

financially. It is not the intention to sell the machine in Canada at present, as the present desire is to introduce the machine into the service of the army and navy departments of the European governments. Then, when this is accomplished, a factory will be started in each country for the manufacture of the machines.

The idea is not limited to the construction of a machine to cut cloth. Machines have been constructed to cut marble, and where hand labor cut 3 to 7 inches a day the electric cutter cut 3 inches on first trial. Machines for various classes of trade will be introduced, and they will aid in the great revolution which is going on in the industrial world, but so gradually that it is scarcely noticeable. Electricity has performed some great wonders, and this is not the least, as it promises to work a revolution in the clothing trade.

RETAIL ASSOCIATION.

THE following from the 'Textile Mercury of Manchester' will be found worthy of perusal: "As in other countries, so in Germany, various learned professions are forming associations; manufacturers and wholesale houses are erecting syndicates, even small traders are reviving the old guilds to a certain extent, proving by these acts that the individual is looking for support in the ever-keener strife for existence, where the weaker is trodden down by the stronger and less scrupulous. There seems in Germany, according to the Literary World, only one class of people who hitherto have not yet taken any similar steps for protection, and have in consequence suffered much, and will probably suffer still more in the near future. This class is that of the retail traders or small merchants. They are not producers, but deserve to hold their own, as they form a necessary link between the producer and the small consumer. Of course, to recoup themselves for their outlay and their hard work during longer hours than workpeople now would submit to, it is necessary to increase the cost of the article. In consequence, some other means are frequently found even by the smaller consumers of getting their requirements at first hand. Co-operative stores, mutual purchase associations, etc., are increasing, and even the Government no longer places orders with merchants, big or small, but invites the manufacturer to tender direct. To make things worse for the shopkeeper, wholesale houses and manufacturers not only do not decline retail business, but actually send out circulars to every private person whose name can be seen in a directory.

'What is a retail trader to do under these circumstances? We are afraid many have already given up the game for lost, and seeking such employment as their abilities will allow in bigger houses, or else they form, by amalgamation, larger establishments, which may compete with the stores. Legislation may, perhaps, in course of time, give them assistance and greater facilities, but the retail business, as conducted hitherto, is doomed.'

It is probable that the picture drawn by our contemporary is a good deal exaggerated. The influence said to be working against the welfare of the retailer in Germany may be seen also in this country. Civil service and other co-operative stores exist on the most perfectly organized basis. Moreover, we also have so-called "wholesale" houses and "manufacturers" going direct to the public. Strictly speaking, these concerns are neither wholesale merchants nor producers. In the case of one large advertiser we have in mind, goods are extensively offered

to the public by the usual flourish about direct sale "from the loom to the consumer," although there is not a single loom running on the goods in question within a hundred miles of the town in which the advertiser carries on business. The public, however, are not informed on these matters, and the firm, no doubt, does a good trade. Such concerns, whatever they may style themselves in advertisements, are themselves nothing more than retailers buying their goods from the wholesale house or the manufacturer just as other retailers do. Probably the writer in the Literary World has mistaken the bogus merchant for the genuine one. The time has not yet come for such a useful class of men as the retail shopkeepers to be wiped out either by syndicates or any other feature of modern trade development."

A COMMERCIAL HOMILY.

THERE are several proverbs in the English, and other languages as well, which indicate the uncertainty of earthly affairs and the difficulty of correctly judging of the future. Business men are well aware of the truth of all of these sayings, and most of merchants hold caution to be one of the chiefest of virtues in doing business. But there is such a thing as being too cautious. "Vice is but a virtue carried to extreme," says one philosopher. The miser is one result of too much caution.

Give a man a large sum of money in gold and let him lock it in a room and spend all his time in guarding it and he might keep his capital intact, but he would starve to death. The moment he risks his capital he begins to make money, and the returns depend on almost an exact proportion of the amount of risk. The safest investments pay $2\frac{1}{2}$ or 3 per cent., while the wildest speculation may pay a thousand per cent. about once in a thousand times.

Merchants who want to do business must expect to pay for safety by a reduction of their profits. A merchant insures his stock to guarantee against loss by fire, but his profits are decreased as his safety from loss is increased. He may do business for years and not have any occasion to call on his insurance company, but he may burn out and lose his all just after he has decided that it is a waste of money to pay insurance premiums. It is a most difficult matter to know just what risk to take, when to refuse business as too risky and when to accept it as comparatively safe. It is this ability to form a just decision that forms one of the most valuable business qualifications and which comes only from long experience, a wide knowledge of men and affairs and an exact acquaintance with the details of the special line of business. The lack of this qualification is most often the cause of failure in young firms. Such firms are apt to plunge in very boldly, but merchants have their connections formed, and the customers that the young firms can most readily obtain are those that older houses least care to sell, so that without extreme care the new concern is apt to find its books loaded with a large number of bad accounts. If they weather this disaster they are apt to draw in and become too cautious. In order to obtain the business of the cash paying customer they adopt a policy of cut prices, which indicates a lack of knowledge on their part of their business. Knowledge, experience and character are all essential to the young business man who hopes to succeed. Ex

Messrs. Walker & McBain, 450 Spadina avenue, are enlarging their premises and increasing their stock of goods, so as to be able to compete with any other establishment in this city.