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PROFIT SHARING.



UNIQUE, but at the same time most pleasant event took place at the dry goods establishment of Messrs. Pratt & Watkins, Hamilton, Ont., on April 24th. At the close of the day's business Mr. Fred. W. Watkins addressed the employes, who had gathered in the mantle show room, upon the various points which he considered tended to the success of the business and by attention to which the clerks might help to increase the sales and thus add to the yearly profits of the establishment. He stated that last year's business had been a successful one and he had much pleasure therefore in distributing among those persons who had been employed for the whole year, the sum of \$1,000. This money he did not intend to give them in cash, but placed it to the credit of each recipient in the savings department of the business so as to draw interest at the rate of five per cent. per annum. About thirty persons were then handed a small pass book in each of which was entered the amount that had been allowed to the beneficiary. They were then notified that hereafter the firm would allow all employes the privilege of depositing a portion of their salaries weekly, any sum from fifty cents upwards being received and interest at five per cent. would be allowed on all deposits of \$3 or over. A vote of thanks was unanimously passed to the firm for their liberality. We extend our congratulations to the firm and hope that the inauguration of this new system in their business will prove of the greatest benefit to themselves and to their employes.

The profit sharing system has been in vogue in France for over half a century and has proved most successful. In the Maison Leclair the aggregate sum of 2,513,142 francs was distributed among its employes, in addition to their wages, between the years 1842 and 1889. In the Magasin du Bon Marche, the system was introduced in 1858 followed by most gratifying results and a Provident Fund was founded in 1876 in the benefits of which every employe having a five years' uninterrupted attendance in the house was allowed to participate. The fund was sustained by means of a sum

annually deducted from the profits of the business, and an idea of its beneficent result may be gained from the fact that on August 1st, 1888, it had increased from 62,020 francs to 1,253,746 francs, the beneficiaries being 1385 in number. Each participant in the fund has an individual account, which is increased by an annual interest of 4 per cent. on the capital. The right to obtain the capital is acquired by all female employes having served for fifteen years and by all male employes serving twenty years. The fund has paid out since its foundation over 350,000 francs to its various participants or to their heirs.

In England the system was first introduced in 1869, and in a report to the British Board of Trade, recently published, it is stated that there are now forty-eight firms who share their profits with their employes. The majority, however, did not begin to do so till within the past two or three years, and the report states that marked success has been achieved in several cases. A noteworthy example was recently made by Messrs. Elworthy Bros. & Co., woolen manufacturers of Westford, Wellington, who notified the employes that they had decided to reserve for the year ending 31st March last, a sum sufficient to give each employe who had been in their service, and had worked satisfactorily under the foreman, for the full year, one week's wages as bonus. They did this to show their appreciation of the work already done, and to stimulate if possible to greater interest and loyalty in all that concerns the good of the Company. The employes were also informed that if any among their number were putting money aside, and would, as time goes on, desire to become proprietors, the Company would, under certain conditions, do their best to secure for them a share or shares and suggested that each should invest the bonus then given in the Post Office Savings' Bank (adding to the amount monthly or as opportunity occurred) with the aim in view of becoming a shareholder in the Company.

An objection often made to the system of profit-sharing as a solution of industrial troubles is that while workmen would readily consent to take part of the profits, they would not be willing to bear any portion of the losses. Very encouraging evidence to the contrary has been recently afforded by the employes of William Thomson & Sons, Huddersfield, England, in whose mills the system was introduced three years ago. On learning that for the past year no dividend could be paid, the men spontaneously met and unanimously resolved to pay it themselves out of their own accumulated dividends on their wages.

