

the saving on which in New Brunswick alone he estimated at \$750,000. It is not unworthy of notice that there is a concurrence of opinion between Mr. Williamson and Mr. Fairweather as to the inability of Governments or Parliaments to restore prosperity by legislation. At the present time there is depression in Great Britain, the United States and Canada, and we might add many other countries. In England the remedy suggested is protection; in Canada what is designated free trade, and in the United States commercial treaties. When we have better times the political quacks will be silent.

THE GUARANTEE CO. OF NORTH AMERICA.

We have learned with much satisfaction from the report of the Guarantee Co. presented to the annual meeting of shareholders, held on Saturday, the 31st inst., that, notwithstanding the numerous defalcations which have occurred during 1884, the Guarantee Co. has not only been able to pay its usual dividend to its shareholders but to add to its reserve. The facts stated in the report that the directors have declined to entertain 1320 new applications, amounting to over two millions, and have withdrawn an almost equally large amount as undesirable for the continuance of endorsement, afford evidence of the caution observed in the management. The progress of the company since its commencement in 1872 is most wonderful. The guarantees in force have increased from \$1,340,000 to \$22,884,000, and the income from \$25,841 to \$237,950. The net assets of the company are \$432,206.30 and the total resources \$800,806 of which \$368,600 is capital subscribed and subject to call. An evidence of the more recent progress of the company is given by the amount of business for last month which, with all the weeding out, is nearly double that of January, 1884, the figures being \$1,772,650 and \$915,050 respectively. Attention is called in the report to the desirability of a new extradition treaty, which is likewise felt much in the United States, but the negotiation of which has been impeded by a difference between the two Governments as to the right to subject persons extradited for one offence to trial for a different one. During the time of slavery this was a serious difficulty but it ought not to be so any longer. Still we think that the position taken by Great Britain is impregnable.

It is not surprising, in view of the great success of the Guarantee Company, that an effort should have been made by the American Surety Co., recently launched, to procure a transfer of its business. It is alleged that the patrons of the Company in the United States would be willing to accept the transfer, and great efforts have been made to induce the Canadian directors to favor it. It appears that the opinion of the legal gentlemen who have been consulted is that the company has no legal right to sell out its business to another company, unless every shareholder could be induced to consent, which is of course most impossible. A gentleman came from New York to attend the meeting and to press the request of certain New York and Chicago shareholders, but, as he met with no encouragement from the shareholders in Canada, the proposition fell to the ground. After the adoption of the report, which will be found elsewhere, the following gentlemen were elected directors for the ensuing year:—Sir Alexander T. Galt, Hon. James Ferrier, W. J. Buchanan, general manager of the Bank of Montreal, Hon. J. Gregory Smith (St. Albans, Vermont), D. Lorn Macdougall, John L. Blaikie (Toronto), Edward Rawlings, William Withall (Quebec), and William Wainwright, assistant manager of the Grand Trunk Railway Company.

LUMBER REVIEW.

(Concluded.)

The cut for the year 1885 is estimated as follows:—White pine logs, Ottawa region, a fair average supply, and the production is mostly all contracted for by the Quebec shipping houses at high prices,—too high certainly on the lower grades than the British markets now warrant or are likely to warrant unless some remarkable change takes place. The fact is, the Ottawa people should adopt the methods of the Michigan deal makers, cutting deals nearly all from choice logs, and even then slice off the clean lumber from the log with a circular saw and pass the hearts into boards. In this way our Quebec people would be able to offer English houses only the grade they want, and would not be embarrassed with a large stock of low grade deals which, to get rid of, they must sell at a considerable loss.

Advices from Ottawa would seem to indicate that few, if any, pine deals will be made in any part of Canada—outside of the Ottawa region. We understand there

will be a little spruce made along the St. Maurice; pine, if any, will be in very small quantity. We understand, however, that there have been several purchases of Michigan pine deals—these also at high prices; but, as they consist chiefly of Firsts and mostly Broads, they can doubtless be turned over at a small profit. In Michigan wany board timber we understand some contracts have been made on a basis of about 38 cents for 21 inch average. Some Michigan and Ohio oak will be taken out, and some has already been contracted for at about 49 cents, delivered at Quebec. Of spruce very little will be made in this district, above or below Quebec—save perhaps at Montmorency—as the prices obtainable during the last few years would not cover cost. Less than the usual output will be made at the Saguenay. The fact that twelve mills between Montreal and Quebec have been shut down for the last two years will afford some idea of the curtailment.

As regards the trade from the Ottawa Valley to the United States, one of the best authorities says that the output of the past season between that city and Grenville was 450 million feet, board measure, and on the upper Ottawa it was only 150 million feet. The product for this year will be about the same. The cost of manufacturing, however, should be less than for last year; provisions are cheaper, and men's wages are 15 to 20 per cent lower. The prices of sawn lumber for the United States market compare about as follows with those for 1883:

	1883.	1884.
Choice Sidings, 1½		
and 2 in.....	\$28 to \$33	\$30 to \$35
Choice Sidings, 1 in.	25 to 28	28 to 30
Pine Stocks 1 in. x 10		
to 12 in. wide.....	15 to 18	15 to 18
Shipping Culls.....	11 to 13	10 to 12

A word of explanation may be pardoned us for the sake of subscribers in Great Britain and of those in Canada who have not had occasion to become conversant with the technicalities of the business:—Sidings are cut from the outside of the log, and therefore the best portion of it, and include all the Broads. Choice Sidings would represent in quality equal to first quality deals in Quebec, and about 25 to 30 per cent of the second quality. Stock lumber runs regularly all of one width, and contains the out-turn or run of the log in 1st, 2d and 3d qualities, but not usually containing much first quality. Shipping culls are equal to about 4th quality deals (as known in England), including perhaps the roughest of the 3rd quality. The shipping culls of some of the large mills at Ottawa are very good