

of the Underwriters' Association, Mr. McLean, in his examination before the committee, showed from the reports that the companies had scarcely realized four per cent. on their capital for the past fifteen years. He read from the report of 1884 that "since 1877, no less than eight Canadian fire companies had ceased doing business. The loss to the shareholders could not have fallen far short of \$2,000,000. The companies still active had also lost considerably during the period." In 1883, for every \$100 received in premiums, there were paid out by the companies: \$76.23 for losses; \$30.80 for expenses; and \$3.67 dividends, or a total of \$110.70. In the following year the amounts paid out for similar purposes amounted to \$104.96, for every \$100 received in premiums. This does not show very well for the companies, and would seem to justify some organized effort to better the unsatisfactory condition of things. The proportion of expenses, as compared with premiums received and losses paid, looks big, and would suggest that some improvement might be made in the direction of reducing expenditure. Still, the reduction of expenditure to such an extent as to change the unprofitable balance to a fairly satisfactory sum on the opposite side of the account, could hardly be expected. The work of the Underwriters' is largely to establish equalized rates, and classify towns according to the facilities possessed for extinguishing and preventing fires, nature of buildings, etc. So long as fire insurance continues to be an unprofitable business to the companies, it can hardly be claimed that the existence of the Fire Underwriters' Association causes exorbitant insurance rates, and is in its nature and unjust combination to defraud the public. On the other hand, an organized effort on the part of the companies to encourage towns to increase their protection against fire losses, may result in cheapening insurance. This the Underwriters' Association is sometimes enabled to do to much better advantage than if the companies were all working singly.

INDIAN WHEAT.

The question of Indian competition in British and European markets with American wheat, has long been an interesting topic on this side of the Atlantic. India has been looked upon as the com-

petitor and the one great obstacle in the way of the American wheat grower. A paper in a late issue of *Bradstreet's*, by Wm. E. Bear, of London, England, on the "Indian Wheat Trade," will therefore be read with interest. Mr. Bear notes that it was not until 1881-2 that India attracted any attention as a wheat exporter. Previous to that year her wheat exports had only two or three times reached over 10,000,000 bushels in a single year. In 1881-2 there was a big jump to 36,000,000 bushels. Since 1881-2 there has not been any great advance to the present year. In the years 1882-3 and 1884-5 there was some reduction in the exports, whilst the last two years have shown some increase being 38,880,000 bushels in 1885-6, and 41,100,000 bushels in 1886-7. Flour exports from India are also increasing rapidly, but so far no flour has reached Europe. Wheat exports from India have nearly all gone to Europe, only about three million bushels of last year's crop having been exported to other countries. The United Kingdom took nearly 18,000,000 bushels, Italy came next, taking less than 10,000,000 bushels, France and Belgium about 5,000,000 bushels each, and other countries amounts under four million bushels each. It is noted, that though the quantity of Indian wheat imported into the United Kingdom is not large in comparison with total imports, yet the influence upon prices in British markets may be much greater than is generally supposed. Thus, 10,000,000 bushels of Indian wheat going to Italy, supply a market which would otherwise have been filled from Russia. The result is, that an extra 10,000,000 bushels of Russian wheat is available for British markets. Mr. Bear views it as a significant fact, though it may be a coincidence, that the average price of wheat in Britain has been permanently below 45 shillings per quarter only since 1882—the year in which Indian exports first assumed considerable proportion. He reasons from this that Indian supplies coming upon the markets at a time when the world was already producing a surplus of wheat, has had a good deal to do with low prices of late. Next Mr. Bear shows that the fall in wheat prices is not due to increasing production in, and exports from the United States. For the four years from 1880 to 1883 inclusive, the average annual area sown to wheat was 37,305,885 acres, pro-

ducing an average annually of 451,025,397 bushels. During the same time the average annual exports were 159,698,355 bushels. For the following four years, 1884 to 1887 inclusive, the average annual area of wheat had fallen to 36,967,804 acres, producing an average of 444,273,750 bushels annually, with average annual exports of 123,301,615. Thus the decline in exports from the United States for the past four years has averaged about 36,000,000 bushels less per year than for the preceding four years. Similarly, says Mr. Bear, European supplies have not been increased during the past four years of low prices, from home production of wheat.

He then asks the question: "How is it that India has been able to increase her exports of wheat in the face of declining prices, which have reduced the acreage and production of wheat in so great a wheat-growing country as the United States? The answer is very simple. It is that the price of wheat in India has not been reduced at all." A list of prices is given showing that prices for wheat at Calcutta have remained practically the same for the past twelve years. Further, as the cost of transportation from the interior has been greatly reduced, it may be inferred that the producer has received a higher price for the grain. The figures given show that the reductions in railway rates have been surprisingly great, now being only about one half what they were a few years ago. This reduction in the cost of transport has counterbalanced the fall in wheat prices and the result is that the Indian grower gets as good a figure now as he did when prices were high in European markets. At these prices it is said the Indian ryot considers himself well paid for his wheat. The fall in the gold value of silver is also considered to be an important stimulus to wheat exportation from India. Owing to the poor quality of Indian wheat, Mr. Bear intimates that there may be a limit to the quantity of this grain which Europe will take, but he thinks there is no reason to suppose that the limit has yet been reached. In conclusion he thinks wheat growers of other countries must be prepared for the continuance of Indian competition upon a moderate, if not an increasing scale.