

a superior article of canton flannels, such as had hitherto been chiefly imported from the United States, and succeeded beyond the expectation of customers who had hesitated to place their orders with his manufactory. The result was that when the recent break in grey cottons occurred, his stock amounted to less than a thousand bales, while aggregate stocks could be reckoned by many thousands.

Estimates made early last winter showed that the production of grey fabrics in Canada was fast outrunning the consumption.—The excellent statistics of our American neighbors often convey valuable information to our people. For instance, in the United States, where they have been also learning something of the proportion between production and consumption, there are about fifteen millions of spindles, and the population of the country is about fifty millions. At this rate Canada could consume a much larger output than is now produced, if the production were sufficiently diversified; but it was found last year that we were making twice as much grey cotton as the country required, and those companies who discovered this in time have not been obliged to pass their dividends.

The over-production of grey cottons is, of course, largely due to the greater simplicity in manufacture, lower skill and less delicate machinery employed. A leading commission merchant remarked lately that "any man can make grey cottons, but it takes a man of unusual ability to make money at them,"—meaning at recent and present prices. But with scarcely an exception, all the factories have been turning their attention latterly to the manufacture of other and finer classes of goods which had hitherto been mostly imported, and are manufacturing barely enough grey cottons to supply their customers. In one large mill the number of looms on grey cottons has been reduced from 1,200 to 250. The skill which, under the change noted, has already driven American canton flannels out of the market, will doubtless have equal success in other lines, and in this respect the country will reap the benefit to be derived from the employment of more home labor through the addition to the number of the consumers. It is not improbable that application will be made at the next session of Parliament to have certain changes made in the cotton tariff, whereby the specific duty of one cent per square yard on all qualities of goods may be adapted to the new condition of things.

The retailers of Canada never before bought their cotton goods as cheap as they can to-day, notwithstanding the high duty

on these goods; they are fully ten per cent lower than in the United States, and they will probably recover, at least, that amount in price before the market is steady. In the ordinary state of things, the over-production will not take many months to be absorbed, and the demand having overtaken the supply, manufacturers may get a small fraction more than a "new dollar for an old one."

THE TELEGRAPH STRIKE.

The war of labor against capital is still raging both in the United States and Canada, and both parties, in strict accordance with established usage, claim to be confident of victory. A new project has been started in New York by a prospectus for a "Merchants and Telegraphers' Association," the capital of which is to be \$10,000,000, to be contributed by 50,000 members at \$200 each, and to this scheme the Brotherhood has given its approval. Canadians may as well rest on their oars, as the dispute will have to be settled in the large cities of the United States. The idea of the Government assuming the business has been revived, and if the United States would only set the example, it would be highly expedient that the Canadian Government should lend its cordial co-operation. So long, however, as the Western Union enjoys its present monopoly in the United States, it would hardly answer for our Government to be in effect tributary to that great corporation. Public opinion in the United States seems to be more favorable of late to the assumption by the Government of this branch of business, which has been undertaken by the Government of Great Britain with marked success. It might possibly be of some aid to the movement if an intimation were given that the Dominion Government would be ready to afford its co-operation. It must be borne in mind, however, that if the business were entirely in the hands of the Government there would be just as great a probability of strikes as under the present system. The new scheme, to which we have adverted above, would afford no protection, as the interests of the operators must always be at variance with those of capitalists and the public at large, who use the wires. It is highly probable that the strikers have some real grievances which ought to be redressed, and it is much to be regretted that up to this time there does not seem to have been any effort made by really disinterested and influential parties to adjust the dispute. The strikers are controlled by the Brotherhood, with which

the companies are unwilling to treat, a difficulty which would not be felt by outsiders. In the meantime, there seems no immediate prospect of reconciliation.

THE DISPUTED BOUNDARY.

The news from Rat Portage is alarming, and unfortunately it is rather difficult, owing to the conflicting accounts in the political party organs, to know precisely the merits of the controversy. It is, however, sufficiently clear that a grave error was committed when the Dominion Parliament, at the instance of the Government, gave Manitoba an interest in the territory which was known to be claimed by Ontario, and on grounds that were at least entitled to weight. The defenders of the action of the Dominion Government have been persistent in their assertions that the arbitrators had admitted that there were doubts on the subject of the boundary, but they are or ought to be well aware that on the subject of the Western Boundary there was no doubt whatever, and that it was established in accordance with Acts of Parliament and treaties. It has never been pretended that any boundary was established on the North except that of the Hudson's Bay Company's territories, the limits of which had been a constant subject of dispute between Great Britain and France during a long period of years, and were never defined. The arbitrators were appointed to determine the boundaries by both Governments, and it is necessary, owing to the persistent statements that Mr. Mackenzie intended to accept or reject the award at his pleasure to point out that both Governments pledged themselves by orders in Council to abide by the award. Whatever may be said regarding the Northern Boundary, it cannot be denied that, as regards the Western, there are sufficient data on which to form a conclusive opinion. We are sorry to notice another attack on Mr. McMahon, Q.C., in our daily contemporary, the *Gazette*, as well as an insinuation as to the promptness of the award. It has been repeatedly explained that the case on both sides was fully submitted long prior to the argument, together with the evidence, and it has never been pretended that any new point was raised by the Counsel. Surely the *Gazette* must be aware that when the late Chief Justice Harrison intimated to Counsel that the arbitrators would be prepared to make their award if Counsel would shorten their arguments, he only did what is frequently done in the highest Courts of the realm, and especially in the Judicial Committee of the Privy Council.