

STRIKES AND THEIR CONSEQUENCES.

Strikes, like war, are a barbarous, unintelligent, wasteful method of settling disputes. A strike has much of the nature of a boomerang: it is very apt to inflict the most serious damage upon those by whom it is set in motion. When labour abandons industry for idleness it gives some evidence of the wages which are alleged to be insufficient having been, at least, enough to provide the means of the strikers living for a period without work. If the funds by which the non-workers are supported are their own they must have had a comfortable margin to spare out of their earnings; if such funds are not their own then they are living on the charity of their neighbours, much of which however is usually quite involuntary and therefore rather more of a tax than a free gift. The storekeepers in a district where a strike is "on" suffer very distressingly from the compulsion they are practically under to find the families of strikers with food and other necessaries without payment. Their stores are literally caten up by credit customers. The economic basis of most strikes is on the ledgers of small traders, to whom the time of a strike is a cruel and often a ruinous experience. Their troubles affect wholesale houses; and one result of consumption going on without income being earned is a waste of the capital of distributing merchants which leads to an advance in the price of goods: thus a portion of the cost of a strike is levied upon the general public. If men on strike were intelligently informed in regard to economic principles they would realize that they are causing such a waste of capital and such a disturbance of credit as necessarily involve additional costs in the retail distributing of all classes of commodities. It has been demonstrated by the results of enquiries that when larger wages have been secured by a strike, more than the extra income has been required to meet the extra cost of necessaries, the price of which was advanced directly and indirectly by the strike. The store debts alone which are accumulated by strikers, with their wasted clothing and fuel stores, cause a heavy drain on their income for a length of time, and it is well known that the lowered health of the men and their families resulting from a strike burthens them so heavily as to far more than offset any increase in wages.

But the effect on the business of the country of these labour wars is akin to the destruction caused by an armed conflict. Wherever credit is an element of value and service, and where is it not, mischief is done by the disturbance of the machinery of trade. Capital and credit are most sensitive, they shrink away from any sphere where there is suspense, danger of loss, anxiety as to the financial future. Money

cannot be wasted wholesale, as it is by a great strike, without being made scarcer, therefore dearer. Manufacturers dread to make contracts for future deliveries when the cost of production threatens to be advanced by strikes. A strike of labourers thus often kills the goose, capital, which lays for them the golden egg, employment. As an organization for the restraint of trade, a strike beats the denounced combines. Surely there is wisdom enough amongst the business leaders of the United States to bring the coal miners' strike to an end, and to establish some method of arbitrating labour disputes without recourse to such a terribly wasteful and disastrous and unintelligent method as a labour war called "a strike."

THE MAY BANK STATEMENT.

In general terms the bank statement for last month shows an increase of resources both at home and abroad since end of April, the demand for loans and discounts having been reduced while the deposits increased, and the balances in Great Britain show enlarged credits in those agencies. The net changes, however, were quite moderate in amount. The paid-up capital advanced to extent of \$883,925, and the reserve fund, \$1,537,870. During the interval between May 1901 and May 1902 the reserve fund was enlarged by \$3,800,750, a figure that will be considerably increased this current year, as so many annual statements show transfer of a portion of the profits to Rest, some being unusually large owing to the premiums on new stock being also added. The volume of business has been so great for many months that any considerable increase was not to be expected in May which is usually a somewhat quiet month. The balances held by United Kingdom agencies went up from \$3,763,048 to \$6,374,242 the exports realized being by that sum in excess of the drafts drawn on this side. On the other hand the balances due to United Kingdom agencies were reduced from \$6,529,954 to \$4,740,853, the change in these balances shows that \$4,400,295 was paid to the credit of the Canadian bank accounts in Great Britain in excess of the amounts withdrawn. The increase of \$2,503,637 in credit balances or deposits on demand shows a similar movement, that is, the home customers have paid in $2\frac{1}{2}$ millions more than they have had need for. The deposits payable after notice increased by only \$95,420, which indicates that the receipts by farmers for last year's crops have ceased to leave any considerable surplus over their current needs. Putting together the home and outside deposit accounts the returns show that the total was increased in May by \$693,400.

The movement in securities resulted in an increase of \$1,347,643. During the year the increase was