

THE COTTON SYNDICATE.

THERE have been murmurs of war against the Cotton Syndicate during the past few weeks, especially in this city. A cotton factory has been talked of, but not seriously, by men of wealth. But to say the least, all dealers are not perfectly satisfied with the prices and methods of the syndicate.

It is often a little stone that makes a big ripple, and it was a little thing that caused an outburst of anger among Toronto wholesalers. The company commenced to charge for baling goods, an innovation, and there were a few unpleasant remarks made—by whom, no one knows, but at any rate they were made. We understand that the company have decided to remove this grievance, and henceforth the baling will be free.

But since the formation of the syndicate over a year ago, prices of cotton goods have advanced considerably. Grey cottons have advanced at the mills between 16 and 17 per cent., and colored shirtings have advanced from 10 to 17½ per cent. Tickings and cottonades have advanced but very slightly, and that only on certain lines. Now this advance can be added to the lowering in price of raw cotton, which has declined nearly 19 per cent. Thus combined, the advance on greys and colored shirtings is seen to be very large; and the question presents itself—Is this advance greater than circumstances justify? Much can be said on this question, and it is hard to arrive at a satisfactory conclusion. Before the buying up of all the mills, goods were sold at prices much below the cost of manufacture, and much money was lost. Hence a rise in some prices were necessary in order to put the business of making cottons on a paying basis. This has certainly been done, and now prices are high enough. This is certain. But whether they are too high or not, is an undecided question. It is not apparent that wages have advanced, but it is certain that the quality of raw cotton is not so good this season as in previous seasons. This is a circumstance which cannot be left out of consideration.

Still in spite of the fact that prices were below cost of production last year, and that raw cotton has been inferior in quality, many persist in saying that cotton goods are too high, and that importation will soon begin. If prices are too high, they will be a boomerang to the manufacturers; and this remains to be seen. It is extremely probable that another mill will be started in Canada, or English goods imported to compete with the goods of the syndicate, before we have reached another November. When people get to starting and hearing rumors that any manufacturer is making fabulous sums of money out of his business, capital is soon forthcoming to establish opposition. But whatever may be the future course of prices, the condition of the domestic manufacture of cotton goods, or the fate of the present cotton syndicate, the latter must be credited with a business skill and energy which has placed our cotton manufactures on a paying basis.

CARPETS AND THE TARIFF.

JUST now there is a strained state of feeling among the carpet men with regard to customs regulations. For example when the dealers here object to certain of the appraiser's decisions they write to the commissioner, but he refers the matter back to the appraiser. This is a farcical method of appeals. Hence the persons who object must send to the minister of customs, because no satisfaction can be got in any other way, and then the matter dies; or at least ceases to be a live issue. Such is the dealers' side of the question.

Then the manufacturers have a larger grievance. United States cotton and jute carpets are being sold as unions on this market. This is a deception worked on consumers and on the customs department. One of the United States carpet papers has a quite laugh over it, and points out that there is a big demand from Canada for unions," and in the next sentence says that some Philadelphia firms have shipped large quantities of cotton carpets to the Dominion this season. The carpet men of this country have been trying to have this matter regulated and have asked the government to do so several times during the past nine months, and the dilatoriness of the remedy has been displeasing to them. But it was gall and bitterness, when they read the sarcastic little speech of the aforesaid trade paper, intimating that cotton carpets made good "unions" for Canadians. The dealers and manufacturers claim, that the whole difficulty can be obviated by directing these goods to be classed under "two ply and three ply carpets of which the warp is composed wholly of cotton and other material than wool, worsted, hair of Alpaca goat, or other like animals" on which the duty is 5 cents per square yard and twenty per cent. At present these goods come in under cotton manufacturers N. E. S. or under jute goods, on which the duty is only 25 per cent. This makes a considerable difference, e. g. a carpet which can be laid down here for 38c. under the first and proper class, can be laid down now under the last two classifications at 34c. The remedy is simple—direct that such goods come under the first class.

It may be asked, What are the reasons for this? The answer is easy. In the first place the consumers are getting poorer carpets which are being sold as unions, and it is necessary that proper and just goods should be sold. An ordinary customer in a retail store can not tell a woollen thread from a jute thread that is pulled out of a carpet. For jute and the worst kind of shoddy are used in the manufacture of these United States carpets. Moreover they are displacing good unions of domestic manufacturers. Domestic carpet manufacturers should be protected from such frauds. But the Canadian manufacturers base their claims on higher grounds even than this.

They say that at present the appraisements are wrong, and that they are asking for justice only, not for favors. These are strong contentions, and the government should attend to the matter at once.

There is nothing in modern manufacture which should be guarded against more than this selling of cheap, deceitful goods. This tendency has been made a great deal of by writers who have written on the evils of competition. Manufacturers in the United States are kept busy filling spring orders, during a few months preceding the spring delivery. But after this period there are not so busy, as fall orders are not so large, and if they can make goods, and sell them even at cost price, in order to keep their mills full and their machinery running, it is a bonanza for them. They do not seem to care what class of goods they sell, as long as it brings them the almighty dollar. But the Canadian market should not be their dumping ground, and it lays with the Minister of Customs to say whether it shall be or not.

THE PERSONALTY TAX.

ENOUGH has been written concerning this pernicious municipal tax to supply a student with five years' reading, but still it is with us. The cities of the United States have been trying to free themselves from it, but with only moderate success. In Canada, the leading cities from Halifax to Victoria have labored with the problem; but still the oppressive and inequitable tax is used by our municipalities. The rulers of this country are too conservative altogether. The fathers of the municipality think that what was good enough for the grandfathers is good enough for the grandsons. In fact they find this problem too heavy for them, and for fear of making new mistakes, they retain the mistakes of the past. This is a nice rule of thumb, but it is exceedingly disastrous to the welfare and morals of the community.

Equality should be apparent in all systems of taxation, but it is not one of the results of the personal property tax. Part of a community's personal property cannot be found by even the shrewdest assessors; and when part cannot be found, the part that is found bears its own share, and the share of the unfound part. For example, suppose a municipality tried to tax a man on his bank deposits—does any sane man think those deposits would be there, when the assessor came to examine the books. They would be withdrawn. Theoretically they are taxable in Ontario; practically they are exempt.

Moreover, a personal property tax is inexpedient. It drives moveable property away from the municipalities which impose the tax most thoroughly. Now in cities, the value of real estate depends altogether upon the accumulation or personal property upon it.