

took occasion to set forth), as well as a special knowledge of the demands of the community it is proposed to serve. Furnished with such information, the storekeeper must still exercise all caution against being induced to overbuy by reason of cheapness or of facile credit. It is not buying to advantage to buy what one does not want.

3. He should know his own resources. At first start, undoubtedly, the storekeeper knows very definitely the extent of his resources, but after the first quarter's business, if he fail to take stock, he has no longer such knowledge. He may know that his daily sales have been larger even than anticipated, and may therefore conclude that he is doing well. His cash drawer may for a time confirm him in such belief, but the depreciation of stock is a silent but constant force that only needs the fostering care of time to overwhelm the negligent and the unwary. Depreciation of stock can only be avoided by selling it, and the storekeeper who, by frequently taking stock, keeps this fact constantly in mind, will not be unwilling to mark down prices, and therefore will not be over-freighted with shop-room goods. Moreover, every sacrifice of this kind recompenses itself in that the means obtained from the sale of what was not wanted is immediately applicable to buying to advantage what is wanted. And it is an excellent stroke of business, let it be here said, if the profit on the second transaction barely covers the loss on the first, for stock on hand partly unsaleable, and constantly depreciating, has been converted into cash on hand.

We are unable to allot ourselves space to enlarge upon this subject of "how to buy to advantage" as its importance demands, for, indeed, it is one, as we have already implied, that goes to the very root of the business and trade troubles of the day, but must content ourselves with summarizing the few points touched upon—the chief ones, as it seems to us, out of many having direct bearing upon the matter—as follows: To buy to advantage one must have adequate capital; must know what one wants, and be content to buy that only; must sell quickly what may happen to be on hand that is not wanted. If it be said that these are platitudes, we answer that, platitudes or not, they are first principles; and never was a time when first principles needed to be inculcated more persistently and forcibly than now. Country merchants have proverbially undertaken business with ludicrously insufficient capital; they have been induced to buy again and again what they really had no need for, and they

have failed both to take stock and turn over stock with anything like the frequency their own common sense may have admonished them was necessary.

The practical advice that we have to give to the storekeeper, who, in common with the rest of tradesmen, suffers from hard times, is to try to correct the errors we have pointed out. If his capital is insufficient let him increase it by making sales of stock with all possible speed, trimming very close meanwhile in regard to new purchases. If he has bought what he does not want, let him turn it into something he does want, at whatever sacrifice may be necessary. If he has neglected to do business systematically, taking stock with approved frequency, and knowing always just what he owes and what he owns, let him improve his methods and glean such needful information forthwith. If he has refused to turn over stock, in the hope that another season or a returning demand would enable him to dispose of it, without concession, let him abandon such practice as generally unprofitable and often ruinous.

One word more: he who would buy to advantage should buy lightly, less than may seem to be wanted, rather than more. Quick sales and small profits is as sound a maxim to-day as when first uttered, and it implies a small stock constantly run-off and constantly renewed.

THE PACIFIC RAILWAY.

The policy of the Government as to the construction of the Pacific Railway has been submitted to Parliament in the form of resolutions, fourteen in number, by the ministers of Public Works. The 1st resolution recognizes the engagement with British Columbia to construct the railway with all practicable speed. The 2nd affirms that it would form a great Imperial Highway across the Continent of America, providing a new and important route to the British dependencies on the Pacific, and to China and Japan. The 3rd refers to the enforced idleness of working classes in the mother country. The 4th affirms that the construction of this work would afford employment to numbers, and open up vast tracts of land for settlement. The 5th affirms the expediency of providing an outlet for the redundant population of the Mother Country within the Empire. The 6th invites the co-operation of the Imperial Government in this great undertaking. The 7th appropriates 100,000,000 acres of land, and the minerals contained thereon, to the work of construction, the land to be vested in commissioners, some to be appointed by the Imperial Government,

who are to sell the land at not less than \$2 an acre. The 8th and 9th have special reference to Manitoba, and the 10th authorizes the expenditure of \$1,000,000 on a branch railway to Winnipeg. The 11th provides for further explorations in the Peace and Pine River districts. The 12th condemns the Burrard Inlet terminus as premature. The 13th and 14th affirm the necessity of commencing work in British Columbia at once, and to enter into contracts for 125 miles without further consulting Parliament.

We fear very much that there is but little hope of the co-operation of the Imperial Government either by guarantee or otherwise in this work. It is disheartening that a work which both political parties are committed to should be a subject for contention between them. Even the terminus on the Pacific Coast is a matter in dispute, and there is just ground to apprehend that co-operation between the rival parties will be found impossible. We confess that we entertain the most gloomy forebodings as to this work, considering the existing state of depression in all civilized countries.

INSURANCE RETURNS.

By the courtesy of the Superintendent of Insurance we are in receipt of an abstract of the business of Fire and Marine Insurance in Canada for the year 1878, which presents an interesting supplement to the statements of general business for that year, inasmuch as Fire and Marine Insurance are sometimes said to be registering thermometers or barometers of that commerce of which they are the hand-maids. Contrary, however, to this opinion, and greatly to the credit of our insurance managers generally, we find that Canadian Fire and Marine Insurance have been more profitable than any other branch of business during the past year, and their statements present pleasant surprises to those interested in the welfare of the companies.

We are aware of the ever present contingency of conflagrations, and know that in 1878 there occurred fewer uncontrollable fires than in many preceding years, but it was expected by many of the prophets that sporadic fires would be so frequent as to make up for the absence of spreading ones.

It speaks well for the morality of the merchants and the manufacturers of Canada that the fire loss for 1878 was so small, most remarkably so in the experience of the British companies whose premium receipts were larger than in any previous year, and whose losses materially smaller than in any year since 1869.