

the property of the cities and townships benefitted should be assessed for the same.

3. Government guarantee of the interest on railway companies' bonds.

4. Government guarantee of railway company's bonds, as well as the interest thereon.

5. Direct issue of Government bonds to railway companies, with a first mortgage on the property of the companies as security.

6. Government guarantee of share capital (asked but not granted.)

7. Municipal loans to railway companies.

8. Municipal subscription to railway stock.

9. Municipal bonuses to railway companies.

10. Government bonuses to railway companies.

11. Raising capital by lottery; authorized but not carried out.

12. Imperial Government guarantee of capital with which to construct the Intercolonial Railway.

13. Share capital, locally contributed, and issue of bonds.

14. Share capital, chiefly English, combined with Government aid, in some of the forms above mentioned, and issue of various degrees of bonds, under different names.

15. Aid in the shape of lands through which the road would run; projected, but never carried into effect.

16. Practical release of Government guarantee, by placing it hopelessly behind other claims, after railway companies became embarrassed.

17. Composition of government claim accepted, when railway companies became embarrassed.

18. Assumption of liabilities incurred by municipalities in aid of railroads, by the Government, the Government becoming the creditor of the municipalities.

19. Direct construction of railways by Government.

It required much unpleasant and even disastrous experience to prove which of these various modes of raising money were safe or advisable, and which were the reverse. A very large proportion of the share capital of the different railway companies has been unproductive—the Great Western is about the only exception—much of it may be set down as valueless, for there is no prospect that anything will ever be realized from it. The municipal loans are all, or nearly all, lost—lost in the sense which a loan implied, and which contemplated repayment. Still it does not follow that value for the outlay has not been obtained in the facilities of railway service. The greater part of the Government loans have shared the same fate. In their case, also, the return received by the country, though ample, has been indirect. The Legislature acted on the assumption that they

would be repaid, long after all prospect of such a result had vanished. Experience has taught this lesson: that if Government grants aid to a railway company, it may make up its mind that it will from that day have a bad debt in its books. The Ontario Government has profited by this experience, and resolved to put its aid to railways in the shape of a bonus. When we take this course we know what we are doing—no false expectations are raised, and no gap is made in the public finances by a disappointment in repayment. The accumulation of a large surplus enables the Government to assist these undertakings with ease. This saving of three millions and a half in four years is one of the most extraordinary achievements in the history of Government finance, considering the small annual revenue out of which it is saved, and it presents the greatest contrast to the condition of things when Upper Canada closed the first period of her Provincial existence, in 1841. She was then paying the interest on the public debt, which was nearly equal to six-sevenths of the entire revenue, out of borrowed money, and accumulating a deficiency of \$200,000 a year. Now we save the thick end of a million every twelve months.

THE STAMP ACT DIFFICULTY.

A correspondent calls attention in our last number to certain practical difficulties in complying with the provisions of the acts "Imposing duties on promissory notes and bills of exchange."

There is no Act on the Statute Book so vexatious in itself, or which imposes penalties so severe and disproportionate to the offence of an infraction of its letter, none which entails so much labor to attain such trifling results, none which affects so many persons in important transactions, none with which it is more difficult to comply, and none more dangerous to neglect or mistake.

The principal difficulty and source of risk arises from the stringent clauses in the fourth section, which make it imperative that the stamp shall bear either, 1st, "the signature or part of the signature of the maker or drawer," or, 2nd, "in case of a draft or bill made or drawn out of Canada, of the acceptor or first endorser in Canada, or his initials, or some integral or material part of the instrument;" or that, 3rd, the person affixing such adhesive stamp shall, at the time of affixing the same, stamp or write thereon the date at which it is affixed, and such stamp shall be held *prima facie* to have been affixed at the date stamped or written thereon." A further clause provides that if none of the above provisions are complied with, "or if the date do not agree with that

of the instrument, such adhesive stamp shall be of no avail; and any person wilfully writing or stamping a false date on any adhesive stamp, shall incur a penalty of \$100 for each offence."

Sections 11 and 12 repeat the above with perplexing variations. They declare the same penalties of fine and invalidity of instrument "if any person in Canada makes, draws, accepts, endorses, signs, or becomes a party to any promissory note, &c., before the duty has been paid," exempting, however, those who, as soon as they become aware of the defective stamps, affix "double the sum by which the stamps affixed fall short of the proper duty, and by writing his signature, or part thereof, or his initials, or the proper date on such stamp or stamps."

It is quite clear that an unstamped bill or note is of no value, that it is illegal to affix stamps to such a document, that there is no provision in the Act for legalizing it by double stamps, and that to place stamps on such a bill or note at any date after its being made subjects the stamper to a penalty of \$100. And yet, as we are informed, this is done in our counting houses daily. Wholesale merchants have complained in our hearing, time and again, that their country customers very commonly send in their paper unstamped. It is only when a bill or note bears "apparently" the requisite number of stamps that any error can be rectified, and the Act, in section 11, in such cases overrules itself by requiring that such additional stamps may have a false date—that is, the date when they ought to have been attached, when the bill or note was made.

Such refinements, niceties, self-contradictions and nullifications may delight the legal mind, but to business men they are simply a nuisance. The whole mischief lies in the usage of stamps instead of stamped paper. If a short act were passed, requiring bills and notes to be drawn on stamped paper (which of course should be provided for public use) there would be an end at once to the trouble arising from defective and irregular cancellation or illegal affixing of stamps after bills or notes are made, &c.

This would end, also, a constant and most irritating annoyance to bankers and merchants—that is, the falling off of stamps. At present it is impossible to handle a number of bills for sorting, copying, &c., without detaching more or less stamps, and it is a common occurrence for bills to have removed from them the stamps on which their whole validity depends. The reckless improvidence referred to in the old proverb, "For want of a shoe the horse was lost," is as nothing to legislation which compels merchants to run daily a risk of losing large amounts for the lack of stamps of relatively no value. When