

	Butter, kegs.	Cheese, boxes.
1872	122,703	220,522
1873	153,047	391,176
1874	99,341	379,262
1875	162,266	34,388
1876	203,747	531,907

These figures are encouraging, showing the great and growing importance of these industries for which Canada is so peculiarly adapted; and we may predict for 1877 a still better exhibit, if we know anything of the character of the people who have built them up to their present proportions.

INSURANCE IN 1876.

If there be one class of business men, which more than another, should be disposed to believe that the trying times through which the country has been passing during the year just expired have tended to develop a low standard of business morality, it should be those who are interested in the success of fire insurance companies. The many disastrous conflagrations as well as isolated fires recorded weekly in our columns during the year under the caption of "Fire Record" bear evidence of the fact, and are, to say the least, suspicious; for we can scarcely imagine that such extraordinary coincidences are possible, to account for the frequency and destructiveness of these disasters. In a great majority of cases, doubtless, accident rather than design or neglect is the true cause, but when we remember that they have been largely confined to parties in trade, and in no small proportion to persons to whom such a catastrophe would be a fortunate occurrence, wiping out in a moment liabilities which it would otherwise be almost impossible readily to get rid of, the inference, if not the deduction, is provoked that the origin of many of the calamities is more to be attributed to design than mere accident. These may be deemed uncharitable remarks, but they do not apply to that great number of fires respecting which there has not been the shadow of suspicion, and which reasonably claim the sympathy and indulgence of creditors.

To any one taking a general view of the business of the year just expired it would occur that a general repudiation of indebtedness was encouraged by those most interested in promoting commercial honesty—in the great number of failures and compromises, to the ultimate injury of themselves in the damage done to the honest customer who struggled to pay his just dues, and inciting dishonest dealers to utterly destroy what little was left, in order to enable them to pay a dividend to their creditors and set themselves afloat

again. It is appalling to consider what a large proportion of the fires recorded are attributed to incendiarism, to the work of men who have become financially embarrassed, and who, because the law cannot reach them, light a match and apply it to the fruits of some honest man's labor which the designing knave happens to be possessed of at the time, and reduce them to ashes. In this way he not only destroys something that can never be replaced, but he injures his honest neighbor by defrauding the company in which he may also be insured. Every business man in Canada is interested in lessening the number of fires, for there is no doubt that every fire tends towards an increase of insurance rates, on the principle that the greater the risk, the higher the rate.

The remedy for the state of things we have been describing is partly in the hands of the companies themselves and partly in the hands of the wholesale merchants. Respectable insurance agents will not descend to that unwise competition which takes heavy risks, or any amount of risk on property already sufficiently insured; but there are, we regret to say, but too many whose sole object is their commission, and the amount of premiums they can return, and who not unfrequently transmit surveys which convey anything but an accurate description of the property to be insured, offering by this means a premium to incendiarism and its concomitant evils.

The influence of the wholesale merchant in cases of disputed claims where he may be interested as a creditor in the affairs of the claimant is productive of much mischief; for with this guarantee the retailer imagines his case a sure one against the company if he can only effect the purchase of a round bill of goods on credit before the disaster takes place, as the merchant is apt to back up his debtor's demand by threatening to withdraw his own business from the company unless the claim be paid. This is not by any means an exceptional case; and the effect it has on the morality of insurance is exceedingly pernicious.

The insurance business for 1876 will prove, we fear, that all companies operating in Canada have more losses than gains to count. The undue competition lately complained of, although productive of evil in the indiscriminate cutting of rates, has one redeeming feature, inasmuch as the severe losses of the year found a greater number of companies to bear the burthen, and those who have felt uncomfortably jealous on that account may solace themselves with the idea that there are losses to be shared as well as profits.

EASY LESSONS ON POLITICAL ECONOMY.

XII.—Wages and Strikes.

The business of the capitalist in buying labour, as in buying anything else, is to select the best that he can get at the price he is willing to pay. Hence, so far as he is free to do so, he chooses workmen by their efficiency; or, in other words, by the productive value of their labour, or their fitness for the purpose to which it is to be turned. And though custom, in most forms of employment, fixes a rate of remuneration for a given amount of labor which for the time applies nearly equally to all men similarly employed, and the action of Trades Unions too often gives a pernicious fixity to this similarity of rate, yet, as the demand for labour of every description is always varying, more or less, in relation to the supply, this does not prevent wages being adjusted in most forms of employment, very nearly to the value of the labour usually given by each man. The less efficient workman may readily obtain employment when trade is unusually brisk; but a trial makes apparent their real productive value; and they are the first to be dismissed when the demand for their labour slackens. There are, in all trades, a number of men whose labour is only worth the current rate of wages, when there is much to be done; and who cannot, therefore, be said to earn that rate on the average. Further, the less valuable descriptions of labour are generally subject to much greater fluctuations of demand. We often see in the accounts of Prices Current for articles of common use, such announcements as that "for medium and low qualities there is little demand, but for good and prime qualities there is a fair demand, and prices are well sustained." And it is with labour as with everything else bought and sold in an open market.

There is, beside strength and skill, a third quality in the laborer for which we often pay largely, and that is well-proved integrity. Were all men perfectly honest, of course the service of mere honesty would have no exchangeable value. But they are not so; and according to the assurance that a man may be confidently trusted, always adds materially to the value of his labor; and in some instances where it is of much importance that confidence should not be misplaced, this quality bears a very high value.

The general law of wages may be best observed in its operation upon large bodies of workmen, using only a moderate amount of skill, but attached by such skill to particular occupations. But here we have too often to allow for the effect