"There is no reason why these laws to protect the public should not be enforced and the unsound companies dealt with. How real the danger is can be understood if you recall the great conflagration in Chicago in 1871. There was in force ninety millions of insurance, yet only thirty-six millions were collected. In 1872, when Boston suffered from a conflagration, sixty millions of insurance was in force, but only thirty-six millions were collected.

"These lessons were driven in upon the United States public with such force that since then every licensed or chartered company must cease doing business as soon as it is unable to pay its shareholders in full as well as show a proper reserve fund for its policyholders. As a result of the United States policy, practically all the thirty-five millions loss in the Baltimore conflagration was paid, and in the San Francisco fire ninety-seven per cent. of the two hundred and fifty millions loss was paid in full.

Regularity of Conflagrations.

"It is often said there is no danger of another large conflagration. The other day when looking over the records of conflagrations it was surprising to find the utmost regularity with which they have occurred. They will occur again. No city is free from danger. Some of our companies might be able to pay losses occurring every day, but will they be able to stand when millions are called for? And there are many companies carrying millions of insurance in cities like Toronto. Fire rates are not based on the same principles as those of life insurance, not on what has happened but what will happen. All business men seek to do business with strong banks, therefore, they should pursue the same course in regard to fire insurance and refuse to deal with weak insurance companies. Credit is always based on insurance of some kind, as proved by the fact that business always decreases, and sometimes ceases altogether when credit is impaired. As insurance is one of the things that maintains confidence, it should be reliable with premiums high enough to pay losses and build up a reserve to meet any strain when it comes as it will do."

The following are the bank clearings for April, 1912, compared with those for April, 1911:—

	April, 1911.	April, 1912.	Change. per cent.
Montreal	$176,440,366	$222,790,180	+ 26.2
Toronto	147,634,272	170,540,284	+ 15.5
Winnipeg	82,148,419	115,841,086	+ 41.01
Vancouver	41,337,756	52,324,013	+ 26.5
Ottawa	16,603,756	23,655,326	+ 42.4
Calgary	14,449,866	20,760,573	+ 43.6
Quebec	9,154,289	11,633,425	+ 27.0
Regina	5,293,281	9,038,386	+ 70.7
Victoria	11,693,804	14,683,203	+ 25.6
Hamilton	10,368,770	13,561,230	+ 30.7
Halifax	7,139,024	7,923,103	+ 10.9
St. John	6,073,973	6,774,423	+ 11.5
Edmonton	8,836,437	16,335,538	+ 84.8
Brandon	2,133,675	2,207,419	+ 34.2
Lethbridge	2,136,127	2,601,039	+ 21.7
London	5,720,037	6,986,527	+ 22.1
Saskatoon	3,729,255	9,307,095	+149.2
Brantford	2,057,182	2,370,192	+ 15.2
Moose Jaw	2,927,773	4,739,082	+ 61.8
Total	$555,878,062	$714,072,124	+ 28.4
Ft. William	....	2,693,104	....

THE WORLD'S GOLD.

Director of the U. S. Mint Traces its Production and Distribution during Last 21 Years—The Movement of Gold to India—Influence of Gold on the Rise in Prices.

(Continued from page 649.)

Absorption by India.

The most striking feature of the review is the showing of an increasing absorption of gold by India. That country in its relations with Europe has always had a favorable trade balance which had to be settled in the precious metals, but until recently the principal medium has been silver. Of late the trade balances have been growing larger, as a result of increasing exports, and the higher prices received for them, and while India continues to take about the same amount of silver as formerly, it is also taking large sums in gold. For the ten-year period, 1890-1899, the net imports of gold into India plus the country's own production were $135,800,000; for the eleven years, 1900-1910, they aggregated $433,-800,000; for the British fiscal year ended March 31, 1911, they amounted to $90,487,000, or about one-quarter of the world's production after the industrial consumption was provided for. The director of the Mint, referring to these imports, says:

"It may be questioned whether the economists who are expressing fears as to the effects of the production of gold at the present rate are aware of the amount of that metal taken by India, since the gold standard was definitely established and the Government began to pay out sovereigns freely."

In this connection the report calls attention to the part that India has played in the past in modifying the effect of sudden influxes of the precious metals upon the markets of Europe. The development of the gold fields of California and Australia in the early fifties caused much alarm in financial circles, and caused several countries to close their mints to the free coinage of gold. But about that time the construction of India's first railways caused the transfer of large sums of British capital to India, and later caused an increase in the latter's exports, so that large sums of silver were necessarily transported to that country. These sums, taken in the main from the monetary stock of France, made room for equal amounts of gold.

Attention is directed to a review of this period, written in 1865 by Prof. Stanley Jevons, of the University of London, in which he summed up the influence of the movement to India as follows:

"Asia, then, is the great reservoir and sink of the precious metals. It has saved us from a commercial revolution and taken off our hands many millions of bullion which would be worse than useless here. And from the earliest historical ages it has stood in a similar relation to Europe. In the Middle Ages it relieved Europe of the excess of Spanish-American treasure just as it now relieves it of the excess of Australian treasure. 'The Indian trade,' says Macpherson, 'arose to considerable magnitude at the same time the American mines began to pour their treasures into Europe, which has happily been preserved by the exportation of silver to India from being overwhelmed by the inundation of the precious metals as it must have been had no such exportation taken place.'"

The review shows that important amounts of gold have been taken during the twenty-one years by countries outside of the old circle of gold-using nations. Thus Argentina and Brazil within the last decade have established their currencies upon a gold basis and acquired $344,000,000 of that metal. Japan,