

We must give Mr. Fielding credit for recognizing the fact that the woolen manufacturers constituted a grievous exception to the generally beneficent application of the preferential principle in Anglo-Canadian trade. Even his own high ideals of devotion to the interests of Empire did not demand that the promotion of Imperial trade should be pushed to the point of ruining a native industry, which had been built up by years of painful labor to a position of prime importance in the country, especially as this ruination would not directly benefit the whole of the Motherland, but merely a set of its own manufacturers, who are of no more importance to its economy than the Canadian woolen manufacturers are to Canada.

We would suggest to the Finance Minister that as he has very wisely placed linen manufacturing machinery on the free list, he do the same by the woolen trade. There are no woolen power looms, nor wool or worsted spinning machinery made in Canada, and therefore if this class of machinery were placed on the free list, no harm would be done to any existing home industry, while the free entry of such machinery would greatly reduce the cost of equipping a new mill or renewing the plant of an old one. As the Dominion treasury has a large surplus, the revenue from such a source is not needed, and as Mr. Fielding has pointedly referred to the need of re-equipment by many mills, he will see here such a chance to promote the interests of textile manufacturers—including the cotton, silk, flax, binder twine and all other branches of such trades—as will be keenly appreciated at this crisis.

The dump-prevention features of Mr. Fielding's tariff announcements, though not likely to affect the textile trade materially at present, are apparently destined to become of great consequence in our tariff system, if the plan can be made to work in practice. It is in line with twentieth-century diplomacy in the field of politics. It should provide automatic machinery for remedying evils as they arise, instead of having to wait upon legislative action, which is too often a case of locking the stable door after the horse is stolen. If the plan is found to work well in Canada, it is not unlikely to be copied by other countries, and if so, it will have the effect of steadying international trade, and cutting off the tentacles of the combines and trusts, who are the fathers of the dumping system.

A LESSON OF THE WOOLEN MILLS' FAILURE.

While the failure of the Canada Woolen Mills, Limited, was a natural outcome of a condition of trade brought about by tariff reduction, yet there were individual elements in the case which tended to weaken the position of the mills, and hasten a collapse which might possibly have been staved off till the era of tariff readjustment had arrived. The

history of these mills conveys a moral to other textile manufacturers which ought not to be forgotten, and the hope that the many manufacturers who market their goods through selling agents may avoid the wake of this wreck, induces us to publish the retrospect given by the late manager, Mr. Morley, at the request of some of the shareholders. Mr. Morley was for a quarter of a century manager of the Waterloo mill, and was considered one of the safest men in the business in Ontario. His statement shows the danger of having the policy of a mill controlled by the selling agents. The mill manager knows, or should know, the cost of producing goods and when he is convinced that goods cannot be made except at a loss, it is time to seek new markets or else to shut down. Other mill managers besides Mr. Morley have a similar story to tell. Mr. Beal, the manager of the Brodie mill, at Hespeler, resigned because he refused to fill an order taken by the agents for 10,000 yards of goods at 17½c., when the actual cost of manufacturing was more.

We should not say that the blame for this rests primarily with the selling agent, who in this, as in most other cases, is paid by commission on his sales. The agent is interested in selling goods and getting his commission on the same. The responsibility really rests upon the directors who permit an agent to determine the question of prices, which they, as representing the shareholders, should determine for themselves. The mill manager knows the point at which profit disappears and loss begins, and when an agent cannot keep the mill on the right side, it is time for the mill interests to look for a remedy. That remedy may consist in "calling" the bluff of sharp buyers, or the difficulty may be traced to some other source. But whatever the trouble, its diagnosis and remedy should be made and applied by the mill, whose existence is affected, and not by a selling agent paid by commission. To what extent a remedy may be found by employing a selling agent on salary instead of commission, must depend on circumstances. The mill interests will certainly not be helped by getting the agent to take stock in the mill unless his holdings are so large that an extra dividend would mean more to him than the commission on the goods sold.

A selling agent is like electricity—a serviceable element when kept well insulated, but risky when you allow his current to leak into the mill. Moral, consult the selling agent as much as you may on matters relating to the market, but keep your mill in your own control.

—Nature has not been long in providing an antidote for the cotton boll weevil which has been doing such damage among the cotton crop in Texas, and causing such anxiety to growers. A small red ant has appeared, and is waging war against the weevil. An effort is being made to collect a supply of these