

Natal.

The patent law of Natal provides that, from and after the promulgation in this colony of the Order in Council referred to in section 104 of "The Patents, Designs, and Trade-Marks Act, 1883," all letters patent granted in the United Kingdom of Great Britain and Ireland shall be deemed and taken to be granted under the provision of Law No. 4, 1870, and may be dealt with accordingly; provided that this law shall only apply to patents granted for inventions in the United Kingdom, and not to designs or trade-marks. The effect of this provision is not altogether clear. Some of the difficulties which would arise under it, if Natal were to join the Union, are commented on in a recent letter from the acting Attorney-General of Natal to the Colonial Secretary.

APPENDIX XI.

IMPERIAL STAMP DUTY CHARGES ON COLONIAL BONDS.

MEMORANDUM BY THE BOARD OF INLAND REVENUE.

1. *Colonial Government Bonds.*

These securities, together with foreign securities, were first brought into charge to stamp duty by the Act 25 Vict., c. 22, the charge of 2s. 6d. per cent. on the amount secured being confined to those securities which were made, or the interest payable in the United Kingdom. By the Act 34 and 35 Vict., c. 4, the charge was extended to those securities which were assigned, transferred, or in any manner negotiated in the United Kingdom.

In 1885, when the Act 48 and 49 Vict. c. 51, whereby all securities transferable by delivery were made chargeable with the duty of 10s. per cent., came into operation, these securities were specially excepted from the higher rate of duty, and remained, and are still, within the 2s. 6d. per cent. rate, whether transferable by delivery or otherwise. It will be thus seen that they are placed in a more favourable position as regards duty than similar securities of a foreign Government or even the English municipal corporation bonds transferable by delivery which fall within the 10s. per cent. rate. Possibly these securities may be liable to duty in the issuing colony, but that objection applies equally to all instruments, and the revenue laws of one country are not taken notice of by the revenue laws of another.

2. *Colonial Municipal Bonds (Corporation or Company).*

These securities are chargeable in the same way as those of English corporations or companies—namely, if transferable by delivery, 1s. for every £10 or fractional part of £10 secured; if transferable otherwise than by delivery, 2s. 6d. per cent.

In connection with this question it may be useful to point out that under "The Colonial Stock Act, 1877," now represented by section 114 of "The Stamp Act, 1891," the Government of Canada or other colony may pay a composition duty for the duty on the transfers of stock issued by the colony, which is inscribed in books kept in the United Kingdom, and so free from the duty of 10s. per cent. all transfers of stock included in the payment.

The rate of composition is 1s. 3d. for every £10 or any fraction of £10 of the nominal amount of stock inscribed at the date of the compositions, with the addition—(a) when the period of redemption exceeds sixty years and does not exceed 100 years, of 3d. for every £10 or fraction of £10; (b) when the period exceeds 100 years, or no period is fixed, of 6d. for every £10 or fraction of £10.

22nd May, 1902.

APPENDIX XII.

MEMORANDUM ON THE PACIFIC CABLE AND THE TELEGRAPH SERVICE OF THE EMPIRE.

RESPECTFULLY SUBMITTED FOR THE INFORMATION AND CONSIDERATION OF MEMBERS OF THE CORONATION CONFERENCE BY SIR SANDFORD FLEMING.

1. In the Canadian Parliament a few weeks ago the Honourable William Mulock, Postmaster-General, informed the members that a complication, prejudicial to Canadian interests, has arisen in connection with the Pacific cable.

2. Although this complication is distinctly traceable to the pronounced hostility to the Pacific cable of the Eastern Extension and Associated Telegraph Companies, its immediate cause is due to the action of the Government of New South Wales in granting to the companies concessions materially affecting the financial outlook of the Pacific cable scheme.

3. On 31st December, 1900, the contract for establishing the Pacific cable was formally executed on behalf of the Home Government, the Governments of Canada, New South Wales, Victoria, Queensland, and New Zealand. Sixteen days afterwards the Government of New South Wales, without the consent of the five other Governments in the partnership arrangement, or any