

forced sales at which property frequently changes hands, all over the country, at about 60 or 70 per cent. of the valuation, for loan purposes, made a few years before. The mortgagee stands in the place of the landlord, without any of a landlord's obligations, and when he realizes his claim, dispossession is the consequential incident. These sales about meet the demand for real estate in many places, and consequently, property is constantly changing hands at low prices. But the underlying fact is, that many of the loans were imprudently incurred, some of them not being so utilized as to earn their own interest. These things happen on a falling market. It may be, many regard it as an assured fact, that prices of real estate are about to show an improvement; and if this happens, the margins of mortgaged property will tend to increase rather than to diminish, as they have often of late done, in all degrees up to the vanishing point. Some of the loan companies favor delay in the tax sale, the obvious motive being that the tax sale cuts out the mortgagee, with whom the sacrifice is shared by the mortgagor.

THE STRIKERS AND SOCIALISM

Whatever may be the immediate result of the engineers' strike in England, it is obvious that the strike is largely the result of the spread of Socialistic ideas, which represent rent, profit and interest as robbery of the "working classes," who are paraded as the creators of all wealth. The employers, on their part, still regard Trades Unionism as the real enemy with which they have to cope, and are anxious to accomplish its destruction. The immediate pressure felt by the employers comes from the Trades Unions, some of whose rules are arbitrary and tend to diminish the efficiency of labor. Among the workers themselves there is a section inclined to rebel against rules which do not appeal to their sense of equity. These men have formed the Free Labor Federation. It must be allowed that some parts of the address calling a meeting of the Free Labor Association look as if they had been written under a feigned name. The engineers' strike is computed to have already cost \$4,000,000. According to Mulhall, an esteemed authority, a large majority of workmen in Great Britain are non-unionists. The minority makes war on the majority, in such a way as frequently to interfere with the rights of the assailed, and in the unions themselves, men are not seldom forced to strike and do other things against their will. Nevertheless, Trades-Unionism is in no danger of destruction. It may, in time, cease to exist, when it has done its work. When this will happen, may, judging from present appearances, depend upon the rapidity of the march of the forces of socialism. In the present strike, the Socialists are, perhaps, for the first time in the history of English industry, a visible element. A new condition has been created, of which employers are naturally loath to take account. Meanwhile, the industry of the nation is subject to all the actual conditions of international competition, which have reached the highest point of vigor yet attained.

One of the demands of the striking English engineers is for an eight hours day; another, that improved machinery shall not decrease the number of hands employed. Of the two, the former is most likely to be, in the end, successful. Already eight hours is the working day in Australia, where there is great need for labor. But international competition and habits make it difficult for the greatest manufacturing nation in the world to adopt an eight hours working day. England has to compete with Germany and other countries where the working hours are longer than her own. As it is, her workmen manage to maintain a higher standard of

living than Germans or French can. Could she do so, if the working day were abridged as proposed? In some callings, it may be, as much work can be done in eight hours as in a longer day; but the rule is probably the other way. It is not desirable that men, much less women and children, should be worked beyond their strength. If the International could bring about an eight-hours day, much of the objection to the change would disappear, from the point of view of international competition. The demand that new machines shall not diminish the number of hands employed is unreasonable and not likely to succeed, now or in the future. If there were any means of compensating the men displaced by machinery, out of the proceeds of the patents, one source of misery the less there would be; but this would be for society to avail itself of, a form of confiscation to avert the incidental suffering that follows in the wake of improved machinery. This suffering caused one economist, Sismondi, to dwell on the evils produced by machinery rather than the good, and another, Ricardo, to attribute a multitude of social evils to the same cause. But invention goes on, and society as a whole benefits by new machinery. It is sad to think that the men whom it displaces are sometimes trampled to death, in the onward rush of improvement.

FINANCIAL REVIEW.

The general activity of business has been strikingly reflected in the Bank Return for the month of September, and a comparison between this year and last year will bring out the matter very clearly. The circulation increased \$1,100,000 in September, 1896 (there is of course *always* some increase in that month), but the circulation increased in September this year \$4,100,000—a striking difference, indeed, and well reflecting the great activity of the producing interest in the country during this fall season. The deposits in September, 1896, decreased \$490,000; in September, 1897, they increased \$1,800,000. Discounts increased in September, 1896, \$2,737,000, but in 1897 they increased \$4,808,000.

All these figures are significant of activity, but circulation is the most-pronounced index of them all, for it is plainly manifest that the farmers of the Dominion as a whole are taking advantage promptly of the high prices that have been current for wheat and dairy products, a course which is always calculated to be of advantage to the mercantile interest generally, and, as a rule, is of equal advantage to the farmer himself.

It is very probable that the month of October may show a much larger increase still, and it would not be surprising if bank circulation in the Dominion then touched higher figures than have ever been known. The return of the 31st of October is the one which, as a rule, gives the maximum amount of circulation for the whole year. The highest figure yet shown in the month of October in any year for our bank circulation is \$38,000,000. But the circulation in September has already touched that figure; so that in all probability the high water mark of something over forty millions will be shown when the returns for the present month come in.

When it is considered that the Government circulation of small notes is over \$8,000,000, and that the total circulation of the country will thus almost certainly rise above \$50,000,000 at the end of October, it will be seen how short-sighted were those who, some thirty years ago, were willing to have circulation arranged on such a basis that the banks would practically have about \$50,000,000 less of means available for their mercantile customers.