

of ours last spring on the Insolvent Act, in which we maintained that an insolvent is entitled to the full protection of the Act so long as he has not fraudulently appropriated his assets to his own use, but has made his losses in the course of his business transactions, however foolish these may have been. The Insolvent Act ought to be directed solely against intentional fraud, not against folly. From that, men must by their own wisdom protect themselves.

Methods of improving profits find a rather eloquent commentary in the case at present pending of "Williamson vs. Barbour." Messrs. Barbour Bros. are one of the largest and most respected commission houses in Manchester. Messrs. Williamson of Calcutta claim that they sent orders to Messrs. Barbour to purchase certain goods for them on commission, such commission to be two and a half per cent., and that the Messrs. Barbour did not invoice such goods to them at their true cost with 2½ per cent. added as per agreement, but appropriated to themselves sundry trade discounts and differences in price. This the Messrs. Williamson allege they had no right to do, the 2½ per cent. commission being the sole remuneration they had agreed to pay for the credit, experience and knowledge of the markets of the Messrs. Barbour, and the labor they might perform in handling the goods. They therefore claim the repayment to them of these various extra charges. It is extremely unlikely that they will gain their case, for trade usages in England are viewed as too sacred to be trifled with, and there is no reason to suppose that so eminently respectable a firm as Messrs. Barbour would go beyond these in any transactions with any one of their customers. Still the Messrs. Williamson may possibly do good service to trade by causing the wind of public opinion to ventilate the subject. This was much needed. For it is decidedly open to question if there is any benefit to be derived from keeping up a system which is well known both by buyer and seller not to be what it is represented. If commission houses drop that name and become merchants, where will be the harm, and would not that honesty in act and purpose, which is the true bulwark of a nation's greatness, be thereby brought all the more conspicuously to the surface and shine in the light of day? Our Canadian system of selling at an advance on the sterling has already almost gone by the board, and from us our Manchester friends might learn a lesson and adopt a straight quotation for their goods. Their customers would not necessarily for that

reason pay too much for their purchases any more than our customers now do, nor will such measures tend in any way to retard that prosperity which, we trust, may dawn on the trading community here and elsewhere during the year on which we have just entered.

#### THE STAMP ACT.

There is hardly any part of the contributions towards the revenue in which people are so apt to be negligent as in the affixing of stamps to notes and drafts, and it is only when a few severe examples have been made in enforcing the penalties for non compliance with the letter of the Act that many people become thoroughly educated to it. The unpopular feeling respecting it should induce our rulers to make some modifications in a few of its provisions. In the present state of affairs wholesale merchants are not unfrequently obliged to pay the tax twice over. The amount of the note sent to a distant customer for his signature is often disputed, and another note and stamps must be provided. It has been suggested that stamps be printed on the blank notes as in England, and that these be redeemable by the Government in case of error in making the note, or in case it be not completed. Regarding the principal difficulty, that of cancelling the stamps, it has been suggested that no document be deemed of value till the proper stamps be properly cancelled.

The judgment of the Court of Appeal for Ontario, *in re La Banque Nationale vs. Sparks*, interprets the Stamp Act as follows:

There are three periods at which duty or double duty may be paid.

1st. When the note is made, the maker can cancel the requisite stamps by writing the date of the note on them.

2nd. When any holder receives the note, the receiver can affix the stamps for double the duty, and cancel them by writing on them *the date on which he receives the note and his initials*. The initials are absolutely essential.

3rd. Under certain circumstances "the circumstances being the want of knowledge on the part of the receiver of the insufficiency of the stamps upon the note, who, through error or mistake, without intention of violating the law, omits to comply with the terms of the law on the day when he receives it," when the holder becomes aware of the error or mistake in the mode of paying the duty or defect in the amount, he is immediately to affix stamps to the amount of double the duty, and cancel them by writing on them the

date on which he became aware of his error or mistake, and also his initials; the latter being essential.

The provisions of the Act are very exacting as relating to bankers.

A banker or broker, from the nature of his business, is presumed to know the law regulating the stamping of notes, ignorance or mistake on his part might be difficult of proof.

The Act says that the initials must be written. It is asked, would cancellation by the ordinary dating stamp used in banks, the printed name of the bank encircling the printed date, be a sufficient cancellation? We should imagine so.

It is also questioned, in case where a bank receives a note unstamped or improperly stamped, and proceeds to double stamp it, whose initials should be placed on the stamp, the discount clerk's or the initials of the bank? Those of the bank undoubtedly.

#### THE CANADA AGRICULTURAL.

We regret being unable to give place to Mr. Goff's reply to the shareholders owing to its length, chiefly because we were the first to give publication to the substance of the interim report of the accountant, which was obtained in a few minutes by short-hand notes in the office of the company, it having been handed us there by Mr. Ross for our perusal and comment. A stranger reading Mr. Goff's defence would be led to the belief that he is one of the most injured of men, and there is no doubt in our minds that there are others quite as much to blame, who do not bear their just share of the odium of the consequences to the public. It is but fair to estimate men's actions by their motives and we feel that all who know the late manager of the Canada Agricultural will exonerate him from any undue regard for his own pocket in his "management" of the company.

There are a few points in the address which may be briefly noticed. Mr. Goff says the cause of the unsatisfactory condition of the company's finances is traceable to fire losses and general demoralization in rates and practices, and says "the heavy expenditures referred to by Mr. Ross were in a measure unavoidable from the peculiar nature of the business done by the company, the expense of doing a farm property business, owing to the small average amount of premiums, being much heavier than in commercial risks." He refers also to "the false system of premium notes." This is doubtless true to a very great extent, but there must be