

THE LOCAL FINANCIAL SITUATION.

SPEAKING of the Territory at large, the local financial situation is peculiar, and it would be well for the people to study it, and trim sail in accordance with prevailing winds. A wholesale merchant of this city recently stated that his establishment alone could drive a number of country stores in the Territory into bankruptcy. Other business men to whom the remark has been repeated have expressed the belief that there was, unfortunately, too much truth in it. The reason for such a situation is this: The establishment referred to supplies nearly all the country stores in the Territory with a certain line of goods, and carries many of them on its books for considerable amounts. In nearly every case payments were over due, and should the wholesale house bring a sudden and unexpected pressure to bear upon the retailers, the latter would find it almost impossible to respond, owing to the scarcity of money.

The monetary stringency felt in this city since the holidays, has been remarkable, but has not been as severe as in some of the smaller towns.

In this city nothing is being done by way of starting a number of enterprises and buildings that were talked of last fall as fully determined upon and arranged to be pushed this spring. In North Salt Lake and other portions of the city, street railroads were to be laid, manufactories established and important improvements inaugurated, of which nothing is now being heard, and not a few mechanics are idle.

And yet a gloomy view of the outlook is not justified, nor is it widely prevalent. On the contrary, there is sanguine confidence that financial matters will right themselves. It is surprising to note the hopefulness of business men, who find it difficult, to say the least, to meet their obligations; and it is gratifying to observe the disposition of creditors to be lenient and accommodating, which has been widely prevalent, and but for which serious consequences would have been precipitated upon the community.

That the laboring classes, particularly in this city, do not lack confidence, is indicated by the recent action of the hod carriers, in agreeing to demand a scale of wages varying from \$3 to \$3.50 per day of eight hours.

There is good ground for confidence, but it should not be carried beyond the limits of caution and conservatism. No panic, nor serious financial collapse is indicated by any observable signs. But the "boom" is dying away and values are settling to a permanent level. Such a process causes capital to

be cautious, makes money close, and inevitably brings disappointment to some who have been engaged in speculation. For sometime to come, probably, work will not be as abundant, nor wages as high as was the case last year, and business houses which are judiciously conducted, will endeavor to curtail the amount of credit extended to patrons, and economize their financial strength.

Individuals should govern themselves in accordance with prevailing conditions. It is not a good time to engage in airy speculation, but the indications offer strong inducement to legitimate enterprises and industries, and such investments can and should be made and encouraged. In this connection it is proper to call attention to the sugar factory in Utah County. It has already been a remarkable stimulus to industry and enterprise in the region in which it is located. It has provided employment for hundreds of persons, including the workmen who are engaged in erecting the plant, and promises well for the farmers who are sowing and cultivating beets. Should the supply of the latter prove too small it will be a calamity, and the farmers should exert themselves to meet the demand. Here is labor for a numerous class, which is sure to bring quick and profitable returns.

There is need for conservatism, but not for apprehension. Money is said to be slightly easier in this city, and most of the banks are meeting the more moderate requirements of their customers. This, it is hoped, will soon spread an ameliorating influence over the Territory, and with the improved prospects for good crops in the fall, through the late copious snowfalls, will tend to relieve the monetary stringency. But indebtedness should not be incurred in expectation of an immediate return of flush times, and the man who owes the least will likely sleep soundest for some time to come.

THE PROPOSED SALE OF ADDITIONAL CITY BONDS.

THE discussion in the City Council on Tuesday, April 13th, evoked by the recommendation of the committee on finance to dispose of an additional \$200,000 worth of the bonds of the corporation, was somewhat racy. Mr. Pembroke wished to know for what purpose the money was wanted. He was informed that it was required to pay for the Parley's Creek conduit and for "other purposes." This seemed to satisfy the interrogator, but will probably not have that effect on the tax-paying public.

Mr. Hall seemed perplexed on the subject, and intimated in pretty broad terms that the financial operations of the city government had not been conducted systematically; on the contrary, they had been conspicuous for a sort of reckless helter-skelterism. He held that the Council had been required to exercise a great deal of faith in the finance committee, stating, at the same time, that men could not "live by faith alone."

The statement of Mr. Lynn to the effect that the money to be obtained from the sale of the bonds was to pay for work done on the Parley's conduit, brings into prominence an incident that occurred during the proceedings of the same session almost immediately preceding the discussion. This was the appointment, on recommendation of the Board of Public Works, of Mr. T. J. Williams as inspector of brickwork connected with the conduit referred to, at a salary of \$125 a month.

Was the payment of this salary one of the expenditures which make the sale of the bonds necessary? What need is there for the creation of such an office as that to which Mr. Williams has been appointed? The work which it is presumed it becomes his duty to inspect, is to be performed under contract. Those who have undertaken it are under bonds, or ought to be, for the faithful execution of it. Why, then, should there be a special officer appointed to inspect the work as it proceeds? Is it because the positions of the members of the Board of Public Works are mere sinecures? Is it to be understood that these gentlemen are to merely draw their salaries and do their work by deputy? Is it not the duty also of the city engineer to see that contracts for public work of this character are adequately fulfilled?

These are questions to which an afflicted and tax-burdened people have a right to require satisfactory and intelligent answers.

During the discussion, Mr. Hall intimated that a portion, at least, of his deep anxiety regarding the financial policy of the city government, was that the terms of some of the members of the Council would in all likelihood expire at an early date. In mentioning expiration of official terms in this connection, he made a mistake. He without doubt referred to the probability of the courts of this Territory subjecting six interloping alleged officials, who hold seats in that body, to a process of expulsion.

We cannot understand how it is that a man like Mr. Hall can, with the views that he evidently entertains on the subject of his title to office, remain in his position for a moment.