

*Preferential Assignments and Bills of Sale*, have been so often referred to by writers in this Journal, that little more can be said on these subjects. A writer in volume I, page 393, thus alluded to the questions of a Bankrupt Law and Preferential Assignments, long before the money crisis appeared, and when these subjects occupied a much smaller share of public attention than they now do.

"Upper Canada has grown to be, and seems still more highly destined to become, a commercial country. All the advantages which commerce brings to a country, in which it finds healthful operation, may be secured to Upper Canada. Commercial enterprise has here already done much. The progressive impetus which has pervaded every department of its trade and industry, may rightly be ascribed to the activity of its traffic. But, strange to say, Upper Canada is at present without any Bankrupt Law. The very activity of mercantile operations which, with available resources, is most beneficial for a country, has here, from the scarcity of capital and other causes, lead to a temporary reaction and stagnation in commercial transactions. The embarrassments and failures always consequent on such a crisis, stand much in need of all the indemnity and relief which can be derived from a well regulated system of Bankrupt Law. But Upper Canada in its evil hour, has been left destitute of any of those legislative remedies which the mother country has, in this instance, so amply prepared for its use. There, this subject has never been lost sight of for centuries. Here it has been so overlooked—so neglected that the act of 1856 (19 Vic. ch. 93)—a disgrace to the statute book of any commercial country—was passed through the legislature, and foisted upon the country, by interested private parties, without attracting any public notice in its passage; and it was not until it came in collision with other private interests that its existence was discovered by those whom it most seriously concerned. The legislature promptly atoned for its dereliction by rescinding its own act as early as possible; and whenever the commercial interests will let their voice be heard as unmistakably as in this instance, the legislature will always be found equally pliable. The present state of matters in Upper Canada has indeed, to some extent, been occasioned by the apathy of the merchants themselves. Had they before now addressed themselves in earnest to the subject, they surely might have obtained the services of some competent member to take charge of the bills necessary for supplying a well adjusted Bankrupt Law. This, however, could not have been effected without a combination, which is, perhaps, too much to expect from a commercial community so partially organized. In a legislature where private bills are pushed forward, by paid agents, to the exclusion of more important public measures, such as the modification of the Usury Laws, it might not perhaps be very easy, without an available fund, to obtain the necessary attention and support, to carry a law reform not originating with the Attorney General. To the negligence, incapacity, or delinquency of our Crown lawyers may be fairly charged several legislative acts, in which the interests of mercantile men in Upper Canada have been flagrantly sacrificed. Amongst the more glaring of these are the acts authorizing the preference so easily obtained by creditors who hold a confession of judgment, or a chattel mortgage by bill of sale. In the absence of any Bankrupt Law, these individual preferences are most injurious to the general interests of commerce. They destroy the mutual confidence which ought to exist between man and man, in mercantile transactions. They press most unfairly upon the *bona fide* creditors. They hamper and harass the honest debtor, and could never have existed so long upon our statute book, if the crown lawyers had not been guilty of one or other or all of the imputations laid to their charge.

Take an instance by way of practical illustration. A wholesale dealer furnishes out a man of straw—his own clerk, perhaps—with a quantity of goods of