

and better yarn than the Leybster greys; I think quite as good as the Dundas or the Hochelaga. With reference to the white, the Dwight Anchor and Wamsutta are a very fine, high grade of cotton and are still imported into this country by high-class retail trade such as some of the best stores who serve wealthy families."

Another gentleman states :

"I have merely to state that even Mr. Gault must admit that given the same weight for the same number of yards, of Canadian and American cottons, the make and quality of the latter are much superior. Prices of American manufactured cottons ruled high last season, in consequence of great demand, and there were more English than American cottons imported into Canada, as the prices were much lower of the English.

"I might also add that the knitting cotton sold, although bulky, is of very small value, and in comparison to other descriptions of cotton and woollen goods imported, on which the Tariff is excessive, the entire value of the whole consumption is a mere bagatelle; and it is not fair to single out an article of this kind, of trifling value, to prove the success of an exorbitant duty on other goods."

Another gentleman says :

"Mr. Gault has selected special brands from different mills which from their peculiar make and quality would hardly under any circumstances come into consumption in Canada. I have no means at hand of testing whether the prices he quotes are mill prices or jobber's prices. They should be mill prices to compare with Canadian mill prices. No business man could say that the quality of cotton put into Canadian cottons is as good or fine as that usually put in the United States cottons. As to the bleached shirtings, it is a difficult matter to sell them (Valleyfield) quality deteriorated, shirtmakers alone buy them to any extent. British white cottons preferred even though it cost more. His statement regarding cotton yarn is simply not correct, but that is one statement against another which could only be proven by having them tested.

"As I before stated it is a very unfair and unbusinesslike comparison for Mr. Gault to select lines of cotton that are not suitable for this trade (Canada), and with two exceptions so far as I can remember, that were never brought into the country under the old Tariff; these were the 30 inch "Atlantic V" and 36 inch "Atlantic H" and the 36 inch "Great Falls F"; but a very small quantity of any of the other brands could then be sold, as they are fine quality and more suitable for a city trade than for the mill, and I will ask you not to lose sight of the fact that Yankee cottons are made from better stock than Canadian; hence the impossibility to institute a fair and just comparison, having such a large market in the States, the makes are adapted to different localities and printing cloths are not used in Canada.

"The Valleyfield goods. It would be difficult to induce any house to buy a quantity of them; they are run down so in quality."

Another gentleman says :

"To my own mind, the whole matter lies in this simple question: Can grey and white cottons be imported into our market in the face of the existing tariff? The answer is, they can.

"Mr. Gault's method of reasoning as to the profits derived by the wholesale and retail merchant is singularly specious; he wisely makes no reference to the manufacturer. I may refer to the question which I proposed in my former letter? Out of whose pockets comes the increased price of the manufactured article? Out of the pockets of the consumers. Who receives the spoil? The manufacturer, and be alone.

"Our sales of English whites have been greatly in excess of Canadian, being better value in spite of the enormous duty.

Another gentleman says :

"The mills are so far behind in their delivery that we are sold quite out of their make, but the fact that English white cottons are imported largely and sold at a much larger profit, after paying the exorbitant Tariff, shows how much the mill is appropriating of the Tariff: in fact it shows that the mill is taking all the Tariff in addition to legitimate manufacturers' prices. The same can be said of colored goods, as the commission firms of Wright, Bliss and Falyan, lately Bliss, Falyan & Co. and Geo. O. Richardson & Co., of Boston, have been and are selling dark largely to the wholesale trade of Toronto and Montreal, and every live wholesale dry goods house in the Dominion is importing English shirting largely.

"You are quite right in pointing out the misrepresentation of Mr. Gault when he averages print cloths and such other fine cottons along with regular grey cotton to get a higher average price per lb. than greys like Canadians would show. The Great Falls F is a brand well known by Canadian merchants, as it came in here freely under the old Tariff; and you notice by his own statement the Great Falls E and the Adriatic Standard only show 1c. per lb. over the average he gives for Canadian cottons while the specific duty alone on these brands would be about 3c. per lb. in addition to the *ad valorem* duty.

"The list of grey goods given includes only three or four brands which went into consumption here even under the old Tariff.

"The others being light or narrow are not fairly comparable with Canadian made goods, more particularly when the comparison is sought to be made on the basis of an average price per lb. weight of manufactured cotton cloth.

"The same applies to a great extent to the white goods enumerated, although as has been stated it is more difficult to even institute a com-

parison in white goods. In the greys the Adriatic Standard, 36 inches, weighing 2.84 and the Great Falls E 2.90, are the only two that from experience I am in a position to compare with Canadian goods.

"The standard will weigh about the same, probably a shade more than the Hochelaga XXX.

"The Great Falls E about the same as the XX, but we are using a Black Hawk which weighs about 2.80 or between 2.80 and 2.90 which counts 44 x 48, costs us 9½ cents laid down and is preferred by many when placed side by side with the Hochelaga L, costing 9½ and freight from Hochelaga (which, in passing, is quite as high as the freight from Boston. The Great Falls E costs us 7½ cents in Boston and is laid down at 10-10 while the XXX costs 9½ and freight.

"There does not seem to me to be much use in comparing Canadian and American white cottons. The fact is the English white cottons have had the effect in this market of keeping the price of Valleyfields down. If we had not been able to draw supplies from Manchester our whites would have cost us a great deal more than they do. There are very few English greys imported excepting lower qualities, than are made in Canada, and wide thin goods for cheese bandages.

"In whites they are imported largely for two reasons. The value is much better and the supply of Canadian is not equal to the wants of the country."

Mr. PLUMB. Name these authorities.

Mr. BLAKE. I do not intend to name these parties. The mill manufacturers of this country have at present the command of the trade, and to name them would be to expose them to be boycotted. I read these letters on my responsibility as a member of Parliament, stating they are given to me by the first houses in the trade in the various cities of the Dominion. I am not bound to name them. Another gentleman says :

"The large quantity of the better grade of English and American white goods that are imported do not come into competition with those made at Valleyfield which are a much lower class of goods and much used and are easily sold at a price just a little below what the same sort can be imported for. As the duty on low priced goods is much higher than on the finer, manufacturers will naturally make that which pays best.

"I might say that the best grey goods found in our large retail stores are American, and though not weighing any more per yard than our Canadian they are usually better made, have a nicer finish and consequently sell higher, so that retailers prefer to handle them. This will also apply to the white, which up to a short time were disgraceful in make and finish, yet they sold, and the company made last year not far from 40 per cent. on the paid-up capital."

The relative proportion of grey and white cloth made in Canada is about 5 to 1. Another gentleman says :

"Brown cottons are certainly kept out of the market, and the Canadian prices are a little under American 'laid down,' but the manufacturers cannot claim that they are not taking full advantage of the Tariff because if they do not give some margin the fluctuations of the American market would occasionally permit of the importation of certain lines. You will observe that according to Gault's figures the duties on brown goods range from 30 per cent. on the best line he quotes to 31½ per cent. on the lowest. With such a tariff they can well afford to sell a little under what the tariff would allow them to get. A comparison on between American and Canadian brown cottons, based entirely on weight and count is not fair because the American goods are much purer and cleaner. Canadian mills send out goods as perfect which no American maker of any repute would sell except as seconds.

"Note the point he makes about the small profit the jobber gets and the advantage to the consumer in the close competition between dealers; compare the profits he says the jobber gets with the dividends paid by the mills. The jobber takes nearly all the risk, and the 'profit' would not pay expenses, so that according to his own showing the jobbers are only servants of the mills and handle the goods for nothing. I think you are quite safe in stating that it costs more than 5 per cent. on the business to carry on jobbing.

"Respecting the white cottons, comparing these with American is out of the question, as the Americans make theirs so much better in every way. You can readily understand how easy it would be to make cottons weigh well by adding starch and other kinds of dressing, and this is done by the Canadian mills whilst the American goods are almost pure. In our business for the present season nearly one-half of the total sales in white cotton has been in English and American goods, and this is also the experience of others. There are no Canadian goods made like the last three, and especially the last two, on his list. If he had gone on and quoted still finer goods he could have made his average price per lb. higher. Regarding the yarns, this statement bears its own refutation as if the American yarn was inferior in quality it could not be sold, there being no scarcity in Canadian yarns, and jobbers can get all they require."

Another gentleman says :

"It is most unfair on the part of Mr. Gault (and he must have known that it would be misleading, too) for him to include in his comparison of grey or unbleached cottons, printed cloths and the finer makes of grey such as are not made in Canada.