DRY GOODS REVIEW

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THE COTTON DUTIES.

THE latest argument we have heard used regarding the duties on cottons and the duties on shirts, etc., is that the Government will rectify the error at the next session of Parliament. THE REVIEW was informed by one of the numerous persons who profess to know the inner mind of Cabinets, that this will all be smoothed over at the next session. "You see" (remarked our informant in a confidential manner) "the proper course for the Government to pursue was to have restored the duty on shirts and collars to the old figure. Having resolved to keep up the cotton duties, they should also have retained adequate protection for those who use cotton as a raw material. But things will be straightened out next session, and we shall hear no more of it."

We decline altogether to accept this soothing prophecy. The subject is too important to be shelved in such an easy way. As matters stand, the manufacturers of shirts and collars are being mulcted in heavy charges on the material they use, while they are expected to meet increased competition from the outside world under a reduced duty. There is no excuse for such an arrangement. It finds no defenders; even the Finance Minister was apologetic about it. Now, this constitutes a trade grievance, because if business is to be continually disturbed by tariff tinkering we shall never get the commercial interests of Canada on a settled permanent basis. As a business community, we have a right to know on what principle the Government is proceeding in this matter of the tariff. If the shirt men can go to Ottawa next session and pull the Government straight on this subject it re-opens an old and objectionable practice of framing the duties to suit particular industries. What we want is an equitable arrangement satisfactory to the whole country, not to please this industry or that. The dry goods merchants will make a mistake if they let this point go.

In this cotton duty dispute there is, as we said before, a chance for the Government to show their sincerity. Let them enquire, as the new law empowers them to do, whether there is any combination in cottons whereby prices are kept up above the level of United States quotations. Section 18 of the Tariff Act of 1897 provides:

> Whenever the Governor-in-Council has reason to believe that with regard to any article of commerce there exists any trust, combination, association or agreement of any kind among manufacturers of such article or dealers therein to unduly enhance the price of such article, or in any other way to unduly promote the advantage of the manufacturers or dealers at the expense of the consumers, the Governor-in-Council may commission or empower any judge of the Supreme Court or Exchequer Court of Canada, or of any superior court in any province of Canada, to enquire in a summary way into and report to the Governor-in-Council whether such trust, combination, association or agreement exists.

The Act goes on to give the judge power to compel the attendance of witnesses, to examine them under oath and to call for the production of books and papers; if such a combination is found to exist and the Customs duty on the article is found to facilitate the combine, the article may be put on the free list or the duty reduced.

This is the law. Does it mean anything, or is it purely a piece of bluff? If the Government do not appoint a judge to enquire into cotton prices, now that they have heard the complaints of the shirt men, the trade will conclude that they are afraid to do so, either because the new anti-combines law is useless, or because the same influence which secured the retention of the duty on manufactured cotton is at work to prevent an enquiry into the prices being charged to consumers.

HOW TO EXPAND TRADE.

IN the second of Mr. James D. Allan's excellent articles on British trade expansion, published in this issue, there is a capital suggestion which ought to be dealt with now. What is Canada going to do, he asks, now that she has received such prominent notice in Europe as the chief self-govèrning state of the British Empire? Are we going to be content with chuckling at our own cleverness in framing a tariff that has caused comment to a considerable extent in Europe? No doubt we are a vastly clever people to have thought of it, but how much business is there in simply congratulating ourselves? We should be up and doing, seeing what openings there are for our goods in Europe. A good agent or two are needed, not next year, or the year after, but now. The Government have sent Mr. Anderson to Japan and Mr. Sheppard to Mexico and South America. That is right as far as it goes. But we should send over to Europe and report openings for Canadian goods there. A wide-awake man would fill the bill.

Our manufacturers should brand their goods, and push them abroad. Time was when the average Canadian thought imported cheese better than domestic makes. Is that so now? On the contrary, by good methods of manufacture, by live trading and wide awake enterprise we have pushed even the shrewd Yankee aside. What one line can do, others can do. The whole thing rests with ourselves, and the time for action has arrived.

Of Mr. Allan's ably written papers we need say nothing. They incorporate the personal experiences and knowledge of a practical business man, and they deal with a subject which is peculiarly appropriate in this Diamond Jubilee year: how British trade has spread its wings all over the world and by what means it has been built up. There are lessons for us all in the narrative.