

Against occasional irregularities, the greatest bank in the world, the Bank of England, cannot at all times secure absolute immunity. Mr. May, who has been the cashier for a period of twenty years, has been forced to resign without a pension. The germ of the trouble appears to have been a disposition to favor a firm of brokers of which the cashier's son was a member. May, in a change of securities, accepted securities of less value than those previously held, and is reported to have put the provident fund for bank clerks into the General Trust, an unsafe depository, with which his son was connected. From this it would appear that the bank does not keep the provident fund of its own servants, but deposits it elsewhere. Whether the bank will lose by May's action is a question on which affirmations and denials about balance one another. A kindred difficulty, but of a more serious character, has happened the Mercantile Bank of Australia, of which the chairman, the manager and a director have been committed for trial on a charge of submitting a false balance sheet to the stockholders. Though the bank had been paying, from 1888 to 1891, dividends at the rate of ten per cent. per annum, it was found, when it failed about a year ago, that there were liabilities to unsecured creditors of £1,030,305, and assets estimated at only £56,000.

THE GREAT LAKES DECLARED TO BE HIGH SEAS.

The Supreme Court of the United States has decided that crimes committed on the great lakes are punishable as having been committed on the "high seas." In giving judgment, Mr. Justice Field said: "We do not accept the doctrine that because by the treaty between the United States and Great Britain, the boundary line between the two countries is run through the centre of the lakes, their character as high seas is changed, so that the jurisdiction of the United States to regulate vessels belonging to their citizens navigating these waters, and to punish offences committed on such vessels, is in any respect impaired." Lakes are defined as "bodies of water whose dimensions are capable of measurement by the vision;" but "bodies of water of an extent which cannot be measured by the unaided vision, and which are navigable at all times and in all directions, and border on different States or peoples, and find their outlet to the ocean, as in the present case, are seas in fact, however they may be designated; and seas in fact do not cease to be such and become lakes because by local custom they may be so called." Even the rivers or other waters connecting the great lakes are included in this definition of the "high seas."

So far as regards the punishment of crime committed on vessels navigating the lakes, the decision obliterates the international boundary, and gives the United States courts authority to punish crimes committed on American vessels on the Canadian side of the boundary line. Reciprocally, the same doctrine must give to Canada the right to punish crimes committed on her vessels, on the American side of the lake boundary line. So long as the

crime committed on American vessels was confined to American seamen or citizens, and liability would be likely to arise; but if the injury complained of was done by citizens of one country to those of another, several questions might be raised. The punishment awarded to the crime, by the laws of the two countries, might not be identical, and it might make a difference to the accused under which law he was convicted. If the crime were one for which extradition is provided, could the right of extradition be denied? If the vessel of the nation is to be regarded as national territory, the fact would clear away many difficulties; but on any other view of the facts, a crime committed on a vessel navigating the Canadian half of one of the "connecting waters," say the Detroit River, might raise the question of where the right of punishment lay.

The only difficulty would be about the unmarked boundary line. And yet the drawing of that line, in the middle of the lakes, was not without reason. Where there were islands it was necessary, as a means of preventing future contention, to determine to which country they belonged; but for them it might have been almost as well to apply the common law of territorial limits applicable to the ocean, to the lakes. Some exceptions were made in the case of Lake Superior; Isle Royal, much nearer the Canadian than the American shore, being assigned to the United States. So far as the respective rights of navigation go, the "high seas" doctrine has always been applied to the lakes; the only exclusive right which either Canada or the United States claims is confined to the ordinary shore limits.

But if the decision of the Supreme Court be applicable to the fisheries of the lakes, it may have far-reaching effects. Should the right of the Canadian fishery be confined to the three-mile limit, wide-extended rights, which have hitherto been exercised without question, would be found to be without foundation. If, in the broadest sense, the doctrine that the great lakes form part of the "high seas" is to prevail, the fisheries of Lakes Ontario, Erie and Superior would become common property. It cannot be said that there is no danger that this question will, as a result of the decision, be raised. But here surely the boundary line of the treaty will save us from what would otherwise be disastrous spoliation. If the fisheries were made common property, Canada would nominally gain on the American side, as she would lose on her own; but in fact the loss would be real, the gain only nominal. This difference would result from the different condition of the two fisheries; the American waters on the verge of being fished out, ours being still fairly prolific.

If the great lakes are "high seas," rights upon them, under the law of nations, may be modified by treaty. The treaty which fixes the international boundaries between Canada and the United States in the centre of the lakes, modifies those common rights by special provisions. England and the United States agreed upon a boundary which perhaps could not be precisely traced and marked

out at all points; but for certain purposes, such as determining the ownership of islands, the delineation has a practical value; and if the ideal frontier cannot everywhere be marked, the real frontier, for many purposes, is along the coast line, as the two rows of custom houses sufficiently remind us. For other purposes, including territorial distribution and fisheries, the frontier is the centre of the lakes. The partition is of the same kind as that made of Behring Sea between Russia and the United States; but the difference in degree is so great as practically to mark the real difference between them. The Russo-American partition can apportion the islands; neither partition can affect the rights of navigation in either of the waters. If the great lakes are "high seas," it would seem to follow that the right of navigating them is the common inheritance of mankind; but practically they are the exclusive appanage of two countries, since there is no natural navigable channel by which the citizens of third nations can reach them.

That the connecting links between the great lakes are to be considered parts of the "high seas" is a doctrine liable to be disputed, and under certain circumstances no doubt it would be; but under actual conditions grounds of dispute must be rare. The question has in the past been suggested whether the common right of navigating the sub-aqueous canal in Lake St. Clair, made by the United States, if wholly on the American side of the line, might not be denied to Canada. This water being, according to the decision of the United States' Supreme Court, part of the "high seas," the question, if it could be seriously put, must receive a negative answer.

INSOLVENCY LEGISLATION.

Canadian business men appear to be resolved that something shall soon be done in the direction of insolvency legislation. The secretary of the Toronto Board of Trade has visited Montreal within a few days, to confer with the Board of that city with the object of securing joint action; and he also visited Ottawa to arrange, if possible, for a conference of these joint delegates with members of the Cabinet. This conference has been arranged for, between the ministers and representatives of the Montreal and Toronto boards, with a view to the introduction of insolvency legislation at the coming session of Parliament.

To-day is appointed for the meeting at Ottawa. The Montreal delegates are Mr. James Cantlie, vice-president of the board, and Messrs. E. B. Greenshields, George Hague, J. R. Thibaudeau, and James Kent. Those from Toronto are Messrs. D. R. Wilkie, president, Hugh Blain, Stapleton Caldecott, D. E. Thomson, George H. Bertram, D. W. Alexander. It is greatly to be hoped that a practical measure, soon to be put in force, may result from the representations these gentlemen make to the Government. Canadian merchants wish to be at liberty to do business in every province with reasonable safety, which they cannot do now. The anomalies of varying laws and of unfair preferences have existed long enough to annoy our mercantile class.