SMALL-PAPER MONEY IN THE UNITED KINGDOM.

IT is of course generally known that in England the lowest Bank of England note issued is for £5 sterling, though in Ireland and Scotland £1 notes are in extensive circulation. The present Postmaster-General, however, Mr. FAWCETT, has, quite unintentionally, come very near introducing into circulation a vast amount of paper money of the very lowest denominations. This was to have been brought about in connection with his proposed postal note, the object and history of which are interesting. Mr. FAWCETT'S idea was to issue a form of postal order for certain small sums up to £1, which should be payable to bearer at any post-office in the United Kingdom. The original cost of these orders he fixed at ½d. each up to and inclusive of 1s. 6d., 1d. up to 7s. 6d., and 2d. up to £1. But, this poundage once paid, the order was to be considered as payable at any time, and could be passed from hand to hand or through the post, or crossed like a check, so that it should only be payable through a banker. The result of this would undoubtedly have been that the currency of the country would have been rapidly swollen by an issue of paper money. Five shillings, 10s., 15s., and £1 notes would certainly have become most popular, and the knowledge that such paper money could be cashed at any time through the post-office would practically have insured its not being cashed at all. It is quite possible that within a few years there might have been £20,000,000 or £30,000,000 of government paper money in circulation, and the exchequer placed in possession of this large amount of funds free of cost. Bankers, however, were furious that after abolishing the £1 note, which half a century ago they had the power of issuing and which they were to be still debarred from issuing, the government should thus purpose to supplant them. The result of such an innovation was clearly pointed out, and the government being too preoccupied to fight the matter out agreed to make the following addition to their proposed regulations: After a postal order had been current for three months, it would only be cashed upon payment of additional poundage, equal to the original sum charged. If current six months the poundage would be doubled, if nine months trebled, and so on. Thus it would cost 8d. a year to keep a £1 postal order in circulation, which is equal to 3⅓ per cent., and the percentage would be considerably more on notes of smaller amount. This regulation, of course, was quite sufficient to insure that postal notes would never become current money to any important extent. They are, however, useful to anyone taking a tour through any portion of the United Kingdom. Twenty or thirty pounds worth of such notes can be stowed away at the cost of half a crown, and can, practically, be cashed at any moment and in any locality, where a private check or even a £5 note might cause some delay. But that they will ever come largely into use is not to be expected. The cost of keeping them in circulation is too great. That the postal order, as originally designed, would have been a boon to the public and most profitable to the state, there can be little doubt. The probable effect of a large issue of such government paper money would have been an extensive return of coin to the state, and from thence into the Bank of England. It would not only have saved wear and tear of the currency, but it would have provided a ready supplement to the amount of gold in circulation; and there is no reason why the £1 note, which is found to be so advantageous in Scotland and Ireland and abroad, should be hurtful in England. But while there are such powerful moneyed interests in opposition to the re-establishment of £1 notes it is a difficult matter to introduce a measure of this kind, especially by a government which has its hands so full of other work. No such objections, however, exist to the introduction of the idea into Canada. At all events, it may be worth the consideration of our own Postmaster-General, the Hon. Mr. CARLING.

UNITED STATES FOREIGN TRADE FOR 1881-82.

ENGLISH exchanges say that the commerce of the United Kingdom with the United States has considerably fallen off within the last twelve months. With the knowledge that the imports of the latter largely preceded those of 1881 it was difficult to understand this until full statistics were provided. These are now accessible, and from them we find that the total value of exports of domestic merchandise from American ports for the year was $150,000 less than in 1881, while the imports were $100,000,000 in advance. The following is a comparative statement of exports and imports for 1881 and 1882:—

Exports for the year ending June 30, 1881	$902,377,346
Exports for the year ending June 30, 188	750,542,257
Loss for past year	$152,835,089
Imports for the year ended June 30, 1881	$642,624,628
Imports for the year ended June 30, 1882	724,639,547
Increased imports	$81,974,919

Adding the exports and imports of gold and silver together, the grand totals stand as follows:—

Exports for the fiscal year 1881	$921,784,193
Exports for the fiscal year 1882	799,959,736
Imports for fiscal year 1881	$752,240,125
Imports for fiscal year 1882	767,111,964
Excess of exports for fiscal year 1881	$168,544,068
Excess of exports for fiscal year 188	32,847,772

The imports for the year ending 30th June, 1882, were: duitable, $514,060,567; free of duty, $210,579,007; total, $724,639,574. The total imports for the twelve months ended June 30, 1881, were $642,664,628. Excess for the twelve months ended June 30, 1882, $81,974,946. The exports of domestic merchandise for the twelve months ended June 30, 1882, were $733,238,732; and for the corresponding period of 1881, $883,925,947. Decrease for the twelve months ended June 30, 1882, $150,686,215. The exports of foreign merchandise for the twelve months ended June 30, 1882, were: dutiable, $10,258,096; free of duty, $7,044,429; total, $17,302,525. The total exports of foreign merchandise for the twelve months ended June 30, 1881, were $18,451,339. Decrease for the twelve months ended June 30, 1882, $1,148,874. The same authority says that of the exports of domestic merchandise less than $100,000,000 were carried on United States vessels and $629,000,000 on foreign vessels. Of the imports $130,000,000 worth were brought in United States vessels and $571,000,000 in foreign vessels. This decadence of the American carrying trade has at length become inexpressibly humiliating to our neighbors, but in the present position of political parties no remedy for it is even distantly perceptible.

RAILWAY EMPLOYEES' SAVINGS.—The Chicago, Burlington & Quincy road, noticing the growing accumulations, especially among their employees, has issued 4 per cent. $100 bonds, in order to supply the demand for small investments. In doing this the road does not increase its bonded indebtedness; it simply buys up bonds and issues ten $100 bonds in place of one $1,000 bond. During the few weeks that this plan has been in operation between $75,000 and $100,000 of these bonds have been taken, mostly by employees of the road. Three hundred bonds were signed by the President recently. Half a million of bonds have been called for solely along the line of the road.

THE COMMERCIAL TRAVELLERS' TAX.

IT will no doubt be remembered that some time ago a Montrealer who had been condemned by the Recorder's Court at Quebec to pay a fine for doing business there as a commercial traveller appealed from the said judgment, alleging the unconstitutionality of the case. Judge CASAULT has just rendered judgment dismissing the appeal and declaring the tax constitutional. Further appeal is hardly likely to be taken, Judge CASAULT being so eminent an authority on constitutional law as to make his opinion substantially final. It is to be regretted, however, in the interests of trade, that these offensive exactions are within the law. They form an anachronism in these days of easy locomotion and extended trade, and should be put down everywhere. So far as the city of Quebec is concerned the enforcement of this tax has already done it an infinity of harm.

THE TELEPHONE IN ENGLAND.—The Postmaster-General has just announced in Parliament that there is not the slightest chance that the English Government will ever purchase the telephone lines. It has, however, made some liberal concessions in permitting the development of the telephone under private enterprise.