

Similar agreements to that made with the sugar refiners, were entered into with manufacturers of tobacco, starch, Cooks Friend baking powder, Moltons, and Cross & Blackwell's pickles, James' dome lead, Nestle's food, laundry blue, etc. Efforts were being made to extend the power of the guild in other directions. It will therefore be seen that this guild was rapidly becoming a most dangerous combination. As is usually the case with such combinations, the success attending the sugar agreement induced the desire to extend the influence of the guild, until it was becoming a powerful and unjust combination, which could at pleasure prevent a dealer from obtaining goods on terms as favorable as other houses.

The coal combination, the next investigated, proved to be the most iniquitous. It was stated that coal combinations existed at Toronto, Ottawa, Montreal and London. The Toronto association has been in existence for some years, and is affiliated with the board of trade, as the coal section of the board. It comprises both importers and retail coal dealers. Retailers were supplied coal by importers at 75 cents per ton less than the price charged the consumer. The executive consisted of a majority of importers, which enabled the latter to manipulate affairs to their own satisfaction. Oaths of fidelity to the rules of the association were required from not only members, but from their salesmen. The records show two different fines of \$1,000 each, imposed for violations of the rules. When tenders were asked for furnishing coal, it was customary to hold a meeting of the association and fix the price at which the tender should be made. The privilege of filling the contract was then given to the member who would give the largest bonus for such contract. For instance, on one occasion the Ontario Government asked for tenders for 2,800 tons of coal, and the member who received the contract, paid a bonus to the association of \$1,500. This bonus was divided among the importing members of the association, who number about half a dozen. One-sixth of such bonuses went into the general funds. Fines were divided in the same way, five-sixths among the importing members, and the balance placed to the general fund. In order to avoid suspicion, in case of tenders, other members put in tenders at higher prices, a scheme which no doubt some in Winnipeg are familiar with. In order to enforce their monopoly, the Toronto coal dealers had an understanding with United States collieries, whereby those not members of the association were unable to obtain supplies. Altogether the result of the coal combination was such as to prevent competition,

and defeat the object sought in calling for tenders. The association furthermore took upon itself powers only properly belonging to the courts, by exacting oaths, and providing fines for their violation.

The coffin makers and undertakers' association is another instance of illegal combination. The coffin manufacturers and wholesale dealers in undertaking supplies had agreed with the undertakers' association to sell only to members of the organization. To become a member of this organization required the consent of the three nearest undertakers, and afterwards the consent of two-thirds of the executive committee. It will thus be seen that, through this combination, the undertakers had it within their power to limit competition almost at will. As the association practically enjoyed full control of the sales of caskets and supplies, it was an easy matter to freeze out undesirable competition. The result of this is that exorbitant prices have frequently prevailed, in this case afflicted families, who are often the least able to bear it, having to stand the blunt.

The cordage and binder twine combination included five manufacturers in this branch, and was formed on the pooling plan. Uniform prices were established, and a percentage of the sales allotted to each firm. It was claimed on behalf of this combination, that it was instrumental in improving the quality of binder twine, whilst prices were no higher than in the United States and Britain. The five factories have a capacity of manufacturing about twice the quantity of twine consumed in Canada, beside which there were other factories in the country, one new establishment alone being capable of turning out twenty per cent. of the twine used in the country. The binder twine combination terminated a few weeks ago, owing to the withdrawal from it of A. W. Morris & Bro., of Montreal.

The Canadian Iron Founders association has existed since 1865, and includes eighteen firms. The principle object is the fixing of uniform prices for stoves and other goods. It was not shown that this combination had resulted in establishing exorbitant prices, but rather that prices compared favorably with the cost of similar goods in the United States. On low grade stoves prices were lower in the United States, but on base burners and high class goods, prices were lower in Canada, in some instances. There are a large number of manufacturers, about forty in all, outside of the association, and this no doubt tends to keep up competition.

The Oatmeal Millers' combination was formed for the purpose of sustaining the price of oatmeal and regulating the price of oats. There are twenty-four mills in the combination. Ten other mills have been closed up, having been leased for that purpose by the combination, at from \$300 to \$800 per annum. This is a well known process of shutting off competition. The total cost of closing the ten mills amounts to \$6,312 annually, which is a surprisingly

small sum, and would indicate that oatmeal milling must have been a very unprofitable business in Eastern Canada. There are about twenty-five mills out of the combination, but they are all of such limited capacity that their influence is not materially felt. In order to restrict production, each combination mill is allowed to turn out a certain percentage of the total production. Millers who manufacture in excess of the quantity allowed them, are supposed to pay a premium at the rate of 30 cents per barrel into the association.

Biscuit and confectionery manufacturers' have associations for each branch, the principal object being to maintain prices. This they have been enabled to do to good advantage to themselves, for though the prices of the commodities used in these branches have greatly decreased in price, biscuits have been kept up to the old figures. It is therefore apparent that prices are now much higher than they would be under free competition. In some classes of finer goods, prices were shown to be from 20 to 30 per cent. higher than in the United States. The association has been in existence about six years.

The egg combination is a somewhat peculiar one. The object is not to keep up prices, but to keep prices down. It is of recent origin, and is composed of leading Ontario dealers, who buy for export. These dealers have buyers out all through the province, and in order that their buyers may purchase at low prices, organized efforts are made to force prices down in the cities, which of course control country markets. As the dealers buy for export, and do not sell in the domestic markets, they find it to their interest to force home prices down to the lowest possible figure, and this they accomplish by selling through agents in the home city markets. They have also adopted an organized system of forcing competitors out of the markets. In agricultural implements and barley, it was shown that no combinations existed. In barbed wire an attempt had been made to secure a uniform price of 6½ cents per pound.

In fire insurance, the underwriters' association is dealt with, and it is declared that this association has brought about higher rates all over the country. The rules, tariff and rates of the association are also said by the committee to be of an arbitrary nature. There are two sides, however, to every question, and in the opinion of many, the Underwriters' association is not an unmixt evil.

Altogether the investigation carried on by the combines' committee has brought to light many facts which were previously unknown to the general public of this country. Few have heretofore had any idea as to the extent and nature of these trade combinations. Nothing further will be done this session, but it is understood a bill will be introduced at the next session of Parliament, having for its object the summary suppression of these combinations, trusts and pooling arrangements.