On the right of Canada to negotiate her own treaties, Mr. McMurrich, not unreasonably, insists. But we submit that this claim cannot be pressed in connection with "the federation of the empire." If Great Britain and Ireland are to take the colonies into a federal co-partnership, it is evident that the treaty-making power would have to be in the federated empire. The right to make our own treaties is not yet a constitutional right; it is a right of which, before we could use it, we should have to obtain communication. The claim is one which we have a right to make; but British statesmen would be likely to conclude that its full and unrestricted concession would be incompatable with the colonial relation. There is perhaps a restricted degree of treaty-making power which British statesmen might be brought to admit might, in reason and without danger of collision, be conceded to us. At present, they do not appear to be in any haste to make the admission. This power Mr. Blake has claimed; this power Sir John Macdonald once declared his intention to claim, but as he afterwards virtually withdrew from this position, it is possible that he found there was no immediate disposition to grant it.

Mr. McMurrich takes the ground that "the principal positions in our military system should be filled by officers trained in Canada." Canadians trained in England ought surely to do as well; many people would think their opportunities for perfecting themselves in the military art would be better. This contention is, in essence, not without reason. It is an old story. In the war of 1812, General Brock protested against Canadians being allowed to take high rank in the militia, on the ground that, if this were permitted, militia officers would be liable to take precedence of officers of the regular army. Up to that time, the practice to which he objected had been in force. General Brock's recommendation seems to have been acted upon; and it is only necessary to read Major Richardson's *Three Brothers* to become convinced that serious jealousies sprung up between the militia and the regulars. But if there were good reasons, in Brock's time, for laying down this rule, it would not be equally reasonable to retain its exclusive character to-day.

For independent political opinion there is room in Canada. But that such opinion is likely to find its best expression through a third party is more than doubtful. It is not a hopeful sign that the third party is largely imbued, if we may judge from this manifesto, with the spirit of parties number one and two. This must be a great bar to its usefulness, and leave the work of independent criticism where it was before: leave it to individuals who exercise the right of independent judgment, but who are not organized in a party, and who are perhaps, for the most part, personally unknown to one another.

—The Commander of the Government steamer *La Canadienne* reports that the fishery on the whole has been a favorable one, though on the Labrador coast it was almost a complete failure. The total catch of the salmon fishery will, he thinks, likely show a decided improvement over that of either of the past two years.

ABOLITION OF ERIE CANAL TOLLS.

For all practical purposes, the Erie Canal is now free from tolls. The legislature of the State of New York would have abolished the tolls, last session, if it had had the power. By a vote of the people, it is now invested with authority to decree abolition, and it may be taken for granted that it will do so.

The conditions under which the St. Lawrence canals compete for Western traffic will henceforth be changed; and Parliament may have to deal with the possible effects of this change. If the competition were solely for foreign freight, the abolition of tolls on the Welland and St. Lawrence canals could not be justified. The State is the owner of these canals, and there would be no reason why it should do the carrying business of a foreign country at a loss. We have, however, now a new North-west of our own, and the cheapening of freights between Lake Superior and the seaboard may become an object of national importance. The abolition of tolls would be one way of mitigating the monopoly of the Pacific Railway company; it would compel the company to lower summer freights on that part of its road which will be east of Prince Arthur's Landing.

Long before twenty years—the term of the Pacific Railway Company's monopoly—go round, all the existing avenues by which freight can go from the upper end of Lake Superior to the Ocean will be burthened with traffic. The great water-way of the St. Lawrence, free from canal tolls, would be able to carry at moderate rates, immense quantities of produce. Whatever cheapens the cost of freight, will add to the temptation which settlers may be under to prefer our North-West. Free canals would be one way of holding out encouragement to European emigrants.

The subject is a wide one, and many considerations, into which we cannot now enter, must be weighed before a final answer can be given to the question whether our canals are to be made free, like the Erie of New York. In all future discussion of the question, it must be borne in mind that the conditions of competition are changed, and that we have henceforth to deal with the fact that the maintenance and working of the Erie Canal will be a charge upon the general revenues of the state, that canal being regarded merely as a great free highway, and no longer as a source of revenue even for the purpose of its own support.

PREFERENTIAL ASSIGNMENTS.

The effect and scope of the statute in force in this Province against fraudulent and preferential assignment, has been so narrowed by judicial decisions that there is apparently but little of it left. Still the process of restricting its application continues. The most recent limitation is that established by the judgment rendered a few days ago by Chief Justice Boyd of the Chancery Division in the case of Stewart *vs.* Tremaine.

The judgement points out in the first instance that a preferential assignment confers a good title as against the insolvent debtor, and is voidable only at the option of the creditors. It is then laid down that the intention of the statute was to remove any conveyance of assets which operated as an unlawful obstruction to the operation of the writs of execution of a creditor in the Sheriff's hands. From this it is deduced that the Act applies only where in the absence of the assignment the Sheriff could have realized upon the goods transferred. In other words even if an assignment confessedly preferential is made, the creditor procuring it may completely block the supposed remedy of other creditors, by disposing of the assets so assigned. According to this decision, if such a disposition is made the creditor has no remedy against the person subsequently purchasing the goods, nor has he any right to look to the preferential assignee to account for the proceeds.

The assignment in question in this particular case may not have been one seriously open to objection from a business point of view. Upon this phase the facts as reported are not sufficiently detailed to make it safe to draw conclusions. What we are concerned with just now, however, is the effect of the general rule of law here laid down. Obviously this is another long stride taken towards a complete abrogation of a law designed to answer a good purpose, but obviously impotent to serve the end in view. It will of course follow from this decision that those who take securities from insolvent debtors will dispose with the least possible delay, of the assets so received, because such a disposition will prove a complete bar to the remedy of other creditors.

It is daily becoming more obvious that the entire repeal of a statute which affords no real protection would be a kindness to all concerned. Better have it understood that there is really no redress in cases of preferential transfers of assets, than to have creditors deluded into the belief that such a remedy exists. Such a repeal would clear the way for what is really needed, an efficient law on this subject.

DOMINION NOTES IN THE BANK RESERVE.

The Montreal *Gazette*, in referring to the assertion by a contemporary, that for the purposes of the banks, the Dominion notes are of equal value with gold, says:

"In theory says the *Gazette*, our contemporary is quite accurate; but judged by experience, the theory has proved faulty. In the months of February and March, 1875, the Canadian banks found themselves short of Exchange, and unable with the specie reserve then held to meet the demands of importers for Sterling Bills. In that predicament the Government was looked to to supply the deficiency, and the Dominion notes held by the banks, in excess of the amount required by law, were presented at the office of the Receiver-General for redemption. Did the banks find that the Dominion note reserve was equivalent to specie? So far from that being the case, the moment the Banks demanded gold from the Government in redemption of the Dominion notes, the Government demanded gold from the banks in payment of deposits. In other words, the banks were shown to practically hold the specie reserve of the country, and the idea that the Dominion Notes were equivalent to gold, and held merely as a convenient substitute, was proved to be fallacious. A similar difficulty can be avoided in the future if the Government consents to adopt a different