

civilization advance, and the domestic industry of spinning, knitting and weaving vanishes before the modern mill. So, also, the one-set mill, equipped with the old-fashioned 40-inch cards, is doomed to extinction by the same law; and where the one-set mill exists to-day, it can only hold its own by getting in modern carding machines of large producing capacity. A large proportion of these mills, which have gone out of existence in the past ten years, were equipped in the first place with the antiquated machinery referred to, and amidst the development of modern machinery only held their own, just as the old hand knitting machines have hung on here and there in the face of the new automatic knitting machines. Many of the owners of these old one-set mills operated grist or saw-mills in connection with their woolen business, and from this circumstance, or from the fact that they had other property were able to keep running whether the mill made money or not—some of them just because they liked the occupation, and preferred it to inane idleness. But as these old veterans of the woolen industry drop off, the hum of the carding machine ceases, and "the creaking old mill is still." When a fire occurs in one of these mills, the owner goes out of business. Among the twenty or more mill fires of this class of mill in the past year, how many mills can Mr. Russell point to as being rebuilt? Yet the case is different even with a mill of only one set capacity, where that set is up-to-date. We have only to mention that the market value of an average set of second-hand 40-inch cards, such as is going in this country, is about \$200, whereas a set of 60-inch cards in good running order is worth \$3,000 or \$4,000, to enable the lay reader to understand the case. It will, therefore, be seen that Mr. Russell is mistaking a feature of the natural evolution of the woolen manufacturing business for an effect of the preferential tariff. There are enough reasons against the preferential tariff, as being peculiarly unfair to the woolen trade, without relying upon an argument which, as the late John Henry Pope said, has "nothing to it." Mr. Russell's estimate of the producing capacity of the 160 "sets" of cards, which he claims have gone out of existence, is founded on the same misconception as the other part of his letter.

The Canadian Manufacturer, which, from a protectionist view, has been a faithful and consistent advocate of the interests of the manufacturers, presents in its issue of October 18th an instructive table of the imports in woolens, compiled from the Trade and Navigation returns. In this table, which is summarized below, the letter A indicates the imports of carpets of all kinds; the letter B includes tweeds, flannels, winceys, felts, dress goods, and wool cloths of all kinds; C includes blankets, yarns, pressed felts and

shoddy, while D covers knit goods of all kinds, clothing, and all other fabrics of wool:

1896.		1897.		1898.	
Great Britain.	All Other.	Great Britain.	All Other.	Preferential Tariff.	General Tariff.
A..\$ 717,070	\$ 71,852	\$ 555,198	\$ 63,380	\$ 662,340	\$ 44,864
B.. 2,598,433	137,739	2,103,857	111,816	2,084,273	146,990
C.. 168,525	141,783	137,259	157,645	285,222	76,795
D.. 3,444,541	1,390,402	2,780,545	1,216,048	4,095,498	589,865
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\$6,928,569	\$1,741,776	\$5,576,859	\$1,518,889	\$7,127,333	\$858,514
1899.		1900.		1901.	
Preferential Tariff.	General Tariff.	Preferential Tariff.	General Tariff.	Preferential Tariff.	General Tariff.
A..\$ 876,459	\$ 55,329	\$ 945,735	\$ 44,633	\$ 898,288	\$ 38,133
B.. 2,588,496	227,916	2,576,242	326,725	3,061,282	365,605
C.. 359,052	201,119	334,174	270,790	318,237	282,037
D.. 3,825,854	1,668,972	3,142,611	2,160,655	3,061,736	1,918,797
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\$7,649,861	\$2,153,336	\$6,908,762	\$2,802,703	\$7,339,543	\$2,604,572

The first instalment of the preferential tariff came into operation 23rd April, 1897, from which date till 30th June, 1898, the preference in favor of Great Britain was one-eighth, or 12½ per cent. From 1st July, 1898, the preference was 25 per cent., and from 1st July, 1900, 33 1-3 per cent. These figures do not seem to prove that the preferential tariff has promoted British trade with Canada to the disadvantage of foreign trade with Canada. As the Manufacturer says: "The increase in value of woolen goods in the four years subsequent to 1897, during which the preferential tariff was in force, was \$2,818,367; but it should be observed that the value of the imports during that term under the preference increased only \$1,762,684, and not \$2,670,303, as stated by the secretary of the Canadian Manufacturers' Association. It should also be observed that the increase under the general tariff during that term was \$1,055,683." Time may show that after all, one of the chief results of the preferential tariff has been the promotion of German exports to Canada via Great Britain in the form of smuggled goods and goods sent over to England to be put through a so-called process of finishing. Needless to say, that is not what the preferential tariff was created for.

DOMINION COTTON CO.

The position of the Dominion Cotton Mills Co., which controls nine mills situated at Montreal, Magog, Halifax, Moncton, Windsor, N.S., Brantford and Kingston, has of late been attracting considerable attention. Their stock, which eighteen months ago stood at 119, and a year ago at 98, has recently experienced a rapid decline, and fell as low as 50, the lowest point reached for years. The company has