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THE QUEEN'S REIGN IN CANADA.

AN HISTORICAL SKETCH OF THE DRY GOODS TRADE WRITTEN FOR BRITISH MERCHANTS.

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DURING our good Queen's reign, Canada has probably made as much advance as any other colony. The writer cannot speak personally of sixty years there, but he can of forty-five. There was, in 1852, very little railway communication—the Grand Trunk was not built, and business in the spring had to wait for the opening of navigation when the St. Lawrence was freed from ice. Much the larger portion of the trade to and from Britain was done in sailing ships—there were a few ocean steamers then, owned mostly by the Allans, but they were small and slow compared with the vessels of to-day.

THE QUESTION OF CREDITS.

Long credits were a necessity, because the means of communication were slow. In taking into their consideration the way business is done in a colony, British people too often judge of it as they would of business in their own country, forgetting that in no other country is there such a plethora of capital as in theirs. The people who go out to settle in a new country are not usually the capitalists, but those who think there is more room for them in such a place than in the old land, where every avenue to progress seems crowded with competitors. But as the new settlers are usually industrious, progress of a substantial sort is the result, though as the proportion of capital to the business done is much smaller than in Britain, longer credit is needed. There is a feeling or desire to help one another in such a community caused by their similarity of aim or circumstances, so that credits are easy.

Forty or fifty years ago the farmers usually settled up their accounts once a year, in the autumn, after their harvest was all gathered. The country storekeeper had therefore not only to give long credits, but to get them from the wholesale houses—and they, no doubt, had in their turn to get credit from the banks. The Bank of Montreal has always stood in the fore-front in such matters, and its long and successful career, with a capital now of \$12,000,000, and a reserve of \$6,000,000, is a testimony to the general good judgment with which its affairs have so long been managed.

CANADA FIFTY YEARS AGO.

It would be a long and perhaps uninteresting matter to trace the progress of business in Canada from then till the present time, and to give a lot of dry statistics would be quite outside the purpose of the present article. Suffice it to say, then, that in those times there were no cotton mills and hardly any woolen mills except what we should call jobbing factories, where the farmers

took their wool and got back so much flannel for blankets and underwear, or the home-made frieze or "Etoffe." There were a few small knitting mills, but nearly everything in the drapery way was imported from Britain, and few Canadian buyers went to the continent to purchase goods, for there was then no Trades' Mark Act, foolishly compelling the country of origin to be stamped upon the goods. Why the British Government could not have prevented the importation of foreign goods, with imitations of, or fraudulent copies of, British trade marks, even up to the penalty of confiscation, without letting all her world-wide circle of customers know that many of the articles she sold were made abroad, thus helping Germany and other countries to do the business direct, is a matter that has always been a puzzle to us.

CHANGES IN BUSINESS METHODS.

There were in Montreal a few houses with German connections, but the amount of business was small. The wholesale houses of London, Manchester, Glasgow, Bradford, etc., had the large bulk of the trade of the Canadian wholesale houses, and most of those who had this business did very little with any of the retail concerns. The change from those times to the present has been gradual, but none the less marked. Canadian wholesale houses made money and accumulated capital. They naturally began to go more and more direct to the manufacturers, for if they could buy in quantities which it suited the manufacturer to make, and pay in such time as it suited the manufacturer to give, there was no reason why they should not do business together, for one man's dollar or sovereign is no rounder or better than another's. Gradually, therefore, the British wholesale houses lost the hold which they had kept so long on the Canadian wholesalers; and as they found that part of their business decreasing, they naturally began to cultivate more and more the retail trade.

The same sort of circumstances had been at work among the manufacturers. They had accumulated capital also, so that they were not so dependent upon the British merchants, who could pay them every week, and so were able to be a little more liberal in their terms to the colonists.

PROGRESS OF CANADIAN MANUFACTURES.

Meanwhile Canadian manufactures grew, cotton mills were established, and as they used only American cotton, the weave of these goods exceeded the average of the Manchester goods. Woolen mills, knitting mills, etc., also grew, and here also the wearing qualities soon made the goods popular to the agricultural and