

all the rest of the world for not only the bulk of raw materials which her skilled workmen convert into fabrics of prime necessity and inexhaustible consumption, but even for the very food necessary for the support of her people, she is, at this day, the great work-shop of the globe, controlling its commerce, and dictating much of its policy. Pennsylvania, Massachusetts and New York forcibly show the wonderful ascendancy of extensive manufacturing interests in the annals of the Nation. It is not necessary to enter upon an elaborate discussion of so vital a point in a cursory treatise on the present status of our manufacturing industries, to which these remarks are merely introductory. Every reader will form his own conclusions of our progress in this department of productive industry, by perusing the subjoined statements. As the centering point of capital, and the population, commerce and enterprise which capital naturally attracts, San Francisco has necessarily become also the central point of the mechanic arts on the Pacific slope of this continent.

Her progress in this direction has been facilitated within late years by the working of large native coal mines contiguous to the theatre of operations; the consequent decline in the cost of material for generating steam; the successful conversion of crude petroleum into fuel for that purpose, although not yet utilized on a large scale; the construction of railroad communication with the interior, and the great east, and the gradual, but certain decline of interest rates to a standard that will warrant the employment of capital in manufacturing enterprises. That more extensive and varied operations in this field of productive industry have become an actual necessity, imposed by the growth of our population and the consequent increased consumption of manufactured articles, can scarcely be doubted in the face of the following statistical deductions arrived at by the writer of a well considered article in the *Overland Monthly*. He says:

"In 1868 we bought foreign goods to the amount of \$15,000,000, and Eastern goods, \$13,000,000; paid freights and duties, \$16,000,000; so that the total cost to us (in first hands) was \$74,000,000. We resold of these goods to the amount of \$5,000,000; probably one-third of the freight money was paid out again in the port—say \$2,500,000; the balance was remitted to owners; giving a total of \$67,000,000 to be remitted. During the first nine months of the current year, we have purchased to the amount of \$13,300,000; have paid freights and duties, \$13,700,000; total, (in first hands) \$57,000,000. We have resold of the goods and been repaid of the freight money, \$5,500,000; leaving to be remitted for, \$51,500,000. In the twenty-one months, the gross remittance called for is \$118,500,000. On this account, our remittance in produce has been \$30,000,000; railroad bonds, \$6,000,000; the balance, treasure, \$82,500,000. * * * Of said total, foreign goods called for (including their duties and freight) \$13,750,000; leaving, as remittance on our Atlantic account, \$74,750,000. That sum—paid to the Atlantic in less than two years—was composed of \$8,000,000 paid to their ship-owners, and the balance to their manufacturers. The whole of these Atlantic goods were manufactured. More than half their value represented the wages that had been paid in their manufacture. In less than two years, then, we have paid \$40,000,000 directly as wages to Eastern mill-hands and Lynn boot-makers. * * * We pay freights on that Atlantic merchandise, \$5,000,000 per annum; the wages paid on it amount to \$25,000,000. We can afford, therefore, to pay our workmen about one-fifth more wages than are paid at the East. During the same period of twenty-one months, the product of bullion and surplus of raw produce united were insufficient to settle the trade-balance, and the previous stock of coin was drawn

upon, to the amount of about \$7,000,000, to make up the deficiency."

It must be evident from the foregoing unpleasant exhibit that to continue such a state of dependence upon outside resources must eventuate ruinously, as, in the course of time, we should not possess the wherewith to pay for our purchases. Able minds became deeply interested in the solution of this problem, and, as a reanimating influence, recourse was had to grand annual displays of our manufacturing industries, at which the freest competition was invited, and suitable recognition given to merit. Stimulated by the renown achieved in several important branches, and the pecuniary success attending it, our manufactories have received an impulse which promises to enlarge the field, and rule out of our markets many lines of goods that have been heretofore the exclusive products of exterior industries. In the mean time, our mercantile houses have been vigorously seconding the efforts of local manufacturers by regaining possession of markets temporarily lost to us by reason of the facilities which the transcontinental railroad furnished for the introduction of cheap Eastern fabrics. Experience has convinced interior consumers that articles of California make, although of higher first cost than those of Eastern composition, invariably give better satisfaction, being more durable, of superior quality, and of pure raw materials. A revulsion of trade has been the result, and under its influence, our manufactories, during 1871, were in a much more prosperous condition than for two years anterior, with the gratifying prospect of greater development in quantity as well as variety. That our whole energies have not been confined to commerce, mining and agriculture, is sufficiently attested by the eight hundred and odd factories of different kinds which pulsate and throb within the precincts of this metropolis, employing an aggregate capital of \$12,500,000, consuming raw material to the value of \$24,000,000 annually, and turning out manufactured articles worth \$16,000,000. Foremost among the mechanical arts is the production of iron and steel, as it supplies the machinery and implements requisite for the prosecution of all other branches of industry. Our leading iron foundries are the Union, Miner's, Fulton, Vulcan, Etna, Pacific, Golden State, Phoenix, Pioneer, Portland, California, Eureka, Occidental, Columbia, Risdon Boiler Works, and the Pacific Rolling Mill Company. All of these are in a high condition of effectiveness, being in full blast, and using at least thirty per cent. more raw material than usual. These establishments are large and complete, possessing all the requisite appliances for the production of the several specialties to which they are devoted. The aggregate value of castings turned out during the year 1871 was not less than \$3,000,000, and this amount has been steadily increasing under the pressure of augmented foreign, as well as domestic, requirement. The total number of hands employed is about thirteen hundred, subject to temporary modifications. Japan and China have been added to the list of our customers in this line of trade, and although their demands as yet are comparatively small, there is reason to hope that they will achieve signal proportions at no distant date. The onward strides recently made by Japan necessitates the use of improved machinery and agricultural implements, while the geographical position and superior facilities possessed by San Francisco point to her as being the natural market of supplies.

The Pacific Rolling Mills commenced operations in August, 1866, and have been established on a large scale, with first class appointments and abundant working capital. They are eligibly located, convenient to deep water, and readily accessible to ships of heavy tonnage. This establishment fills an important void, and is in all respects an invaluable ad-