ment, contests of jurisdiction are possible, and being possible they were sure to arise.

The tendency to increased power in the Federal government has, throughout the history of the American Republic been marked. At first, the local feeling was strongest; patriotism, as generally interpreted, in the early days of the Republic, had a local tinge. Nothing but the necessities of the war of independence could have brought the United States to form any kind of union, even of the loosest description. When independence had been gained, as the crown of common effort, the tendencies to dissolution had not been wholly counteracted. Requisitions by Congress for men and money were not always answered by the several states in the crisis of the nascent nation's fate. And after independence had been achieved, Congress was grudgingly entrusted with the power of the purse and the sword. At a later period, South Carolina claimed the right to nullify the laws of Congress. A divided interest on the tariff question, threatened, at one time, to snap the bonds of union. The question of slavery produced a conflict of sectional interests and let to the civil war, out of which the central authority came stronger than ever. The president, who had constitutionally no power over slavery, did, by a proclamation, declare the freedom of all the slaves in the country, and the peculiarly local institution was strangled by the exercise of the central power. This was a war measure; but it was the conflict of authority that had caused the civil war.

Though Canada has fortunately no such elements of danger, experience is beginning to show that disputes over the interpretation of the constitution are not always carried on in the most amicable mood. We cannot avoid honest difference of opinion, on the subject; and these differences should be expressed in a frank and loyal spirit. Occasions of difference should not be sought on either side, but rather avoided whenever they can be avoided without a sacrifice of interest or a dereliction of duty; for if differences be inflamed by hostile feelings, the complications may assume a form which there will be reason to regret. The desire to preserve the autonomy of the provinces is irresistible, and the local powers, where their boundaries are not doubtful, should be allowed full play. In no province is local feeling so strong as in Quebec; yet in its expression there is but little animosity. This is a good sign. Manitoba is not to be held accountable for the hasty expression of individual opinions. It is quite legitimate to object to a high tariff on agricultural implements; but tariff nullification is not within the competence of a province. Any province that says it must have "better terms" or it will quit the union, will sooner or later manifest a desire to go. The talk of going out of the union is sometimes indulged in with a frivolity unworthy of so serious an alternative. Nova Scotia in the early days of Confederation, asked in a constitutional way to be allowed to withdraw, but her request could not be granted, nor would any similar request from any province now. But in a truce brought by increased subsidies little faith can be placed; and the garment of Confederation hangs more loosely over some provinces than is desirable. If the history of the United States federation is to be repeated in Canada, less the disagreeable incidents, time will bring a cure for a state of things which is not just now altogether reassuring.

THE STREAMS DISPUTE.

This question, which has so long been pending, and in which so much interest has been taken, has, it is hoped, been placed finally at rest by the judgment just rendered in England, by the Privy Council, in the case of McLaren *vs.* Caldwell.

To understand this subject it is necessary to discriminate between the point at issue in this suit, and the point at issue between the Provincial and Dominion authorities, as to the right of the former to enact the Streams Bill. The question at issue in the suit of McLaren *vs.* Caldwell was, whether under the law, as it existed before the passage of the Streams Bill, all parties had the right to float logs and timber down streams which were not floatable by nature, but had been made so by the improvements of others.

This point depended on the construction to be put upon an Act passed long before Confederation, which provided that all persons might, in the spring of the year, float legs down all streams. The question was whether this meant all streams that were naturally susceptible of being used to float logs without any improvements being made upon them, or whether it also embraced all streams that could be so used after having been improved.

Vice Chancellor Proudfoot, of the Ontario Court of Chancery, before whom the case first came up for trial, held that the Statute only applied to streams naturally floatable, and that McLaren had, in the case in question, a perfect right, if he chose, to absolutely prevent Caldwell from floating any logs down the Mississippi, which was the stream in question in the case, the same having been rendered floatable only by reason of Mr. McLaren's improvements; and, that if Caldwell desired the right to float his logs past these improvements, he was driven to make the best bargain he could with McLaren, to acquire that right. From this judgment Caldwell appealed, and the Court of Appeal reversed the finding; Mr. Justice Burton dissenting. The view of the Court of Appeal was that the statute in question covered all streams which, either by nature or improvement, were susceptible of being used to float logs. McLaren, in turn, carried the case to the Supreme Court, where the judgment of the Court of Appeal was reversed and the decision of Vice Chancellor Proudfoot was restored.

The next step was the appeal by Caldwell to the Privy Council, which has resulted in another reversal, the judgment of the Supreme Court being set aside, and that of the Ontario Court of Appeal affirmed. It must now be taken to have always been the law, that where streams were floatable by reason of improvements being made upon them by owners of adjoining land, or any one else, there was an absolute right on the part of the public to float logs down them in the spring of the year; and that, apparently, without any compensation whatever to those who had made the improvements.

The decision makes entirely unnecessary in the interest of men situate as Mr. Caldwell was, the enactment of the Streams Bill, and will, apparently, have the rather odd effect of reversing entirely the position of the parties. It will now be to the interest of McLaren and those situated as he is, that such an Act shall become law, for without it their improvements can be used without any compensation to them. However, with such an Act as Mr. Mowat's in force, they will be entitled to reasonable toll or compensation for the use of their improvements.

Altogether, the whole business has been a very pretty game, which has apparently now reached its last move. The only misfortune is that it has been made a party question If it had been dealt with by all parties solely in the public interest, a reasonable conclusion might have been reached without all this delay, expense and animosity.

FIRE INSURANCE IN CANADA IN 1883.

Enough is known of the generally disastrous character of fire underwriting for the year 1883, to prepare us for a very unsatisfactory balance sheet of the business of the companies as a whole at the close of the year. It may be said, therefore, that no one expected that the Canadian 1883 statement from the Superintendent of Insurance to be rose colored. The advance figures of the report have been sent us, and are held, as usual, subject to correction. The grand total premium receipts of the thirty companies—7 Canadian, 19 British, 4 American—were $4,624,741; the aggregate of their policies, new and renewed, $513,580,302; the losses incurred, $3,048,-724. All these totals are larger than in 1882. Premiums are $395,000 larger; policies $3,5500,000 larger; losses incurred $241,000 more, the business of that year having been done by twenty-nine companies. One has disappeared from the list, we mean the Canada. Two new ones appear this year, both British: the National of Ireland and the Caledonian.

The year's losses, as will be seen, are heavy. Their total is greater than that of the previous year though the ratio of loss incurred to premium received is a trifle less (65.9 per cent. to 66.3 per cent.) While this proportion of loss is in agreeable contrast with 1881, the year of the Quebec fire, when almost eighty-four per cent. of the premiums taken was swallowed up by losses, it is in still greater contrast with the year 1880, when the losses were but 43.8 per cent. of the premium receipts.

Two thirds of the business of the year last past was done by the British fire insurance companies, about a fourth by our own, and the Americans got the rest. But both our trans-Atlantic and trans-Pontine friends did relatively better than the home associations, for we find that while the four American companies lost by fire 52 per cent. of their premium receipts, and old-country companies 65½ per cent. it took more than 71 per cent. of the premiums received by our own companies during 1883 to pay the fire losses of that year.