

this is no new thing: it is what always happens when the cost of building goes up, in a marked degree. No doubt there has been a progressive increase in the rate of wages; and this increase must be assumed to have been normal or it would not have taken place. It must have happened sometimes, and will happen again, that the expectation of a lower cost of building in future will not be realized; but when this happens the necessary check to building operations is the same, and the refusal to incur an expenditure beyond means was the best thing, under the circumstances. All increase of price, here as elsewhere, limits demand: the amount of means available is limited; it can be made to go so far and no farther; and if increased demands are made, in several directions, the question comes up what can best be done without; contraction in some direction, there must be, and in what direction is the problem to solve. Building is an affair of capital; it absorbs previous savings; these savings are a fixed definite quantity, not an amount that can be arbitrarily increased at the will of the possessor. A man who intends to build a house out of his savings suddenly finds that the cost has gone up beyond his expectations; his means are no longer equal to the task; he must therefore wait till the cost diminishes, or his fund of savings increases. This is the law, and it has necessity for its author. Strikes sometimes proceed upon the belief that there is some royal way of making up the shortage; that persons intending to build can, if they like, pay whatever is demanded; and that the workman has only to ask that he may receive, provided the building contractor would only put a higher instead of a lower figure on his tender. You cannot make something out of nothing; you cannot increase capital by act of volition, and you cannot compel the public to pay more than what it thinks is a reasonable price, even when it has the means of doing so, for an article for which it can afford to wait. The ignoring of these simple truths has led to many strikes which have proved injurious to all concerned. Is there any hope that they will be kept in view in future?

STORAGE OF INFLAMMABLES.

It is hardly needful to remind underwriters of the dangerous nature of petroleum when stored in large quantities and especially of the menace to a district in which exist in quantities of more volatile substances such as benzine and naphtha. Statutes and by-laws have been passed regulating the storage of all these. But the authorities as well as the public need to be put on their guard from time to time lest such regulations become a dead-letter. Not long ago the MONETARY TIMES, vol. xx., page 785, contained an account of a serious loss by fire in a Michigan town where gasoline gas exploded in a woollen mill. And it is fresh in our memories that Point St. Charles witnessed a fearful scene a few years ago when a stream of burning petroleum fairly ran down lanes and water-courses, flaming and destroying as it went.

There is already in existence a by-law in this city, which restricts the storage of

such inflammables. And yet we are told that this enactment is a dead-letter and that merchants on Yonge street and elsewhere get in a car-load of inflammable liquids at a time; Some, more stringent measure, is required. It is not sufficient that such dangerous materials as we have named be placed in tanks of wood or iron if those tanks are not made reasonably fire-proof; and that this can be done has been demonstrated.

The most effective plan we know is that which consists of an inner and an outer tank. The interior one of these is a closed cylinder containing the inflammable material; the exterior one is a cylinder larger and deeper than the other and open at the top. The space between the two is kept filled with water and both are underground. A drum or man-hole from the interior tank projects upward beyond the top of the outer one, and by means of this oil or benzine can be poured into the inner tank. As the contents of the latter are drawn off by means of a faucet from this drum, the jacket of water underneath becomes deeper, and when replenished the water becomes shallower. The oil, kept from mixing with the water by the difference of specific gravity, forces the surplus water to overflow. Covered at the top, bottom and all round its circumference, such a device affords the best possible protection against fire or lightning and is claimed, moreover, to be proof against leakage or evaporation. The system we have seen was commended by the judges at the Centennial Exhibition as an "ingenious, safe and convenient means of storing and drawing off explosive oils."

Now when we consider that when oil in open tanks takes fire, all the water thrown upon it is an added danger, only helping to spread the flame. The wisdom of insisting upon some such method as that above described, commends itself. If the underwriters wish to have a locality perfectly protected against the risks attending oil storage, they may well give some attention to the plan we have outlined above.

SUGAR BOUNTIES.

Repeal of the French and German sugar bounties or retaliation by Great Britain is to-day the declared alternative. Should the international conference which is to deal with the sugar bounties fail to agree to abolition, it is now evident that the reserve force of retaliation will be called into activity. Lord Salisbury virtually said as much in answer to the complaints of a thoroughly representative deputation of English workmen. France called upon the British Government to formulate its proposal, as a condition of entering the conference at all. This, if the conference be really held, will ensure the discussion of abolition; for that nothing less than this will be demanded Lord Salisbury made plain to the workmen's deputation. The occasion furnished him the opportunity of saying what the British alternative would be, a declaration which could not be made directly to the French government. The time seems to have arrived when either the sugar bounties must go or be counter-

vailed in some way, though most certainly not by like bounties. In the latter event, their efficacy, in the countries where they now exist, would be gone; and abolition would bring the same equality, in another way.

The sugar bounties paid by different countries were, till recently, about \$34,000,000 a year but Russia no longer pays them. Public opinion in England is ripe for some measure of retaliation that will neutralize the effect of the bounties. Two modes of doing this have been suggested: one by a tax on the sugar to which a bounty has been given, the other by allowing sugar to be refined in bond and paying duty on the finished product. For some means of neutralization the Liverpool Chamber of Commerce has declared, by a large majority. But if retaliation be entered on, in the case of sugar, can it stop here? There are shipping bounties as well as sugar bounties. France gives one franc and fifty centimes per ton—about 28 cents—for every thousand miles a vessel travels on the ocean: on a 3,000 ton ship to New York and return, over \$5,000; while Germany subsidizes steamers to British colonies and to China. British ship owners are nevertheless able to hold their own, even against this competition. But if the foreign sugar bounties be neutralized, will not the ship-owners demand a like service for themselves?

LEGISLATION AS TO BUTTER SUBSTITUTES.

Last year the Canadian Parliament evinced its belief in the old saying that "what's one man's meat is another man's poison," by adopting prohibitory legislation with respect to butter-substitutes, acting with a kindly view to protecting the interests of the Canadian farmer. But it is a fair subject of difference in opinions, whether the interests of the general public, and particularly those of the working classes, were held in equally tender consideration. In view of the present season of drought, and its threatened results in high prices for milk and other dairy products, arising from the deficient pasturage reported so generally, the question of repealing the prohibitory statute of 1886 may not unlikely come under earnest discussion, for the unprofitableness of interfering with the law of supply and demand unnecessarily, to serve the interests of a special, though numerous, class of the community, will be keenly appreciated if, as seems not unlikely, the retail price of butter should reach fifty cents per pound before winter sets in.

While no oleomargarine, butterine, or other substitute for butter manufactured from any animal substance other than milk, may be made or sold in Canada under a minimum penalty of \$200 fine or three months' imprisonment, our neighbors across the border not only produce butter-substitutes for home consumption but export them largely to Great Britain. Far from forbidding the manufacture or importation of what is deemed a wholesome article of diet by a large portion of the population, the authorities of the United King-