

## Warehouse Receipts.

(Continued from Page 693.)

banking facilities to the dealers in the country's products and from time to time, as the Act was reconsidered they kept this steadily in view.

Yet they showed their wisdom in the safeguards with which they surrounded the business, and particularly with regard to the right of an unpaid vendor.

And to show how equitably the matter is worked, though the transactions of this kind have amounted to millions every year, and to hundreds of millions in all the claims that have been made by unpaid vendors have amounted to an infinitesimal fraction.

But now a mode of looking at this class of business has arisen which will, if carried on, go largely to defeat the object intended by the Legislature.

This is founded on what I must consider to be an extraordinary misconception.

It has been asserted in various quarters that the general principle of bank legislation is that banks shall not make advances on goods, wares, and merchandise, and that the cases in which it can be done must be taken as exceptions to a general rule.

This idea is not only contrary to the fundamental rules of all banking, but to the spirit and intention of all the foregoing legislation.

To legislate that banks shall not make advances on goods, wares, and merchandise, as a general rule, would be equivalent to legislating that a saw miller shall not manufacture deals as a rule, or that a dry goods merchant shall not as a rule sell cotton, or that a farmer shall not as a rule sell wheat.

The very essence of the business of a banker is to advance on goods, wares, and merchandise either in the shape of discounting bills representing goods sold, or making loans to enable goods to be produced or held.

And the whole object of the Warehouse Receipt legislation is to enable such advances to be got at the cheapest rate by basing them on actual merchandise.

The restrictive clause of the Act is that advances on goods shall not be made except as provided by the Act. But the Act itself opens the door to a wide enough range of transactions, and the limitation plainly means that banks shall not lend on goods as a pawn-broker does, or keep warehouses to store them in as the Bank of Germany does, and also that a stor-keeper or dry goods merchant who buys goods on credit shall not have the power of pledging them for bank advances.

It is true that the Act gives the lender of money, when he advances on goods, a right to them even over an unpaid vendor—a very strong provision, and showing how strong was the desire of Parliament to facilitate loans on mercandise.

But it is safeguarded by restricting the operations of the Act to cases in which, as a rule, is no unpaid vendor.

Any other limitation, I venture to think, should always be interpreted reasonably and liberally and with due regard to the great object intended to be accomplished by the Legislature, and to the vast importance of advances to the country at large in its increasing development.

An Act of Parliament, as we know, may be variously interpreted, in fact, it is impossible to frame clauses that are not susceptible of diverse interpretations.

If such interpretations are of a nature to hamper and embarrass banks in assisting merchants to handle the products of the country, they cannot be for the good of the community, but very much to its detriment.

Banks are rendering far too important services to trade and commerce to be treated as if their operations were disadvantageous to the community, and they have surely a

right to expect such an interpretation of the Act as in accordance with its intention and object.

## Trade Terms.

The following rules relating to sales for future delivery, and definition of trade terms were adopted by the Winnipeg grain and produce exchange, a short time ago. They will prove interesting, as showing the meaning of many terms in common use.

8. When a sale or contract is made designated by the initials "C. I. F." it signifies that a sale is made at a price covering cost of articles sold, together with the expense of insurance and freight covering the property to the point of destination agreed upon by the contracting parties. The seller's portion of such a contract is completed when he shall have furnished evidence of loading the property, such evidence being a bill of lading, and also evidence of a contract for carriage from point of shipment to point of destination, accompanied by an insurance certificate issued by a company in good standing insurance paid. From the time of furnishing these evidences of the seller's obligation, the total responsibility of the property rests absolutely with the purchaser, and the seller therefore is in every particular exempted, in fact and in terms, from liability of what-over name and nature, under such contract.

9. F. O. C.—These initials mean "free of charge." The charges indicated being:

(A) The back charges on the property, such as railroad freight, shunting and elevating.

(B) The current term of storage, the latter being according to the regulations of the elevator or warehouse in which the property is placed, except in case of any special arrangement made by the seller with the proprietors of such warehouse or elevator, when the buyer it to have the benefit of such arrangement, unless specially provided for otherwise. The property to be at buyer's risk of fire on delivery. The seller to give the buyer not less than five days free of storage from date of delivery.

All sales made without specific conditions will be considered as strictly free of charge (F. O. C.) The seller to be under no obligation to furnish conveyance.

10. F. O. B. is to be interpreted as free on board sailing or steam vessel or barge, such conveyance, unless specially agreed on to be provided by the buyer. When being shipped into vessel, to be at buyers risk, and if not insured by him, the seller to be at liberty to insure the cargo, and to charge the same to the buyer.

11. F. O. B. CARS—Conveyance of flour under this term being always the duty, and at the expense of the seller, the same to be butter and other cask goods. "F. O. B." simply, not to apply to sales in which the shipment is made by railroad cars, when the term will be distinctly "F. O. B. Cars," and in this case the seller has to provide the cars, and receive payment on presentation of proper documents.

12. The term "in store" to mean that grain is free of all charges to the buyer. The seller to give the buyer not less than five clear days free of storage from date of delivery of documents.

13. ON TRACK This term to mean the delivery of the property in the cars of the railroad, in the yard, or on the track where such cars are ordinarily placed after arrival in the city, or at any station on the line of road where the sale may be made. The property to be free of charge in its then position, and delivery to be made by the railroad advice note, with bill of lading properly endorsed to buyer, with freight and shunting charges duly receipted thereon. In case such advice note be not receipted, the

freight and charges to be debited from invoice, unless satisfactory evidence is afforded the buyer that such charges are paid. Property to be at buyer's risk after delivery of order.

14. PROMPT SHIPMENT Prompt shipment shall be considered any time within days, inclusive.

15. IMMEDIATE SHIPMENT Immediate shipment shall be considered any time within 5 days, inclusive.

16. IMMEDIATE DELIVERY Immediate delivery shall mean delivery on the business day that sale is made.

17. FUTURE DELIVERY All sales future delivery shall be made at seller's option unless otherwise stated.

18. CASH—All sales to be for cash, payment to be made on presentation proper documents. Payment in all cases to be made within not less than 30 minutes before the closing hour of the bank on the day of presentation, unless by special agreement.

19. DELIVERY—Delivery will be considered complete on presentation of proper documents on any business day before 1 o'clock p. m., except Saturday delivery shall be made before twelve o'clock noon, unless otherwise specified at the time of sale.

20. CAR LOADS—When car load grain, meal feed and other produce purchased without any special agreement as to quantity to be loaded in each it is understood that a car-load shall mean less than the minimum capacity of the car. When on a contract for a specified quantity grain, delivery is made by presentation load documents, a margin of five per cent of the quantity shall be allowed.

## The Advance in Hog Products

The Montreal Trade Bulletin says there is a much better feeling in the market for hog products in sympathy with the sharp upturn in Chicago. Canada's market for hogs was advanced 50c per barrel on Wednesday to \$12.00 to \$12.50 to quantity for best brands of new hogs. Other kinds selling at from \$11 to \$12.50 a firm with sales of good sized lots leaf at 6c in pails, and compound at car lots in pails, up to be for smaller lots higher prices are expected. The price of hogs having advanced from \$3.60 per 100 lbs., an advance of \$1.50 per 100 lbs. There appears to be a feeling of much confidence in the trade, and strange as it may appear, this feeling seems to have been fancied since the United States news has been outlined, which would not indicate that there will be any reduction in our own tariff on hog products.

## Portage Board of Trade

At the meeting of the Portage Board of Trade recently, several resolutions were passed. One of the resolutions was that the town and rural councils to negotiate with the Northern Pacific Railway company with a view of obtaining a right of way for the use of their iron bridge across the river here for traffic purposes. It could be put in shape with a very small expenditure, to allow of terms of it, which would be a great benefit to settlers on the south side of the river. Another motion brought forward was of obtaining a mail service over the Northern Pacific railway Portage, and called the attention of the general to the necessity for such.