

The Dry Goods Situation

(Specially Contributed)

Importing and Wholesaling.

The past half year, ended June 30th, has been one of great activity for the wholesale dry goods houses, of Canada, the general report being that the demand for all lines of goods has been very heavy in all parts of the Dominion. The one drawback has been the inability of the wholesale houses to procure sufficient materials with which to meet the constant stream of orders coming from the retailers, manufacturers, tailors and dressmakers of the country. In many cases "substituting" has had to be resorted to and by this means, notwithstanding the shortage in foreign goods the volume of business has exceeded that of many previous periods.

Although the domestic mills have frequently been obliged to refuse and even cancel orders owing to their inability to fill when within a reasonable time the chief difficulty has been with imported goods. In the foreign field the wholesalers have had to face insurmountable obstacles, the situation becoming more acute each season. The importing trade today is almost entirely limited to the larger wholesale houses. Many retail firms who hitherto bought direct in London or Paris have given up the struggle and are now depending upon Canadian and American supply houses to fill their wants.

These trying conditions have been brought about by the abnormal situation in Europe, where the lack of labour in the mills has curtailed production almost to a minimum. The general scarcity of dyes and the unsatisfactory results frequently obtained from colors of British and American manufacture are often the cause of late deliveries. Ever since the German dyes have been out of the market the prices of most colors have steadily advanced so that mills that contracted for delivery in six months time at certain figures very often find that the increased cost of dyes in the interim had eaten up the whole margin of profit. This has led to the present system of quoting all prices with an option on dyes, so that if the market goes up the price of the goods already contracted for goes up in proportion. The wholesaler then increases the price of the goods to his retailing customers who often feel that they have been badly used when his bills arrive. On the whole, however, the public is adapting itself to prevailing circumstances and is accepting unavoidable irregularities in an excellent spirit. The shortage of ocean tonnage has also complicated matters. The shipping situation at present, however, is much more satisfactory in this respect. It now takes an average of two months to bring out stock goods from Great Britain, but ordered goods are frequently delayed from six to twelve months. In many cases the buyers have given up all hope of ever receiving them. The charge for packing has gone up fifty per cent. and this adds appreciably to the cost of the cheaper lines.

Staples.

Owing to the impossibility of obtaining supplies of this class of goods from Great Britain, the Canadian demand is now dependent upon domestic production and increased imports from the United States. Butter cloth is very scarce, the price of imported goods being prohibitive and the home supply being reduced to the output of one mill, the other Canadian mills being worked to capacity on other lines. This reduces the supply fully one-half while the demand has increased three times, owing to heavy consumption by the Red Cross and other Societies for dressings and bandages. White cottons present the next greatest difficulty. The demand for sheetings, bed tickings, etc., has been extraordinary, chiefly for Government and Red Cross requirements. Large quantities of denim and canvas are also being used for tents, wagon covers, kit bags, sleeping bags, knapsacks, and summer uniforms. This war demand leaves a very small available surplus for the regular trade. Dealers, however, have thus far been able to fill actual wants. Plain and fancy flannelettes, gingham and shirtings, are being supplied from domestic production, although stocks are very low and deliveries impeded on colored articles by the difficulties in dyeing. Business in wash goods has been very good and dealers are looking for another big season next spring. Prices have increased and are likely to go higher.

Woolens.

Everything points to an excellent demand for woolen goods this autumn and retailers have already placed large orders with the wholesale houses for

fall merchandise. Unfortunately the Canadian trade is mainly dependent upon foreign markets for its supply of woolens. As a result very great shortages are encountered. Never was there a more opportune time for Canada to develop its woolen textile industry. Prevailing high prices and lack of competition would give an up-to-date mill an excellent start. All woolen goods are dear. The English fabrics are so high in their own home market that with a duty of 42½ p.c., they can hardly compete with the American makes upon which a 50 p.c. duty into Canada is paid. The advance in price in this line varies from 50 to 100 per cent., and still higher prices are expected. Dealers have been able to lay in stocks for the coming season but where next year's supplies are to come from remains a hidden mystery.

With regard to materials for men's wear, black and blue cloths are being replaced by dark grey chevrons on account of the scarcity of colours. Men's overcoatings are particularly scarce, as the shortage of wool inclines the manufacturers to keep away from the heavier cloths. Although hard to get soft plain finishes are predicted for exclusive styles. Medium and dark serges are favorites for business wear, and Scotch wool fabrics are destined to replace worsteds, being easier to obtain. Odd trouserings are a thing of the past and it is decreed that trousers will match the suits this season.

In ladies' wear fabrics seal plushes, corduroys, and imitations of fur are the leading styles this season. Gabardines, serges, broadcloths and poplins are also destined for high favour, but there is no doubt but that all kinds of pile goods will predominate. Dark colors will be given preference for obvious reasons, and fashionable shades will be navy, black, nigger and otter brown, wine color, hunters green and battleship grey. There is a large and growing demand for Harris tweeds, and colored diagonal chevrons are also fashionable for ladies' fall and heavy suitings.

Linens.

The linen market discloses if anything the greatest shortages and the most insurmountable difficulties in the whole dry goods trade. The raw material is almost unobtainable and consequently prices have soared to unheard-of figures while future deliveries are quite problematical. To give an idea of the advances so far a buyer recently returned from England, tried to purchase while there some double damask. The price paid previous to the war was 1s. 8d. or 40 cents a yard. Today the price asked for the same quality is 4s. 2d. or \$1.00 a yard. Roller towelling shows a similar increase. Lines that formerly have sold by the wholesale trade at 7½ to 8 cents per yard are now bringing 11½ to 14 cents, with no prospect of any reduction in sight. In order to relieve the situation a very attractive line of "compound" linen and cotton, house and table linens is being placed on the market, and is meeting with a ready sale, owing to the comparatively low price asked and its pleasing finish. At best this line will only be temporary, for nothing can compare with pure linen for strength and durability.

Silks, Velvets and Ribbons.

Silks have been steadily advancing ever since the war on account of the scarcity of dyes and the difficulty in obtaining the raw material, until current prices are now 50 to 100 per cent. above normal. Although this advance has accumulated gradually, changes have been so rapid during the past year, that prices quoted by cable from Switzerland are often not obtainable when ordering goods a few days later. Higher prices than ever are expected during the coming year. The bulk of our supplies are coming from Switzerland and Japan. Both of these countries are putting forth every effort to increase their output and are taking full advantage of the unprecedented opportunities of the moment. France is practically out of the market for silks. There, factories are working only to 25 per cent. of capacity in silks, but 75 per cent. in Velvets. According to the French Treaty between France and Canada, French goods coming into Canada are granted a preferential tariff, and Switzerland being one of our favored nations likewise enjoys this privilege. Italy on the contrary cannot compete in this market, as not being a favored nation her goods come in under the regular tariff of 27½ per cent. as compared to 20 per cent. preferential rates. It is possible that after the war this preference may be extended to Italy as one of the Entente Allies, but at this date all future trade

arrangements are still purely conjectural. Deliveries from Switzerland through Germany and Holland have been greatly hampered by the British blockade and it is only recently that satisfactory arrangements have been made by which goods can be imported into the various parts of the British Empire with a written guarantee that they did not originate in Germany or Austria. Switzerland is also hindered by a shortage of coal having no seaport by which she can import her supplies. All merchandise coming from France, Germany or Italy is subject to severe military restrictions.

Very heavy sales of velvets and corduroys are predicted for this autumn, as even at present high prices these lines are cheaper than woolens and serve the same purpose. The supply of English velveteens and corduroys is limited, chiefly on account of the lack of available labour. Canadian houses have been compelled to turn to the United States and are ordering heavily in that market.

As regards ribbons very similar conditions prevail. Prices are high and likely to go higher. In the narrow widths the supply is small and the demand large. The chief note sounded is for printed and satin black ribbons, in sympathy with the prominent part that satins and printed silks are expected to take. Black velvet ribbon will be much used in millinery and gowning.

Embroideries and Laces.

Embroideries are also influenced by conditions in Switzerland whence come the most delicate fabrics and choicest designs. Formerly Germany and Austria shared with Switzerland the world's trade in fine embroideries. The United States only manufactures the cheaper grades. Deliveries of embroideries are very uncertain as the British Government has placed an embargo on cotton to Switzerland, believing that they were indirectly supplying German mills. Thus the Swiss will soon be embarrassed for lack of cotton to keep their embroidery machines going.

With regard to laces and nets, etc., in the Canadian markets plain and imported nets will no doubt be a strong factor for dress materials, although imported nets are very high in price and deliveries are uncertain. Laces have had a good run especially narrow guipures. Deliveries of Nottingham laces are very fair. Prices have advanced though not to the same extent as on laces of Continental manufacture. Georgette crepe and Ninons are running strong for the coming season.

THE HIGH COST OF LIVING.

Sometimes things happen to make us wonder if we perspicacious, long-headed, wonderfully acute Americans have as much common sense as we might have.

A few weeks ago, with a big strawberry crop, strawberries were a glut on the market. The strawberries were of fine quality and the price was low. But the price of sugar was high. Consequently no sale for strawberries. The sugar price made canning, even the extensive individual consumption of strawberry festivals, too expensive. For the same reason many a market gardener didn't even cut his rhubarb. He couldn't sell it. Sugar was too high.

Everybody saw the sugar price and shuddered. What many people didn't see was the price of the berries or the rhubarb was forced so low that despite the price of sugar the combination could be purchased cheaper than ever before. One extensive grower in this vicinity avers that in order to rid himself of his crop he might have given away, with profit, sixteen pounds of sugar with every crate of strawberries. But he didn't do it.

So much for a tiny incident in the economic life of a people who reflect in reverence and adoration upon how smart they are in business. Perhaps the marvelous development of our penetration in vision has reduced our horizon.—Hartford Daily Times.

CANADA'S PUBLIC DEBT.

Total net debts:

September 30, 1911.....	\$323,938,768.74
September 30, 1915	484,841,633.73
October 30, 1915.....	492,528,492.09
November 30, 1915.....	501,668,167.71
December 30, 1915.....	515,144,019.37
January 30, 1916.....	527,488,999.94
February 30, 1916.....	537,530,696.21
March 30, 1916	555,027,542.73
April 30, 1916	573,213,386.11
May 30, 1916	577,896,690.85
June 30, 1916.....	593,910,637.81

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