

THE CANADIAN DRY GOODS REVIEW.

Vol. II.

TORONTO, MAY, 1892.

No. 5.

THE DRY GOODS REVIEW

THE ORGAN OF THE CANADIAN

Dry Goods, Hats, Caps and Furs, Millinery and Clothing
Trades.

Published Monthly by

THE DRY GOODS REVIEW CO.,

Toronto.

J. B. McLEAN,
President.

CHAS. MORRISON,
Editor and Business Manager.

Address all communications to the Editor.

We beg to advise readers of a change in our premises, made last week. Our office and place of publication is now at No. 10 Front St East, next door to the Board of Trade building. This removal, itself an improvement, enables us to add many other features that former limitations of space would not allow. Correspondents or visitors will please remember the change.

COLORED COTTON SYNDICATE.

THE two syndicates known as the Dominion Cotton Mills Company and the Canadian Colored Cotton Mills Company, being controlled by the same body of men, are virtually one concern, all but in name, and are known to the trade simply as the Cotton Syndicate. Any Act of Parliament passed for the purpose of regulating combines can have no power over it, for the mills have been actually purchased; therefore it is nothing more nor less than a huge joint stock company. This Syndicate is probably the most powerful that has yet been organized in Canada, having to a very large extent the control of the whole dry goods trade of the country.

This, to say the least, is rather a dangerous power to have placed in the hands of a small body of men, putting them in a position to exact large profits from the purchasers of their goods, who will have to pay the price demanded or give up the trade. They can boycott any wholesale house whenever they see fit to do so; they can fill orders more promptly when certain lines of goods are scarce for houses who are favorites, thereby benefitting immensely the trade of these houses, to the detriment of others probably just as enterprising but not so fortunate in their mode of keep-

ing in touch with the powers that be. They can drive entirely out of the trade any wholesale houses of limited means by refusing to give them credit sufficient for the requirements of their trade, thereby throwing all the trade into the hands of the large and wealthy houses.

Credit in the dry goods business has without doubt been too cheap in this country, and if the Cotton Syndicate exercises the power placed in its hands in this respect judiciously, it may accomplish an immense amount of good, but such a power used in an arbitrary manner can only do evil.

It would certainly be of advantage to the trade to have some men of very limited means driven out of it, men whose establishments are little better than offices, who give very small placing orders so that they may get samples to put on the road, from which they take orders, at a very small margin of profit, for goods they do not carry in stock, ordering from the mills after the goods are sold, trading in fact on the capital of the mills, who carry the stock for them.

Doubtless the Cotton Syndicate can produce goods at a paying profit cheaper than these goods could heretofore be produced without a profit, by running one mill entirely on one line of goods in place of manufacturing a variety of lines in one mill. Will a paying profit satisfy these men?

The question also arises: How is this large monopoly going to affect the operatives in its employ? And this question is just as serious a one as how will it affect the consumer by the price it chooses to put on the goods. The operatives will be completely at the mercy of the Syndicate as there are no other mills to employ them should they not get reasonable wages for their work. It would be useless for the operatives to strike, for the Syndicate in such a case would shut up the mills and starve them into submission.

Monopolies seem to be the order of the day on this continent. In the United States the distance between the poor man and the rich seems to be widening more and more every year, and is becoming the most important problem for the statesmen of that country to solve, a problem that may not be solved without bloodshed and a temporary state of anarchism, and here in this country we are apparently drifting into the monopoly system also.

It would be well for our Government and Parliament to be watchful in this matter. The general welfare of the people is their special charge, and although it is difficult to legislate to prevent the existence of large joint stock companies, nor perhaps prudent to attempt to do so, the tariff can be lowered whenever these monopolists overstep the mark and attempt to benefit themselves at the expense of the consumers.

The voters who enabled our legislators to increase the tariff to protect our struggling manufacturers from the onslaughts of foreign foes will uphold them in pulling down the tariff, if necessary, to protect the consumers from foes within our borders.

Meantime it is right and proper to give the Cotton Syndicate time to show its policy and not condemn it until it deserves condemnation.