

and they are to permit the employés to designate a book-keeper to make an examination for them also. In determining the net profits, interest on all capital invested is calculated as an expense at the rate of six per cent., and a reasonable salary is allowed to each member of the firm who gives his entire time to the business. In order to share in the profits the employé must have been at work for three consecutive months, and must be at work when the semiannual account is made up. All the men share whose wages have exceeded \$5 a week, and all the women whose wages have exceeded \$4 25 a week. The proportion divided to each employé is determined by the amount of wages earned; that is, the employés shall share as between themselves in the profits exactly as they have shared in the entire fund paid as wages to the whole body, excluding the first three months' wages. In order to determine the profits for distribution, the total amount of wages paid to all employés (except travelling salesmen, who do not share) is ascertained. The amount of all expenses, including interest and salaries, is ascertained, and the total net profits shall be divided between the firm and the employés sharing in the fund. The amount of the net profit to be distributed will be that proportion of the whole net profit which will correspond to the proportion of the wages paid as compared with the entire cost of production and the expense of the business. To illustrate: If the wages paid to all employés shall equal twenty per cent. of the entire expenditure in the business, including interest and salaries of members of the firm, then twenty per cent. of the net profit will be distributed to employés.

It will be noted that this plan promotes steadiness in work, stimulates to industry, and adds a most valuable element of hopefulness to labor. As a business enterprise for the owners it is sound, for it makes every workman an interested party in increasing the profits of the firm—interested not only in production, but in the marketableness of the thing produced. There have been two divisions under this plan. At the declaration of the first the workmen had no confidence in it; many of them would have sold their chances for a glass of beer. They expected that "expenses" would make such a large figure that nothing would be left to divide.

When they received, as the good workmen did, considerable sums of money, life took on another aspect to them, and we may suppose that their confidence in fair dealing was raised. The experiment of a year has been entirely satisfactory; it has not only improved the class of employés, but has introduced into the establishment a spirit of industrial cheerfulness. Of course it is still an experiment. So long as business is good, all will go well; but if there is a bad six months, and no profits, it is impossible that suspicion should not arise. And there is another consideration: the publishing to the world that the business of six months was without profit might impair credit. But, on the other hand, this openness in legitimate business may be contagious, and in the end promotive of a wider and more stable business confidence. Ivorydale is one of the best and most solidly built industrial establishments anywhere to be found, and doubly interesting for the intelligent attempt to solve the most difficult problem in modern society. The first semiannual dividend amounted to about an eighth increase of wages. A girl who was earning five dollars a week would receive as dividend about thirty dollars a year. I think it was not in my imagination that the laborers in this establishment worked with more than usual alacrity, and seemed contented. If this plan shall prevent strikes, that alone will be as great a benefit to the workmen as to those who risk capital in employing them.

Probably to a stranger the chief interest of Cincinnati is not in its business enterprises, great as they are, but in another life just as real and important, but which is not always considered in taking account of the prosperity of a community—the development of education and of the fine arts. For a long time the city has had an independent life in art and in music. Whether a people can be saved by art I do not know. The pendulum is always swinging backward and forward, and we seem never to be able to be enthusiastic in one direction without losing something in another. The art of Cincinnati has a good deal the air of being indigenous, and the outcome in the arts of carving and design and in music has exhibited native vigor. The city has made itself a reputation for wood-carving and for decorative pottery. The Rockwood pottery, the pri-