

fill the gap of expected annual deficiencies. If there were any proper purpose for which to ask a loan; any reasonable or decent excuse for doing so, there would be no difficulty; but that was not the case. The great error of policy was in allowing deficiencies to recur, year after year. Complete release from the thralldom of this policy is what is now required. Hereafter, the year's revenue must cover the year's expenditure; and all loans which it may be necessary to contract for permanent purposes—for purposes in which posterity will have an interest as well as ourselves—should be raised on the security of Dominion stock or debentures.

THE BANK OF UPPER CANADA IN CHANCERY.

The Bank of Upper Canada is again in trouble. A bill has been filed in Chancery, against Henry Covert, D'Arcy E. Boulton, and Robert Cassels, and the Trustees, which sets forth that prior to the year 1864, the Bank held first preference bonds of the Port Hope, Lindsay and Beaverton Railway Company, to the amount of £80,000 stg., the interest being secured by a mortgage on the property of the company. The bonds are asserted to have been worth their face value. Henry Covert was in 1864, and the several years previous, a lessee of the branch line running from Millbrook to Peterboro; and was also largely indebted to the Bank. Being pressed for payment of the Bank's claim he conceived the design of obtaining the bonds, and it is asserted that by the exercise of an improper influence upon Mr. Cassels, and agreeing to pay him £12,000 stg., through the agency of Mr. Boulton, he secured the bonds at 50 per cent. of their value. It is charged that the £12,000 was paid to Mr. Cassels, while still cashier of the bank, and that Messrs. Boulton and Covert, being elected directors of the Port Hope Railway, have realized large profits from their operation.

This is a nice-looking business; we shall await further developments with interest. The facts cited are rather startling but it is believed they can be established. Truly Mr. Cassels must have been a model cashier!

PARTNERSHIPS—THE REGISTRATION ACT.

One of the most important acts affecting business interests that has yet been placed on the statute book of Ontario, is that requiring the registration of partnerships. Although the act came into force on the 24th of December last, very few firms have complied with its provisions, being, perhaps, unaware

that such neglect may be visited with rather heavy penalties.

It provides that within six months after the passage of the act, all persons associated in partnership for trading, manufacturing or mining purposes, shall file a declaration of their partnership with the Registrar of the county or city in which they carry on business, containing the names, surnames, and residences of each and every partner.

The penalty for non-compliance is a fine of \$200, recoverable in any court of competent jurisdiction by any person suing—one-half of which goes to Her Majesty—the other half to the party prosecuting. Half of the time of grace has passed, while but few have given themselves any concern about the matter. Although the busy season is on, it should not be forgotten. There is a golden chance here for some energetic informer; half the fine, \$100, is worth looking after, and we have a good many needy fellows anxious to get money easily. An informer would have no trouble or expense in getting the information required. In three months all defaulting firms will be liable. All changes in firms, and new firms organized, should be promptly recorded. The Act is a good one; it has been in force in Lower Canada a good while, and should have been passed here years ago. It will prove a boon to lawyers and business men; large sums have been lost and just debts evaded from the want of it. A glance through the lawyers dockets would reveal numerous long bills of costs incurred in futile attempts to make collections from defaulting debtors where they sued the parties they were directed to sue, and their clients had the costs to pay, they having no means of ascertaining who the proper parties were. They were groping in the dark. While the act affords a good deal of light, it is not broad enough yet. It should have included not only partnerships, but all persons doing business under a style from which a partnership might be inferred.

For instance, a business is carried on under the style of Jones & Co.; every one knows Jones, but who is Jones & Co. Perhaps Jones himself is the firm; the "Co." is often attached because it looks better, sounds better, and is perhaps more convenient. But the public ought to know. Often the "Co." is a substantial man who is on hand when business is flourishing, but when trouble comes steps out, and when wanted by creditors is nowhere. It is at least doubtful if the act covers such a case, though without doubt it should.

If names might be cited numerous illustrations could be given, of the necessity for this legislation. The business of the country is mainly conducted on credit; and while

this is the case, the wholesale and retail trade need, as facts elicited by examinations in insolvency often show, all the protection they can get, from the schemes of designing men. We have understood that had this act been in force, the creditors of one estate that we know of would have been saved the loss of \$50,000—some of them from absolute ruin. The act, if enforced, will be a boon to the banks, and may save much litigation. Business men should see to it, that the law is carried out in practice, first by registering themselves, if coming within its scope, and next enforcing the duty on others.

PROGRESS—CAUTION.

The numerous indications of the rapid advancement of Toronto, to be seen on every hand, cannot but be cheering and satisfactory to all lovers of progress. As the chief commercial city of Ontario, its growth and prosperity are the index and reflex of the development of these qualities in the Province at large, and therefore, principally, are these indications to be regarded as matter for congratulation.

Besides the various works connected with our new railways—the additional machine shops for the Grand Trunk—the McGill Square, church—the Post Office and other proposed public works—the preparations for private buildings for residences, as well as manufacturing and commercial purposes, are to be seen on every street, far exceeding anything of the kind ever witnessed here before. As yet the evidence of any speculative feeling is scarcely perceptible, and a striking characteristic of the buildings recently put up, and in course of erection, is their comparative inexpensiveness. This is a most important and salutary consideration, for in providing for the wants of a contingent large population, cheapness of house accommodation must be regarded as an essential pre-requisite. We do not desire at present to see capital locked up unproductively in magnificent cut stone fronts for our warehouses, and carved and sculptured dwellings for their occupants. The circumstances of the country do not warrant the indulgence of these and other extravagances quite permissible in older, wealthier and more populous communities.

Comfort and convenience, with good taste, at as cheap a rate as will afford a fair return on the investment, is the desideratum which our property-holders, architects and loaning institutions should not fail to keep in view.

There may be danger of the desire to build and possess developing too fast—becoming a mania and producing reaction, stagnation, ruin; and judging by past expe-