COTTON MANUFACTURING IN GREAT BRITAIN.

THE following letter, recently published in the Liverpool *Albion*, will be of interest to many of our readers:

SIR, I am actively engaged in the cotton trade, and often in London and Liverpool and am continually asked how it is that if spinners and manufacturers are losing money they continue to buy cotton largely, and short time seems to be as distant as ever. It is simply useless to explain that it is more to the interest of the spinner to run a mill full time at a certain loss than to stop altogether or even run short time. The simple reply is, "Oh, yes; we always knew you lived by your losses, we suppose it is the quantity that saves you." It may therefore interest many if this question is openly discussed in your paper. According to a Parliamentary return in 1853 there were in England and Wales 2,715 cotton factories, containing 24,373,123 spindles, and 298,123 looms and employing 407,598 hands or workpeople. The number of factories have increased since 1862 and I think it, for the sake of argument, we calculate this increase according to the increase in consumption, we shall be as near right as necessary. In 1863 the average weekly consumption in Great Britain was 23,135 bales, many mills were stopped and I therefore take 1860, when the consumption was 50,633 bales and estimating our present consumption (supposing all mills on full time) at 55,000 bales per week I feel confident that I am underestimating the case when I take the increase in mills and machinery at 10 per cent for the last seven years, making the total of 1863 mills, 2,986; spindles, 31,187,337, looms, 303,976, hands, 448,357. Now taking the average cost of mills at 25s per spindle, and the loom sheds at £20 per loom we have a capital sunk of £38,984,181 in mills and £8,098,709 in machinery and looms—say £48,682,871. I take this as £47,000,000 for the ease of calculation. This 47 millions does not represent the entire capital employed in cotton spinning and manufacturing; it simply represents the amount locked up in mills and machinery, and which must remain so whether the mills work or not. The mere interest on this amount represents, at 5 per cent £2,350,000 per annum; to this we must add another 2½ per cent, or £1,165,000 to meet the depreciation in value and incidental expenses which must go on whether the machinery works or stands, and this makes the standing charges upon the mills and machinery to £3,525,000 per annum—or say £68,000 per week, which represents on 55,000 bales per week about ⅝ of a penny per pound. It will thus be seen that the result is the same, whether a spinner allows his mill to stand, and loses ⅝ of a penny per pound upon the weight of cotton he would have consumed as if he runs his mill full time and sells his production ⅝ of a penny per pound below what it costs him to produce. The larger the quantity turned out of a mill the cheaper it can be produced, as the entire standing expenses of a concern must be borne by the entire quantity produced, be that product large or small. There are again other considerations besides the loss of ⅝ of a penny per pound standing expenses, which makes it more to the interest of the spinners to work full time at a still greater loss. Most mills have cottages and rents, coming in from their work people, and if these cannot find work they cannot pay rent. If a mill stops, or works short time, the work people leave and go elsewhere and when wanted cannot always be got back. Then, again, if a spinner stops his mill he loses his customers, because he cannot supply their wants, and they go elsewhere, and having once gone, it is not easy to get them back again, so that to make a long story short it is clearly the interest of the spinners and manufacturers to work on at a loss, rather than stop their mill unless they could be unanimous and all stop at once, when cotton would go down and goods up, a state of things not likely to result at present. I calculate that there must be an average loss of 1½ per pound before spinners will run short time. The loss per pound depends upon the coarseness or fineness of the production, and therefore I give the average result. I hope my letter will call forth rather more sympathy for the cotton trade, and warn cotton holders against speculating upon the idea that because the consumption continues, the trade must be profitable; there is a limit to everything, and cotton spinners and manufacturers are fast getting to the limit of their means, and then the longer they work the greater will be the crash when it does come. There is great wealth in the cotton trade, but a mill stopped is valueless, and if all the mills were stopped and the concerns wound up, I do not think there would be 15s. in the pound for the creditors, and in many cases not 10d.

Yours truly,

COTTON.

CHANGE OF MANUFACTURING CENTRES.

IMPORTANT effects can frequently be traced to a cause which, before they transpired, could not have been anticipated by the most imaginative as being in the least degree within the scope of its influence. As one of these may be mentioned the great social change likely to arise in this country by slave emancipation, and in the eastern hemisphere by the opening of the Suez Canal.

Both these great events have appeared simultaneously to give birth to the idea of the necessity of bringing cotton manufacturing as near as possible to the source of supply. The citizens of Memphis, and other Southern cities, are building, or are preparing to build, factories for the production of goods from the great Southern staple. Strenuous exertions are being made for the accomplishment of this by inviting Northern capitalists and others to embark in the movement, and we published in the columns of the *Commercial Advertiser*, the other day, the fact that the Lancashire manufacturers are contemplating the removal of their factories from Manchester to the cotton regions of British India. And now we have the *Semaphore* of Marseilles, suggesting whether it will not be advantageous, by reason of their supply of Indian cotton finding its way into the Mediterranean, through the Suez Canal, to transfer their factories from the North of France, where they are more generally concentrated, to the Southern part of the Empire. The Austrian port of Trieste imported 14,303 bales from Bombay during the past six months, while Marseilles received but 6,673 bales, and this disparity has given rise to the question whether it be owing to Trieste being situated nearer to the manufacturing centres of Austria and Southern Germany, or to the fact that the manufacturing interests of France are located at too great a distance from Marseilles—hence the suggestion of the removal.

The continental merchants and manufacturers are inclined to supply themselves with the raw material direct, and, to reduce transit and charges, wish to manufacture as close as possible to the source of supply.

There is evidently a great struggle pending between the English and continental manufacturers to supply the European continent. If the cost of manufacture, and, consequently, low selling rates, depend so seriously upon the proximity of the manufacturing to the growing centre, then the English would appear to have the inside track.

It is useless to speculate as to what might have been, could this new and startling phase of commerce have been foreseen, either by the British or New England manufacturers. Whether the former would have been able to bring sufficient opposition to bear against the opening of the canal as to have entirely prevented or deferred that great event is not, probably, reasonable to suppose, but it would certainly not have had a tendency to lessen British opposition. And whether the power of looking into futurity by the New England manufacturers would have had the effect of modifying the energy of the Fanuell Hall harangues denunciatory of the slaveholders of the South it is not necessary to inquire, as the well known freedom of New England manufacturers from all selfish or unpatriotic motives is too well and generally understood for the most heretical to doubt.—*Com. Advertiser.*

THE GOLD RING.

THE New York *Times* gives a complete exposure of the great gold ring plot, presenting some new features with names by whom and how it was "worked up," and with the cause of its failure. According to this statement, when Secretary Boutwell's first monthly policy to prevent gold cliques from combining in creating a scarcity of currency or gold in the market was announced Gould, Fisk & Co., held a consultation with many Wall Street speculators urging the formation of a combination to join them in buying all the gold in the country out of the vaults of the Treasury all their paper representing gold on presentation and enough on margin to control the market and advance the premium on gold to 200, and when that point was reached to sell. But few brokers joined the plan, fearing the administration would not adhere to the advertised sales but sell and break the "ring," if it was thought advisable. A messenger was accordingly sent by the clique to the President, pretending to represent that the farmers, agriculturists, and railroad interest would suffer if Secretary Boutwell deviated from his printed monthly programme. The messenger never saw President Grant or Secretary Boutwell, but returned with such a story of assurances from them as would be likely to give satisfaction, received his pay therefor and was dismissed. Tammany Hall next attempted to entrap the President by adopting a series of resolutions. The Syracuse Convention intended to create a breach between himself and Secretary Boutwell. It is alleged that Gen. Butterfield laid his views of the combination before the President several times beforehand. The pool, however, ascertained that the administration would not interfere unless the premium was greatly advanced, and concluded to take the risk of any interference at any price. It was decided to purchase 110,000,000.

On Thursday, the 23rd, the pool bought 92,000,000, and on Friday it was intended to buy 8,000,000 more to complete the amount proposed. In case of failure Speyers was to go stark mad; James Fisk, junr., and other members of the clique, to repudiate all the purchases made by the crazy man, &c. This account contains the very improbable story that the telegraph lines were tapped, and Secretary Boutwell's order to break the clique by sales of gold stolen therefrom. The account contains nothing else new, and is generally supposed to have been inspired by the friends of Mr. Corbin and Gen. Butterfield who are known to have been active members of the ring.

THE WOOL INTEREST.

WHAT is the matter with our wool interest? Is our climate so far modifying that we require fewer woolen fabrics to protect our bodies through the day and keep us warm o' nights? Or is mechanical invention going to supersede the necessity of raising fleeces? The ladies seem to have a rage for underclothing made of paper, and some inventive genius has applied this material to the manufacture of carpet. The wool-growers of this country finding their profits grow imperceptibly small, betook themselves to Congress, and demanded higher protective duties. The demand was granted, of course, but this seems to have made the matter even worse for them, and there is a present danger of their interests being protected out of existence. Sheep farmers of Vermont, Ohio, and Michigan are losing heart in their property, and contemplating a wholesale slaughter this Fall, as only the best grades of wool pay the expense of raising. Indeed the case has grown so bad, that a writer in the North American *Review*, declares that the millions of sheep which figure in our agricultural returns as constituting so much wealth, ought to be erased from the tables, as they form an element of actual impoverishment. A correspondent of the New York *Times*, also writing from Brazil, mentions that an inevitable crash awaits the heavy wool interest of that country. Sheep are going down in price rapidly, and wool is also declining, and it is believed by some that the sheep in that country will go unshorn, as their wool will not pay the expense of shearing and marketing. All the sheep-raisers are trying to get out of business while thousands of carcasses are every month boiled down, the pelt scarcely paying the cost of the animal. Many sheep *farmers who paid two dollars per head for their stock,* now cannot sell for one-fourth of that sum, and, as a consequence, sheep are regarded as most undesirable property at all.

Cannot our arctic explorers discover some new races in the polar regions, with whom we may open commercial relations and thus bring our heavy woolen fabrics into more active demand?—*Kansas Bulletin.*

THE CHICAGO AND PORTLAND RAILROAD

THE route of the new through line connecting Chicago with Portland, Maine, to facilitate the construction of which the recent convention at Oswego was held, has already been determined. Charters have been granted by the several States traversed by it, and the work of building the road is now in progress over the greater part of the distance, excepting on the section between Oswego and Whitehall. Between these points a road is already in operation; but it is desirable to have a shorter route, one that shall not go as far south as Saratoga, perhaps not so far north as Whitehall. With this view a Committee of the Convention was authorized to organize a company to build a road by the shortest route practicable from any point they may select "in the eastern part of the State of New York," to Oswego. The point selected will probably be a few miles south of Whitehall, whence the road will run past the southern point of Lake George, and so on in as nearly a straight line as possible to Oswego. From Oswego to the Niagara River, at Lewistown, the Ontario Lake Shore Road, already under way, with Hon Gerrit Smith as President, will form the next connecting link. From the Niagara River, across the Province of Ontario, to the St. Clair River or to Detroit, the line will probably run the greater portion of the distance over the road now being built by William A. Thomson, of Queenstown, who stated to the Convention that his road would run on an air line, through a perfectly level country, that it would have steel rails and white oak ties, with eighteen inches of gravel under the ties the whole distance, and that he intended to run cars regularly over the road in four hours—a distance of 210 miles. From the St. Clair River another air line is already projected to Chicago, and $2,000,000 have been subscribed by the towns along the line. The eastern end of the line, from Whitehall to Portland, by way of Rutland, Woodstock, White River Junction and Bristol, is secure beyond peradventure, a large portion of it being already built or in progress.—*N. Y. Bulletin.*

AMERICAN SHIPPING.

The last session, in New York, of the Congressional Committee on the decline in American shipping was held in the Custom House on Saturday.

Mr. A. A. Low, merchant and shipowner, appeared before the committee, and said that he had always been in favor of the protection of American interests, and of assisting our artisans, mechanics, and sailors; most of the United States laws were framed for the purpose of protecting our various manufacturing interests, but the laws designed for general protection are pressing on our shipping interests. We have a depreciated currency; we have to pay very high prices for all materials used in building ships, and also for sailing the vessels. Before the war the American ship interests were stimulated and supported; sailing ships were largely in use; freights were low, and the business somewhat remunerative. During the war privateers burned our vessels, and the rates of insurance were increased. We cannot build ships in competition with England unless relieved from the taxes now put upon them. The policy of England in subsidizing steamers plying between that country and others has given her a prestige almost insuperable. There is not but one important American steamship line, the Pacific Mail, and its property has been considerably injured since the completion of the overland road, $50,000,000 to $60,000,000 were given to a railroad, and all support taken from the Pacific Mail Line. Every law relative to vessels on the American statute books