

The importation into Canada of white and grey cottons of all kinds being comparatively small at present, a reduction of the tariff on these goods of from $2\frac{1}{2}$ to 5 per cent. might, perhaps, have the advantage of increasing the Government revenue, but certainly it would not endanger the existence of our industry in these lines.

He then passed to the item of dyed, colored and printed cottons. It was more particularly with regard to this item that he said in the beginning that their Customs tariff was too high and apt to create disastrous fluctuations on this market. From what they had just seen of the facilities of the Canadian manufacturers to make grey and white cottons, it seemed obvious that the rate of 30 per cent. on colored and printed cottons presents a serious anomaly. For their part, simple merchants as they were, not posted in the secrets of the manufacturers, they could not tell the cost of such valuable accessories as the dyes, the designs, cartoons, and all the complicated frames of a four or six shuttle loom, but they were aware well enough that all these extra expenses were always included in the cost price of the article produced. And for that reason they did not quite understand how the making of that article must needs have such a vast amount of special protection as it now enjoys. The rate of 30 per cent. was as highly beneficial to the monopolist as it was highly detrimental to the natural growth and progress of that industry itself. And to justify such a pretention, which might appear paradoxical, it would be sufficient to point out those scandalous rate wars which certain Canadian manufacturers have recently waged among themselves and which have nearly created a panic in this market. The circumstance was still fresh in the memory of all the dry goods men, from Halifax to Vancouver. He meant that sudden and almost criminal depreciation of 26 per cent. on a well-known line of colored cotton, brought on, as every one fully knew, by a simple desire on the part of some of our cotton manufacturers to ruin and crush down one of their brethren in business who had stirred their bad blood by refusing to join the combine.

Now was perhaps the time for him to quote from a foreign book on political economy a phrase the rudeness of which he asked his honorable hearers not to pay any attention to, but which, in his opinion, defined exactly one of the most objectionable characteristics of high protective tariffs. "Small industries," says that foreign economist, "have no more chance in the struggle for governmental encouragement than infant pigs have with full-grown swine about a meal tub." Well, in order to obviate the return of such unreasonable and disastrous fluctuations, only one means was in the hands of the Government, and that was in lowering the Customs tariffs. When the Canadian manufacturer will depend only on the amount of protection which he really deserves he will find it difficult to play baseball with the interest of the merchants whom he now virtually holds at his command, and they will see the end of the monopolists. A reduction of the tariff on all dyed, colored and printed cottons from 30 to 25 per cent. would sufficiently conduce to that object, and would not in the least endanger the industry itself or sacrifice those who presently carry a stock of these goods. Surely a rate of 25 per cent., to which must be added 5 per cent. more for importation charges, ought to be a substantial enough barrier to protect any sort of such industry under the control of really competent men who would not count on Governmental encouragement as a mere matter of speculation.

Of course, they need not be surprised that some of the cotton manufacturers should entertain ideas different to theirs, and especially if they try to impress them upon the Government by using all the powers of imagination which must have become the more fertile for having been exposed during the last 18 years to the rays of protection, which they monopolised. They will, doubtless, try to prove that their cotton industry would simply be ruined by even as small a reduction on the tariff as 5 per cent. Why, it was in 1890

that in the course of an election campaign in the county of Quebec that the cotton makers at the Falls, or at least some people talking in their names, went over the country to warn the electors that voting against the party then in power would mean voting for a reduction of the tariff, and the consequent closing up of the Montmorency mills. That factory was then working exclusively for the China market, a circumstance which, if his judgment did not deceive him, would mean that no protection was needed, except perhaps Li Hung Chang's.

Whatever the monopolists might say, he had in his possession a letter which an important Canadian manufacturer of cotton who wrote him recently with regard to his article in *The Globe*, and in which that gentleman declares "I once was an advocate of extreme protection and I now think that if the tariff on cotton goods had never been higher than 20 per cent., it would have been better for legitimate manufacturers." To sum up the above considerations, the tariff should be reduced as follows: On grey cottons, from $22\frac{1}{2}$ to 20 per cent.; on white cottons, from 25 to 20 per cent.; on dyed, colored and printed cottons, from 30 to 25 per cent.

Other

Reductions Urged.

The two most important items of the present Customs tariff regarding woolen goods are as follows: "Fabrics and manufactures composed wholly or in part of wool, worsted, the hair of the alpaca goat or any other like animal, 30 per cent.; manufactures composed wholly or in part of wool, worsted, the hair of the alpaca goat or other like animal viz., blankets and flannels of every description, cloths, doeskins, cassimeres, tweeds, coatings, overcoatings and felt cloth, 5 per cent. per pound and 25 per cent." The Canadian importers, he was sure, would be unanimous in asking that something more definite and easy of application be put in place of the two above items. The terms cloth coatings and overcoatings under the present tariff have perhaps given as much trouble to the appraisers as all the others put together. So much so, in fact, that the Department at Ottawa has from time to time been obliged to issue special rulings in order to help the application of the law, which rulings oftentimes, however, rather went around the trouble than served to alleviate it.

In 1893 he asked the abolition of all specific duties, and during the month of March, 1894, when the Government issued its newly-revised tariff, the importers were not a little gratified to find that the troublesome specific duties had disappeared. The pleasure, however, was only of short duration, for, on the 29th of May following, a new tariff containing the unlucky item above referred to took the place of the other. This latter change could not have been suggested by bona fide makers of woolen goods, since that class of manufacturers were as much protected by the first revision, which gave them 30 per cent. all round, as by the last revision, which allowed 5c. per pound and 25 per cent. ad valorem. This was impressed upon the Government by some makers of low-grade stuffs, of which shoddy and mill dust are the chief component parts. There were not more than one or two manufacturers of woolen cloths and tweeds in Canada who would preach in favor of the specific duty of 5c. per pound on their fabrics, and were they pressed for an unbiased opinion most of them would confess that the rate of 25 per cent. alone was substantial enough protection for them. For all these reasons the specific duty on woollens should be totally abolished, and a general rate of 25 per cent. ad valorem imposed.

Neither linen nor jute were manufactured in this country, but they were now subject to a duty of 20 per cent. on plain weaves and of 25 per cent. on jacquard or damask weaves. Their importation constitutes a very valuable item of the revenue; and the merchants, at least those who are in favor of a revenue tariff, will not advise any reduction of the present rate on all the goods of that denomination.

The line of silks comprised articles which could not be classified