

though slightly over that of 1887. "Waney pine has been in better request than square all season, and sales were readily effected as lots arrived, and in many instances were contracted for last spring or early in the summer. The supply, though light, has been unusually good as to quality. In the stock remaining, just one-half of that of 1887, some old and inferior wood is included. The production this winter is likely to be on a moderate scale—clean, large, girthy wood being more difficult to procure than ever.

The few new rafts of square pine manufactured last season were readily disposed of at good prices, but old timber was not so easily placed until towards the autumn, when the supply and favorable accounts from Great Britain caused this wood to be more and more appreciated, until finally every stick passed out of the manufacturers' hands into those of the shippers. The local demand has been steady all season and is likely to continue. The quantity of square wintering is less than last year by 1,714,260 feet, and contains the usual proportion of common and inferior wood unfit for shipment, culls, etc.

	1888.	Supply.	Export.	Stock.
Square.....	1,791,113	6,020,000	2,580,591	
Waney.....	2,029,043			1,226,900

	1887.	Supply.	Export.	Stock.
Square.....	1,168,547	5,127,080	4,294,851	
Waney.....	2,060,083			2,449,403

RED PINE.—This wood has been in good demand, especially for fresh parcels. The supply, though small, has been sufficient and the stock very light, yet slightly in excess of last year. The Irish demand, once so enormous, is at present very limited, and this wood does not command the attention it formerly did.

	1888.	Supply.	Export.	Stock.
Red Pine.....	582,305	465,360	464,691	
1887.....	591,646	405,720	404,124	

OAK.—Good and choice lots have been in fair request all season. Prices have advanced, and the stock wintering, though somewhat heavier than last year, is under the average. From all reports the manufacture will be light this winter. There is little wintering at Garden Island or Collins Bay.

	1888.	Supply.	Export.	Stock.
Oak.....	1,139,252	1,178,920	824,283	
1887.....	746,243	1,012,160	748,673	

ELM.—The supply of this wood has greatly fallen off, the export exceeding last year, and the quantity in stock fully one-half less. Standing elm is difficult to procure in large quantities, and present prices leave little margin for profits to the manufacturer.

	1888.	Supply.	Export.	Stock.
Elm.....	171,388	504,080	241,571	
1887.....	221,358	405,040	502,785	

ASH.—Both the supply and shipment have been light, and the wintering stock, composed to some extent of old or inferior wood, is less than last year and under the average.

	1888.	Supply.	Export.	Stock.
Ash.....	150,361	217,720	275,193	
1887.....	114,282	191,840	287,174	

BIRCH.—Is completely shipped out, the stock being nil. Contracts are being made freely at our quotations.

	1888.	Supply.	Export.	Stock.
Birch.....	168,562	165,760	1,422	
1887.....	112,190	192,680	12,932	

STAVES.—There is nothing encouraging in this branch of our trade, which was once such an important and profitable item of shipment. Not only was the great demand for the British Isles a leading feature in the past, but Spain, Portugal, and France formerly drew considerable supplies direct from this port.

	1888.	Supply.	Export.	Stock.
Staves.....	79	55	53	
1887.....	386	112	118	
Puncheon.....	44	220	41	
1887.....	156	306	33	

The circular announces, with respect to pine deals, that a fair demand for them has existed all season, especially from Great Britain, towards autumn. At the same time advance in freights and the scarcity of tonnage militated against the export, which would other-

wise have been much greater. It is important to notice that the figures given by Messrs. Forsyth & Co. show only a small portion of the deal trade of Canada, the bulk of the Ottawa "cut" and other mills West being shipped from Montreal.

It appears that there has been a stronger request than usual for the lower qualities of pine deals, but as a rule prices all round have been well maintained. Michigan deals have been received and shipped as heretofore, one cargo only being included in our wintering stock. The excitement now prevailing in Ottawa and elsewhere regarding lumber for the South American markets will likely lead to large transactions, in which case the manufacture of deals will be considerably curtailed. The supply, export, and stock are as under:

	1888.	Supply.	Export.	Stock.
Pine Deals.....	1,546,565	1,189,490	827,916	
1887.....	1,487,138	1,365,510	670,341	

Prices of spruce deals have advanced, the circular states, and contracts for next season have been made freely at the advance. There has been a generally good demand, with an average supply and shipment, thus:

	1888.	Supply.	Export.	Stock.
Spruce Deals.....	2,739,993	2,448,156	1,132,428	
1887.....	2,301,996	2,399,489	990,591	

A distinct and continuing increase in the quantity of some lumber for shipment to the United States is remarked. Not only are the good sorts in request, but, as is the case with deals, the lower grades formerly neglected are now in active demand. The circular quotes pine at \$15 to \$18 per 1,000 feet b. m. and spruce at \$10 to \$12, according to specification and quality.

ANGLO-CANADIAN COMPANIES.

Any company operating in Canada and managed in Great Britain, where most of the stockholders reside, undoubtedly works at some disadvantage. The directors have to acquire their local experience through local agents, and it is not surprising that local management should have some advantage over this system. The Trust and Loan Company is under this disadvantage, and so is the Hudson's Bay Company, though in a less degree. The reports of these companies now before us offer some points in illustration. The Trust and Loan was of all the large loan companies operating in Canada the first in the field, and its opportunities of earning dividends were at least equal to those of any rival corporation. For a long time it could borrow on better terms than any of its compeers; but this advantage has almost, if not altogether, passed away. It has a debenture debt of between £700,000 and £800,000, well secured no doubt, and is now, in the words of its chief officer, "quite willing and glad to receive more money" at four per cent. The dividend paid is six per cent., which, as English investments go, is not a bad figure. The *Economist* recently remarked that a dividend of four per cent. is considered a fair dividend; but the fact remains that one of our local loan companies regularly pays twelve and others ten per cent. Why this difference? Beyond question it is all in the management.

The Trust and Loan is extremely conservative in its management, and the result is that one part of its funds is not profitably employed. It has a reserve fund of about \$750,000 invested in government securities in England, on which it cannot now be getting much over two and a half per cent. This is one and a half less than it pays on its borrowings; and when the two items are considered in connection, it is difficult to see the wisdom of the management which bargains for a loss of this extent. There

may be good and valid reasons for withholding a reserve fund from the common pot, and when this is deemed advisable the best investment, on the point of safety, is government securities; but whatever securities are selected for this purpose, the aim should be to get in interest as much as the company itself pays. It may not be possible always to attain this result; and if there be a small loss it is to be regarded as a payment for the convenience of having a certain sum available at all times to meet a sudden emergency. The Right Hon. F. Pleydell Bouverie says the reserve fund of the Trust and Loan has proved its sheet anchor in times of trouble. This need not be questioned; whether it is not paying too much for its anchor, it may be asked, and whether some other investment more productive could not be made to answer as well. In its mortgage investments, the Trust and Loan sometimes makes losses; but all the land investments made to secure debts are expected to be cleared off at a loss of £4,000 or £5,000. Should this expectation be realized, there will, considering the length of time the company has been doing business, not be much to complain of.

The utmost hope of the management appears to be to maintain six per cent. dividends. Large dividends need be expected in future only in cases where the reserve fund is an auxiliary earning power; where it occasions a loss, especially a serious loss, as compared with the rate of interest paid by the company, moderate dividends must be counted on. Local management, if it could be secured, would improve the position of the Trust and Loan, but it is not certain that the best local management would be within its reach, even if the present managers were willing to consent to transfer the powers they now exercise. It is probable that, for better or worse, the Trust and Loan will have to go on in the future as it has in the past; and in that case, it may well be content to go on paying its present rate of dividend.

At the recent meeting of the Hudson's Bay Company there were mutterings of discontent. The accounts, one complained, were too "lumpy;" a better division and classification were needed; an infusion of new blood into the directory was said by more than one shareholder to be essential, and Mr. McLean, who was put forward by the critics, was elected by an overwhelming proportion of votes. The sum paid to the governor and directorate is £3,500—over \$13,000—a year. Not much was said about this amount, but the remark of a shareholder that it is equal to three shillings a share, probably indicates what is coming in the future. A single voice called for retrenchment in this particular, which may mean everything or nothing. Mr. McLean had issued a circular, previous to his election, criticising the management of the company, and at the same time he pronounced the management of the last fifteen years a failure. According to him, among the 2,500 shareholders only 27 are Canadians; and he argued that it was the superior knowledge of the Canadians that compelled them to hold aloof. Sir Donald Smith, a Canadian who knows more about