

year 1906 may be summarized by the following tabular statement. The two twelve-month and the eight-month periods indicated may (speaking generally) be characterized as periods of "trade expansion," "trade contraction" and "trade recovery" respectively.

	June, 1906.	Dec., 1906.	June, 1907.	Dec., 1907.	June, 1908.	Dec., 1908.	Feb., 1909.
TRADE.	EXPANSION		CONTRACTION		RECOVERY		
CURRENT BANK LOANS.	Increase.		Decrease through business.	Lessened demands.	Decrease owing to securities abroad.	Several banks increased in Feb.	
DEMAND DEPOSITS IN CHARTERED BANKS.	Increase, concurrent with loan increase.	Decrease owing to strain on bank balances.	Continued Decrease.	Increase (after 18. two months of 1908) as funds became released from business.	Increase continued, augmented by receipts from abroad: 1) crops 2) securities.	Decrease indicating some transference to commercial channels.	
NOTICE DEPOSITS IN CHARTERED BANKS.	Increase.		Decrease after August. Considerable withdrawal for stock market "bar-gains."	Increase after Feb. due to release of funds, and money from abroad.	Steady continued. Increase.	Decrease during Feb.	
SPECIAL SAVINGS BANKS.	Increase.		Practically Stationary.		Steady but slight Increase.		
COMBINED SAVINGS DEPOSITS IN P.O. & GOVT. BANKS.	Practically Stationary. (Increase in P.O. Banks, decrease in other. Some of latter branches were closed).		Slight Decrease. Withdrawals for living expenses — some for investment in stock market.		Steady but slight Decrease.		

From the foregoing it would appear that during the twelvemonth of remarkable business expansion ending with June, 1907, deposits in Government savings institutions showed no growth. The statistical table shows practically the same condition during the four preceding "boom" years. Even allowing for any increase in savings placed in chartered banks, loan and trust companies, etc., it is clear that a time of marked trade expansion may be less conducive to accumulation of savings than less "piping times." One reason, doubtless, is the increased cost of living—not merely on account of higher prices for necessities, but owing to the more luxurious, not to say extravagant, modes of living contracted during days of seeming prosperity. Then, too, the speculative mania marks the man of daily wage or small salary as a too-easy prey—and, altogether, it is a case of "easy come, easy go" during months of special business activity.

Business contraction generally characterized the twelvemonth ending June, 1908. It brought some

slight net decrease in deposits in the Government institutions. Some withdrawals were doubtless made so as to take advantage of security market bargains during panic days. Other withdrawals were for the more necessitous purpose of living expenses during out-of-work months; that these were not greater is to be counted fortunate. Possibly, on the other hand, some transfers were made of accounts from chartered banks, by timid depositors—though such were certainly very few. It is to be noted that between January 1, 1907, and January 1, 1908, deposits with loan companies, etc., fell off largely—but it is to be borne in mind that such accounts are in practice largely drawn upon for current business requirements or for particular investment purposes.

Since June, 1908, there has been gradual recovery in general business. Savings deposits, however, continued to decrease steadily, if slightly. Necessities of life are yet ruling at high prices; and the wheels of industry, though turning steadily, are still moving more slowly than we had come to consider normal. It may be some little time, therefore, before the wage-earner is again able to add to his cash reserves. With continued trade quickening, however, gradual increase may be looked for in savings deposits. The public will remember, for a time at least, somewhat of its lessons of enforced caution and frugality, and will be inclined to lay aside part of whatever surplus earnings business conditions may make possible.

It may possibly be, therefore, that during the next few months, savings deposits will increase while general banking deposits of the business community decrease. The latter trend (rather than any marked increase in current loans in the near future) seems likely to be concurrent with trade quickening. As pointed out a week ago, funds from abroad, and idle accumulations at home during months of trade slackness, have resulted in unprecedented deposit totals, now available for renewed business requirements as they arise.

WHICH PRECEDENT?

Involuntarily, New York State continues to supply Canada with "horrible examples" of how not to legislate in insurance matters. A few months ago the business men of the state, through the New York Chamber of Commerce, voiced their views as to the injury done to general business interests by undue restriction of life companies' activities. And now, many of the very legislators who so enthusiastically passed the Armstrong law, seem awakening to the fact that it is possible that some of the enactments of three years ago went over far, and have proved more restrictive than necessary for safeguarding the interests of policyholders. At any rate, the other day, the minority and the majority leader in the legislative assembly at Albany respectively moved and seconded a resolution asking the Superintendent of Insurance to furnish a statement showing the gains or losses in total amounts of insurance in force of three New York life insurance companies and seven companies of other States during the years 1906, 1907 and 1908. In the course of his speech the mover of the resolution quoted the figures of gains and losses