

Keen competition has been going on for some time between Liverpool and Manchester with regard to the importation of cotton from the United States. It is admitted, even in Liverpool, that Manchester is rapidly becoming a serious rival, and that thousands of bales of cotton are now being shipped direct to Manchester instead of via Liverpool. This is, of course, a serious loss to the shipowners in the older port, and they are tempting the Manchester spinners to have the cotton forwarded by rail to their mills, so as to save dues and other charges. Manchester is alarmed, and the Cotton Association of that city has drawn the attention of the Master Cotton Spinners' Association to what it terms a determined effort on the part of Liverpool to check the direct shipment of United States cotton to Manchester. The Lancashire cotton trade is being stirred up to fight Liverpool's action and endeavoring to get the spinners to insist upon direct shipment. The fight between the two ports is an interesting one.

The strike among the mill operatives at Lowell, Mass., has entered upon its seventh week and it is estimated that wages to the amount of over \$600,000 have been lost by the operatives, but there are no figures to determine the amount lost by the mills. The mill owners state there is absolutely no change in the situation so far as they are concerned, and in speaking of one of the mills starting up independently of the others, they declare it to be entirely out of the question. The city is losing its population every day. Real estate is paralyzed, hundreds of houses are empty, the savings banks are not lending a cent, as they require all they have on hand to pay withdrawals, and business men are looking with apprehension at their list of debtors. There are about 23,000 idle looms and 17,000 idle operatives. The product of the mills affected ranges from the coarsest of grey cotton to the finest of dress goods, going through all grades of print cloths, sheeting, shirting, sateens, dimities, blankets, towelling, table linen and silk warp goods. The State Board of Arbitration and Conciliation has held an investigation and is of the opinion that the textile corporations cannot afford to pay their help the 10 per cent increase demanded. Organized labor is with the operatives, and circulars have been sent out appealing for help, which has been promised not only from towns in the United States, but from Canada, from which many of the operatives are drawn. It is a stubborn fight with both sides very determined, so that it is difficult to see where it is going to end.

THE BUDGET SPEECH AND ITS EFFECTS.

Although the budget speech at Ottawa, delivered since the last issue of The Journal of Fabrics, did not announce any material changes in the tariff as hoped for by the manufacturers, relief to some extent from the disabilities under which they labor is to come in another way. The manufacturers have been asking for increased protection, but the Government announces that it does not consider there is anything in the condition of the country which calls for a general revision of the tariff. Manufacturers have held the home market and their shipments to foreign markets have increased. It may be desirable at

an early date to make further changes, but their character will depend upon the attitude of certain countries towards Canada. The British Government is being urged to give Canada a preference. If this should not be done it may be advisable to modify the preference which Canada now gives to British goods, the operation of which is one of the grievances against which Canadian manufacturers have to contend. But Germany discriminates against Canada, and for five years our Government has been endeavoring to bring about a better understanding, but in vain. The colonies of France give the Mother Country a preference under their tariff just as Canada does Great Britain. The Portuguese and Spanish colonies have done the same, yet Germany made no such discrimination against the products of any of those colonies, but when Canada undertook to accord similar privileges to Britain, Germany at once set into operation the maximum tariff against our products. The Canadian Government has, therefore, determined to copy the example of Germany, and as respects dutiable goods will enact a clause that when any foreign country treats the imports from Canada on less favorable terms than from other countries, there shall be imposed upon the goods of such foreign country a surtax equivalent to one-third of the general tariff. Germany will be immediately affected by this provision.

No branch of trade in Canada will be as largely affected by the surtax as dry goods. While the importation of groceries from Germany is larger than of dry goods, this is due to the one item of sugar, of which we imported last year \$3,500,000 worth. As we can get our sugar elsewhere, and are now making considerable quantities at home from beets, it would cause little inconvenience if the German supply was to be cut off, but in dry goods the trade is general in character, and the effect will be felt directly by those in the trade and by the consumer.

The dutiable goods imported from Germany last year amounted to \$9,078,402, and on these the average duty was 30 per cent. With the surtax added the rate will be 40 per cent. Under the preference the duty on British goods is about 20 per cent., so that German goods will pay a rate 100 per cent. higher than British goods. Our manufacturers have had to complain that foreign goods, largely German, have had the advantage of the preference by merely passing through Britain, where a small proportion of the finishing was done. Greater vigilance will now be necessary to prevent this, and the means employed will doubtless be pretty effectual.

In dry goods and fancy goods we imported from Germany last year to the extent of nearly two and half million dollars worth. They are classified as follows, and for the purpose of comparison, we give also the figures of five years ago, which show that our trade in fabrics with that country has been a growing one:

	1898	1892.
Wool and manufactures of--		
Cloths.....	\$ 19,902	\$ 46,202
Clothing, ready-made, etc ..	355,442	302,946
Fabrics composed wholly or in part of wool or worsted.....	230,453	169,546
Felt not filled or covered by or with any woven fabric..	117,725	121,609
Knitted goods, including knitted underwear..	34,706	20,427
Socks and stockings.....	41,737	45,091
Yarns	47,369	75,130
All other manufactures of wool.....	30,190	103,065
Cotton and manufactures of--		
Clothing.....	10,438	27,394
Embroideries	3,897	10,127
Fabrics, printed, dyed or colored.....	57,853	25,219
Hosiery ..	13,843	59,305
Socks and stockings ...	23,118	45,341
Velvets, velveteens, etc	5,328	37,415
All other cotton and manufactures of	14,383	39,018
Curtains.....	872	3,726
Embroideries	4,983	5,378
Silks and manufactures of--		
Fabrics	101,929	248,282
Ribbons.....	32,512	43,360