

THE MONEY MARKET.

Although the demand for money in New York continues to be abnormally high, the strenuous situation of last week is somewhat relieved, and the price of money on call loans is easier. While the action of the United States Treasury in coming to the relief of a badly disturbed market and in artificially stimulating the importation of gold, is generally appreciated, there is a good deal of feeling not only in Europe, but in the United States that under a healthier monetary system such action would be altogether unnecessary and that the business of the nation should not be always at the mercy of conditions calling for temporary expedients by the Government for the prevention of serious financial crises. The Bank of England has raised its discount rate in order to check the transatlantic outflow of gold and one result has been to create a disposition in London to discriminate against American securities. Then it is felt in the United States that the temporary remedies for financial stringency which are adequate in times of great prosperity, may not prove effective in times of commercial depression. As a general principle the less the money market is dependent for its regulation upon government intervention of any kind, the better. The New York "Journal of Commerce" urges the adoption of the Canadian banking system which, as it says, has worked with entire success for more than thirty-five years. Our esteemed contemporary says of our system of authorising the banks under proper safe-guards to use their credit in the issue of circulating notes:

"During the season of large requirements for currency the note circulation expands regularly and easily, and as requirements diminish it contracts. There is not a safer bank currency in the world, and it has the element of elasticity to a perfect degree. Real currency reformers have been advocating this system here for years, but it seems like the voice of one crying in the wilderness. The Treasury Department has not favored it because the present system gives a fictitious value to the Government credit and enables it to borrow at two per cent., while the Secretary can play a paternal part in the money market with Government funds. The larger National banks have seemed to be content, because their circulation is of comparatively small moment to them, and they can make more out of the variations in Government bonds, which would lose in market value if the banks were not obliged to have them to secure circulation."

The American Bankers Committee on Federal Currency meeting in Chicago, passed a resolution on Wednesday suggesting legislation in this direction. The resolution advises that the banks in addition to having the right to issue notes to the extent of ninety per cent. of the Treasury bonds held by them shall have the further right to issue

notes to the extent of fifty per cent. of their capital. The telegram received from Chicago announcing the fact, does not, however, state whether the provisions of the Canadian law which make the Canadian bank notes "the safest currency in the world" are also adopted.

RAILWAY HOURS OF LABOUR AND ACCIDENTS.

The annual report of the British Board of Trade on the Hours of Labour of Railway servants, shews an increase in the number of complaints made upon this subject to the Department. In the year ending July 27, 1906, there were 57 complaints filed against 47 in 1904-5, and 11 in 1903-4. Thirty-two of the complaints filed in 1905-6 referred to men engaged with trains. The report explains that: "in the autumn of last year owing to improved trade, there took place on some lines, particularly in the Midland districts, a large and unexpected increase in traffic, leading to congestion in working, with consequent delay to trains and the employment of train men for long hours." The question naturally suggests itself whether there is not some connection between this employment of train men for long hours, and the two terrible railway wrecks which have recently occurred in England. The wreck of the Scotch Express on the Great Northern outside of Grantham was of a similar character to that of the Steamer Special. Both trains were going round sharp curves at tremendous speed. When a train is going at seventy miles an hour round a curve the wheels practically "touch nowhere." The English fast trains have a great reputation for safety, due, no doubt, to the excellent system upon which they are run and upon which the lines are cleared for them; but this safety manifestly has its limitations. There is a weak place somewhere in the system, which depends after all for its successful working, upon the human brain working with the constant and absolute certainty of a mechanical contrivance. Is this attainable with overworked engine drivers? There is plenty of evidence that the drivers of fast trains suffer commonly from high nervous tension and the difference between an hour or two of more or less work at a stretch, may mean all the difference between safety and danger to scores of human lives.

In both cases under consideration the trains were travelling at high speed against orders; and in one case in flagrant disregard of signals.

FIRE AT CARP, ONT.

The following companies are interested in fire which occurred at Carp, Ont., on the 24th inst., British America, \$10,400; Liverpool & London & Globe, \$6,000; North British & Mercantile, \$2,000. Loss nearly total.