THE WATER QUESTION.

Once more the Water Department of Montreal has broken down. True, the latest break in that very fragile pump has been repaired, but not until the water level in the reservoirs had been dangerously reduced. A conflagration occurring at one of these low water periods might be very serious. Montreal is practically at the mercy of a series of accidents which occur with alarming frequency. The pressing question to-day is not: "Who is to blame?" but: "What is to be done?" The quickest way to get out of a really hazardous position would appear to be as suggested in THE CHRONICLE long ago: to buy some electric turbines, wherever they are to be bought for prompt delivery, so that they might be held in reserve. They would need no expensive buildings and no tedious installation. The cost would not be very great. But it is not a question of cost in such a crisis.

It seems about time that the citizens insisted upon some action being taken by the City Council. It would be nothing short of a calamity if some fine morning the insurance companies cut down their risks by one-half, for it has now got beyond a question of increased rates. It will be interesting to know what damages the city will likely be called upon to pay to business houses and others because of lack of water.

THE MONEY SITUATION.

There is no perceptible change in the money situation, with the exception of whatever significance there may be in the fact that the Bank of England has put up its rate to four and a half per cent. This, of course, may be in connection with gold shipments. It is difficult to foresee what lies in the immediate future. Our impression is that there is not likely to be cheap money for some time, but that conditions will remain fairly steady, with a tendency towards ease. Our Canadian banks are in good condition and well able to meet ordinary requirements. They are right, however, in commending conservatism to their customers. In growing times the tendency is apt to be in the other direction. Then again some municipalities seem to be everlasting in the market for money, in which practice they are to some extent encouraged by the banks, where local managers are naturally keen competitors for the municipal accounts. It would be much better policy for towns to confine their expenditures to actual necessities and above all to forego the fad for public utilities with which some of our Western towns especially seem strongly imbued just now.

THE CHANNEL FLEET is to be strengthened it is said by the addition of several vessels. Bit by bit the Campbell-Bannerman Government's policy of "reforming" the army and navy on dangerously parsimonious lines is being abandoned. Seldom, in fact practically never does a political party in power live up to its policy of retrenchment professed in opposition, and on the whole it is probably a good thing for the country. It is better to spend money in avoiding than in making war, and England's unquestioned naval supremacy is in the interests of peace worth all it costs.

THE STEEL-COAL TRIAL.

Case for Defendant Company Opened.

The Steel Company closed its case on Thursday last, and on Friday H. A. Lovett, K.C., opened on behalf of the Coal Company by a motion that judgment be entered against the Steel Company on the grounds that the contract between the Steel and Coal Company has been assigned to the National Trust Company. As this motion was disallowed by Judge Longley, Mr. Lovett said that he would make a motion that judgment be entered up as against the plaintiff, the National Trust Company, on the same grounds as he had already urged.

His Lordship thought that while there might be something more in the last contention of counsel than in the former, still he would not at the present stage do anything in the matter.

E. M. MacDonald then delivered the opening address on behalf of the Dominion Coal Company. He maintained that the plaintiffs had given altogether insufficient notice of increased coal requirements. As to the main issue, that of quality rather than quantity, he stated that there was no implication in the contract that the coal should be suitable for metallurgical purposes. Altogether, the counsel held, the Coal Company had supplied coal up to the specifications laid down in the contract.

On Monday Dr. Ami and Mr. Hugh Fletcher, of the Dominion Geological survey testified emphatically that they considered No. 6 mine to be on the same seam as the Caledonia mine, the latter being on the Phalen seam. Evidence as to the satisfactory use of No. 6 Coal for steam purposes was given by John Sutherland, a former manager of one of the mines on the Phalen seam, by Superintendent of Mines, Fergie, and by other witnesses on Monday, Tuesday and Wedesday.

HALF A CAR LOAD OF DYNAMITE exploded by "accident" at Essex, Ontario, killing several people injuring many and destroying property worth a quarter of a million dollars. The carelessness with which these high explosives are habitually handled is something astounding. In this as in other matters familiarity breeds contempt. They have been using whole car loads of dynamite every week at Essex and the evidence goes to show that many of the cases were loaded up-side down, that the stuff was melting and leaking along the track, and that many premonitory little explosions had taken place before the big "accident" occurred. There has been criminal carelessness upon the part of somebody, and in any civilized country but Canada or the United States somebody would be held criminally responsible.

MR. R. J. GRIFFIN, joint manager of the Employers' Liability Assurance Corporation, has returned from a business trip to the West, where he visited among other places, agencies of the Corporation in Winnipeg, Vancouver, Victoria, Kootenay, Boundary Country, etc. He reports business in a flourishing condition. Mr. Griffin states that business men in the West regard the present tightness of money as calculated to introduce more caution and conservatism among people who are inclined to be too progressive just now.