

per annum by way of reprisals on all vessels clearing from ports in the Province of Quebec; while vessels that have cleared from Ontario ports, in which Province there is no analogous Dominion tax, go free?

Is the Government aware that by virtue of the Act of Congress of 19th June, 1886, section 11, provision is made that as soon as this taxation ceases in the port of Quebec, the countervailing taxation now levied in the United States on tonnage from the Province of Quebec will also cease?

What steps does the Government propose taking in the premises to the end that the tonnage of the Province of Quebec, trading with the United States, may be there placed on the same favorable footing as tonnage from the Province of Ontario?

HON. MR. ABBOTT—In answer to my hon. friend, I would say, with regard to the first question, that the Government have not looked for any precedents. They are not aware of any, and have made no search for any. With regard to the second question, the Government are aware that a tonnage tax is levied in the United States on all vessels clearing from the ports of Quebec, where a tonnage tax is levied upon them, while vessels that have cleared from Ontario ports, where there is no tonnage tax, go free. With regard to the third question: the Government are aware that as soon as the tax in question, which is not merely a tonnage tax for the support of the harbor police force, but which is a tax, one-half for the support of the harbor police force and one-half for the support of the marine hospital and sick seamen's fund—that as soon as those taxes cease to be levied the taxes now levied in the United States on vessels from Quebec will cease also. Then, with regard to the last question, the Government have been for some time past considering the question, with the view, if possible, of getting rid of this tonnage tax in Quebec, and have already largely reduced the water police force in Quebec—that the question of abolishing the dues is under consideration.

## BILLS OF EXCHANGE AND PROMISSORY NOTES BILL.

### COMMONS AMENDMENTS CONSIDERED.

The Order of the Day being called, "Consideration of amendments made by the House of Commons to the amendments made by the Senate to Bill (6) "An Act relating to Bills of Exchange, Cheques and Promissory Notes."

HON. MR. ABBOTT said: The amendment which the House of Commons made

to the Bill is an amendment to the 24th clause. This clause gave rise to a great deal of discussion in another place, the Bill first introduced providing that banks should not be responsible for the payment made upon a cheque on a forged endorsement. That was struck out in the Lower House and the banks were left responsible, as they were under the ordinary law of the country, for the payment of a cheque on which there was a forged endorsement. Now, this House considered that the time under which the banks would be subject to that liability was too long—it was too much to compel them to remain under such a liability for six years, during which time they probably would have lost all possibility of tracing the forgery; and we fixed one year from the date on which the drawer of the cheque should receive notice of the payment of it by the delivery to him of any book, statement of account, cheques or otherwise during which the liability of the banks will continue. That was our amendment. When this Bill reached the House of Commons it was thought that was too long a period for the notice to run—that is to say, that the notice ought to be given to the bank in a shorter period than a year—and they thought it was too favorable to the bank to allow the delivery of the book or cheque, or statement of account, to be a notice; and therefore they altered it in this way, that the notice must be given by the drawer within one month after he has "acquired notice of the forgery." It seems difficult to ascertain how he could receive notice of the forgery, because in point of fact no one else is supposed to know about the forgery: he finds it out himself. If it is found out at all it must be he who discovers it, in all probability. Therefore, it does not appear to me to be an accurate way of describing the notice he should receive. But I also think, if the cheques are handed back to the drawer, that a court would probably hold that the giving back of the cheque with the forgery endorsed on it, would be constructive notice, and would probably hold that he must give notice to the bank within one month after he receives back his cheques. That is a very short time indeed; and moreover it must be remembered that this affects the party for whom the cheque was intended as well as the drawer. Therefore, the time is altogether too short.