

6,000 yards of wadding and 1,200 lbs. of batting per day, which was rather in excess of the demands of the home market. The mills, afterwards confined to the manufacture of plain grey cottons, existed down to the year 1870.

Meantime, in 1861, William Parks and Son established in St. John, N.B., a mill which remains as the oldest existing cotton mill of the Dominion. In the same year a mill was commenced at Dundas, in Upper Canada, by Joseph Wright from England. The capacity of this mill was 6,000 lbs. of yarn and 120 bales of batting (4,000 to 6,000 lbs.) per week. Afterwards cotton cloth was manufactured as well as yarn, and in 1866 the mill employed 150 to 200 hands.

Impetus of the Civil War.—When the stupendous character of the civil conflict in the United States became realized throughout the world, disturbances were felt in the textile as well as other trades, and the immediate effect in Canada was to give an impetus to both cotton and linen manufacturing. The cotton industry over the border was paralyzed, and many in the European trade believed that the United States would never regain its lost position in either cotton growing or manufacturing. Between 1860 and 1865, the number of mills in Canada increased from one to five, situated at Dundas, Merritton, Hastings, Montreal and St. John. Their total capacity was about 40,000 spindles, and their products were chiefly grey cottons, sheetings, shirtings, yarns, bags and batting and wadding. When the war closed and trade began to resume its old channels, prices fell and a check was put upon further extensions in cotton manufacturing in Canada.

The Position at Confederation.—The census of 1871 showed only eight mills in the whole country, five of them in Ontario. The total hands employed were 745, and though the capacity of the mills was not stated in the returns, it is estimated at about 95,000 spindles. In 1879 the duties on cotton goods were increased from 17½ p.c. to a range of 20 p.c. to 30 p.c. According to the census of 1881 there were 19 cotton mills in Canada, employing 3,527 hands. Five of these mills, however, were only under construction and not yet in operation in any department, and of the 14 producing mills the spinning capacity was about 243,000 spindles. In addition to the mills engaged in the manufacture of wadding and batting, there were in Canada in 1885, according to unofficial sources, 25 mills with 9,702 looms and 461,748 spindles. During the next decade there was no expansion in the number of mills, but the capacity increased to 11,282 looms and 519,700 spindles in 1889, and 12,288 looms and 546,700 spindles in 1892.

Combination and Development of Export Trade.—The fact that for a period of 12 years there was no increase in the number of mills and a very small increase in the productive capacity of those already built, is to be accounted for by the over-investment of capital in mills equipped for goods of the same class. For the common class of cottons most easily produced, the mills in existence in 1882 could supply a population twice that of Canada, and the mill owners were forced either to abandon their property or import machinery by which to diversify their products. The latter was the policy adopted by some, and by 1890, the Canadian mills were producing a very wide range of goods, some of a fineness and quality that were not thought attainable a few years before, comparing favourably in value with any European or American goods of the same class. In 1884, a factory for cotton print goods was built at Magog, Quebec, operating 6 printing machines (afterwards increased to 8 machines), and their establishment absorbed from the home market a large quantity of grey cottons as raw material, which would otherwise have caused a surplus of common grey goods or the closing of some of the mills. Even so the competition of many mills was so reckless