

per cent.; over year 1879, 20-25 per cent. While the price has gone up the quality has deteriorated seriously, and it is only from necessity that the goods are bought. The competition is with England. Here the ocean and inland freight is a clear gain to home producer. have already given a statement showing the rates of of duty on cottons imported. To this must be added a considerable sum for freight and charges, making an enormous protection. Yet goods are coming in in great quantities. The mills keep just low enough to enable them to get the orders. Instead of getting the goods (as would be assumed by Gault's letter) at an advance of only 5 to 7½ per cent. over similar goods, or the goods in competition, we get the goods at nearly the highest point which duty and freight allow manufacturers to charge. Then, as to colored goods, Gault says it is impossible to arrive at any accurate estimate. But we have once more the best test: the demand is greater than the supply; the foreign supply is hampered with duties of 30 per cent. and over. Therefore, the home market can and does charge almost all that. The general result is that we are paying within a shade of duty point. That duty point may average (without freight) about 30 per cent.; and therefore we are paying that much, leaving out freight and charges for fluctuations. If the home product was at mill prices, \$5,000,000, and assuming only 25 per cent. advance over cost abroad, we would have paid for our home-made cottons \$1,000,000 more than the cost abroad. No wonder cotton men grow rich. But I will add some further proofs of the proposition I have advanced. I have some letters and a memorandum of actual transactions in addition to those already given. Now, these are the comparisons we are to take. What is the sense of the Minister bringing forward a lot of grades and styles of American white cottons which bear no comparison whatever with the Valleyfield cottons? Of the brands to which I referred only one or two may be compared with the Valleyfield LLL, the consumption of which is insignificant, and he omitted to consider what the goods were and what their cost was which did come in competition with Canadian goods, the British goods, and what the rate of duty is, and how the prices go with reference to them. The prices with reference to them go as above stated, that the Canadian manufacturer charges almost within a shade, the whole advantage, the cost abroad, duty and freight added. Now, the general result is, that the duty being over 30 per cent, we are paying between 25 and 30 per cent. for our various commodities of cotton beyond the cost abroad. As I have stated the mill prices would be about five millions out of a total product of from 14 to 16 millions pounds, and if we pay 25 per cent. more than the cost abroad, that means that if the price abroad were four millions while we were paying five, the duty enhances the price of Canadian cottons to the people of this country by one million dollars, which I believe is the lowest estimate which we can make of the cost to this country of the system which the hon. gentleman has introduced. I wish to give some further evidence of the proposition I have advanced and I will read some further letters on the subject:

"Of cotton goods mentioned, such as tweeds, ducks, bed ticks colored shirtings (Oxford), although made in Canada, the heavy duty charged on imported goods of some classes is not sufficient to keep them out of the country. In some or rather in nearly every instance the imported articles are much the best, and most desirable, and more than hold their own with the Canadian manufactured articles so that the actual cost to the consumer is not only increased by the amount of duty paid on each and every description of goods but also by the merchants, percentage of profit on that duty paid, as the profit is put on to the actual cost of goods delivered, including duty, &c.

"In the matter of bed ticks, ducks, bleached cottons, &c., the prices are so regulated by the Canadian manufacturer as to take the full benefit of the protective tariff by giving the wholesale buyer the very smallest margin of choice in favor of Canadian-made goods. They cut it so fine in many instances as to defeat the end they seek to obtain.

"I note your remark, the statement is boldly made, that in domestics, greys and whites, and indeed generally, the prices are but slightly above

United States mill prices, and are supplied as they would be if imported at a 10 per cent. duty.

"If, however, the duties were reduced to 10 per cent, these are the very parties who would most object. When the Tariff was 17½ per cent., manufacturers of domestic staples did not find it sufficient to keep out American goods, and if the duties were reduced to 10 per cent. there is not a mill in Canada that would be able to continue operations, as England and the United States both would supply all Canada at lower prices than the same qualities could be made in the Dominion.

"In many goods, called by the same names in Canada and the United States, the makes are so dissimilar as to be quite unsuitable to the same purposes of use. I more especially allude to grey or unbleached cottons, which in Canada are all of stout or thick threads, very rough in finish, and not so fine in texture as those of the United States.

"The first cost of these goods is so low in both countries, that the Canadian duty of 1c. per square yard and 15 cents *ad valorem*, is sufficient to compel the people to use the Canadian, though not as desirable. In the finer grades costing in the United States at present 7½ cents, and upwards, we still import.

"There are no such goods of fine thread and closely woven, made in Canada.

"The duty paid, as per copy of entry, you will see amounts to 28½ per cent., and as the goods are to be obtained at all times, on ordering, it is only necessary to purchase in small quantities.

"Copy of Entry.

"1 bale unbleached cotton, \$58.58, \$59 at 15 per cent.....\$8 85
 "808 Yards at 1 cent..... 8 08

"About 28½ per cent. duty. \$16 93

"In 29 inch unbleached drill, Peperell & Lyman Mills (twilled grey cotton), the duty amounts to 24½ per cent. as per entry following. The cost in the United States at present is 8½ cents per yard; in Canada, at Hochelaga Mills, 10½ cents.

"Copy of Entry, November 15, 1881.

"2 bales unbleached cotton, \$97.02, \$97 at 15 per cent...\$14 55
 "947 yards at 1 cent..... 9 47

\$24 02

"24½ per cent. duty.

"The above cost us landed at our door 10½ cents per yard; the Canadian exactly the same, including freight and cartage; and there is no choice whatever in quality or make between the United States Peperell Mills, Lyman Mills, and the Canadian Hochelaga. You will perceive, however, the duty 24½ per cent. is considerably in advance of 10 per cent.

"In bleached or white cottons the difference is more marked. In Canada there is only one mill making these goods, at Valleyfield. We have imported a few from the United States this season, but not many, as the demand for manufactures of this class in the United States, in consequence of the generally lively state of trade in that country, has forced up the prices.

"Copy of Entry, October 6, 1881.

"1 case white cotton, \$119, at 15 per cent.....\$17 85
 "2165 yards, at 1c..... 21 65

\$39 50

Percentage of duty, 33½.

"There is no Canadian bleached cotton of similar make or quality of the above, but the per centage of duty is a long way from 10 per cent. From England, however, we have had considerable bleached or white cottons since July, as they were cheaper there this season than in the United States. We give below a copy of Customs House entries to illustrate per centage of duty and comparison with Canadian; 30½ per cent. duty is, however, a long way from 10 per cent. Goods as under we have received several times this season, that is to say repetitions of the same goods:

"Copy of Invoice, October 7, 1871.

	£ s. d.
"1 case 30 per cent. white cottons—	
34 inch, 20 per cent. medium cottons, 2¼d.,	
1,057 yds.....	12 2 3
31-inch, 10 per cent. diamond cottons, 3d.,	
843½ yds.....	10 10 10
Packing case.....	0 12 0
Total.....	23 5 1

"Extract from Customs Entry of above, ex SS. 'Toronto,'
 October 31, 1881.

"1 case bleached cottons, £22 13s. 1d., \$110 at 15 per cent., \$16.50; 1,724 yds. at 1c, \$17.24—\$33.74.

"Percentage duty, 30½ per cent.
 "Of the above, the cotton costing sterling 2¼d. cost us, landed at our door, 7½c., and is very much superior to Canadian, costing us 8½c. net, irrespective of freight. Although placed side by side with the Canadian at higher percentage of profit for price, the English invariably sold in