

THE TRADER

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Sent free to every Jeweler and Hardware Merchant in the Dominion of Canada.

Advertising Rates.

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 Small Advertisements, 8 cents per line.

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Business and other communications should be addressed to

THE TRADER PUBLISHING CO.,

11 Adelaide Street East, Toronto.

SPECIAL NOTICE.

To ensure insertion, changes or new advertisements must be sent to the office not later than the 20th of each month.

Editorial.

A GOOD SIGN.

The recent advance in the price of wheat is a good sign, and gives promise of better things for Canada and the United States in the near future. A substantial rise in price such as the market has just experienced means, or ought to mean, that all of the wheat yet unmarketed will, at once, find its way into the hands of the grain buyers, and that the money it represents will soon get into circulation amongst our merchants and manufacturers. The effect of this will be to stimulate all lines of business and lift things out of the rut of depression into which they appear to have lately fallen.

The latest advices from the United States show that where a few weeks ago the tendency was to shut down factories and restrict business operations generally, that a decided revival has set in and industries of all kinds show greater activity than they have for months past. The prosperity of the Dominion of Canada and the United States are so closely interwoven that it is almost impossible for the latter to have a revival of trade without our being benefited by it. For these reasons the prospects are, we think, very much better than they were a month ago, and although the winter's trade may be

into it will not run far short of its usual volume. With an unusually large crop and the fair price that produce now commands, we see no reason why the prevailing stagnation should not almost at once give place to activity and prosperity.

WELL PUT.

We have on more than one occasion pointed out to our readers the folly of any merchant who buys from a number of wholesale houses, giving any one of them security over another. No matter whether the rest come down on him at once or not the effect of it is to seriously impair his credit, and in many cases out of ten to ruin him.

The following extract from an editorial article in the *Monetary Times* on the subject of chattel mortgages is so apropos at this time and contains so much sound common sense that we gladly give it a place and recommend it particularly to the careful perusal of our readers:

"It appears to us that among the retail trade generally there is an ignorance of the law relating to chattel mortgages, which enables unscrupulous creditors to inflict a positive injury not only upon their fellow creditors, but upon the common debtor as well. Frequently these instruments are procured on the express representation, or the tacit understanding, that none but the parties will know anything about their existence. It is important that every one should be made aware that these instruments, to be valid require to be recorded, and that they are then in due course published to the trade by the mercantile agencies. The result is that almost invariably the giving of such a mortgage security means the immediate suspension of business of the trader giving it. The whole transaction becomes known to the trade within a week or ten days at the most after its consummation, and the inevitable result must follow. If debtors as a class knew that this must inevitably be the result there is no doubt that it would in a measure prevent the consummation of some of the preferences with which the moral sense of the business community—and we believe it has a moral sense left—is so often shocked.

Let our readers know that these instruments must necessarily become known, else they are of no value, and let every honest man determine whatever the state of the law may be, to meet his creditors fairly and treat all alike when he finds himself unable to continue without placing a chattel mortgage upon his stock. By so doing he will in nine cases out of ten be best serving his own interests, as well as performing his simple duty. A general dealer who gives a chattel mortgage to some one creditor,

seriously, if not permanently, damages his own credit and works manifest injustice to his other creditors. Doubtless many are coaxed, or pressed to do so. We have heard of cases where agents or solicitors of a house made promises to a trader to induce his compliance, promises which could not be kept. Some again, who get behind, are threatened with dire results if they refuse. All such may understand that their better course, when such a demand is made upon them, is at once to consult the whole of their creditors, and give undue preference to none."

WARNING.

As usual, when times get dull, there is a tendency on the part of some merchants to try and get a compromise from their creditors on terms very favorable to themselves. The usual method of procedure in such cases is to give security to some creditor who is a relation, or failing that, to some creditor who is "a friend of Barkis," and then with so much of their estate put securely out of their creditors' reach, they come forward and try to show the latter that it's about Hobson's choice with them, what they offer or nothing.

In too many cases it has unfortunately happened that self interest has made the creditors accept the alternative of settlement offered them by the debtor, and thus it is that they have often unwittingly become parties to breaches of commercial morality that none of them would care to encourage.

In addition to this evil, which, however, only can effect those creditors who are thus cheated out of part of their money, another and a greater wrong is practiced upon innocent parties. If there are two jewelers in a town and one of them gets a settlement at say fifty cents on the dollar, the result is that the goods only cost him one half the price that his opposition pays for his. In other words it is simply a premium of fifty per cent. on account of dishonesty. It lets the schemer off at half price, while it makes the honest jeweler pay one hundred cents on the dollar, and at the same time takes away his chance of doing it by putting a weapon of unfair competition into the hands of his sharper opponent, so that he can undersell him whenever he likes and still make a hundred per cent profit.

THE TRADER has always held that such settlements are not only suicidal to the wholesale trade, but unfair to the retail trade as well, and the sooner they