

DEPRESSION OF MANUFACTURES.

THE present depressed condition of our New England manufacturing industry must now be discouraging to those who are now engaged in the effort to build up competitive branches of this great interest in the West and South. If, with the mechanical and commercial skill acquired by many years of business experience, our old manufacturing companies are generally working at a loss, and the most fortunate among them able to figure up but a very small margin on their products, what prospect is there of any immediately favourable result from the planting of new enterprises in other sections?

In this part of the country, mill property was never so low and unremunerative as at the present time. Stocks are being pressed on the market, (which is decidedly panicky,) and some of them can hardly be given away, since nobody cares to touch them at any price. Most of our large capitalists who are in, are trying to get out of the business, where they can do so without making too large a sacrifice, and seem to have entirely lost confidence in this class of property; while a man who, in these times, should undertake to build a new cotton or woollen mill, would be considered insane by his friends, and needing to be put under legal guardianship. Most of the mills which are not actually suspended, or sold out, are running on short time, and making a movement to reduce the wages of operatives.

One of our contemporaries has taken pains to compile the following comparative statement of the prices of leading manufacturing stocks, derived from actual sales made during the present year. The heavy decline exhibited since last spring, when prices were by no means inflated, is a startling commentary upon the depressing effect of our financial system upon this important branch of national industry:—

| | Prices Nov 1899. | Prices spring of 1899. |
|------------------------------------|------------------|------------------------|
| Pacific Mills | 1.955 | 2.087½ |
| Bates Manufacturing Co. | 100½ | 110 |
| Pepperell " " | 8-0 | 915 |
| Hill " " | 1.21½ | 160 |
| Naumkeag Mills | 120½ | 130 |
| Lawrence Manufacturing Co. | 68½ | 700 |
| Washington Mills | 95 | 112½ |
| Great Falls Manufacturing Co. | 100 | 160 |
| Atlantic Cotton Mills | 71½ | 80 |
| Lyman Mills | 70 | 76 |
| Amoskeag Manufg Co. | 1.4-0 | 1.615 |
| Manchester Print Works | 950 | 1,350 |
| Salisbury | 150 | 175 |
| Dwight Manufacturing Co. | 425 | 500 |
| Merrimac " " | 1,450 | 1,690 |
| Middlesex | 150 | 167 |
| Mass. Cotton Mills | 825 | 1,030 |

Now, as to the real causes of this depression, we may say, in the first place, that it is not due to any lack of protection to home industry, (in the popular acceptance of the term) nor to the competition, in commercial channels, of low-priced foreign products. The present tariff rates, on cotton and woollen goods particularly, are so high that European textiles, (with the exception of a few costly fabrics, and styles of dress goods not made in this country) are practically excluded from our home markets.

The only damaging competition which our manufacturers have had to encounter, during the past ten years, in their own field of operations, has been home competition. But of this they have no reason to complain, as the field is a clear one, and its occupants stand upon an equal footing.

It may be that this branch of home industry is unduly expanded as compared with others; and hence its products, being in excess of the wants of the country, cannot be absorbed at a fair profit, without having recourse to the foreign markets. But from these our manufacturers are shut out by the high cost of home production, since they are there brought in open competition with the less costly industry of other nations.

But while our manufacturers have gone on adding to their machinery and increasing the volume of their products, the habit of popular economy, engendered by burdensome taxation and the high cost of living, have greatly restricted the consumption of this class of goods. The result of this disparity between supply and demand has been a gradual settling down of prices, until they have at length reached a point of depression which leaves no margin for the producer, and hence puts a stop to the working of the machinery. But even the low prices fail to tempt the masses to buy freely, so long as incomes are small and the more indispensable necessities of life rule so high.

But these are causes of depression which are generally recognized and have been long in operation. The more immediate causes, which have recently brought trade and production almost to a stand, may be found in the close condition of the money market and high rates of interest, the apprehension of a general collapse in values resulting from a forced resumption of specie payments, and withal the probability of lower prices for labour and raw materials. A return to specie payments might possibly bring down prices of manufactured goods a shade lower. But then it would bring down the cost of production also, and in a much larger ratio, so that the advantage, on the whole, would be with the manufacturer. It would increase the popular capacity for consumption, and give buyers confidence in the belief that the bottom had at last been reached.

But, in the present condition of things, it is very plain that no changes in the tariff, with a view to increased protection, can bring to our depressed manufacturing interest the desired relief. The only change which can benefit our mill owners are such as would give them cheaper raw materials, cheaper living for the working classes, cheaper labour, and hence the means of cheaper production.

Any legislation designed to enable them to realize higher prices must be futile, since the mass of consumers are not able to pay higher prices; and if they were, the competition between nearly all classes of our home manufacturers is too close to sustain them. Their only hope for renewed prosperity, and an enlarged field of operations, is in a lower cost of production, which shall again open up to them all the markets of the world. To this end let their efforts, and those of their representative in congress be directed. —*Boston Com. Bulletin.*

RIVER AND RAIL TRANSPORTATION.

A WRITER in the New Orleans Price Current says: Entering as it does into the value of produce, it is easy to trace the development of population and national wealth through the successive advances in the facilities for transportation. The application of steam to the propulsion of vessels to navigate inland waters, was an immense step towards utilizing the products of interior sections, but this was in turn eclipsed to a certain extent by the invention of railroads. From the initiative point, we may say, the railroad was but subsidiary to the steamboat, because the one highway was furnished by nature, and the other by labor, and subject only in theory, for we find the railroads successfully competing with the river, and changing the channels of commerce. An enquiry into the causes of this apparent paradox will result in the conclusion that the spirit of progress which has pervaded the one has been wanting in the other. The advocates of river transportation relying upon a nominal cheapness, have forgotten that what is gained in the rate of freight is lost in time; and that the difference between river and rail freights has not been sufficiently wide to give to the former a decided preference. The successive gradations between the present construction of railroads and railway stock and the old have been small, but still improvement has gone on so rapidly that the contrast of the present with thirty years back will afford the key to the advantage which has been gained over water. The transportation of passengers has been the most expensive burden upon river crafts, not only from the additional crew thereby required, but from the enhanced cost of construction and increased resistance to be overcome from heavy tow works. The transportation of human freight has materially added to the cost of carrying produce, and now that the tide of travel has been almost wholly turned to the quicker, though less commodious means of railways, the same expensive cabins and numerous attendants have been retained upon most of the river packets, and they have become even a heavier burden than formerly.

It was many years before the extremely simple plan of constructing powerful tow-boats with spacious barges for the transportation of produce was adopted, and notwithstanding the manifest advantages of such boats they have not to a great extent supplanted the old style of packets; nor have immense freight-boats, devoid of upper works and calculated to run with a very low stage of water, yet carrying large cargoes, been much brought into use. It is self-evident proposition that freight is susceptible of more economical transportation by water, since the buoyancy of the liquid highway is unlimited, and the propelling power which can be brought under individual control almost equally indefinite. The great desideratum to be obtained is the reduction within the smallest possible limits, which can only be accomplished by building no higher than is required for floating, and the diminution of manual labor. The sole reason then why river has fallen behind rail transportation lies in the fact that the latter has been progressing and the former almost stationary—that inventive genius has been constantly improving the one, while the other has not advanced in proportion.

In connection with this subject we would suggest to the business men to the constructing of fleets of river barges, rather than in vain attempts to lure some one into the building of steamers to run the river and ocean. That they have made a move in this direction which will afford temporary relief will appear from the following extract from the *St. Louis Democrat* of the 18th instant:—

"MORE BULK TONNAGE.—We understand that one or two enterprising individuals are about to charter a fleet of canal boats and four or five Illinois river and upper Missouri river steamboats, to be used for towing, with a view of competing for the large amount of freight now offering here. Of course such a result might have been expected. When the price of carrying flour to New Orleans is put up to 70c to 75c per barrel, and bulk grain, what can we expect but that competition will ensue? There are hundreds of canal boats which will be idle in a few days from the freezing up of the canal between Chicago and La Salle, and their owners will let them go cheap, and there will be plenty of idle boats which may be had for towing purposes as well. The canal boats will make capital barges for the season, and the enterprise promises well. Should the river close here such a line would find abundant business from Belmont down, in connection with the Iron Mountain Railroad, and our shippers would be accommodated with much lower rates of freight than they now are."

THE HOG MARKET.—A heavy crash occurred in this market to-day; the decline since yesterday extends from 50c to 75c. There were abundance offering, but no buyers at former prices. A lot averaging 180 lbs sold at \$8.25; another averaging 263 lbs at \$8.50. Twelve lots, comprising 53 hogs, the average weight of which was 210 lbs, sold at an average price of \$8.40; and some other lots of hogs, ranging from 200 lbs to over 300 lbs, sold at prices ranging from \$8 to \$8.75. The latter was the very top figure to-day, and is likely to be over it to-morrow. The cause, we believe, is to be found in the receipt of private telegrams from England stating that a heavy fall has occurred in Cumberland bacon. —*Toronto Telegraph.*

THE CHINESE SILK AND TEA TRADE.

THE Salt Lake Telegraph gives some interesting facts respecting the tea and silk trade of the Chinese Empire, obtained from the Chinese merchants who lately visited that city. It appears that previous to the last great rebellion the exports of silk had reached 90,000 bales annually, each bale weighing 105 pounds; but immediately after the rebellion it dropped down to 40,000 bales—many of the people who had engaged in the industry having been killed by the rebels. Since then it has grown until it now reaches about 50,000 bales worth over \$30,000,000. Most of this is shipped to London, though a considerable quantity goes to Lyons, but the Lyons manufacturers are not able to compete with the London speculators in the Chinese market, and hence are compelled to buy large quantities in London.

The opening of the Yangtze river to the foreign trade, in consequence of the treaties, has not operated as beneficially to the mercantile community as was expected. Before that time the Chinese packed the teas away in the interior, some six or seven hundred miles from Shanghai, and as it took some two months' time for them to be brought to that city, they had to be very carefully packed. Now, large steamers, built upon the American principle, navigate the river that distance, and bring the teas from the districts where they are gathered, and not being packed with the same care they deteriorate greatly before reaching the English market, entailing much loss upon those engaged in the trade. In 1833 sixty-five millions of pounds of tea were exported to Britain; while in the present year a hundred and forty millions of pounds have been exported. Of this quantity about a hundred millions of pounds have been consumed in Britain, and the rest has been exported, a considerable quantity of it going to Russia, which has been principally supplied from that time. While America consumes about two pounds per head for its population, England consumes three and a half pounds per head; and Australia shows its predilection for the beverage by using twelve pounds per person. —*American paper.*

THE IMPERIAL GOVERNMENT AND THE COLONISTS.

(From the London Times, Dec. 2.)

Yesterday afternoon the colonists and gentlemen associated with the English colonial possessions and dependencies, whose meeting of last week was reported in *The Times*, resumed their proceedings at the Cannon street Hotel, when an increased number of gentlemen from all parts of the world attended. Among those present were: Sir George Grey (late Governor of New Zealand), Mr. L. P. Labilliere, Mr. Edward Wilson (Melbourne, Australia), Mr. N. S. Poole, Mr. G. W. Hastings, Mr. A. Hamilton, the Hon. T. Tobin (Newfoundland), the Rev. A. S. Herring, Mr. Frederick Young, Mr. Abiam, and Lieutenant-Colonel Kitchener. Mr. Youl occupied the chair.

The Chairman opened the proceedings by saying that, though the proceedings of last week had been greatly criticized by the London press, yet the result of that meeting had been highly encouraging, by bringing other colonists in this country in communication with those who intended to take action on the colonial questions which had arisen between the Government and the Imperial possessions.

Mr. E. Wilson, on behalf of the gentlemen who had called the meetings, expressed a desire, in order to avoid misunderstanding, to explain in what manner it was proposed to carry on these meetings. It was desirable that gentlemen interested in the colonies, from connection or living there, should have opportunities of meeting from time to time to interchange notes of whatever concerned them. There were three points on which the colonists meeting here must not be misunderstood. In the first place, these colonial questions would not be allowed to drift into any party question (hear); and of this there was danger, for in this country everything almost came to be regarded from party points of view. For himself he had not a particle of party feeling, and he believed the view adopted was that the colonists had to deal with the Minister of the day without reference to party. (Cheers.) Then the next point was, that the questions affecting the colonies were not associated with New Zealand, other than what was going on with regard to that country was an illustration of the new policy of the government with regard to the dependencies. (Hear.) The third point which he wished to advance was that those who were acting in the belief that it