

highest and lowest prices of raw cotton in the New York market for the years quoted shows that our people know when and how to buy to advantage. Canadian manufacturers have hitherto devoted themselves chiefly to the making of brown or grey goods, but the success which has attended the Montreal Cotton Company's bleached goods factory at Valleyfield, and the large quantity of British goods still being imported, have stirred up some of our wholesale merchants, and there is some probability that another factory will be established ere long not far from Montreal, wherever the greatest inducement as to locality and bonus can be had.

The Victor Hudon Cotton Company mill at Hochelaga is adding to its already enormous capacities. An engine of 800 horse power has just been put in, thus doubling the driving force of the factory. The number of looms now in operation is about 850, and the old machinery is being rapidly replaced by new improvements. The present consumption of the factory, as stated by the manager, is 170 bales of about 500 lbs. each per week, and the turn out is about 75,000 lbs. of piece goods or 250,000 yards, making an annual product of about 13 million yards. The company, instead of adding to their small capital of \$300,000 have devoted their surplus profits to the making of improvements, and the result is that the property is now worth about \$750,000, realizing handsome profits, and paying what appear to be heavy dividends to the shareholders. This factory affords one of the best illustrations of a wise application of the best principles of Political Economy to be found on the continent.

Whatever may be said of the N. P., for or against, there can be no two opinions as to the benefits bestowed thereby upon the cotton industries, the thousands of operatives and their families,—who in turn become additional consumers of other goods,—as well as the shareholders in these enterprises. The Canada Cotton Co. of Cornwall, whose stock, quoted at more than 30 per cent. above par recently, was offered at ten cents in the dollar a year ago, divided a four per cent. dividend for the last six months; the Stormont of the same place paid five per cent; Valleyfield, five per cent; Merriton, 4 per cent; Hochelaga, five per cent,—and Dundas eight per cent for the 12 months of 1879. There is a feeling among the trade that prices are maintained too high, that the directors are too much disposed to bleeding the goose that lays the golden eggs, and they point to the developed condition of the woollen manufactures as a warning. On the

other hand, some of the directors say that they have already had a surfeit of the cotton tariff as recently inaugurated, and that the wholesale dealers or jobbers would be obliged to pay from five to ten per cent. over present figures under such a tariff as that anterior to the National Policy.

We shall endeavor in a future article to give some idea of the cost of preparing the raw material for the wholesale and retail dealers.

HARBOR DUES AND TRANSIT CHARGES.

The joint reply of the Board of Trade and of the Corn Exchange Association of Montreal in answer to inquiries made by the Minister of Public Works relating to canal tolls, harbor dues, wharfage and other charges affecting the navigation of the St. Lawrence has been published. It does not contain any point that has not already been discussed by the press, and there is a lack of preciseness in the remedies proposed by both institutions that is not conducive to a firm and a determined decision on the part of the Government. The first section of the pamphlet is but little more than a synopsis of the progress of the carrying trade of North America during the past quarter of a century. The extensive tables of statistics brought forward to illustrate the increase of the carrying trade are not all to the point. For instance, the table comparing the quantities of vegetable food of all kinds carried eastward by the New York Central and Erie railroads to the quantities of wheat and flour moved in the same direction via the New York canals cannot be taken as a fair exhibit of the traffic of the canals. Vegetable food comprising all kinds of cereals compared with only one kind of grain cannot be admitted as leading to exact conclusions. The comments on the inferiority of canals vs. railways do not show a serious consideration of the question. Railways, of course, competing with the canals of the State of New York must increase in traffic every year, while the canals cannot do more than maintain their averaged transportation. The capacity of canals is limited. The Erie canal cannot move more than 5,000,000 tons, the capacity of the boats is limited to 8,000 bushels, while railroads have no limits. The reason why, in 1861 and 1862, the canals did a larger business than in any other year is a very simple one. The railways were at that time taken possession of by the Government for the transportation of war material and troops.

The report inclines to the belief that

canals are not able to keep their traffic, though their rate of freight per ton be 33 to 50 per cent. less than by rail. The report does not take into consideration that the small canals of the State of New York have been virtually abandoned by the State, and that many affluents that fed the main canal have ceased to serve this purpose. Another reason for the decline of traffic is the through freight business from Chicago or Milwaukee to European ports. The freight is engaged on board designated steamers, and the goods must be at the port of shipment on the Atlantic at a fixed date; the slow canal barge with the risk of detention on the way can no longer be used for quick transportation; railroads alone can serve the purpose. It has been already pointed out in this JOURNAL that the railroads having been extended in the South-West, bring to New York breadstuffs that Montreal could not attract, and that the proportion of Montreal in the shipments from the lakes has not decreased though its percentage in the total receipts at the seaboard has been lowered.

The annual average movement of grain for ten years on Lake Ontario is stated to be 31,601,533 bushels, and the proportion of Montreal in the movement appears to be during the last five years a yearly percentage of 64.38. The compiler does not know how to account for the decline of Oswego as a receiving port, its share having diminished from 43.42 per cent. in 1869 to 23 per cent. in 1879. The cause of this decline is the decrease in the milling business. The superior grade of wheat produced in the Genesee Valley gave to the milling business a large interest in the towns of Watertown, Rome and Syracuse. The Genesee wheat ceased to be grown, owing to the impoverishment of the soil, and the millers imported wheat from the west to maintain their brands,—now, the State of Minnesota, owing to Smith's process, has the monopoly of grinding the "family flour," and the receipts in the port of Oswego are becoming less, year after year.

It were useless to follow the report of the Board of Trade and the Corn Exchange Association in its statement of rates of freight and canal tolls, so much having been said already in the JOURNAL OF COMMERCE on this important question. If the toll on wheat on the Erie canal is 33 cents per ton of 2,000 lbs., the toll is said to be 20 cents per ton on the Canadian canals; but the 25 cents charged in Montreal per 100 bushels, that is to say, on wheat 8½c. per ton, ought to be added to the toll, if the right charge on wheat is to be given. The difference in tolls on