

between the Western producer and the European consumer. These transactions were chiefly in wheat, Indian corn and flour, and have ranged in value for several years past from \$10,000,000 to \$15,000,000 per annum. During the last fiscal year, 1878, the value of the United States' produce bought on Canadian account was \$13,452,460, which consisted of the following:

## IMPORTS OF FLOUR AND GRAIN DURING 1878.

	Quantity.	Value.
Barley.....	302,147 bush.	\$ 137,243
Oats.....	2,162,292 "	651,441
Indian Corn.....	7,387,507 "	3,535,619
Wheat.....	5,635,411 "	6,510,148
Flour.....	314,520 bbls.	1,866,101
Indian Meal.....	226,850 "	619,380
Oatmeal.....	2,949 "	22,226
Other grains & meals.....	—	110,302

Total value of imports for 1878...\$13,452,460

When we turn to our exports of breadstuffs and coarse grains to Great Britain and other countries during 1878, we find that the total value thereof was \$25,710,742. Deducting from this amount our imports from the United States as above given, we find that the exportable surplus of these products of Canadian farmers, after supplying our own wants, was of the value of \$12,258,282 during the past year. As a portion of the imported United States' flour and grain is consumed here, the value of our exports of purely Canadian produce is, of course, increased to a corresponding extent. This will be seen at a glance by the following statement of our total

## EXPORTS OF FLOUR AND GRAIN DURING 1878.

	QUANTITY	VALUE.
Flour, Canadian.....	476,431 bbls.	\$2,739,466
Barley.....	7,267,399 bush	4,315,739
Beans.....	71,162 "	76,013
Indian Corn.....	655 "	517
Oats.....	2,340,062 "	959,985
Peas.....	2,420,044 "	1,984,101
Rye.....	415,825 "	251,669
Wheat.....	4,393,535 "	5,376,195
Other grain.....	5,893 "	5,794
Indian Meal.....	1,111 bbls.	3,721
Oatmeal.....	174,511 "	754,257
Meals—all other.....	1,103 "	4,200

Total Canadian produce.....\$16,471,657

UNITED STATES.	
Flour.....	\$ 18,222
Barley.....	172,895
Indian Corn.....	2,677,772
Oats.....	86,300
Wheat.....	6,254,933
Other produce.....	28,903
	9,239,085

Total exports in 1878...\$25,710,742

It is worthy of notice that our flour and grain trade is not so large as it was—that, in fact, it seems to have permanently declined, unless and until Manitoba comes to the rescue. When rightly understood, this

circumstance, we fancy, affords grounds for satisfaction rather than for regret. It can largely be accounted for by the fact that a better system of farming is now being practised throughout the Dominion, more especially in Ontario, and that instead of overcropping their land with wheat, as was formerly too much the case, stock-raising and dairy-farming are now being extensively followed by the agricultural community. The immense development during recent years of our dairy interests goes far to corroborate this view. But whatever the causes may be, there can be no doubt of the shrinkage in this branch of our export trade, for we find that the value of our total transactions in breadstuffs and grains, as above given—counting both imports and exports—to have been as follows during the past six years:—

1873.....	about...\$34,500,000
1874.....	41,899,925
1875.....	33,726,991
1876.....	25,110,967
1877.....	16,444,828
1878.....	25,710,742

The returns for 1877, it will be observed, are remarkably small—in fact it is one of the very few years in our history—if not the only one—in which we did not, taking breadstuffs alone, raise sufficient to supply our home market. Our purchases of flour and wheat from the United States amounted to \$7,811,097, while our exports were only \$5,627,440, the difference between these amounts (\$1,183,657) being the deficiency between the value of our production of breadstuffs and our home consumption during the year. The succeeding harvest must have been vastly more abundant, for there was a large surplus between the value of our production and home consumption, as the following returns of our exports and imports prove:

## EXPORTS OF BREADSTUFFS IN 1877.

	Quantity.	Value.
Flour.....	479,245 bbls.	\$2,757,688
Wheat.....	9,509,243 bush.	11,631,128
Deduct Imports—U. S.:		
Flour.....	\$1,866,101	
Wheat.....	6,510,148	
		8,376,249

Surplus production in 1878...\$ 6,012,567

The principal market for United States flour in this country has been the Maritime Provinces, and we shall add the returns shewing the imports and exports during 1878 of the staff of life by each province respectively, so that our readers may be able to see how far these markets continue to be supplied from American sources. Comparing these returns with those of former years there is reason to believe that the flour trade of Nova Scotia and New Bruns-

wick with the United States has been gradually contracting. In 1875, for instance, Nova Scotia imported flour to the value of \$959,000, in 1877 its importations were only \$717,000; and last year only \$606,000. The returns for New Brunswick show a similar result. The imports and exports of flour by each province during 1878 were as follows:—

	Imports	Exports.
Ontario.....	\$115,340	\$1,010,395
Quebec.....	575,975	1,684,166
Nova Scotia.....	606,477	57,867
New Brunswick.....	336,722	1,547
Manitoba.....	8,067	320
Columbia.....	172,676	
P. E. Island.....	50,844	3,373
Total.....	\$1,866,101	\$2,757,698

The importance of this branch of Dominion trade, including barley, oats, peas and other coarse grains, cannot be overrated. The effect of recent legislation may be, more or less, to restrict our handling United States produce, and, consequently, to curtail the profits made thereby, as well as in carrying it by rail and boat on its way to the foreign market. Whether the farmers will receive any benefits which will compensate for this, a few months' experience will determine. In the meantime, the effects of recent measures on our produce and carrying trade should be closely watched by our legislators, and such action should be ultimately taken as experience may prove to be most promotive of the public interests.

## THE EXTENSION OF FIRE INSURANCE.

A great deal has been written upon the above subject, and very many underwriters lay down as an indisputable axiom that, the more extended the base of the Fire Insurance Company's operation, the safer and more secure is such Company. It is only in the last number of the *New York Spectator* that we read the words "that the broader the field the stronger the Company." Now, it has been said that there is a grain of truth in every doctrine, but, while admitting this, we must not forget the words of our old friend Sir Roger de Coverley, "Much may be said upon both sides."

We are aware that in attempting to combat the foregoing axiom, we shall have the largest and most successful English companies brought up as evidence of the advantage of an extended field in fire insurance; but we are entirely willing to admit the said advantage under certain limitation: namely, that the company is strong enough for such extension. To make our meaning still clearer, the extension should follow the strength; and any experiment in