

with the inevitable result that orders for iron and steel have fallen off; and already one large industry in Nova Scotia has been compelled to close down, throwing out of employment hundreds of skilled workmen. In British Columbia a large smelting establishment is unable to continue its business for lack of coke, which cannot be supplied owing to strikes in the mining districts.

"No one would claim, or even suggest, that injustice in respect of hours or wages should not be redressed by reasonable and effective means. But lockouts and strikes are almost as destructive as war itself in the waste and loss which they occasion and in their disturbing influence upon the industrial life of the country. They remove large numbers of men from productive employment through lack of orders; they embitter relations between employer and employed; they discourage efforts to continue or extend business and to afford employment, and last, but not least, they curtail production and increase the cost of the necessities of life. This country is second to none in its opportunities to recover speedily from the effects of the war and to attain a prosperity even more marked than that of the past; but Canada cannot expect wholly to escape the trying experiences which must certainly result from the waste of the last five years, with its inevitable inflation and its widespread disturbance of industrial conditions. A constant recurrence of lockouts or strikes will make it exceedingly difficult, if not impossible, to pass successfully through the perilous period.

"The need of our country makes insistent appeal to the Canadian people in the new and untried era upon which we have now entered. Never was there greater need for steadfast self-control, wise forbearance and a just spirit of conciliation. Upon these qualities will largely depend our success in solving the problems and surmounting the dangers that lie before us."

The new Board of Commerce will be a strictly economic organization. Its head need not be a lawyer, but he should have a thorough knowledge of Canadian business and a grasp of economic principles.

A POINT ON THE STATUTE OF FRAUDS

Liability for Action When Promise to Pay is Not in Writing

BY M. L. HAYWARD, B.C.L.

IF A and B go to a store, A bargains for certain goods, and asks that they be charged to him, to which the merchant demurs on account of A's financial standing whereupon B says, "let him have the goods, and if he don't pay you I will," B is not liable, as the old and familiar Statute of Fraud provides that "no action shall be brought whereby they charge any person upon any special promise to answer for the debt, default or miscarriage of another person, unless the agreement upon which the action is brought or some memorandum or note thereof shall be in writing and signed by the party to be charged therewith or some other person thereunto by him lawful authorized."

On the other hand, if A and B go in a store and B says to the merchant, "give A such and such goods, and charge them up to me," in this case B is liable, as he is buying the goods on his own account, is becoming responsible for them directly, and is not merely agreeing to pay if A does not, so no note or memorandum in writing is required. In other words, the Statute of Frauds quoted above does not apply.

Cases are continually arising where the point for the decision of the court is that whether a contract is a mere promise to answer for the "debt, default, or miscarriage" of another which must be in writing, or whether he is incurring a direct and primary liability, in which case the Statute of Frauds does not apply, and it is not necessary that the contract be in writing.

BRITISH LOAN A SUCCESS

REPORTS from England state that the Victory loan, books for which closed on July 12th, was a distinct success. The final figures are not yet available, but estimates indicate a total of £1,500,000,000, including £750,000,000 of new money. Manchester heads the list of provincial towns with £30,000,000, and Liverpool is second with £25,000,000. The largest personal subscription was one for a million pounds from "Private T.," whose identity has not been disclosed. Sir Edward Sassoon subscribed £400,000.

NEW LIMITS TO MUNICIPAL OWNERSHIP

INTER-URBAN public service corporations are increasing in number, particularly in the case of street railway transportation, and this development introduces a new difficulty into the public ownership movement. Giving evidence before the Federal Electric Railway Commission of the United States a few days ago, W. J. Clark, a pioneer street railway builder, stated that jealousy between towns and rural communities would not permit of a large municipality owning an electric railway serving them all.

Abnormal prices are a device by which the economic system, a structure which is beyond the complete comprehension of the individual, seeks to overcome unusual demands upon it. This can be remedied only by the removal of the conditions which cause it.

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Regina Y.M.C.A. owes the city \$77,500; for which the city holds as security a first mortgage on the property. The loan was made to replace loss caused by the cyclone some years ago. An effort is being made to have the city cancel the obligation but the citizens object to shouldering the burden of a private institution.

For instance, in the case of Gillies vs. Brown, Brown was a director and the manager of a mining company of which Gillies was the president and the largest shareholder. In order to keep the affairs of the company going it was necessary to have money, which Brown advanced, and Gillies told Brown that if he (Brown) would advance the money necessary to keep the company going, Gillies had some money coming in and would repay the money to Brown.

The company was not able to repay the money, and Brown sued Gillies on his oral promise to repay it, while Gillies set up the defence that his promise to repay the money was merely a promise to pay if the company did not, in other words, that it was a promise to answer for the debt, default or miscarriage of another, which was not enforceable under the Statute of Frauds, as it had not been put in writing.

The Supreme Court of Canada held, however, that Gillies' promise was not a mere conditional promise, but was a promise which rendered Gillies a primary debtor for the amount of the advances, and which, therefore was not required to be in writing.

"It was a direct and personal liability on Gillies' part, and he cannot now invoke the Statutes of Fraud to prevent him from being liable under that contract," said the court.

At a recent meeting of the Calgary Life Underwriters' Association the following officers were elected for the year 1919-20:—President, R. B. Hood, Mutual Life of Canada; vice-president, W. S. Armstrong, Sun Life of Canada; treasurer, H. K. Hunt, Imperial Life of Canada; secretary, E. S. Clow, North American Life; executive committee—Percy G. Leaney, Metropolitan Life; F. B. Summers, New York Life; T. Marston, Equitable Life.