

Wdham
Aug/82

Mon. Aug. 28, '82.

Dear Father,

I took tea with Mrs Wilson yesterday evening, & met there Mr Peter Redpath. We went to hear Dr Parson's but found him replaced for that occasion. After leaving Mrs Wilson's, I took advantage of the opportunity while walking back with Mr R. to ask him his opinion on the prospects of business for the next few years in Canada. He says his experience has been that about 3% of business men are brilliantly successful i.e. make enough to be able to retire from business & live on their means. Of the remainder, 1/2 fail and the other 1/2 make a comfortable living all the way along. His opinion is, that there is should be plenty of business

in the Bridge line in Canada for as long a time as I am likely to remain in this world. Everything, however, depends on the management; and the only way of tiding over hard times is to avoid undue development during the prosperous times, even if it is necessary to refuse orders that would be sufficient to give rise to competition; and to retain enough of the profits to form a "nest" on which the business may draw, instead of dividing the proceeds at once among the shareholders. In the hard times it is best to keep on running as long as it is possible to clear a margin over the wages of employees, as machinery lying idle is nearly as expensive to maintain in order as it is if running. A business establishment that extends itself too largely, will be

a looser just in proportion to its extent when times are dull, and may give way under the strain. He thinks some of the bottom factories are erring in this respect at present. The number of employees is not so serious a liability to a Co. as the amount of its plant; and the chance of being turned adrift at a time when there is little employment to be had either here or in the States he does not see any help for. (The only remedy that I can see, is to be the man whose services are most indispensable to the Co., which is a good security against anything but short of complete failure on their part.) With respect to any choice I may have between an increased salary and stock in the Co., he thinks stock preferable if it is in paid up shares, involving no liability in case of failure.

Mr. Redpath ~~leaves~~ was to leave at
noon to-day, via Collingwood. Mr.
Hague was on the same train with
myself on his way to Winnipeg.

I enclose a clipping that may serve
as an illustration some time, although
I don't say you know of many similar
cases.

Your affectionate son,

William.

Mr. Abbott leaves ~~to~~ Winnipeg to-
morrow (Tuesday) to return here.