

European Assurance Society,

Established..... A. D. 1849.
Incorporated..... A. D. 1854.

EMPOWERED by British and Canadian Parliaments for

LIFE ASSURANCE,

Annuities, Endowments,
and

FIDELITY GUARANTEE.

Capital..... £1,000,000..... Sterling.
Annual Income, over £330,000 Sterling.

THE ROYAL NAVAL AND MILITARY LIFE

Department is under the Special Patronage of
Her Most Gracious Majesty

THE QUEEN.

The EUROPEAN is one of the largest LIFE ASSURANCE Societies, (independent of its Guarantee Branch,) in Great Britain. It has paid over Two Millions Sterling, in Claims and Bonuses, to representatives of Policy Holders.

HEAD OFFICE IN CANADA:

71 GREAT ST. JAMES STREET, MONTREAL.

DIRECTORS IN CANADA:

(All of whom are fully qualified Shareholders.)

HENRY THOMAS, ESQ., WILLIAM WORKMAN, ESQ.,
HUGH ALLAN, ESQ., FRANCOIS LECLAIRE, ESQ.,
C. J. BRYDGES, ESQ., The Hon. CHAS. ALLEYN.

Manager for Canada,

EDWARD RAWLINGS.

Agent in Toronto,

W. T. MASON,

15-1yr

ONTARIO HALL.

Berkshire Life Insurance Co. OF MASSACHUSETTS.

MONTREAL OFFICE:

9 GREAT ST. JAMES STREET.

INCORPORATED 1851.—SECURED BY LAW.

CASH ASSETS.....\$7,000,000.

AMOUNT INSURED.....\$7,000,000.

CASH ASSETS.....ONE MILLION DOLLARS.

\$100,000 deposited with the Receiver General for the protection of Policy holders.

ANNUAL INCOME.....\$500,000.

\$100,000 divided this year in cash amongst its Policy holders.

Montreal Board of Referees:—Hon. Geo. E. Cartier, Minister (Militia); Wm. Workman, Esq., President City Bank; Hon. J. O. Bureau, M.C.S.; E. Hudson, Esq., & Co.; John Torrance, Esq., Merchant; James Ferrier, Jr., Esq., Merchant; Edward Carter, Esq., Q.C., M.L.A.; C. D. Proctor, Esq., Merchant.

Examining Physicians:—J. Emery Coleridge, M.D., Professor of Materia Medica, &c., &c., of the School of Medicine and Surgery, Montreal, and of the Faculty of Medicine of the University of Victoria College; William Wood Squire, A.M., M.D., Graduate of McGill College; Francis W. Campbell, M.D., L.R.C.P., London.

For a sufficient test of merit we beg to state since the commencement of this old and reliable company in Canada, we have had the pleasure of insuring members of Parliament, some of the leading legal talent, and amongst numerous others, several of the leading merchants in this city.

This Company was the Pioneer Company of the non-forfeiture principle, and still takes the lead for every Policy it issues is non-forfeitable after one payment. The Company is now erecting a new stone building, five stories in height, at the cost of \$1,000,000, similar to the Molson's Bank of this city, but of much larger capacity, having 75 feet front, and 6 feet depth, containing three Banks, some Express Offices, and the Post-Office, yielding about \$800,000 income, annually, all of which is the accumulating property of every Policy-holder.

The Company has issued nearly 2,000 Policies since the 1st January, 1867, which is the largest number, in comparison to the expenses, of any Company in Europe or America.

Such are the Results of the Cash System.

Full particulars, history of the Company, Rates, &c., can be obtained at the Managing Office for the Canadas.

EDW. R. TAYLOR & Co.,
20 Great St. James St. (over Pickup's News Office).

The Canadian Monetary Times may be had at any of the News Depots of the Dominion at 5 cents per copy. Orders for quantities to be addressed to A. S. Irving, Bookseller, Toronto.

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The Canadian Monetary Times.

THURSDAY, MAY 7, 1868.

COMMERCIAL MORALITY AND BANKRUPTCY.

THE statistics of the Bankruptcy Court in England, and the recent developments of the Court of Chancery in relation to joint stock companies, have led to a considerable amount of discussion as to the low degree of commercial morality which at present exists there.

The mercantile code of honor of the past which found its expression in such phrases as "his word is as good as his bond," seems fast becoming obsolete, and nothing of the kind appears likely to take its place. A man's ambition now-a-days is to be thought smart, "devilish sly," as Joe Bagstock would say; not to be taken in, but if possible to take other people in.

Among the many consequences of the terrible mania for getting rich in a hurry may be mentioned, speculation, bogus joint stock companies, jobbing contracts, fraudulent assignments and bankruptcies, breaches of trust, gambling in stocks and in grain, adulterations of food, false weights, the cooking of invoices, smuggling, &c. It is a painful fact, that evils of this description are but too common, both here and in England.

There is, doubtless, some truth in the allegation, that as human nature is beyond the reach of the Statute Book, it is absurd to try to make men honest by Act of Parliament. This, however, is only partially true, for the laws of a country must inevitably, to a certain extent, give a tone to its moral code. There are plenty of men who, though perfectly ready to do any thing and every thing which does not transgress the boundary fixed by law, are particularly careful not to go an inch beyond it. But though it be granted that the law cannot do much in this direction, there is certainly no reason why it should give undue facilities in the opposite one, as is unquestionably done by the present law of Bankruptcy, both in England and Canada. The law in England is at present fixed by Lord Westbury's Act of 1861. That act abolished the Insolvency Court, placed non-traders on the same footing as traders, provided and gave facilities for compositions by deeds of arrangement, and allowed the Bankrupt to retain, with slight exceptions, his after acquired property and earnings free from the claims of his creditors in Bankruptcy. The results of this legisla-

tion appear in recent statistics. In 1867, of 8,994 bankrupts, 6,553 were so found on their own petition, and in 5,876 cases no dividend whatever was declared. Furthermore, 7,000 deeds of arrangement were filed in the court in the year 1866-7. Under the act, a person making an assignment to which the majority in value of his creditors assents can compel an unwilling minority to sign it, or lose their debts. The consequence of this is, that it affords to persons wishing to get rid of their liabilities without going through the unpleasant process of paying them, an opportunity, which has been frequently used, to effect that laudable object, by the ingenious method of manufacturing imaginary creditors, who sweep away the greater part of the assets, of course for the secret benefit of the debtor. Facilities are also afforded to persons without capital to enter into business of a speculative nature, with the agreeable certainty before them that they may win and cannot lose, for if luck runs against them they go through the Bankruptcy Court, with the result, *assets and dividends nil*, and come out no poorer than they went in. Even in its best shape, a bankrupt law must, to a certain extent, encourage dishonesty, by violating the inestimable maxim, that it is the duty of every man to pay his debts, to render unto Caesar his due. The law is, however, intended for the relief of the unfortunate, and it is expedient that this relief be granted, even though dishonesty be also a slight gainer. Many of the evils of the present system are not, however, necessary incidents to a Bankrupt law, and the Bill introduced in England by Lord Chancellor Cairns will remove some of the worst of them. Its main provisions are, (1.) The abolition of imprisonment for debt, except where the debtor is about to leave the country. The power of the County Court Judges to imprison for a time is, however, retained. (2.) Where a person is made a bankrupt on his own petition, any creditor can take proceedings within 21 days, and so deprive the debtor of control over them. (3.) Creditors may have the estate wound up by a trustee acting under the inspection of two creditors, as in Scotland. (4.) After acquired property and earnings are to be applied, first, to the maintenance of the bankrupt and his family, and the payment of his subsequent debts, and afterwards to the payment of the creditors in bankruptcy, until paid in full. (5.) Deeds of arrangement are not to be good till they have received judicial sanction. No creditor is to sign until he has proved his debt in bankruptcy. (6.) Creditors holding securities are to vote in respect only of their debt beyond the value of the security.

It is hard to understand why the power of the County Court judge to imprison, is retained. It does seem rather curious that a man should be liable to be deprived of his liberty on account of a small debt but not of a large one. The analogous practice upon