

## AN ENGLISH VIEW OF CANADA.

BRITISH merchants see only one blot on Canada's commercial shield. Listen to 'The Drapers' Record': "We have frequently referred to the peculiar position of debtors and creditors in Canada, and a few weeks ago we pointed out that this is the only weak point in dealing with the colony, the conditions in other respects being favorable for an extension of commerce between the mother country and the Dominion. We are glad to notice that the blot on Canada's commercial standing is being keenly felt by Canadians themselves, and judging by reports which appear in the November and December issue of THE DRY GOODS REVIEW, an agitation has arisen, and is gathering such strength as will compel the Dominion Government to take the matter seriously in hand, and put a measure on the Statute book which will remedy the present disgraceful condition of affairs, and raise the status not only of the colony as a whole, but of each individual member of it. It may appear anomalous that the passing of a bankrupt law should raise the status of a trader, but such, we shall show, would be the case. In the present chaotic condition of affairs the wholesaler, although satisfied with the position of his retail customer at the moment he supplies goods to him, cannot be sure that before the time of payment comes he will not have assigned, for some purpose or other, perhaps to a relative, for an old standing loan, or even to another wholesale house where he has a large credit. Such an assignment would be perfectly valid, and there would be no chance of wholesaler No. 1 obtaining a penny for the goods recently supplied by him until the preferential creditor or creditors, in whose favor the assignment had been made, had received payment in full of their claims. It will, therefore, readily be perceived that the credit and high

standing of any Canadian trader is always subject to the possibility of his availing himself of the present improper state of the law, and in calculating his status in the commercial world (which is, of course, not bounded by the Atlantic and Pacific Oceans) a discount must always be taken off to provide for this contingency, and he therefore loses caste as compared with the traders of other nations

"As is only to be expected, no class of persons suffer more from the present state of the law, and none feel the grievance heavier than the Canadian traders themselves. It is true that the lack of security deters British exporters from launching out in the Dominion as they would otherwise do, and they have to miss the profits which they would be able to make if they could trade with confidence. But the Dominion loses a great deal

more by not having the money, goods, and the credit which British merchants would introduce to the country if they could pursue a vigorous policy, and, in a young country like Canada, money and credit are at least half the essentials to prosperity. That such is the feeling of Toronto merchants is clearly shown by a report of the November meeting of the Board of Trade of that city. The meeting unanimously decided to urge upon the Government the necessity for passing a bill which is already in draft, and our contemporary states that 'a fearless, independent criticism of the Government's sluggishness on the matter pervaded the whole discussion, and the earnestness was such as will brook no further delay.'

"We who live under probably the best bankruptcy laws possessed by any State are apt to grumble at the delays, the tediousness, and the poor results

which come from an estate which once reaches the purloins of Carey street. But, at least, we have the protection of that institution to prevent the debtor setting us at defiance, and dealing with the goods we have supplied him with according to his own sweet will, while coolly declining to pay us for them. What should we say to a case reported in THE DRY GOODS REVIEW, in which a firm in the maritime provinces bought goods in Toronto and gave a bill for them? When the bill became due, they asked for a year's extension, without interest, threatening, if this were not given, they would make a preferential assignment, and when the second bill became due offered a compromise of 12s. in the £, with the same threat as before. Another instance is given of a firm in St. John's, who bought goods in Toronto, and when payment became due gave the creditors an option of taking 6s. 8d. in the £, or getting what they could after someone else had been given a preferential assignment.

Many other instances of what we

should call shocking commercial depravity are given, but in Canada, as they are quite within the law, no one has a right to complain, except of the law. That the law tends to make men dishonest is shown by Bradstreet's, which reports that while there was only 1 per cent. of fraudulent bankruptcies in 1890, there were 4 per cent. in 1891, and over 5 per cent. in 1892.

"What complicates matters still further, and renders trading for Canadians unsafe, and for Englishmen impossible, is the multiplicity of little laws in the different divisions of the Dominion dealing with chattel mortgages, assignments, etc. Therefore we most cordially support our Canadian cousins in their endeavors to remove the reproaches which have so long hung over them, by passing a sensible Bankruptcy Bill applicable to all parts of the Dominion alike."



SPRING.