

basis of principle, it is at the same time well to be reasonable. Partizans are never reasonable, so that it is hardly worth while asking them to take such a view of the case. The balance of power, however, is held by the independent voters, who rely upon judgment rather than partizan feeling, and it is only this independent element which acts as a safety valve and saves the country from destruction at the hands of rampant partyism.

The independent and reasonable citizen, while perhaps an ardent free trader in principle, will at the same time recognize the great necessity for using calm caution and deliberate judgment in changing the fiscal system of the country. These are the people to whom the country must look for protection, when reckless partyism would precipitate a crisis. To jump from a system of protection to the adoption of a policy which would suddenly eradicate every feature of protection, would bring about a crisis such as the country has never yet experienced. It would be a wave of disaster sweeping over the land, leaving wreck and ruin in its course, and bringing misery to thousands. While therefore the policy of tariff reform must be continued, the gravity of the situation involved in the change of the fiscal system must be recognized. There is no necessity for the precipitation of a crisis which would be disastrous to the country. The work of reform can be carried out wisely and with moderation, and the desired result ultimately attained, without producing any great upheavals. This will be accomplished by the good sense of the independent electors, who, while insisting upon tariff reform, will exercise such a restraining influence as will prevent the disastrous consequences which would follow a sudden and complete reversal of our fiscal system.

### BINDER TWINE.

There is abundance of competition in the manufacture of binder twine in Canada at present. In addition to the several factories controlled by the Consumers' Cordage Co., and some small independent factories, three large plants have been established. There is the farmers' company at Brantford, Ontario, and the factory established in connection with the Central prison at Toronto, by the Ontario Government, both of which were in operation last year. Following the line of the latter government, the Dominion Government has also established a factory in connection with the Kingston penitentiary. With two factories operated by the Dominion and Ontario governments respectively, by prison labor, besides the several other factories mentioned, twine should be sold at the lowest possible cost. Naturally the farmers will look for a great lowering of the price of twine as a result of the establishment of the two government factories, especially as it was announced that the prison twine would be sold at cost. It is remarkable, however, to state that the Ontario government twine cannot be sold, it is said, any lower than the regular manufacturers have been selling at. The inspector of the Central prison stated before the committee of public accounts, that though they were selling twine at cost they could not undersell the regular factories. From this it

would appear that either the factories have been working on a very economical basis, and have been selling twine at a remarkably small margin of profit, or that gross carelessness and extravagance has characterized the management of the prison factories. When the government, with prison labor and no wages to pay, cannot compete with manufacturers who are employing a large force of hands at regular wages, it looks as though the twine business must be cut pretty fine. Evidently there is a very small margin in binder twine, and the farmers are doubtless getting the commodity close to cost.

### The Bankruptcy Bill.

The present bill takes a wider sweep than any of its predecessors, it includes farmers, who were always previously excluded from the operation of the bankrupt laws. Previous laws were confined to traders, on the ground that traders were specially liable to contingencies to which others were not exposed. It is now recognized that farmers are liable to accidents in the failure of crops and unfavorable seasons over which they have no control. The fact cannot be denied, and, perhaps, it was just as well that it should be recognized.

The mode of dealing with the two classes who are to come under the act is different; the trader may be put into bankruptcy by the action of a creditor; a farmer can come under the law only by his own act. The reason alleged for the distinction is that if a creditor could throw a farmer into bankruptcy it might deprive him of a chance of recovering his position of solvency by realizing upon his growing crop. If the crop were forced to sale while it stood on the ground, it would run great risk of being sacrificed. So far the reason given is not empty, but are there no sacrifices connected with the realization of a trader's estate? Assuredly there are. It often happens that a trader's goods sell for not more than fifty cents on the dollar. But there is a difference between the quality of a bankrupt trader's goods and a farmer's growing crop. In the former there is always some portion that is stale, if not unfashionable from age, and on which the deterioration is absolute, which in the hands of a solvent dealer could only be sold at a reduced price. Such goods are too old to bring cost price. The farmer's growing crop is subject to the uncertainties which attend immaturity; it is impossible to form an accurate estimate of what it will be worth when ripe, and the uncertainty connects a speculative element with the venture of the purchaser. He will be likely to bid low enough to save himself from a probable and possibly from some improbable contingencies. The weight of reason appears to be against forcing the farmer into bankruptcy against his will.

In bringing the farmer under the law, the retail merchant becomes interested, as creditor, in its administration. Hitherto he has been concerned with bankrupt laws only as a debtor; henceforth he will view the law from the twofold position of debtor and creditor. But he may object that he is subject to involuntary bankruptcy, while on his debtor he cannot exert the same force that is brought against himself. But reflection may convince him that it is best the farmer, who is his debtor, should not be coerced into a wasteful administration of his estate. If many farmers take advantage of the Act, retail dealers may be compelled to count their losses sooner than they expected, and often when they did not look for loss at all. They may be disposed to credit the law with their loss, when in fact the law, far from being the cause of the unwelcome fact, merely brings it to light. But the retail dealer will be hard to convince that this is the case; he will be very apt to attribute to the law losses which it did not cause, and which, in its absence, would

have come later and with greater force. When a farmer is really bankrupt, it is better that the fact should be known to his creditors than that concealment should tempt them to add to claims which they cannot realize in full.

If under past conditions the retail trader has been in the habit of forcing goods on the farmer, he will have no motive to do so, in doubtful cases, in future. And if he cannot prudently force goods on the farmer, perhaps he will learn the necessity of refusing to have goods forced upon him in quantities he may not be able to sell. If the law should prove a stimulant to greater prudence among wholesalers as well as retailers, it will have a good effect apart from its direct object. Of forcing goods on purchasers beyond their capacity to sell or pay, the folly may well be shared between the wholesale and retail trade. While this bill provides for bringing the farmer into bankruptcy, it does not extend, like the English act, to other classes of non-traders.

The bill has an ex post facto effect, in so far that it permits any one who has become insolvent since the repeal of the insolvency act of 1875, to obtain a discharge, on condition that all the formalities of the new act are observed.

The expense of the administration of bankruptcy laws has always been a sore point. Under the present bill this item will be in the hands of the creditors. Receivers will be appointed by the government for the different districts, and from them, as we understand it, the court will select an official receiver and invest him with the management of the bankrupt estate until a liquidator is appointed by the creditors, by whom the fees payable to this officer will be determined. They will therefore get the work done for whatever they think fair and reasonable. It remains to be seen whether this will be an improvement upon a system in which the fees are fixed and certain. If they are excessive the creditors will have no one to blame but themselves.

It is not proposed to make the discharge of the insolvent a matter of course or even to make it easy. A majority of the creditors, representing three fourths of the value of the claims, must consent. But even when this condition is met, the court will have the option of refusing a release for cause, as when there is evidence that the business has not been carried on honestly, when the insufficiency of the assets is not accounted for, or if a discharge has been previously refused or suspended. If granted without, as may afterwards appear, good reason, the discharge may then be suspended for five years.—Monetary Times.

### Strike at the Ontario Mills.

About three hundred employees of the Ontario Rolling Mills, Hamilton, have gone on strike.

The reason was the decision of the firm to reduce wages. A notice was posted in the mill stating that a reduction in the rate for piece work would take place, going into effect April 2nd. The notice enumerated the different classes of goods manufactured and the new scale of wages. No intimation of the proposed reduction had previously been given and the employees decided to quit. They assembled in Forester's Hall, James street north, and after discussing the situation, passed the following resolution: "That we protest against the Government in its present action of taking the duty off finished plate, and the increase or the duty on scrap iron."

President Doolittle left for Chicago the same evening, it is thought with the intention of securing hands to replace the strikers.

Superintendent Constables stated that with the new tariff it would be impossible for the mills to continue at the old scale of wages. Having to import their coal and pig iron, the company could not manufacture as cheaply as formerly, when they then operated on a low margin of profit. He was confident that unless there was a change in the tariff no change could be made in the new scale of wages.