

being able to deal with it to the detriment of the drawer are reduced to a minimum. No individual can get payment of it, because the bank won't pay to an individual, and therefore the person who finds the cheque and forges the name on it must find somebody to take it from him who has a bank account, and the chances are against his finding such a man. If he does find such a man, of course he may succeed in getting it done; but men who have bank accounts, and men from whom the bank will take it for collection, are not the men who would help a forger or would take a cheque and give value for it, and make themselves responsible for the endorsement, if they did not know that the transaction was perfectly regular.

MR. GAMBLE—Can the drawer make the cheque “not negotiable?”

MR. LASH—Yes; but I can see objections to that, because he does not know what the man to whom he sends the cheque may want to do with it.

MR. STANGER—The addition of the words “not negotiable” would be an extra precaution in remittances from a bank to one of its customers by post.

MR. LASH—A great precaution; in fact, I do not know anything that would be safer than using the words “not negotiable” in connection with a draft.

MR. PLUMMER—I think we would understand the situation better if we remember the difference between the English law and ours as to uncrossed cheques. Because of their Section 60, when a man draws an uncrossed cheque payable to order he has not the protection Mr. Gamble referred to: if an uncrossed cheque payable to order is sent by mail in England, and gets into the hands of someone who forges the endorsement, the drawer's responsibility as to that cheque is the same as his responsibility here for a crossed cheque lost between him and the payee. In England, therefore, he is no worse off in sending a crossed cheque than an uncrossed one. Here there is the difference Mr. Gamble mentions, but which Mr. Lash has, I think, conclusively shown not to be of any moment.

MR. LASH—If the great bulk of the cheques which a man issues does get into the hands of the payee, and I think that it does—it is difficult to name a percentage. I have before now suggested 99 out of 100, but it is more likely 999 out of 1,000. In the thirty years I have been in business I cannot recall a single case in which any cheque we have sent, and which did not get into the hands of the payee, gave rise to any trouble. If that be the case, and if it be to the benefit of the drawer of a cheque that it should be crossed