

merely of procedure makes the appellation all the more inappropriate.

The bill is probably the most concise of any of the proposals which have yet been made dealing comprehensively with this subject. It appears to be based chiefly on the Insolvent Act of 1875, the bill introduced by the Hon. Mr. Abbott some years ago, and the Scotch Bankruptcy statutes.

It is proposed to make the measure applicable to traders only, these being defined in the terms of the Act of 1875. The acts on the part of debtors which shall render their estates liable to liquidation are also practically the same as those enumerated in the former statute; but the assignment procedure it is proposed to omit entirely. It is suggested that the Sheriff shall be the official guardian, shall call meetings of creditors at the earliest date and that the creditors shall then select their trustee, the guardian being declared ineligible for the position. It is further proposed that before any one is eligible for the position of trustee he shall give security to Her Majesty for the benefit of creditors to the amount of \$10,000, with such additional security as may be required by creditors at any meeting. The effect of the latter provision would necessarily be to preclude creditors from appointing themselves or any of their employees to the position of trustee. On these and other grounds it is unlikely that this alteration in the law will be allowed to pass without severe criticism.

Probably the most radical of the changes proposed are the appointment of a Registrar in bankruptcy for each Province and clauses entirely new, dealing with landlords' rights.

The Registrar in bankruptcy, if appointed, may turn out to be the germ for a future bankruptcy Court, but it will probably be found that the five sections in the measure now proposed which deal with this subject will require some elaboration to make them effective. The proposed provision as to leases is so entirely a new departure that we give them below in full. The fact of such suggestions emanating from such a quarter shows the present tendency of the public mind upon that anomaly in our system of laws, the special privileges given to landlords in reference to rent and possession. We shall await with some interest the comments of authorities versed in the law of the Province of Quebec on these proposals, since in our sister Province even more than here are preserved the relics of the feudal system, the most deep-rooted of which is the landlord's right to distrain. We may have occasion again to refer to both the above and other points. In the meantime we subjoin the four sections which it is proposed to embody in the law upon the subject of leases:

"39. If the debtor holds property under lease, the trustee shall, notwithstanding any condition contained in such lease, have the right to retain possession of the premises for his use as such trustee, for the period of two months next after the date of insolvency, and may within that time with the authority of the creditors, evidenced by a resolution in that behalf, passed at the first meeting of creditors, or any adjournment thereof, or at any subsequent meeting duly called for that purpose, or with the authority of the Inspect-

ors or Inspectors, or a majority of them, evidenced by writing under his or their hands, elect to retain the premises for the balance of the term covered by any such lease, in which case he personally and the assets of the estate in his hands shall be liable to the landlord for rent at the rate secured by such lease from the date of insolvency to the end of such term, or until he shall have disposed of said term to a purchaser who shall secure such rent to the satisfaction of the landlord or of the court or judge, after such notice as said court or judge shall direct has been given to the landlord, of the application to fix such security, and in the event of the trustee not so electing to retain the premises, he and the assets of the estate in his hands, shall be liable only for occupation rent for the premises during the time he shall actually retain possession thereof.

40. In every case where the tenant shall have made improvements upon the premises during the currency of the term existing at the date of insolvency for which the landlord shall not have theretofore paid, the trustee shall have the right to elect to retain the premises as aforesaid, notwithstanding that the lease shall contain a provision purporting to make the same void or voidable in the event of insolvency, unless the landlord shall pay to the trustee what shall be adjudged by the court or judge to be the fair proportion of the value of such improvements, to which the estate of the debtor shall be entitled, having reference to the particular circumstances of each case.

41. No landlord shall be entitled to distrain upon any goods in the custody of any guardian or trustee, and any landlord having distrained upon any goods of a debtor, before the same shall have come to the possession of any guardian or trustee, shall be bound on demand to deliver up such goods to such guardian or trustee, subject to the rights of the landlord to his preferential claim for rent, as hereinafter provided.

42. The preferential claim of a landlord, for rent, in the Provinces of Ontario, New Brunswick, Nova Scotia, British Columbia, Prince Edward Island, and Manitoba, is restricted to the rent due, or accruing due, in respect of the three months next preceding the date of insolvency, and for other arrears of rent, if any, such landlord shall be entitled to rank as an ordinary creditor. In the Province of Quebec the preferential claim of the landlord shall be governed by the Civil code. No landlord shall be entitled to any future rent from any estate, guardian or trustee, save occupation rent as aforesaid, except where the trustee shall elect to retain the premises as aforesaid. And all provisions in leases providing for payment of any future rent in the event of insolvency shall be null and void as against creditors and their trustee.

#### THE RAT PORTAGE BROIL.

The authorities of Ontario and those of Manitoba have, as we anticipated, come into collision, at Rat Portage. Ontario constables have arrested Manitoba constables and Manitoba constables have arrested Ontario constables. Fortunately no blood has been shed; and we can only hope

that order may come out of the chaos, by a final judicial decision on the disputed boundaries. Out of these arrests a test case may arise; and then we may get a decision that will put all parties in possession of their rights. If we are to have a test case, it is desirable that it should be wide enough to cover the whole ground in dispute. As a rule, the Privy Council decides only what it cannot pass over. The best way of ensuring a complete decision would have been for the several parties interested—the Dominion, Ontario and Manitoba—to have submitted a case; but agreement upon the facts, it is now plain, would have been impossible. A case for decision must arise out of the circumstances; and the danger is that it may be too limited in its scope to cover the whole ground. A decision on the right to grant tavern licenses might not settle anything; because if the right claimed by the Dominion, in this particular, should be sustained, it would stand alone, and leave the question of boundaries, if not untouched, unsettled. The arrests have arisen out of disputes over the licensing power.

The Dominion Government is said to have issued licenses to cut timber in the disputed territory. This act might be contested by Ontario; and a cause of action might be found in a seizure of the timber taken out under one of these licenses. A seizure of timber is reported to have been contemplated by the Ontario Government; but, so far, no such seizure has been made. It is not certain that a decision so got would be large enough to cover the whole ground of dispute. Might it not possibly be decided that the disputed territory, to whatever Province the north-western part of it may belong, is a part of the Dominion, and that, as such, the Dominion Government must stand godfather to the wail till its parentage is established? After the broil that has been got up at Rat Portage, it would be a ludicrous miscarriage of justice to get, as the distant result, a decision which did not decide,—which left the main difficulty unsettled.

But the danger of serious disturbances at Rat Portage is not over. Among the miners and lumberers some characters, whom it would be no libel to call desperate, may well be found; and there is no saying what desperate things they may not do in a moment of excitement. Some one volunteered to take a battery from Winnipeg, if the local authorities desired him; and it would not be surprising if a like volunteer were to appear on behalf of Ontario. But the militia can only be moved by orders from Ottawa. The rumor that some mounted police would be ordered to the scene of the disturbance seems to have been unfounded. Nothing has yet occurred to make necessary the presence of any military force. But the arm of the law is in danger of becoming powerless in the presence of constables who mutually defy each others' authority; and some mediatorial power strong enough to be undisputed, may become necessary. Peace must, at all hazards, be preserved in the disturbed district.

—La Banque du Peuple has declared a semi-annual dividend of 2½ per cent., payable Sept. 3