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THE GENERAL FINANCIAL SITUATION.

Again this week the Bank of England secured the bulk of the African gold laid down in London. Conditions in the British metropolis are still unsettled. The labor situation is not exactly satisfactory as yet. It would scarcely appear that a sudden ending of the tension through a complete surrender of the employing interests to the labor unions could constitute a satisfactory or lasting solution of the difficulties. Even assuming that the working men have grievances which demand remedial action, such an official or public recognition of the fact that the unions can terrorize the whole country at will must have a tendency to lay up trouble for the future.

Already trade journals in the United States are pointing out to their readers that the mode of pacifying the strikers adopted by the British Government was likely to result in strengthening the hands of United States export firms in competing with British mercantile and industrial houses for the markets of the world.

It is said that the Government pressed the railways to grant wage increases to the men and intimated that permission would be given the railway companies to recoup themselves by means of increased freight rates. The American papers point out that this means, inevitably, that the costs of British merchants and manufacturers are to be increased—through the increase of wages and of freight rates that will ensue—and that the British will be handicapped to that extent in the world's markets. They add, too, that the position of British trade with foreign countries in certain important lines is somewhat precarious at the present time. It is well to remember in connection with this matter that, a short while ago, an attempt of the labor unions in the States to induce the Interstate Commerce Commission to authorize an increase of freight rates in America, for the purpose of enabling the roads to pay higher wages, proved a complete failure.

Then the delay in arriving at a solution of the Moroccan question is another factor having some unsettling influence. So it is natural to expect that the Bank of England would desire to secure the new gold arriving, and that the London banks and finance houses would be disposed to facilitate the acquisition of the metal by the institution in Threadneedle Street.

Bank rate in London remains unchanged at 3 p.c. In the market, money is 1¼ to 1½ p.c.; short bills, 2½ to 2⅝; three months' bills, 2⅞. Bank rate at Paris is 3, market rate 2⅛; at Berlin the market is 3⅛ and the official rate of the Bank of Germany, 4 p.c. In New York call money is steady at 1¾ to 2¼, most of the loans being at the higher level. Sixty day loans, 2¾ to 3 p.c.; 90 days, 3 to 3¼; six months, 3¾ to 4.

The Saturday statement of the Clearing House banks reflected a substantial strengthening of the surplus reserves. Taking all members of the Clearing House the loans decreased $23,600,000; the cash increased $6,000,000. The increase of surplus therefore amounted to $8,579,000.

While there are various explanations of the recent violent upset in the Wall Street list, the explanation covering satisfactorily all its phases is yet to be made. But it seems probable enough that London's disturbances have affected New York considerably. Also the demands of the railway employes, regarded as coming at a most inopportune time, helped to unsettle the market. And in the case of Wall Street it is always to be remembered