

Central America and New Zealand found a place in this list last year, but not this. It is worth noticing, however, that the Sandwich Island figures are doubled this year.

During 1877, very little improvement has manifested itself in the lumber and timber trade. The most hopeful indications at present are the partial revival of business in the United States, and the stiffening of freight rates, which must affect the price of Michigan lumber in the New England markets. With better times across the lines, will come a stronger demand and better prices for our lumber and timber, and there are reasons to hope that the Summer of 1878 will witness at least a partial revival of this highly important branch of business.

A QUESTION OF JURISDICTION.

An important decision has just been rendered by His Lordship Mr. Justice Gwynne in a test liquor case. Mr. Richard Lawrence had been convicted of tampering with a witness against him on a charge of selling liquor without a license. This conviction was removed by *certiorari* to the Court of Queen's Bench, where an application was made to quash it on the ground, among others, that the section of the Liquor License Act passed by the Local Legislature of the Province of Ontario, under which the conviction was made, was *ultra vires*.

The learned Judge gave effect to this decision, holding that the Local Legislature had exceeded its jurisdiction in making provision for the prosecution and conviction of persons charged with tampering with witnesses in liquor cases. The judgment points out that tampering with witnesses was a *crime* at common law, and must hence be dealt with by the Dominion Parliament, and that even if it were not a crime at common law the effect of the Act was to make it a crime, which the Local Parliament had, under the British North America Act, no power to do. The conviction was therefore quashed. From this decision the County Attorney appealed to the full Court of Queen's Bench, where the matter has since been argued and judgment reserved.

The point at issue is one of the very first moment, and its ultimate decision will be watched for with interest, especially since it is understood that the reasoning on which it is claimed that this section of the Act is void applies equally to a number of other sections. Questions of the respective jurisdictions of our different Legislatures promise to afford a rich harvest for the legal profession for many years to come.

THE BANK STATEMENT.

The following are the totals of the bank returns for January last, compared with the previous month :

CAPITAL.		
	December, 1877.	January, 1878.
Capital authorized..	\$63,027,506	\$63,032,366
Capital paid up.....	58,725,778	58,755,048
LIABILITIES.		
Circulation	\$19,574,462	\$18,657,676
Government deposits	6,599,535	6,355,771
Public deposits on demand.....	33,410,909	33,145,236
Public deposits at notice.....	24,225,374	24,295,047
Due to other Banks in Canada.....	1,879,619	1,971,877
Due to other Banks not in Canada....	956,233	1,000,284
Sundries	81,804	75,384
	\$86,727,926	\$85,501,278
ASSETS.		
Specie and Provincial Notes....	\$13,270,965	\$13,213,870
Notes and Cheques of other Banks ..	4,060,435	3,562,931
Due from other banks in Canada.....	3,097,544	2,750,309
Due from other banks not in Canada....	6,370,940	6,931,989
Available assets.	\$267,99,884	\$26,459,096
Government Stock.	2,403,044	2,309,168
Loans to Governmt.	750,953	604,903
Loans to Corporations	3,207,500	3,145,895
Loans on Bk. Stock and Bonds	7,344,241	7,325,670
Current discounts..	107,024,521	106,511,432
Notes overdue, not secured	2,961,334	2,856,085
Overdue Notes, secured	3,769,939	4,189,356
Real Estate.....	1,146,265	1,181,139
Bank Premises.....	3,093,679	3,100,711
Other Assets.....	1,540,240	1,690,901
	\$160,101,700	\$159,374,364

We find in these figures a further decrease in circulation. This may be placed against the lessening of demand deposits which it nearly equals. The increase in Provincial deposits at notice is considerable. A change is observable in public deposits at notice, which are nearly \$70,000, while for several months previous they had shown a steady decline. This we take to be a favorable sign. Then the total liabilities are a million and a quarter less than December, and eight millions less than last January.

Amongst assets a noticeable feature is that notes overdue and unsecured are lessened during the month; the total, however, is \$300,000 greater than in December, implying not that better payments were made, which could hardly be expected, but rather that more security had been obtained. The item of overdue paper is greater than January, 1877, by eleven per cent. Considerably more money has been loaned on bank stocks and rather less on bonds. Current discounts show a further decrease

of half a million since December, and are over seven millions less than a year ago. The item of amounts due from banks in foreign countries adds \$878,000 to the available assets, while not so much is due from home and British banks. Compared with this time last year the indebtedness to foreign countries is very small; the amount due in the United Kingdom is also lessened.

INSURANCE MEETINGS.

The policy of lessening their business, and restricting the large area which it covered, was begun by the management of the Royal Canadian Insurance Company over a year ago, and has been steadily pursued. It is not now made a subject of boast that it does business "in every State of the Union," for the directors have wisely withdrawn from a number of States where their business was not satisfactory, or where the cost of doing it was excessive. By this means they have been able to reduce the amount of American deposits and investments by nearly two-thirds. The report for 1877 does not give income and expenditure: the Co. give this in the States, and we do not see why they should not here. The amount of the Company's losses for that year is unstated; we know that it lost by the St. John fire \$337,062, and the sum of Canadian losses was characterized by one of the speakers at the meeting as 'simply enormous.' But they have been all paid excepting \$89,000, partly unadjusted, which includes Marine. The same authority gives the gross income for the year as \$800,000, of which over a sixth was for Marine business. The company's statement gives the surplus of assets, after setting apart \$410,135 for re-insurance, as \$441,533, which represents the paid-up stock now remaining. We gather that five-sixths of the amount due for the ten per cent. calls made, has been paid in; but that the remaining sixth, nominally \$100,000, is still uncollected. The directors were unanimously authorized to take steps for the forfeiture to the company of such shares as had calls still unpaid. Agents' balances are again reduced, we are glad to see, being given at \$91,783.

It may be fairly concluded, we think, that the Royal Canadian is not now aiming at glory, but at making money, and, therefore, that the amount and area of its transactions are subordinated to the questions, 'does it pay,' and 'is it safe.' This better rule being adopted, it is reasonable to expect that the board composed of business men, will trim their sails accordingly. Indeed they have already made good strides in the direction of economy and prudence. There was some force in the criticisms made