

say liberal discount. And where more is offered or allowed, on staple goods which do not show the profit of some other descriptions, the principle re-acts, and the importer who lacks moral back-bone may be impelled to resort to subterfuge to cover what may become a rift in the lute of his profits. A buyer who is forever on the lookout for "drives," constantly seeking for an extra discount, and who wants better terms than all the world besides, is not always the welcome guest he thinks himself. It behoves the keen buyer, therefore, to consider whether houses who yield to his demands with the not unnatural intention to make it up out of him in some other way, are not, after all, less advantageous to him than the firm which having named a fair rate of discount, firmly refuses to go beyond it.

FIRE INSURANCE RATES.

The second annual meeting of the "United Fire Underwriters in America," just held in New York, accomplished nothing of importance. Beyond agreeing to confine the maximum rate of commission to local agents to 15 per cent., nothing was done; and even this rule is subject to exceptions "in such cities as may be designated by the Advisory Committee." In consequence of the adoption of this resolution, two companies withdrew. Higher rates are paid in respect of farming property and in the city of New York; and as there is on the Advisory Committee a gentleman whose company pays higher rates, they will continue to be paid, in certain cases. The rate of commission, though important, is surely not more so than the rate of premium, in regard to which no agreement was come to. At a recent meeting of Underwriters in St Petersburg, a more rational conclusion was reached: "it was decided," says the London *Economist*, "to increase the fire premiums on property by from 20 to 70 per cent., according to the character of the risks, and on merchandise by 50 per cent." This step was taken at the instance of the English companies. The example is one which American companies would do well to follow, so far as it is necessary to go to save them from loss, and give them a reasonable average profit on their business, which of late they have not obtained.

—The Montreal Harbor Commissioners in a memorial to the Governor-General, after stating that 25 feet of navigable water has been obtained, except at cup La Roche, in the channel of the St. Lawrence between Montreal and Quebec, add that it will now be necessary to obtain a still greater depth, by two feet. They estimate the expense of the additional work required at \$900,000, and think that it should be done within the next five years, by which time the Pacific railway will be completed. The Harbor Trust desires to throw the expense of this work on the Government. The sum of \$1,780,000 has already been granted by the Government to the commissioners, and now the commission wishes the Government to assume the whole debt. Tonnage dues could then be abolished. The question is arguable; but the demand is a little startling. Of the whole amount granted to the Trust about one third was spent on plant. This seems a large propor-

tion. When large expenditures are to be made of public money it is generally best that the work should be under the direction of the Government; and it is probable that this case is not an exception.

The receipt of refrigerated beef at New York from Chicago, seems to foreshadow a revolution in the meat trade of the metropolis. Some contend that the beef so shipped is not equal to that killed in New York; but others say that it is preferable to the meat of cattle shipped alive and bruised and injured in their passage. Both statements have some truth in them. The best meat is likely to be from the best cattle slaughtered in New York, while the worst may probably be that from cattle killed there after being injured on the passage. There is room for both enterprises, importing and home slaughtering, though it is probable that refrigerated beef will come to form the great bulk of what is used in Gotham.

—The rumor that the Grand Trunk Railway Company is attempting to get possession of the Hamilton and North-Western Railway is exciting a strong local opposition. Mr. Stuart is particularly severe in condemnation of the project, though Mr. Williams thinks union preferable to any other arrangement, if the independence of the Hamilton and North-Western cannot be maintained. It is evident that a strong fight for independence will be made, in the interest of Hamilton.

PARTNERSHIP LIABILITY.

One of the most interesting cases on this subject which have recently come up for consideration is the action in the Ontario Chancery Division of the Merchants Bank vs. Thompson. The suit is brought by the bank against Thompson & Co., cattle merchants of this city, to compel the payment by them of the loss sustained by the bank in their account against Craig & Co., a firm having its head quarters in Montreal, which, until lately carried on the same class of business. The relation between the two firms appears to have consisted first in the circumstance that some of the partners were common to both firms, and secondly that there was an understanding between them for pooling profits. The transactions out of which the bank's claim arose resulted in a large loss to the firm of Craig & Co., involving its failure, and as a consequence the insolvency of the members of the firm of Thompson & Co., who were also partners in the Montreal firm. The remaining partners of the Toronto firm were, however, perfectly solvent, and the attempt is to compel them to recoup the bank's loss.

As to participation in profits which the arrangement contemplated, and which the bank claims was concluded between the parties arose originally out of a desire to prevent competition between the two firms. The negotiations proceeded from time to time with a view to consummating an understanding whereby at the end of the season's trade the profits or losses of the two concerns should be pooled and divided in certain proportions. These negotiations proceeded from time to time until the 21st of April, 1881, when an agreement was prepared and executed by most but not all of the parties interested. This agreement left each firm to control its own business as it saw fit, raise its own capital, and

pay its own liabilities, and then covered an arrangement for a certain distribution between the parties of the ultimate loss or profit as the case might be. This, it was contended on the part of the plaintiffs, rendered all the parties thereto partners in one business, and made the Toronto firm liable for all the debts of the Montreal firm and vice versa.

On the part of the defence it was denied that an arrangement of any kind had ever been consummated, and it was further contended that even if the negotiations were held to result in a complete agreement binding on the parties, it did not constitute them partners nor liable for each other's obligations. It was further urged that under no circumstances could the Toronto firm be liable to the Merchants Bank, which it was alleged had acted throughout with full knowledge of the relations between the two firms and which had advanced its moneys entirely upon the credit of the Montreal concern. This position appears to have been in the first place strenuously denied by the bank, but the production of the correspondence between the head office and the branch at Brampton appears to have very materially weakened the bank's case. From this correspondence it appears that the Brampton branch, through which the transactions were largely carried on, had a very full knowledge of the nature of Craig & Co's. relations with the Toronto house particulars of which were from time to time transmitted to the head office. It further transpired that the idea of holding Thompson & Co. liable was disclosed by this correspondence to have really been an after-thought.

The trial of the case occupied more than a week of the time of the Court, and judgment, after being deferred for some weeks, has now been delivered by Chief Justice Boyd, before whom the case was tried, dismissing the plaintiff's action with costs. His lordship holds that the evidence does not make out a consummated agreement of any kind between the two firms. The judgment further appears to involve the decision that, even if the arrangement charged had been consummated, it was not such as would have rendered Thompson & Co. liable to the bank.

In this case, as well as in other cases of a similar nature, there appears to be less disposition on the part of our courts than formerly to afford any relief to parties who are seeking to charge as partners, others than those upon whose credit the transaction was entered into. At one time the ultimate test of partnership or non-partnership was thought to be participation or non-participation in profits. This rule appears to be no longer regarded as universally reliable. The test, it now appears to be admitted, really is, whether there was an authority actual or ostensible to the particular parties, dealing to bind the others as their co-partners. This consideration of course involves regard to the nature of the business carried on, and among other things, the question whether there was any participation in the profits. Whether the present case will be carried beyond the Court of Chancery remains to be seen. Should it be carried to the higher courts, an opportunity will probably be given of placing upon some satisfactorily definite footing a branch of the law which appears just now to be in a transition state.

—A Convention of dealers in butter, cheese and eggs is to be held in Milwaukee on the 5th, 6th, 7th, 8th and 9th, of December, to which the Toronto Board of Trade has been invited to send delegates.