

made for the establishment of reserves in this territory were of no value, because they dealt with property over which the Government had no control, and there has been a good deal of negotiation between the two Governments on the subject since. Now, there has been an agreement arrived at between them, by conference between the Minister of Justice and the Attorney General of Ontario, and that agreement forms a schedule of this Bill. It is for the purpose of confirming that agreement that this Bill is introduced. It has no other purpose. I may state that this is in accordance with an arrangement made with the Government of Ontario. An Act containing precisely the same provisions as this has been passed by the Legislature of Ontario, and it is to carry out the arrangement that I ask the House to give this Bill a second reading and eventually to pass it.

HON. MR. SCOTT—Have the reserves been defined yet?

HON. MR. ABBOTT—Yes; they have been defined, but there are some yet to be defined; the boundaries have not been laid down, but the Governments are proceeding to do that by an amicable understanding. There is no difficulty existing at present at all.

The motion was agreed to, and the Bill was read the second time.

BILLS OF EXCHANGE ACT AMENDMENT BILL.

SECOND READING.

HON. MR. ABBOTT moved the second reading of Bill (B) "An Act to amend the Bills of Exchange Act, 1890." He said: This is a Bill partly to remedy two or three verbal defects in the former Bill and partly to make two distinct enactments. The verbal defects arose in consequence of the alteration of the provision with regard to bills payable at sight. As the measure was originally drafted, bills payable at sight were made payable on demand, if I recollect right—that is to say, there were no days of grace. But in that portion of the measure where these bills came to be dealt with it was so arranged that they should have three days' grace, differing from the English system.

HON. MR. SCOTT—The old law being continued?

HON. MR. ABBOTT—Yes; differing from the English system, in which days of grace on sight bills have been abolished; but in two or three paragraphs, where bills at sight are casually alluded to, the necessary erasures did not take place, and part of the Act reads as if bills at sight had three days' grace and part as if they had not. The object of this provision is to set that right by making several verbal corrections.

HON. MR. SCOTT—That is, bills at sight will have the three days' grace?

HON. MR. ABBOTT—Yes. The Act provides that, but in some of the details it is ignored, because the provisions have been copied from the English Act. There is a difference of opinion as to cheques bearing a forged endorsement. A cheque bearing a forged endorsement, with, perhaps, half a dozen subsequent endorsers, every one of whom is responsible for that endorsement, passes into a banking house, and the only remedy under the law, as it stood, that the bank could have, would be its recourse against the person who deposited the cheque with the bank. Obviously, as the law provides that subsequent endorsers make themselves responsible for the genuineness of previous signatures, or, in other words, provides that they shall not be permitted to deny the genuineness of previous signatures, there is an injustice in that, because the person who happened to pay in the cheque may be worthless, while his immediately preceding endorser may be perfectly solvent, and the bank unable to recover back the amount of money which it has paid, or for which it has given credit, from the last endorser but one, the last endorser being insolvent. If the cheque were in the hands of a *bona fide* holder, or what they call a holder in due course, this holder in due course would have a right against all the previous indorsers up to the first endorser; but because the bank pays the cheque it was construed by those who examined the former Bill to have none of the rights of a holder in due course; it was held that the bank could not proceed against anyone but the last endorser, the person who paid it over; whereas, if it was a bill in due course there