

## MR. PALMER OF FREDERICTON MAKES TRENCHANT REPLY TO MISLEADING STATEMENTS OF HON. MR. CRERAR

Grain Grower's Charge That Boot and Shoe Manufacturers Were Making Profits of 30 Per Cent. on Turnover Not Borne Out by His Own Figures—N. B. Manufacturer Shows Profits Were Slightly Less Than 3 Per Cent. on Turnover—Urges Publicity Campaign to Counteract Misrepresentations Concerning Manufacturing Industries—Able Exposition of the Case for the Manufacturers and City Workers Which Has Attracted Much Attention Throughout Canada.

Before the meeting of the National Association of Boot and Shoe Manufacturers, held in Quebec recently, John D. Palmer, of the Hants Boot and Shoe Co., Ltd., of Fredericton, delivered an interesting address on the industry, and took occasion to expose the fallacy of some statements made by Hon. Mr. Crerar regarding protection and profits.

"Ever since a boy," said Mr. Palmer, "I have heard the name QUEBEC associated with Shoe Manufacturing in Canada and I have no doubt that this City manufactures probably a larger proportion of shoes per capita than any city in Canada.

"Canadian, as we all are, and vitally interested in the welfare and development of Canada, it is indeed a pleasing sight to see the two great pioneer and dominant races of Canada meeting here today to discuss ways and means of development of this great National Industry. Meetings of this kind are the best means of doing away with the prejudices which have in the past, to some extent interfered with this get-together spirit. But I believe, Mr. President, that if all the great industrial life of Canada were to meet and mingle with each other, as we are doing here today, the kindest and best of feeling would always obtain between our two great races and that the future development of our nation would be assured.

**Import of Advertising.**

"The matter of advertising that I wish to speak about briefly might be likened to salesmanship. The successful salesman is one who can pleasantly and forcefully set before his customer the merits of his particular article and so it follows in advertising. Advertising to be successful must forcibly and correctly set forth the merits of the article in question.

"A MADE IN CANADA advertising campaign covering the shoe industry could be written up in a way that would be very attractive, I think, to the general public. The public has not kept pace in any measure with the great development that has taken place in the shoe manufacturing industry of Canada during the past decade, and the story of the evolution of this great industry could be written up so as to make very pleasant and interesting reading. Our citizens, I believe, as a whole, are interested in the development of Canadian industry and I think believe would take a pride in assisting that development if the subject is properly placed before them.

"I think it would be a great revelation to most people to learn the large number of shoe factories, the great total output, the very high quality, both in material and workmanship and that the styles that are used are as up to date as those that are used in any country in the world, to say nothing whatever of the large number of people who earn their daily livelihood from this industry. In carrying on a campaign of this kind the three principal people to appeal to would be, the retail dealer, the clerk in the retail shoe store and last and greatest of all—the consuming public.

**Merits of Canadian Made Footwear.**

"The average citizen of Canada, I do not believe, appreciates the quality of CANADIAN MADE FOOTWEAR. I think it is the duty of the shoe manufacturing industry to lay before the consuming public of this country the merits of our production. There is a tremendous amount of ignorance and prejudice in the minds of the people of this country with respect to the merits of CANADIAN MADE FOOTWEAR, as compared with the imported article.

"The object of this advertising campaign as I take it to be, would be to disabuse the minds of our people of the prejudice and ignorance that now exists. One can hardly expect other than false ideas to prevail among a large portion of our people when you consider the unfair and untrue criticisms that have been passing through certain of the press during the past two or three years with regard to our particular industry. Let me give you an example:

**Untold Stories of High Profits.**

"In the latter part of April last or the early part of May (I think that was about the correct date) an article appeared in the Ottawa Citizen which article stated in effect that the shoe manufacturers of Canada were making over and above their normal profit, an additional profit of the tariff protection, or 30 per cent. additional to a normal profit. This article was copied through a great many of the newspapers all throughout Canada, in fact I saw this article copied in THE VET. RAN which is the official organ of the Great War Veterans' Association of Canada—THE VET. RAN made no comments on it, whatever—they simply copied the article. I do not recall, however, having seen any newspaper of Canada take up the other side of the question and endeavor to show to its readers what is really the foolish and absurd statement of that kind would be. Every gentleman here present today, knows as well as I do, that this statement and imputation has not one shred of truth in it; in fact it is so the most of us would only require to be in business two or three years—then, we would realize—but unfortunately, however, the great majority of us, I believe, will have to remain pretty close to our business for the remainder of our lives. I do not know that that is any great misfortune either, but however, I believe it is what the most of us will have to do.

"Mr. President, you and those of the executive that are present will re-

call a meeting which was held in Ottawa about April last at which this matter was referred to and of certain criticisms which had been made by some speakers in the Dominion House of Parliament during the last session, with regard to tariff matters, in which shoes were mentioned particularly.

**Invitation to Grain Growers.**

"In order to enlighten the public concerning the matter of profits that are being made by the shoe manufacturers of Canada, we passed a resolution in which we invited the Canadian Council of Agriculture, at Winnipeg, to send representatives to look into the question of the profits made by the shoe manufacturers and we promised to give them every assistance and courtesy in looking into this matter.

"If you will permit me, Mr. President, I would like to read the correspondence that passed between the executive of our Association and the secretary of the Canadian Council of Agriculture, Winnipeg. The following is our letter to the Canadian Council of Agriculture:

Shoe Manufacturers' Association of Canada,  
Montreal, Quebec,  
April 17, 1919.

Mr. R. MacKenzie,  
Secretary Canadian Council of Agriculture, Winnipeg, Man.

Dear Sir:—At a meeting of the executive of our Association, which was held in Ottawa yesterday, for the purpose of arranging for export trade, the attention of the members was drawn to a booklet, issued by the Canadian Council of Agriculture under the heading THE FARMERS' PLATFORM. On page 19 there is reference to the Boot and Shoe Industry, under the heading PLUNDER ON BOOTS AND SHOES.

"As manufacturers we are in a position to know much better than outsiders, the exact conditions that obtain in an industry with which we are identified. The statement contained in this article and the deductions made are misleading and untrue. We do not intend to suggest that your Council have any desire to do an injustice to any Canadian industry or to an individual, but we feel that a statement of this kind could only originate with someone not familiar with the true conditions. We, therefore, extend an invitation to you to appoint a small committee to visit any of our plants and make an investigation that will allow you to form a correct judgment as to the true conditions of affairs.

"We assure you that every facility will be given to you in this connection, and the books will be thrown open. Our methods of figuring cost and the percentage of profits made by the individual manufacturer can be readily established.

"We feel that if you are shown that you are wrong in your conclusion, that you will be the first to admit it, and all that we ask is an opportunity to show you the correct facts.

"The details in connection with the investigation can be arranged through myself.

Trusting to hear from you, I am,  
Yours very truly,  
(Signed) HENRI VIAU,  
Sec.-Treas.

And we received their reply as follows:  
Canadian Council of Agriculture,  
613 Boyd Building, Winnipeg, Man.,  
April 29th, 1919.

Mr. Henri Viau,  
Sec.-Treas. Shoe Mfgs. Association of Canada, 137 McGill St., Montreal, Que.

Dear Sir:—I beg to acknowledge receipt of your letter of the 17th instant in respect to some matters contained in the booklet issued by the Canadian Council of Agriculture on the Farmers' Platform. This booklet was issued some two years ago, and was extensively distributed and has been before the public since then. You object to a statement referring to the Boot and Shoe industry and state that this article and the deductions made are misleading and untrue. The facts contained in this article have been seen before from census of manufacturers 1911 issued by the Government, and I presume, based on information supplied by manufacturers on that date. The only deductions made are, that manufacturers take advantage to the

full extent of the protection they receive through custom duties against foreign competition in the selling of their product. As it is regarded as good business ethics for a man to sell what he has to sell at the best price he can get, it cannot be regarded as a deduction on manufacturers if they live up to the full extent of the privileges they enjoy through custom duties.

Regarding your invitation to us, to appoint a small committee to visit any of your plants, and make an investigation so as to allow a correct judgment as to the true conditions of affairs, and your further offer to give every facility in this connection, and that the books will be thrown open and your method of figuring cost and percentage made by the individual manufacturer be established, a visit to the plants by a small committee would be very interesting to the members of that committee. I have no doubt whatever, but that they would be shown every facility in this connection, and that such an examination by a committee of the Canadian Council of Agriculture, apart from having a pleasant visit, would be a means of establishing profits made by such manufacturers. Only expert accountants could throw any light on "figuring cost and the percentage of profits" by an examination of the books.

I appreciate your kind invitation and will be glad to avail myself of the privilege of visiting your plants at any time while in Montreal.

I am, yours very truly,  
(Signed) R. MACKENZIE.

"I desire to impress upon you Mr. President and Gentlemen, that I am not in politics, and have no desire to be, and therefore, I wish you to treat my remarks concerning THE FARMERS' PLATFORMS reference to the Shoe Industry in a purely business way.

"You will note Mr. MacKenzie states that they based their contention on the Statistics Census Returns of 1911. I find on looking up the Census Returns of 1911, that they refer not only to boots and shoes, but also to rubbers, and any other kind of footwear. The figures they gave were as follows:

Cost of materials used ..... \$18,597,335.00  
Employers' wages ..... 6,542,347.00  
Employers' salaries ..... 1,155,936.00  
Total ..... \$26,295,618.00

"Whereas the selling value of the product was given as \$33,957,248.00. You will note the above three items added together amount to \$26,295,618.00. The difference between this total and the selling price or value of the product as above is \$7,751,380.00.

**Queer Method of Figuring.**

"I find, the Farmers' Platform states in their article on page 19, that the Shoe Manufacturers made a profit of \$10,171,839.00. The way they arrive at that amount of profit is by calculating 30 per cent. on the total output.

\$33,957,248.00  
Less the expenses ..... 60,935.00  
Or 30 p.c. on \$33,957,248.00 \$10,171,839.00

You will note that they state that the Shoe Manufacturers made a profit of over \$10,000,000.00 on the year's transaction but as I have outlined above you will notice the difference between the cost of the materials, wages and salaries added together, and the selling value of the product was only \$7,751,380.00 so therefore, 2—PROOF UP—

even taking their own basis of argument, for it is a deliberate misrepresentation of the figures given in the Census of Industry. But, when we go into the matter further, we find that the Census of Industry, figures for 1911, do not cover some of the expenses such as rental of offices or works, cost of power and heating, insurance, taxes, royalties, advertising, travelling and interest and many other items of overhead that would not be covered in the three above mentioned classes, viz: Cost of materials, wages and salaries, so that this \$7,751,380.00 would be very largely wiped out, when the additional items of expense or cost of production are considered.

"Let me give you an example of a

shoe manufacturing business that I am very familiar with for the year 1918. The above mentioned items of expense which were not taken into consideration in the Census of Industry 1911, when added together, were equal in total to 37 per cent. of the value of the materials used. Now 37 per cent. of the value of the materials used in this case, which was \$18,597,335.00 would amount to \$6,947,787.95 leaving a difference of \$933,593.00 for profit or slightly less than 3 per cent. on the total turnover or volume of business done. Surely not a very extravagant or exorbitant profit, Mr. President.

"One can see at a glance how absolutely foolish and ridiculous is the conclusion arrived at in the Farmers' Platform regarding the Shoe Industry. But it is Mr. President, very largely owing to the spreading of false doctrine of this kind as set forth in the Farmers' Platform that makes it necessary to carry on this educational campaign of advertising. And it would almost look also as if they were cognizant of the fact that they were misrepresenting the industry when they did not accept our invitation to send a representative to look into the profits that are being made by the Shoe Manufacturers. One would think that the least they might have done, since that time, in view of our invitation from in front of the shoe gate a section of the coffeehouse became caught in the shoe gate, dislodging the gate and drowning four men. The plant production is only partially reduced, and full production will be reached by Tuesday night or Wednesday morning, as repairs are already under way."

**Mr. Crerar's Misrepresentation.**

For instance, when speaking in Woodstock, N. B., on December 10th, he made the following statement:

"Taking shoes as an instance," he said, "there is a tariff of from 30 per cent. to 40 per cent. on this article, which means a Canadian Manufacturer could add \$1.05 to the cost of a pair of shoes which could be produced for \$3.00 at the factory and could still be able to compete with those coming into the country."

He also made similar statements in an address that he made in Nova Scotia a day or so later and practically so on, over the country.

The inference would be to the average man from that statement that the shoe manufacturer is adding 30 per cent. to 40 per cent. to his regular profit.

You will note he says, 30 per cent. to 40 per cent. duty, while the general tariff at that time and now, is either 25 per cent. or 30 per cent. divided as follows, viz: 25 per cent. on boots and shoes pegged or wire fastened tariff item 611—others N. O. P. is 30 per cent. tariff item 611 A. Evidently, Mr. Crerar has not informed himself on the tariff although he is endeavoring to educate the Canadian public on tariff matters.

This statement of Mr. Crerar is most underhanded and very misleading; he fails to take into consideration that the competition which exists in the shoe industry in Canada would limit the profits of the industry. We all know that competition such as exists in the shoe manufacturing business keeps profits at a very low level. However, the general public do not always stop to think of these things and that is one reason I suggest this advertising campaign, so that the general public may be instructed as to the true facts of the Shoe Industry of Canada.

**Tariff Protects Employee.**

As a matter of actual fact, the tariff is not ever taken into consideration by a Canadian Shoe Manufacturer when naming his prices. I think most of the factories would be well satisfied with a profit on their turnover of from 5 per cent. to 8 per cent. and perhaps in some cases, less than that. Instead of the enormous profits that Mr. Crerar would insinuate that we are making.

In discussing a question of this kind from the standpoint of tariff, I think it is a generally admitted principle that one of the great functions of a tariff is to protect the employee in the industry, thereby causing the payroll to be circulated in Canada rather than in some foreign country.

But it should always be borne in mind that living side by side and neighbors of the greatest shoe manufacturing Nation of the World, and where there are such tremendous organizations in the United States in the shoe industry you can readily understand that there must, at all times, be large accumulations of job openings which would be brought in at job prices and if there was no tariff protection, in that case the industry in this country would be swamped.

## "SYRUP OF FIGS" CHILD'S LAXATIVE

Look at tongue! Remove poisons from stomach, liver and bowels.



Accept "California" Syrup of Figs only—look for the name California on the package, then you are sure your child is having the best and most harmless laxative or physic for the little stomach, liver and bowels. Children love its delicious fruity taste. Full directions for child's dose on each bottle. Give it without fear.

Mother! You must say "California."

Toronto, Feb. 13.—The following dispatch was received from R. A. McInnes, of the Abitibi Pulp and Paper Company, Iroquois Falls, this evening by the Canadian Press in answer to a query as to the mill accident at Iroquois Falls.

"Replying to your telegram, reports of mill accident have been greatly exaggerated. The facts are that in removing a portion of the coffeemill from in front of the shoe gate a section of the coffeehouse became caught in the shoe gate, dislodging the gate and drowning four men. The plant production is only partially reduced, and full production will be reached by Tuesday night or Wednesday morning, as repairs are already under way."

The imports of shoes into Canada for the year ending March 31st, 1919 was about two and three quarter million dollars. I understand from a report issued by the Dominion Bureau of Statistics for year 1918, which is practically the same period as above, that the total output of shoes from Canadian Shoe Factories was from forty to forty-five million dollars. You will, therefore, note that the imports were approximately 6 per cent. as great as the total quantity manufactured in the country—and these imports took place notwithstanding the tariff of 30 per cent. and a war tax of 7.12 per cent. at that time. How much greater could one reasonably expect the imports to be if that tariff were reduced? The result would naturally be a large curtailment of the industry and a corresponding number of shoe workers thrown out of employment.

One season of this kind of advertising may not be sufficient—it may be necessary for us to carry on this work for several years or several seasons, but where we have the true facts concerning this matter so overwhelmingly in our favor, it is our duty and also our great privilege at this time, to make these known to the Canadian Consumer, and I am quite satisfied Mr. President and Gentlemen, that the present misapprehension that exists in the minds of a great many Canadians with regard to Canadian shoes as compared with foreign shoes would disappear if the true facts were known to them."

## Keep Your Skin-Pores Active and Healthy With Cuticura Soap

Sole, Ontario, Toronto, etc. Sold everywhere. Can. Disp. Co., Toronto, Ltd., 101 St. Paul St., Montreal.

## Your Liver Is Clogged Up

That's Why You're Tired—Out of Sorts—Have No Appetite—CARTER'S LITTLE LIVER PILLS will put you right in a few days.

They act quickly and gently give nature a chance to renew your health. Corrupt constitution, biliousness, indigestion and sick headache.

Small Pill—Small Dose—Small Price. DR. CARTER'S LITTLE LIVER PILLS, Nature's great nerve and blood tonic for Anemia, Rheumatism, Nervousness, Sleeplessness and Female Weakness.

## Children Cry for Fletcher's CASTORIA

Fletcher's Castoria is strictly a remedy for Infants and Children. Foods are specially prepared for babies. A baby's medicine is even more essential for Baby. Remedies primarily prepared for grown-ups are not interchangeable. It was the need of a remedy for the common ailments of Infants and Children that brought Castoria before the public after years of research, and no claim has been made for it that its use for over 30 years has not proven.

## What is CASTORIA?

Castoria is a harmless substitute for Castor Oil, Paregoric, Drops and Soothing Syrup. It is pleasant. It contains neither Opium, Morphine nor other narcotic substance. Its age is its guarantee. For more than thirty years it has been in constant use for the relief of Constipation, Flatulency, Wind Colic and Diarrhoea; allaying Feverishness arising therefrom, and by regulating the Stomach and Bowels, aids the assimilation of Food; giving healthy and natural sleep. The Children's Comfort—The Mother's Friend.

## GENUINE CASTORIA ALWAYS

Bears the Signature of

Chas. H. Fletcher.

In Use For Over 30 Years

THE CENTAUR COMPANY, NEW YORK CITY

## Welch's Grapelade a pure grape jam

MUFFINS and Grapelade. Split and spread them piping hot with this new jam. You'll like its smoothness. Its color is a joy to the eye. And Grapelade is absolutely pure. Made of choicest grapes, without seeds, skins or acid crystals—with the addition of pure sugar, it is real "honey of grapes". From your grocer in glass jars and enamel-lined tins.



THE WELCH CO., Limited, St. Catharines, Ontario

## SNOW AND ICE N. Y. FIRE MENACE

Conditions Worse Than During Blizzard of 1888, Says Chief Kenlon.

New York, Feb. 13.—Great piles of snow and ice in the streets from last week's storms and resulting blockades from stalled traffic constitute "the greatest fire menace in the history of New York," according to Fire Chief Kenlon, who Thursday appealed to businessmen to reduce the amount of traffic or the snow-clogged streets where vehicles are likely to be stranded.

The chief issued his appeal largely on account of the difficulty fire apparatus encountered in reaching a blaze in lower Broadway Wednesday night. Engines and trucks were forced to use sidewalks to reach the fire because of the labyrinth of blocked streets. Stalled trucks and the snow caused the stranding of two fire fighting machines within two blocks of their house. Firemen abandoned their apparatus and carried hose picks, hooks

and a 235-foot ladder for three long blocks to reach another blaze.

"Conditions are far worse today than they were during the memorable blizzard of 1888," Chief Kenlon declared.

**OPEN NOSTRILS! END A COLD OR CATARRH**

How To Get Relief When Head and Nose are Stuffed Up.

Count fifty! Your cold in head or catarrh disappears. Your clogged nostrils will open, the air passages of your head will clear and you can breathe freely. No more snuffing, hawking, mucous discharge, dryness or headaches, no struggling for breath at night.

Get a small bottle of Ely's Cream Balm from your druggist and apply a little of this fragrant antiseptic cream in your nostrils. It penetrates through every air passage of the head, soothing and healing the swollen or inflamed mucous membrane, giving you instant relief. Head colds and catarrh yield like magic. Don't stay stuffy and miserable. Relief is sure.

**COWAN'S PERFECTION COCOA**

MAKES DELICIOUS CAKES PUDDINGS & PIES

WRITE FOR COWAN'S RECIPE BOOK-MENTION THIS PAPER