The Canadian Monetary Times.

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It has been suggested to us by several of our leading merchants, that we should devote more space to the interests of trade, and admit advertisements of a commercial character. Although the idea with which this journal was started did not embrace so wide a field, still, we are not unwilling, in case a proper amount of encouragement is given to us, to meet the views of those who have made us very liberal offers. In accordance therewith, we now propose to add to our staff one who shall give his whole attention to the wholesale and retail trade, and supply such information regarding commercial transactions as will meet the wants of those who complain that they have no proper means of intercommunication. We shall devote a limited space to sales of land, trade sales, and other advertisements that appeal more directly to our moneyed classes.

At the present time, three different Patent Laws are in operation in the Dominion, viz., those of the Provinces of Canada, Nova Scotia and New Brunswick. One of the early measures of the Parliament of the Dominion will be an Act introducing one law regarding patents applicable to the whole of Canada. As at that time the whole subject will be gone into and the measure introduced will be based on the experience of our own and other countries, we propose to discuss what restrictions are, in our opinion, advisable to be annexed to the granting of such rights. The system of granting Patent Rights is so universal that the imposition of restrictions would be popularly considered as both unwise and unjust. In 1791, the French National Assembly resolved that "not to regard a discovery in industry as the property of the discoverer would be to attack the rights of man in their essence;" and since that time the rights of man (if not of woman) have been pretty fully conceded. The case of patentees has been plainly summarised by Jeremy Bentham in the following words:—

"With respect to a great number of inventions in the arts, an exclusive privilege is absolutely necessary, in order that what is sown may be reaped. He who has no hope that he shall reap will not take the trouble to sow, but that which one man has invented all the world can imitate. Without the assistance of the laws the inventor would almost always be driven out of the market by his rival, who, finding himself, without any expense, in possession of a discovery which hast cost the inventor much time and expense, would be able to deprive him of all his *deserved* advantages, selling them at a lower price. An exclusive privilege is, of all rewards, the best proportioned, the most natural, and the least burdensome. It produces an infinite effect, and it costs nothing. * * * If refused, it will be enjoyed by no one, neither for 15 years nor afterwards, everybody will be disappointed, inventors, workmen, consumers, everything will be stifled, both benefit and enjoyment."

There are, however, persons who say that a discovery is not a property in the true sense of the term, and ought not to be treated as such; that discoveries being nothing more than the natural effect of the contemplation of other works of man's industry on an intelligent mind. What is discovered ought to be published for the benefit of all; that the effect of allowing patents is to restrict discovery and the improvement which naturally accompany competition. For Wm. Armstrong and others, manufacturers and writers, maintain that where the necessity for an invention exists, it will be made and published.

The subject has been discussed too much from an abstract point of view. Having once conceded the justness of rewarding a discoverer, the system of granting the exclusive use of his discovery for a peciod of years is now universally adopted. But during the last century several instances of the States rewarding meritorious inventors occurred. From the middle of last century to the year 1810, the British government distributed to meritorious inventors, in all, £70,000. In almost every instance experience has shewn that the reward was as completely thrown away as in the case of the cure for the stone for which £5,000 was granted to Johanna Stephens in 1740. The contrary system has been since adopted, namely, that of protecting the inventor, and allowing him to make such profit out of his discovery as he can obtain. In our opinion this protection has been carried too far. For instance by the payment of $20.00 an inventor can obtain a patent in the Province of Canada for 14 years. Now, Bentham lays down as the reason for conferring an exclusive privilege on an inventor, that he might be able to reap the reward of his trouble and expense by the use of his invention, and that, by granting such reward, the public is the gainer by the knowledge of an invention which otherwise would have been lost.

What we consider wrong in our act is this, that, although the granting a patent secures to an inventor an exclusive right to use his invention, it does not compel him to use it. The public are no gainers; nay, rather, the losers. No one need be aware of the discovery at all, and when another person, having arrived at the same invention, attempts either to use or patent it, he finds himself forestalled. The inventor or first patentee (for it is seldom that the patentee is the first inventor) can remain inactive, neither using his invention himself nor permitting another to do so. This is not creating a privilege, but legalising a monopoly.

That the system is wrong is plain also from experience. In Great Britain, to secure a patent for 14 years, the fees payable are £175, as follows: £25 on or before completion, £50 before the expiry of three years, and £100 before the expiry of seven years. If the fees are not paid before the expiry of three or seven years, the patent lapses at either of those periods. The result of this arrangement is, that the larger proportion of patents lapse at the end of three years. This law came into force on the 1st of October, 1852, and between that date and the 17th of June, 1854, the first 4000 patents were issued. The additional progressive stamp duty of £50 was paid on 1186, and 2814 became void. The £100 was paid at the end of the seventh year on 490 of the remaining 1186, and 796 became void; consequently, at the end of seven years, nearly ninety per cent of the discoveries, considered worthy of securing a patent for, are given up. Three reasons may be given for this great neglect:—1st. That the great majority of inventions are practically worthless; 2nd. That the fees in England are too high for poor inventors; and, 3rd. That many discoveries in themselves valuable are superseded in seven years by great advances in the same line of invention. That the majority of inventions are practically unfit for use is true, but many of these contain the germ of a useful one. It is right that the patent fees should be low enough to allow inventors to make their ideas public, but if these ideas are allowed to lie dormant in the patent office for 12 years, and then the patent is brought into use, in order to take advantage of a new discovery by another person, infinitely superior to the original one, a wrong is perpetrated in favour of the original patentee. For this reason a progressive payment is in our opinion advisable. Perhaps the greatest justice would be attained by compelling patentees to register every year a place in Canada where their discovery is in actual and continuous operation, or else, if not in operation, to pay a fee. By this plan every one would gain, inventors, workmen, consumers, and nothing would be stifled. To a certain extent, such a law is in operation in New Brunswick. There, patentees must establish a manufacture of the patented article within three years, otherwise the patent is void, unless in speecial cases; when three years further grace is granted.

It is time that there should be some change in the law regarding Insurance Company returns. It is expedient that all Companies doing business in Canada should be compelled to furnish the Auditor-General with such particulars of their business as will enable the public to judge of their financial position. Banks have to make full returns, and we see no reason why any Insurance Company should be exempt from furnishing an account. These Companies are compelled by law to deliver statements to public officers, in England and the United States, and we know of no peculiarity in the circumstances of this country which renders such information valueless here. Not that we would throw difficulties in the way of the Companies, or harrass them by too frequent applications, but we advocate the passing of an act rendering it compulsory to furnish, at stated periods, such particulars as the public interests require. At present the Auditor has to go round, hat-in-hand, begging for information, to be satisfied with the most harmless figures, and, in most cases, to depart without any enlightenment. Fire Insurance Companies, not incorporated by any statute of the Province, are required to obtain a license from the Minister of Finance to carry on business here. The license is issued as soon as the Minister of Finance is satisfied that the Company applying has either invested in Provincial Debentures, or in the Municipal Loan Fund, or in the Stocks of one or more of our chartered banks, $50,000, filed a statement, showing how such amount is made up, together with a certificate of the Manager of the bank, stating that such securities are deposited in such bank or invested in its stock; or that the applicant has given security by the actual investment or deposit of $100,000 in like stocks or securities, that the Company will retain seventy-five per cent of all premiums to be received on risks effected within the Province, until such per centage shall, with the $10,000 amount to the sum of $50,000. Every Company so licensed is to furnish a statement,