

ceasing, having brought the foreign into competition with the native manufactures, and as the Chinese prefer the latter, from being heavier and of more lasting qualities, they abandon the former the moment its price places it beyond the denomination of being a cheap article for clothing.

Compare, for instance, the imports of cotton manufactured goods for the two preceding years:—

	1862.	1863.
American drills ... pieces	30,965	2,196
Shirtings, grey ... "	126,529	48,829
Do. white ... "	49,788	44,695
T cloths, 36 yards ... "	4,570	6,055
Do. 24 ... "	20,601	28,802
Cottons, dyed—		
Figured, plain ... "	21,627	20,100
Damasks ... "	3,667	3,006
Printed ... "	11,382	15,812
Muslins ... "	510	1,984
Handkerchiefs ... dozens	28,057	27,121
Velveteens ... pieces	1,711	4,813
Cotton velvets ... "	1,060	2,625
Yarn ... piculs	20,334	14,819
Cotton, Bombay, raw ... "	35,928	488

and a large deficiency in plain goods will appear, and particularly in the article of Bombay raw cotton; whilst in fancy goods the difference is rather in favour of 1863. This latter may be accounted for in the heavy stocks on the manufacturer's hands, which rendered their going off beneficial to the holders, and therefore the prices were not affected in a ratio proportionate to that of the plain manufactures.

But take the imports of woollen manufactures—

	1862.	1863.
Blankets ... pairs	3,510	3,849
Broad cloths ... pieces	157	148
Camlets, English ... "	3,993	4,331
Do. Dutch ... "	610	697
Do. imitation ... "	644	1,761
Habit and medium cloths ... "	566	1,496
Flannels ... "	271	352
Lastings ... "	3,441	4,641
Long ells ... "	8,660	11,863
Sp. stripes ... "	9,007	7,448
Woollen and cotton mixtures ... }	8,769	5,769

It will be seen that the balance is in favour generally for 1863, and this arises from the fact that wool has not been subjected to the fluctuations of raw cotton, or deficiency in supply, and therefore, if anything, there has been an improvement and not a deficiency in this branch of the import trade.

The result of these comparisons tends to show that the decrease in the value of the import trade of 1863, namely, one hundred and thirty-one thousand one hundred and sixty-one pounds sterling (L.131,161),—is owing as much to foreign as to native influences; and that, under such circumstances, the past two or three years will afford no criterion of the capabilities of Canton as a mart for foreign manufactures.

The import of opium in 1863, as compared with 1862, differs in amount but little. The temptation to smuggle so valuable an article, and the facilities the coast affords for that purpose are so great, that in all probability what passes through the Canton Custom-house is for local consumption only, and so it will be until the Chinese authorities establish a preventive service.

Exports.

The value of this trade may be taken at three millions eight hundred and sixty-two thousand and thirty-nine pounds, (L.3,862,039,) against four millions and sixty thousand seven hundred and forty-six pounds sterling, (L.4,060,746,) in 1862, showing a decrease of one hundred and ninety-eight thousand seven hundred and seven pounds sterling, (L.198,707). This may chiefly be attributed to the short supplies of teas, the export in 1863 being less than in 1862 by at least seven millions four hundred and eighteen thousand eight hundred and ninety pounds; but less though it be, it is more than was anticipated, the opinion being at the close of last season that little or no teas would come again to Canton. But, notwithstanding this, not only did they come down, but the tea-men held out for high rates, and generally obtained them.

As regards silk, the export of the two years, 1862-63, is much on a par.

Of a trade stationary as this is there is little to be said. Hong Kong is doubtless a formidable rival to Canton, because, as before observed, it is a free port and a depôt for the neighbouring coast of China; but Hong Kong produces nothing and consumes nothing, and it is to the interior provinces we must look for both. At present the disordered state of the Empire paralyses its capabilities, and the necessity of raising a revenue to meet its war expenditure presses heavily on the people; but it is to be hoped, and indeed there is every prospect of an improvement in this state of affairs, and with internal peace will come a development of those mercantile energies which are now only in abeyance and not extinguished. For, seeing that the province of Kwan-tung alone comprises an area of seventy-nine thousand four hundred and fifty-six square miles, with a population of above twenty millions; the adjoining one of Kwang-si seventy-eight thousand two hundred and fifty square miles, with a population of above eight millions; Szechum, bordering on the latter, one hundred and sixty-six thousand eight hundred square miles, and a population of twenty-two millions; and Hu-nan, immediately adjoining that of Kwang-tung, seventy-four thousand three hundred and twenty square miles, with a population of nineteen millions, showing a total of three hundred and ninety-eight thousand eight hundred and twenty-six square miles, and a population of sixty-nine millions of inhabitants, it may be safely assumed that our trade with these alone, independent of the other portions of this vast Empire, is as yet undeveloped, and their capabilities of production and consumption unknown. It is true that the ports of Hankow and Foo Chow have withdrawn from that of Canton the chief trade in teas, and, on the other hand, foreign events have swept away from it the great trade in raw cotton which formerly existed; but Canton has seen its worst, and what it is this year it will probably be next, neither better nor worse, unless peace in the West and peace in the Empire follow, and then indeed there is a hopeful future before it, rich in promises and certain in results.

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