of California. Their presence here increases the immigration of white labor to this coast, and increases commerce, as well as increasing the value of real estate.

Commerce is our chief element of wealth. Our exports are grain,

wool, wine, precious metals; grain leading everything.

Exportation of silver.

Without the grain trade and the export of grain California would not exist as a state as she does now. The silver sent from here to China is merchandise everywhere, and one of the products of the coast. It is an exchange transaction. It would be very much to our benefit if we could get more money for our silver-if we could establish the bullion market here, so that the price here would regulate London; because it is certain that we can send silver to China cheaper than they can send it to London, simply on account of transit. European nations have been in the habit of paying a considerable amount of silver to China. If that money was paid through this port it would undoubtedly be an advantage to us. Silver would be worth more if sent from here to China by English orders.

As regards the immigration of the Chinese, I have always thought there were not enough of them here. I rather differ from Mr. Wheeler; I Supply of Chinese immigrants might think the supply sets in after the demand. Suppose there has been a good year in 1875, and the Chinese companies have found employment for all the men who have come here, and that their passage money has been paid back; the fact of there being plenty of employment for those who came would induce others to come, and when these next arrivals come they may not find any employment at all, which was the case in the early part or The result would be that the immigration would be smaller the next year, and the supply would not come directly upon the demand.

The treatment the Chinese receive in California would naturally have an effect upon our commerce with China.

Every machine invented for economziing labor is a benefit to the poor

It is a perfect impossibility for a Chinaman to compete with an Ameri-If a Chinaman builds a house he does not employ Chinese. There are three houses on the corner of California and Dupont streets, just built now, and they were all built by white men.

The cause of the hostility against them is the same that has been prevalent all over the earth—strangeness of manners. It used to be in England that any man who did not speak English was a "bloody foreigner." Instead of keeping themselves in their peculiar dress, if they were to drink whiskey and patronize the bar-rooms to-day, just like others

do, the prejudice would disappear immediately.

I have no objection, so far as our woolen factory is concerned, to a reasonable restriction upon the Chinese coming here; but I think it would be a prejudice generally to our factory. As to the Pacific Jute Factory, it could not go on without Chinese labor, the looms being so much heavier few women can stand to run them. Women run them in Scotland; but it is very hard work. Before we established this factory on this coast all the bags consumed here came from Scotland. If the tariff did not protect us, our farmers would get these bags cheaply made in Hindostan. have not asked to have the tariff kept up, except that we introduced the industry, and we found that we could not compete without Chinese labor. If we had no local factory you might have to pay twenty cents for bags.

There are more women regularly employed who earn their living in, manufactories now than at the time of the introduction of the "mule." If Chinamen were put into the places of the women employed in these

factories all the women would have to starve.

Superiority of white workmen.

exceed the de-

Strangeness of manners and customs the cause of the prejudice against them.

acifiic Jute Facory could not get on without them.