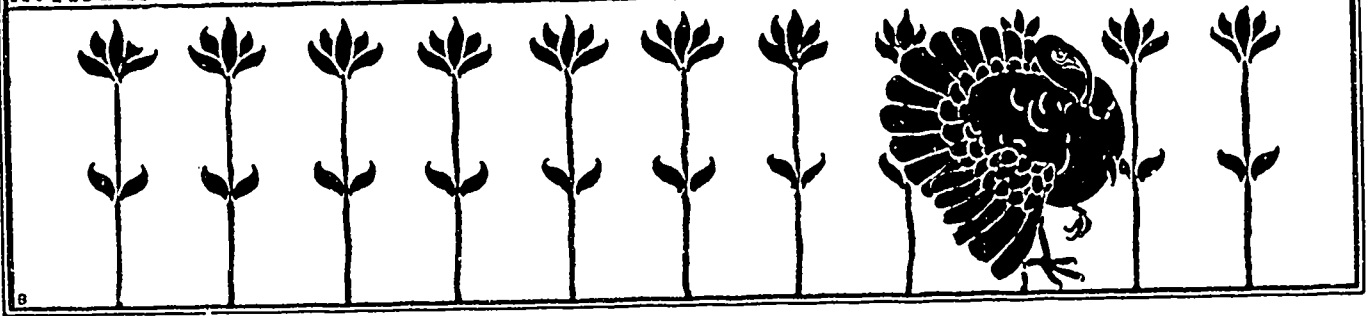


THE DRY GOODS REVIEW

IN THE INTERESTS OF THE DRY GOODS, MILLINERY, CLOTHING AND HAT TRADE



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THE FUTURE OF THE CANADIAN DRY GOODS TRADE.

ONE thing has been accomplished by Mr. Chamberlain's advocacy of an Imperial preferential tariff at the Chambers of Commerce gathering in London, England, last month. The question, hitherto hazy and theoretical, is now in the realm of practical discussion.

The new policy will not be adopted to-morrow, or the day after. If finally resolved on, its effects on business in a country like Canada will not be so startling as in Great Britain itself, where free trade has prevailed for half a century. But the change in Canada would involve sufficient alteration in the present channels of commerce to necessitate a careful weighing of the subject by all our commercial men before any new system should be inaugurated.

In general, Canada would benefit largely by being able to send her products into the British market free, while the same products from rival foreign countries would be taxed at the British ports of entry. This would mean that farming in Canada would pay better than elsewhere. The country stores would profit by the better prices farmers would get and by the larger population which the policy would attract. The wholesalers would share in this advantage.

The dry goods trade, like others, would be affected. At present the trade is done in goods from four sources: Canadian goods, British goods, American goods, and goods from other foreign countries. How far Canadian dry goods would be influenced by a new tariff system, would, of course, depend on the kind of tariff adopted. The system most likely to be favored by the Canadian factories would give a preference to British goods so that they could displace foreign products rather than Canadian.

This would at once make the subject interesting to a foreign country like the United States, which exports considerable dry goods to Canada. This market is rather a profitable one for our neighbors. It suits both parties to trade together, in fact. The prospect of an Imperial preferential system might lead the Americans to make overtures for freer trade with Canada. They produce goods we like to buy, and there is a reciprocal buying from us by them.

In dry goods our purchases from the Americans fluctuate a good deal. Raw material comes in largely, and, as a rule, tends to increase every year. So do manufactured goods. Take cottons, for example: In dyed, undyed and printed cottons,

our imports have grown in five years from about \$300,000 to about \$500,000, and in woolens from about \$116,000 to \$165,000. In many lines the imports either remain stationary or fall off. The Canadian market, on the whole, could be made to expand or contract to our neighbors, just as the tariff was framed.

As to dry goods from Great Britain, the total imports have remained about stationary in the last five years. Speaking very generally, and without going into particulars, the imports of dry goods from Britain show no marked relative increase or decrease as compared with similar lines from the States.

Probably the products of Canadian factories make more headway in this market than those from any outside country, and a preferential tariff, if it lowered the existing Canadian duties, would give British goods a better chance here.

These are just a few of the conditions now existing, and a few of the possibilities that might arise under a preferential tariff. It is too early yet to form any definite opinion. An exhaustive enquiry would have to be made into every branch of trade before one could reach settled conclusions. Such enquiry must be made sooner or later, and this leads THE DRY GOODS REVIEW to a point which is, indeed, preliminary, but which must receive full consideration before anything practical can be done.

This question has not as yet fallen wholly into the hands of party politicians. They have referred to it several times, but principally to bandy words about their respective fitness to deal with it. Up to the present the real propelling force behind the discussion has been the Boards of Trade and business men generally. They are better qualified to deal with it than politicians who have to consider political chances and other elements which are, from the business point of view, secondary in importance.

Preferential trade, such as Mr. Chamberlain proposes, means nothing less than a great international transformation. Intended first to apply to the British Empire, it may end in a bond of nations carrying in its train international peace, goodwill and liberal commercial intercourse. It would be a pity to drop it into the hands of partisans, who, in a strife to keep or obtain office, regard nothing as sacred.

So far as Canada is concerned none are so poorly qualified to work out the details of such a vast scheme as the politicians.

What THE REVIEW would like to see would be a public