

still worse, is to accept risks without giving the insured any definite information as to the stability of the company in the event of loss. Our correspondent may not know what the company's position is, therefore we presume he cannot enlighten us on this point, which is of the most vital importance to the public. A government deposit of \$10,000, fine offices, and respectable names on the directorate are not all that is necessary to pay losses.

—The annual meeting of the Montreal Telegraph Company will be held in Montreal on the 10th inst. The years business shows, we understand, an increase in receipts amounting to \$5,000, and a decrease in expenses of \$12,000, making an increase in the net profits of \$17,000. A dividend of four per cent is declared.

—The Royal Loan and Savings Company commenced business in Brantford in June, 1876. It now has invested in first-class mortgages the sum of \$130,000, while its deposits are nearly \$50,000.

—The Bank of Nova Scotia declares a half-yearly dividend of 4½ per cent., and the Halifax Fire Insurance Company a dividend for the half year of 7½ per cent.

—The customs revenue collected at Halifax last year was \$1,053,692, being an increase of \$108,768.

ADULTERATION OF SILK FABRICS.

This is a subject which possesses much interest for dry goods men, and indeed for their customers, in view of the impositions which have been made upon both by the admixture of foreign substances with silk.

From recent disclosures and an animated correspondence in the *Times* it appears that the gross adulteration of silk fabrics has developed into a widely-extended trade that threatens to recoil on the entire silk industry with disastrous effects. It is commonly supposed that silk tissues have deteriorated of late years through a practice of mixing silk fabrics with jute; but this, it seems, is an error. The flimsy qualities of rich-looking black silks are not produced by any mixture of other fibres, but by means of dyes. It seems that silk manufacturers of Lyons have invented and carried to great perfection a method of mixing gelatinous and weight-giving substances with the dye, and loading the fibres of silk with them to almost any extent. By this means what look rich, strong silk tissues are made and palmed off upon the market and sold by dealers at "immense sacrifices," to the serious injury of the silk trade in general. Samples of these adulterated fabrics, which to the inexperienced eye look fine heavy silks, but which when stripped of the dyestuffs by which the threads had been loaded, prove to be the merest gauze. Considerably more than half their weight is dye, and, of course, these stuffs begin to cut and become greasy almost the first time they are worn.

Judging by advertisements which we have seen, the trade in these spurious silks seems to be at present a very flourishing one, and is not confined to mere second-class warehouses. The profit on this class of goods is, indeed, too much for the honesty of many merchants, especially when the public will insist on running after a cheap article, whether it be genuine or

not. Every one of these spurious fabrics which are advertised at prices which are described as a "sacrifice" yields a clear profit of not less than 50 per cent. to the sellers, and the force of the temptation which this gives is driving sound English and French goods almost out of the market. The English silk weaving trade has been nearly destroyed by this inroad of bad silks, in the manufacture of which Lyons appears to beat the world. It is a perilous kind of triumph, however, and we may soon expect to see the entire silk weaving industry of France suffering from this dishonest manufacture. Silk goods, good or bad, will come to be discredited more than they have ever been, and something very like general ruin must overtake an already overburdened industry unless some effort is made to return to honest practices in time. The public in this country, in India, and the Colonies should take warning, and know that in buying rich-looking cheap silks they may be buying goods one-third silk and two-thirds dye.

Insurance.

FIRE RECORD.—St. John, 28th Dec. 1877.—A destructive fire broke out in Valpey shoe factory and destroyed a number of building's. The loss is estimated nearly \$60,000 and nearly 200 men are thrown out of employment. The following are the insurances. Central, \$2,000; Commercial Union, \$3,300; Western, \$1,000; Northern, \$2,800; Citizens, \$3,500; Provincial, \$2,500; Imperial, \$1,200; Etna, \$2,000; Hartford, \$2,000; Canada Fire and Marine, \$800; North British & Mercantile, \$500; Liverpool, London & Globe, \$600; Royal Canadian, \$1,500. Some of the losses will be partial.

Flesherton, 28th.—Archy. Boyd's barn and contents, were burnt. The origin of the fire is not known; loss about \$500.

Collingwood, 20th.—Two large barns, owned by Wm. Foster, and used for packing hay in, were destroyed by fire; also a large quantity of hay, with a hay press and other valuable articles. Insured in British America for \$650; loss estimated at \$1,000. Cause of fire unknown.

Belleville, 28th.—Mr. Joseph Thompson's house, barn and sheds on the high shore at Sophiasburg were destroyed by fire. Loss partly covered by insurance.

Mount Elgin, Dec. 31.—A fire destroyed Mrs. Warren's residence—a large frame building. Cause unknown. Furniture all saved. Damage about \$400.

Hollin, Ont., Dec. 30th.—Mr. George Hamby's general store, mill, factory, and dwelling house attached, were totally destroyed by fire. Insured in the Waterloo Ins. Co.

CHEAP INSURANCE.

In the hurry and turmoil of commerce, when the mind of the man of business is most intently fixed upon the questions of profit or loss directly before him, he sometimes falls into the error of placing vital questions in comparative obscurity. It must be by reasons of this character that intelligent business men fall into the now popular error, which asserts "*cheap insurance is real economy*." And it often happens that the shrewdest men in their own peculiar occupations, good financiers and prosperous merchants, are quick to patronize those who are most reckless in selling insurance far below its real value, and they will take policies in a doubtful company because the rate is a shade below the legitimate market. Does not this dangerous practice arise from the fact that merchants do not take the time to consider the matter in its proper light? The purchase of a policy of insurance cannot be confounded with an ordinary purchase in the course of trade, because it is no ordinary article of merchandise. The policy is nothing but a

cheap piece of paper, whose value consists in its being the evidence of a promise to pay, and the value of this promise to pay depends upon the solvency of the promisor, and the solvency of the promisor depends upon his prudence in doing business. If a man buys a house and pays his money for it and goes into possession of it, he enjoys it to-day and to-morrow; but if he buys a policy of insurance and pays for it, his money is gone in exchange for a hope that it will benefit him in the future. But suppose that before the time comes in the future for his hope to be valid, the party who has received his money and given him the promise prove unable to fulfil his agreement, then the delusive price of paper for which he has paid his money is his only return. Now, if a man purchases a coat for five dollars for which the seller paid fifteen, he can put it on and wear it out, and if it turns out that the seller is ruined a month afterwards, this does not concern the buyer of the coat. Not so with cheap insurance. In the first place, the very fact that it is so cheap is the best indication to the purchaser that he is buying a risk; he cannot enjoy it as soon as he buys it; he cannot reap the benefit of it while the insurer is able to keep up appearances. But he is obliged to trust to the future solvency of the insurer; he is obliged to become a co-partner with him in his future business and future success. He is sowing seeds for the future, and as he sows, so must he reap. When the insurer comes and offers his insurance at a price which says upon its face that he is making no provision for the future, that he is not accumulating out of his premiums any sum with which to pay his losses, is it not equivalent to a notice to the insured that he is paying his money for a delusion? The lowest rate may be regarded as a certain guide-post to the poorest insurance. The best is the cheapest.—*Mobile Register*.

PETROLEUM.

From Jan. 1st, 1877, to date there have been shipped from Petrolia a total of 284,382 bbls. of crude, 56,076 bbls. of distillate, 14,792 bbls. refined. This, turning the distillate and refined back into crude oil for purposes of calculation, makes a grand total of 369,460 bbls. of crude shipped from that point in the year just closed. If we deduct from this, say, one third as oil that has been taken from tanks, we find the actual daily production for the last year, of working days, will not exceed 1000 bbls. per day; for the fact is, that the tank oil that has been removed has not been replaced. The number of wells now in operation is said to be between 450 and 500, there may be some twenty or thirty more in course of drilling and two being cleared out, while there is no doubt that every available old well has been brought into use. The refining capacity of Canada is about three times more than is required at the existing rate of production. And it is stated as a fact that Petrolia alone has refineries enough to treat all the oil now prepared. For the last two years the market for refined oil has been made up and kept up by the London Oil Refining Co. at their own prices, which were just high enough to exclude American oil; this arrangement did not meet with the crude oil men's views, who, so soon as the London ring broke up (owing to the duties being reduced on American oil, together with the inland duty on refined oil being taken off) formed a ring of their own, and now are quoting crude oil at \$2.08 per bbl. when it is not actually worth, in an open market, more than from 80c to \$1.00 per bbl. This state of things is seriously interfering with the London Oil Ring, who threaten that they will go up and put down their own wells, and are preparing for it. The market prices on the 30 December last were: Crude oil, \$2.03 per bbl.; refined, 13c per wine gallon.