demnition bow-wows." We can survive these heavy losses a while longer. It cannot be said, by any stretch of imagination, that they are cheerful to contemplate, nevertheless we are making progress. We are surely adding to our wealth, and therefore abundantly able to bear the losses, heavy as they have been.

Messrs. Dun, Wiman & Co. say in their semi-annual report, that it "would be manifestly unsafe to regard the diminishing importance of the failures as a sign of a return to more prosperous times, so much disappointment having been experienced in the past. Predictions, apparently well founded, have been so utterly discredited by the events, that he would be a brave man who would now undertake to prophesy an early return to a better state of things. For, notwithstanding that all the elements of great prosperity are in sight, and that conditions more or less favorable exist in almost all departments for the profitable prosecution of business, yet the one wanting seems never to be attained, and the seasons go by, in which the almost universal report is dulness, want of profit, and prospective depression. Yet it is impossible to conceive that this state of things should become chronic, in a country like this, while everything favors an improved condition. Therefore, it would not be surprising if, with the lessened indebtedness which it is our good fortune to report, there should follow a conclusion that business has a much more hopeful prospect just now than for some years past."—*Bankers' Magazine*.

—It is significant of the decrease in business activity generally in the States that the *Boston Post* reports the gross exchanges at twenty-six of the principal American Clearing-Houses for the first half of 1885 at \$17,792,372,847, against \$24,545,754,513 for the corresponding period of 1884, a decrease of 27.5 per cent. Decrease as compared with 1883, 32.3 per cent. New York leads the list with a loss of \$6,126,142,354, or 32 per cent. Outside of New York in the country at large the aggregate clearances were \$5,974,333,695, against \$6,601,573,007 in 1884, and \$6,956,198,957 in 1883. Last year eight cities reported increases as compared with 1883, while only four this year are able to show an improvement on even the poor showing of 1884.

—The date of the Industrial and Agricultural Exhibition in this city has been fixed for the 7th to 19th days of September, inclusive. The fortieth annual Provincial Exhibition will be held at London on the 7th to 12th, of the same month.

—A few days ago a Bath grocer, calling to his messenger boy, laid a telegram and a silver quarter down on a box of goods, telling him to take it to the telegraph office and "order it sent at once." Some time afterwards he had call for some of the goods in the box, but it had disappeared. Diligent search failed to bring it to light. Finally the boy was asked if he had seen it. "Why," he responded, "I took it to the telegraph office!"—*Bath Courier*.

—When a man thinks he ought to have an office to pay for doing his duty he soon becomes tiresome.—*New Orleans Picayune*.

## COMPLIMENTS FROM FRIENDS AT HOME.

During the few weeks that have expired since the *MONETARY TIMES* entered upon its nineteenth year, a great number of press notices of this journal have appeared, so uniformly friendly and flattering as to compel us, in spite of our modesty, to an exhibition of them—just as a bride, however averse to display, makes haste to show her wedding presents. We do not need to blow our own trumpet; our contemporaries have done it for us. The evident heartiness of many of the subjoined good words is very gratifying:

*St. John, N. B. Telegraph.*

Our valued commercial contemporary. The *MONETARY TIMES*, of Toronto, has entered upon its nineteenth year, and signalizes the occasion by appearing in a new dress and an improved quality of paper. The *MONETARY TIMES* is an ably conducted and influential journal, one of the best authorities on trade matters in Canada, and we are glad to learn is now more prosperous than ever before.

*Colonial Standard.*

The Toronto *MONETARY TIMES* is a good commercial paper, keeps itself clear of politics, is thoroughly reliable, and of great advantage to the business man as an advertising medium and source of information.

*London Daily Advertiser.*

The *MONETARY TIMES* has put on a new garb and appears "spick and span." It is an old reliable and deserves to be congratulated.

*Hamilton Evening Times.*

The *MONETARY TIMES* is a useful publication for the trading class, and it is generally sound on economic questions, though it made the mistake of squinting at protection when the National Policy was booming. It has better sense now.

*Toronto Mail.*

The *MONETARY TIMES* appears in a new dress and on charming paper. Its success is the result of very intelligent and impartial dealing with public affairs and very industrious devotion to business affairs.

*Montreal Daily Star.*

With the number issued July 3rd, the Toronto *MONETARY TIMES* appears in new type and on extra paper. Its progress (18 years) has been a useful and independent one.

*Montreal Gazette.*

The *MONETARY TIMES* has grown with the growth of the country and its independent course has met abundant approval.

*Guelph Daily Mercury.*

As is well known to the mercantile world, the *MONETARY TIMES* is not only the pioneer journal in this country in matters relating to commerce, but \* \* \* is looked upon as one of the most reliable in furnishing facts of interest, in all departments of trade and commerce,

*Parkdale Times.*

The *MONETARY TIMES*, Canada's reliable commercial paper, made its appearance last week in a brand new dress. It is well managed and edited, and now it is well printed. Every business man should see a copy every week.

*Lindsay Post.*

The *MONETARY TIMES* commenced its nineteenth year last week with a handsome new dress. It is a prosperous and ably edited journal, and takes the lead a long way in its class as a financial and commercial review.

*London Free Press.*

The advance of this journal to its present position has been steady. \* \* \* Its aim has been to serve the public honestly and faithfully.

*Perth Expositor.*

The paper holds an enviable position in the esteem of the commercial classes.

*Le Moniteur de Commerce.*

Le *MONETARY TIMES* de Toronto est entre dans la 19ième année de sa publication au commencement de ce mois. Il a grandi avec elle et son succès, légitime et durable, est dû à cette position élevée au-dessus de toute partialité que sa rédaction a toujours su garder. Jamais pour se concilier une popularité mal-