

Canada they must receive wages as high as those paid in the United States.

Bank charges are less in the older countries than in Canada, so also to a much greater extent is interest on loans, cash discounts on sales, etc. In respect of these alone Canada is found to be laboring under a disadvantage of from two and a half to four per cent.

Interest costs in Canada are considerably greater than in any of the countries competing in our market for the reasons, first, that the rates themselves are higher; and second, that the amounts necessarily invested for the establishment of buildings and plants are at least fifty per cent. greater in Canada than are the costs of similar plants abroad.

Production.—In the great manufacturing countries, where the industry is old and the home market is large, no factory is obliged to produce carpets of more than one class, and even then but a very few numbers in that class. In Canada, however, it is necessary not only to manufacture many lines, but many varieties in each line, and it consequently follows that stocks of very many kinds of raw materials have not only to be kept on hand, but constantly in process of manufacture, and this in turn means more building, more handling, more machinery, and naturally the investment of more capital.

And last, but by no means least, of the handicaps which hamper the growth of the carpet industry in Canada, is the dumping evil, the effects of which are so ruinous to every branch of the manufacturing interest in a young country. It is unnecessary to speak of the number and varieties of the ways in which the intention of legislation in this regard has and is being frustrated in order that shoddy products, "seconds", and surplus stocks of goods of *passé* styles are loaded upon the Canadian market to the detriment of the honest industry of the country. In carpet making, the would-be dumpers of Europe are excluded from the United States through effective tariff protection, and while only Canada and Australia remain possible fields in this respect, Canada, having the largest market, is naturally given the greatest attention.