The importance of the subject, from a business point of view, should command the best and most impartial, as well as the patriotic consideration of our statesmen. This, it is feared, has not been accorded it in the past. Whether there is to be a new departure now, only time can tell.

Briefly stated, the following appear to be the facts out of which this now memorable dispute arose. The plaintiff, Mr. Peter McLaren, has for many years done a large lumbering business along the banks of the Mississippi, a stream running into the Ottawa through Lanark county. He is the owner of much of the land on both sides of the stream and some of the main tributaries, and has partly by construction, and partly by purchase acquired the right to most of the improvements thereon. The defendants, Messrs. Caldwell, of Lanark Village, having their principal mills at Carleton Place, have also for a long time carried on an extensive lumbering business in the same district. For many seasons the Caldwells were allowed to float their logs down the stream without dispute, but finally Mr. McLaren, finding that there appeared to be a disposition to question his ownership, refused to allow any of defendant's logs to pass through his slides until a formal recognition of his proprietory right was given. This being refused, and protracted negotiations failing to effect any settlement, resort was had to the courts.

The matter came up in the shape of an application by Mr. McLaren to the Court of Chancery for an injunction to restrain the Messrs. Caldwell from floating any logs down the stream, by the aid of the improvements of the former, without his leave. The improvements in question were claimed to have cost Mr. McLaren no less a sum than $200,000, and had been made by him as he alleged for his own use, he being the owner of all the timber limits bordering on the stream and its tributaries, except all which had been purchased by the other parties to the suit from the Hon. James Skead.

After an unusally protracted and expensive trial before Hon. Vice Chancellor Proudfoot, the injunction asked was granted. In giving this decision, His Lordship, having first held that upon the evidence it appeared to have been established to his satisfaction that the Mississippi was not a stream naturally floatable, considered himself bound by the judgment of the Court of Common Pleas in the suit of Boole *vs.* Dickson, decided in 1863. From that case it would appear that a stream down which logs could be floated at the time of a freshet without artificial aid, is regarded as floatable and a public highway. One not so, but rendered floatable by improvements made by the owner of adjoining land, is apparently not regarded as such public property, but subject, as far as the improvements are necessary for its use, to the absolute control of the party making them.

From this decision the defendant appealed, and, in due course, judgment was given by the Court of Appeal reversing the finding of Mr. Proudfoot. According to that Court, streams susceptible of being made floatable by improvements came within the provisions of the Act of 1849, declaring certain classes of streams to be public highways. It now became the plaintiff's turn to appeal, and the case was next carried to the Supreme Court, where judgment has been delivered reversing the decision of the Court of Appeal and re-affirming the judgment of the Court of Chancery. This finding of the Supreme Court is unanimous, and completely establishes the absolute proprietary right for which Mr. McLaren contends.

This seems practically to mean that the first owner of land adjoining such a stream, who makes improvements securing floatability at a certain point, may, if he chooses, absolutely prevent all other parties from floating any timber past that point. If disposed to let them pass upon terms, he may make the terms just what he sees fit. In effect, the man first removing obstructions has an absolute proprietory right to the floatibility of such a stream, and may prohibit, altogether, lumbering upon it, notwithstanding the cost of such improvements may have been but trifling. The law as now enunciated declares him to be an absolute owner with all that that implies. It is not difficult to imagine circumstances which would enable a man so situated to reap an advantage at the expense of those coming in later, out of all proportion to the expense incurred, where but for a comparatively slight obstruction, the use of the stream would have been public property.

The law as thus established cannot fairly, we think, be regarded as satisfactory in the public interest. The lumber trade is a large one, and the number of streams where this proprietory interest may, if parties are so disposed, be used to the disadvantage, if not the ruin of competitors, is so great that some amendment of the law securing an adequate protection to the interests of all parties engaged in this business is imperatively demanded. This must not be understood as any comment upon the case in question. We do not propose to discuss its merits at all, further than to say that the evils we have pointed out as possible are not shewn, so far as we can see, to have any real existence in this particular case. What we have to do with it is the soundness from a public point of view of the rules upon the subject now laid down by the highest tribunal in the land. On that view of the case we have simply to say that the present law should not be permitted to continue in free a single day longer than is absolutely necessary for its proper amendment.

It is of course well known that legislation on the subject has been twice attempted by the provincial authorities; both enactments having been disallowed by the Federal power. If a law could have been devised making adequate provision for the prevention of such disputes in the future without unduly interfering with private rights, there would not have been much room for adverse criticism. When, however, litigation is proposed apparently at the instance of the unsuccessful litigants, retroactive in its effect securing only questionable protection for Mr. McLaren's interests, there is a reason to fear the establishment of a vicious precedent which future powerful litigations having the ear of the dominant party for the time being in politics, will not be slow to invoke.

In all civilized countries, and in all times, it has been an acknowledged principle of legislation that nothing save the gravest necessity justified the enactment of retrospective laws. Equally time-honored and worthy of reverence are the rules that only public necessity can justify any interference with private rights, and that even then such rights must not be taken away or affected without full compensation being made to the party interested. We believe the public necessity exists here, but if the matter is to be satisfactorily settled it should be dealt with in a different spirit than has heretofore prevailed. If the public interests and not the securing of a party triumph, or the giving of assistance to party friends whose rights are under adjudication before the regularly constituted tribunals of the land, could be made the paramount consideration with both local and federal authorities, we might look forward with strong hope to justice being speedily done in the premises.

RELATION OF DEPOSITS TO DISCOUNTS.

There is an intimate relation between the amount of deposits in the banks and the discounts of those institutions. The business of banking consists largely of borrowing at one rate and lending at another. The more a bank borrows, the more it has to lend. If there is expansion now, one reason is that banks have been entrusted with a vast deal more of loanable funds than ever before. The London, England, Joint Stock banks, with two exceptions, where there was an increase, have held about the same average amounts of deposits since 1879. In Canadian banks the increase has been very large. The following table shows the amount of deposits which have been in the banks, at different times, for a period of nearly ten years:

	Government Deposits.	Other Deposits.
April 1873.....	$7,947,899	$48,947,840
Oct. 1873.....	6,025,879	51,740,424
April 1874.....	8,613,888	55,954,811
Oct. 1874.....	11,112,657	60,302,458
April 1875.....	9,103,881	56,528,899
Oct. 1875.....	5,666,609	51,203,018
April 1876.....	5,955,806	56,111,811
Oct. 1876.....	3,728,944	59,649,645
April 1877.....	5,142,939	60,514,122
Oct. 1877.....	4,777,482	58,579,187
April 1878.....	4;979,124	56,736,724
Oct. 1878.....	3,817,869	59,868,484
April 1879.....	5,746,583	55,946,671
Oct. 1879.....	9,062,168	59,025,426
April 1880.....	9,745,881	64,920,059
Oct. 1880.....	6,603,692	71,886,078
April 1881.....	7,552,162	71,796,628
Oct. 1881.....	8,378,101	80,045,848
April 1882.....	10,801,190	84'979,375
Oct. 1882.....	10,279,970	87,889,791

The discounts were larger in February, 1876, than they were at the end of October, 1882, the figures being $129,814,018, against $129,782,610. But though the banks lent more in the way of discounts in 1875 than they have lent now, the deposits out of which they could make loans were very much less: the government deposits were $9,103,-881 in April and only $5,666,609 in October, while the other deposits were in the former month $56,528,899, and in the latter $51,-203,018; less than $66,000,000, while they are now $98,000,000. In October, 1873, the discounts were $112,084,554, and the deposits were less than $57,000,000. A year later, the discounts had risen to $127,698,298, while the deposits were a little over $61,000,000. In 1875, the