

The Monetary Times

AND TRADE REVIEW,

With which has been incorporated the "Intercolonial Journal of Commerce" of Montreal, the "Trade Review" of the same city (in 1870), and "The Toronto Journal of Commerce."

ISSUED EVERY FRIDAY MORNING.

SUBSCRIPTION—POSTAGE PREPAID.

Canadian Subscribers.....\$2 a year.
British ".....10s. sterling a year.
American ".....\$2.50 U.S. Currency.

BOOK AND JOB PRINTING A SPECIALITY

Office—Nos. 64 & 66 Church St., Toronto, Ont.
EDWD. TROUT, MANAGER.

TORONTO, CAN. FRIDAY, DEC. 8, 1882

COTTON MANUFACTURES.

From the United States Census Bureau come some interesting statistics on cotton manufacture. Perhaps the most striking feature in this exhibit is the great increase in the consumption of cotton fabrics, during the last decade. This increase is put down at thirty per cent. The previous decade included the period of the civil war in the United States, when the growth of cotton in the South was seriously interfered with. The want of raw material diminished the manufacture; for, though supplies were, after a sharp cotton famine, obtained from other countries, the production of cotton fabrics was undoubtedly, for a time curtailed. Part of the increase during the last decade is due to this cause, part to an increasing market for cotton goods.

To the great increase in consumption is probably due the rise in price, which is put down at twenty per cent. Here the reverse of the general law, that manufactures have a tendency to become cheaper, is observed. A continuance of this tendency cannot be counted on. Sooner or later cotton manufactures must follow the general law. How soon, it may now be impossible to say; but that this must happen it would be well for all concerned to bear in mind. The fall, when it comes, may be twenty or thirty per cent.

So long as the United States supplies seventy-five per cent. of all the raw cotton in the world, Great Britain must be conscious of a somewhat perilous dependence upon a single country. What that peril may amount to we know from experience. When the supply from the Southern States was cut off, Egypt was one of the countries that found the growing of cotton very lucrative; but, for some reason, which may not be easy to fathom, the cotton manufacturers of the world are now again mainly dependent, for their raw material, upon the United States.

Great Britain continues to be the chief seat of the cotton manufacture. Out of 70,000,000 spindles in use in all countries, in 1880, no less than 40,000,000 were owned in that country. Far as the United States was behind this formidable figure, she was the next largest cotton manufacturer; the number of her spindles was 10,000,000, nearly as much as those of France (5,000,000) and Germany (6,000,000) combined. To all other countries are assigned only 8,500,000 spindles. Great Britain must possess some secrets of superiority, which enable her to maintain this pre-eminence. One advantage

she has, which we were not prepared for. In this manufacture, English labor is proved to be more effective than American. In England there is only one operative for every 83 spindles, while in the United States there is one for every 66. The efficiency of the English workman is therefore twenty-five per cent. more effective than the American. But, in efficiency of labor, America beats every other country except Great Britain. Germany employs one operative for every 46 spindles, and France one for every 24. These figures curiously illustrate the relative efficiency of labor and show the fallacy of reckoning the cost of production in nominal wages. It is probable that American labor has relatively lost something in productiveness in this branch of manufacture, though there has been an actual gain, during the last forty years. In 1840, the hours of labor were thirteen to fourteen hours a day—a great deal too much—now they are ten to eleven hours, which would seem to be quite enough. Then, most of the labor was American; now it is mainly foreign. This change has probably prevented the general efficiency from rising as high as it otherwise would. It is doubtful whether even the present hours of labor can be permanently saved from curtailment. But labor must live; and even the high protective tariff does not save the labor from the hard conditions that might be expected under severe competition. Nominal wages are nearly double what they were in 1840; but the labor is much more efficient now than it was then since the number employed in proportion to spindles has been reduced nearly one half. On the whole, the actual cost of the labor is less than it was in 1840.

How far American cotton manufacture can stand on its own bottom is even yet a problem, the solution of which will come when the payment of the public debt necessitates a heavy reduction in the tariff. The United States possesses the advantage of growing the raw cotton, which competing countries have to import. But this advantage is measurable and may be overestimated. Though the cotton is grown in the country, the chief seat of manufacture is remote from the cotton fields. Four-fifths of all the spindles are in New England, the Southern States having only a little more than a twentieth of the whole. There is therefore a question of carriage for a distance which is not short. Still the distance is greater from the Southern States to Europe than to Maine and Massachusetts.

In the ten years from 1870 to 1880, the number of spindles and looms, in the United States nearly doubled; a rate of progress which must be considered satisfactory:

	1870.	1880.
Number of spindles..	10,713,677	7,132,415
Number of looms....	229,784	157,310
Bales of cotton.....	1,610,941	835,027
Number of hands....	191,138	135,369
Amount of wages....	50,132,385	39,044,132
Capital invested	230,729,242	140,706,291

During the same time, the quantity of raw cotton used increased 93 per cent. An increase of 43 per cent. in the hands employed sufficed to do all this extra work at a cost of only 28 per cent. additional. Improved machinery must have played some part to produce a result like this.

THE LUMBER TRADE.

Lumber shipment by water being now over for the season, we have made some enquiries, among the firms and companies represented here, as to the character of the season's trade and the prospect for the coming cut. All agree that the business of the year has been remunerative. A good demand has prevailed and good prices have been obtained for lumber of all kinds. The stock to be wintered over in the Peninsula and on the Georgian Bay will probably be smaller than last year. At some particular points there may be more, but upon the whole the supply will be less.

It is too early, as yet, to discuss the probable make of logs during the season 1882-83. The mills have this season cut just as much as they could do, and whatever favoring weather may permit to be done in the way of logging this winter, it will not be possible for steam mills to cut more lumber than they did this present year, unless, of course, their number is increased, and we hear of only one important addition, that on French River. The disposition appears to be to restrict the cut. And that this is the feeling in the United States is shown by the circumstance that one firm of operators in Michigan, who last season got out 60,000,000 feet of logs are getting out this season only 40,000,000 feet. The argument being that if excessive quantities are produced the price will be weakened, which, having regard to the increased cost of labour and logging plant, is a matter which manufacturers probably do not desire. At country points in Ontario the demand for lumber is steady; at this point it is not specially brisk, for there is rather a lull in building which during the year has been decidedly active, if not overdone, in this city and suburbs. Prices continue firm, but will likely be unchanged until the spring opens, or until the winter season has so far advanced as to enable an intelligent forecast of the crop to be made.

On the south shore of the St. Lawrence, in the Province of Quebec, the past season's operations in lumber have been more encouraging than for several years, although it is true that till late in the fall there was but a light demand for wood goods for the English market. A firm of operators on the Chaudiere and St. Francis rivers thus express themselves as to the business:

"While business has been much more active, with higher prices ruling for most classes of sawn lumber, there are several facts in connection with lumbering that must not be overlooked. Wages have increased from 15 to 25 per cent. in one year; the prices of staple provisions, connected with the lumbering industry, have been very high, and the Crown (speaking of the local Government of Quebec) has increased its tariff of stumpage. The manufacturer does not, therefore, immediately benefit much by the improved state of things, though with the prospects of a more favorable future the horizon assumes a brighter hue."

The trade in hard-wood lumber is good. The American demand is active, and appearances indicate that there will be a market for all we can furnish. Some kinds are growing scarcer and prices may be expected to advance.