

THE TRADER.

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The recognized organ of the Jewellery and kindred Industrial Trades of Canada.
Published on the first of every month, and sent free to every Jeweller and Hardware Merchant in the Dominion of Canada.

Our rates for advertising will be found very low, and will be made known upon application.
We should be glad to receive correspondence from all parts, and will publish such letters as will be of interest to the Trade. The name and address must invariably accompany the communication, not necessarily for publication, but as a guarantee.
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SPECIAL NOTICE.

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Editorial.

THE OUTLOOK.

The speech of the premier of England at the annual banquet of the Lord Mayor of London, has become such an established institution that it is now looked forward to as a pretty accurate gauge of the Government's policy, and the relation of the empire towards other countries. In a somewhat similar manner, since Mr. Smithers became President of the Bank of Montreal, his annual review of the general business of the country and his estimate of the prospects for its future, have come to be looked forward to with much interest by merchants and financial men generally in all parts of the Dominion. This is no mean compliment to Mr. Smithers and the great monetary institution of which he is the head, and it has so far been thoroughly deserved. Mr. Smithers' reading of "the signs of the times", and his commercial forecasts have so far been fulfilled in a very remarkable manner and will cause his utterances at the Annual Meeting of the Bank of Montreal recently held to receive more than ordinary attention.

Of the year just passed Mr. Smithers said:—

"Many of you are business men, and I think there are but few among you that would not be prepared to endorse the statement I now make, that it has been a year of unusual difficulty in all commercial affairs, and that there has been, unquestionably, a general depression in business. Business has not only been

greatly restricted, but to a large extent unremunerative."

Of the future he said:—

"Nothing would please me more than to give you a *couleur de rose* view of things—nothing would be easier or pleasanter than to tell you that everything is beautiful, and there is nothing to do but to put on steam and go ahead; but that is a responsibility I am not prepared to take."

There has been improvement, he says, in some branches of business, and he names the lumber trade as one in which the position and prospects are on the whole favorable.

But dealing with business as a whole, he asks:—

"Are the country merchants buying goods? Are they paying for them? Do they hold large or light stocks? What is the record of failures, etc., etc.? These are the burning questions and they are not difficult to answer. There is a general concurrence of opinion that the imports, especially of dry goods, will be light, and the distribution of goods does not, I fear, come up to the expectations of importers, and there is too much reason to fear that excessive competition, and the absence of profit, is the great feature of the times. As far as I can gather, the stocks held by both wholesale and retail merchants are less than at the same time last year, and though payments have been poor, there are some signs of improvement. The record of failures both in the United States and Canada was alarmingly large during 1884, both in number and amount, though I learn from the best authority that there has been some improvement in this respect since the opening of 1885."

"If I cannot foresee any more than the rest of you what is before, I can at least advise you so to manage your business as to be prepared for whatever comes, and if I am to sound the tocsin to-day the keynote must be 'Caution'—no other word would suit the occasion. We have passed through troublous times, and I hope the worst is over, and that we are down to hard pan, but I would not take down the danger signal. My advice to every one to day is to go slowly—do not expect any great and general revival of business—if it comes, so much the better—you will be in a position to take advantage of it, but I am bound to say that at present I can see no great indications of it. There are many thoughtful men who think that this year will be no better than the last, and it is a safe view to take. You cannot go wrong if you hope for the best, but prepare for the worst."

"And now, in conclusion, putting everything together, I think I speak the views of my colleagues as well as myself, when I say there is nothing specially encouraging in the outlook."

From these short extracts of Mr. Smithers long and very valuable report,

it will be seen that that gentleman although advising caution, regards the outlook as fairly good, and promising enough to warrant our business men in going ahead with energy tempered by prudence. To us it seems that the prosperity of Canada depends mainly upon the result of the coming harvest; if there is a bountiful one, as appearances at present indicate, the trade prospects will be brighter than they have been for several years. If it is a failure our merchants will have to take in sail and get their business into as compact a shape as possible. As far as the jewellery trade is concerned it has certainly been unusually dull for the past six months, but there are not wanting signs for a decided revival in the near future.

The formation of the Canadian Jobbers' Association in American Watches and the confidence it has inspired amongst the retail trade, is a good augury of an improved condition of things as far as the jewellery business is concerned, and it only requires a careful adherence to the ordinary principles of business to make this branch of trade more prosperous than it has been for years past.

AMERICAN v. SWISS WATCHES.

The competition between American and Swiss Watches in this country is one of extreme interest to every Jeweller, and reminds us very much of the battle that has been going on for years in Europe between Artillery and Armour Plate. Just as soon as the plate makers got an armour plate thick enough to resist any known projectile, their opponents put their wits to work and make a gun heavy enough to pierce it; and so the battle goes on, each side being victorious in its turn.

A good deal similar is the battle between the Swiss and American Watch Manufacturers. For years the American Market was supplied wholly with watches of English and Swiss manufacture, and in those days no person ever seriously dreamed that an industry could be fostered at home which would revolutionize the entire watch trade of the world. When the American watch industry was first started it was looked upon as a utopian idea, and its promoters little short of lunatics. The idea that raw uncultivated America could ever compete with cultivated Switzerland, a nation of born watchmakers, was deemed too ab-