THE INSOLVENT ACT.

ALTHOUGH this measure is in some respects, an improvement on previous attempts to effect an equitable settlement of bankrupt estates, and to reconcile the antagonistic claims of angry creditors who have lost their property with those of unfortunate debtors unable to meet their liabilities, still, the complaints against it are numerous, and some at least not without just cause. Nor need we be surprised at this; for a wholly satisfactory Bankrupt bill has never yet been framed, and perhaps never will be, so far as the parties chiefly interested, the losers, are concerned. An opinion very extensively prevails here, and indeed elsewhere, that the legislature is not justified in intervening between sellers and purchasers, and to force the former to give the latter a discharge from the payment of a just debt, a proceeding which they are inclined to regard very much in the light of a legalized robbery. They demand an entire freedom of action in arranging with a defaulting customer, and from their point of view, there is much reason on their side. Natural justice abhors a dishonest debtor, who was punished with peculiar severity by the ancient laws of almost all nations, and in the earliest stages of the Roman code, as well as that of other countries, his liberty and even his life were placed in the hands of his creditor, without drawing any nice distinctions between dishonesty and misfortune. The laws of the middle ages, though less bloody were scarcely less exacting in other respects, visiting him with imprisonment and branding him with disgrace. Gradually however, these severities have been mitigated, until probably, in some instances, the law has erred in the contrary direction. This has, in a great measure, arisen from the consideration that society, as well as the parties themselves, is interested in the matter, as an important question of public polity. It seems hard, indeed, to compel a man to divest himself of his property or rights, with the alternative of being deprived of them by the law, but when the interests of the community come in conflict with those of the individual, even this must be submitted to. The jurisprudence of all civilized nations enforces many similar sacrifices. In England, for instance, it has been decided that although a person may bind another not to exercise his trade, craft, or business, in any specified locality, an engagement to that effect generally within the realm, is not a legal contract, because it would be detrimental to the common welfare. It is on the same principle that the law of Bankruptcy is based for a debtor in the power of his creditor is considered to be like a man in chains, or imprisoned whose usefulness is thereby lessened as a member of the community. It is society that demands his release from his burdens, in order that he may become a larger contributor to the national wealth, than he could be while trammelled with difficulties, from which he cannot extricate himself by his own unaided exertions. It is therefore as an incident of public policy that the question must primarily be viewed.

We consider the leading fault of the Act of 1864 to be its length, so to speak. The original enactment contains more than 140 sections, and the amending Act of 1865 adds 20 more to the number. This is moderate, in comparison with the Bankrupt laws of some other countries, which have always appeared to sin on that head, but even 170 clauses may embrace much unnecessary and mischievous legislation. We believe, in fact, that most of the Bankrupt systems of Europe and America have so largely failed in their object, because their framers attempted too much, and invented new, intricate, and extensive codes, instead of adapting the exceptional facts of insolvency to the existing jurisprudence of the respective countries. Our own belief is, for example, that a Bankrupt or Insolvent Act for Lower Canada could as an eminent lawyer once said of a kindred subject, be almost written on a sheet of foolscap. In any future measure we hope an effort will be made to carry out this view, which we conceive would be attended with evident advantage to all parties. The first necessity is to secure for the joint benefit of all the creditors the possession of the insolvent debtor's property, and for this we have the writ of *Saisie Arret*, or attachment before judgment, admirably calculated for that purpose. That act of safety effected, we see no reason why Bankrupt estates should not, in a great measure, be left to be dealt with by the general law of the country, just as solvent estates are. If the general law be defective let it be amended, without conforming such amendment to affairs of Bankruptcy only, for what is good in the one case should be good in the other.

Seeing that the civil law prevails in the Province of Quebec, and the English common law in the rest of the Dominion, we would say that the former ought to have a Bankrupt Law of its own—as Scotland has—separate from that of the other Provinces, though it is true that a single act for the whole Dominion is in many ways desirable; and it is to such a separate measure that our remarks refer. The Act should first confer on the Superior Court, original jurisdiction and power to adjudicate in all matters of Bankruptcy or Insolvency, including Rules of Practice and Orders connected therewith, secondly, all proceedings should commence by attaching the property of the debtor, at the suit of a creditor or of several creditors, thirdly, besides the existing facilities for obtaining a Writ of Attachment before judgment, it should be obtainable from the fact of a Promissory note or Bill of Exchange, payable by the debtor, being due and protested or from a term of credit for goods sold, &c., having expired: fourthly, property so attached should be held by the Court for the common benefit of the entire body of the defendant's creditors; fifthly, all other proceedings should be in accordance with ordinary law and practice. So much for forced or involuntary Bankruptcy. In voluntary Bankruptcy, it should, as now, be provided that an assignment accepted by three-fourths of the creditors should be binding on the whole, secondly, such assignment to have full force and effect, without the interference of the Court, further than the depositing a copy of the Deed of Assignment with the Prothonotary; thirdly, that three-fourths of the creditors in number and amount should, if they see proper, instead of an assignment, grant delay to their debtor, which would be binding on the rest, (and the Court ought probably to have the same power in involuntary Bankruptcies); fourthly, that the Court on cause shown, could order an assignment of the debtor's effects and grant him a discharge.

Appeals, the appointment of assignees, and matters of detail and administration we shall not touch upon, as however important, they differ little in most schemes of Bankruptcy. As a rule, the objects aimed at should be to place such power in the hands of the Court as would enable it to protect the just rights of the creditors, and extend relief to the debtor. Beyond that, the less it interferes the better, leaving the parties to manage their own business in their own way.

THE CURRENCY OF THE NEW DOMINION.

(To the Editor of the Trade Review.)

THE question of uniformity of currency for the Confederated Provinces must soon come up for settlement, and is in itself of so much importance, that we think it may not be amiss to open up the subject for discussion with a view of arriving at the best practicable solution of the question on which there is undoubtedly great diversity of opinion. We suppose that whatever there may be to be said in favor of identifying our currency, and modes of reckoning with those of the Mother Country, and the important Colonies of Australia and New Zealand, that the acknowledged advantages of the decimal system, and the fact of its realization being in a partial degree established among us, will be allowed to settle that point. The only question that remains open is, how we shall best make that system most advantageous and convenient under the general circumstances in which we find ourselves placed? In the Provinces of Ontario, Quebec, and New Brunswick, the value of the English sovereign is fixed at \$4 86 and a fraction, and the dollar is supposed to be 4s. 2d sterling. Now when we consider that by far the largest portion of the gold and silver on which our currency is based, is English gold and silver; that we claim to be portions of the same empire; that our immigrants and our population for the most part hail from its shores, and the bulk of our commercial transactions are in the same direction, it would certainly appear that a lesson must have been taken from the circumlocution office, and that our rulers must have diligently striven to find out the way "how not to do it." Let us examine the matter closely. As before stated, the value of the sovereign is fixed at \$4 86 and a fraction, then, to begin with, we have a value wholly incapable of accurate division, and impossible to be expressed accurately by any portion of the currency we have adopted—for instance, the dollar is 4s. 2d., that does not express it. Twenty-four cents are supposed to be equal to a shilling but as twenty shillings sterling are equal to a sovereign, we fail to express its proper value there, and it is only by a series of elaborately prepared calculations that even an approximation can be made to the respective values of the gold and silver on which seven-eighths of our currency rests. The force of the argument in favor of the existing system, on account of its identity with that of the United States, is almost wholly removed by the depreciation and constant fluctuations of the American currency—and the prospect of the resumption of specie payments there is so distant and uncertain, that unless some other reasons can be shown in its favor—it would be absurd to advocate its continuance on that account. Let me now turn to another portion of the "Dominion," examine the system prevailing there, and see if it does not possess a good many advantages to recommend it to favorable consideration in the settlement which must soon be made. In Nova Scotia the value of the English sovereign expressed in currency is \$5, and the English shilling is consequently 25 cents. Thus all the English coins, both of gold and silver, are capable of being accurately represented in currency. The sovereign is \$5, the half sovereign is \$2 50, the crown is \$1 25, the half crown is 62½c., the shilling is 25c, the sixpence 12½c., and all the advantages of the decimal system are secured with the additional one of being able to convert sterling into currency, and *vice versa*, by the simplest possible mental process, and without being driven into elaborate calculations, which, after all, are not accurate. Under this system the silver nuisance entirely disappears, and calculations of every kind are greatly facilitated. We cannot but think that the claims of the Nova Scotia system to favorable consideration are not by any means to be slighted. No doubt some arrangements would have to be made for the equitable settlement of monetary liabilities incurred previous to the change, but it must not be forgotten that these arrangements would have to be made in any case, and that the question to determine is on which side it shall be. Some temporary inconvenience must necessarily result either to them or to us but it forms no good argument against the adoption of the Nova Scotia system, that it happens to be that of the minority. If the balance of advantages be found in its favor, let us adopt it. We are inclined to think they are, at all events, we have never heard of any objection to their system, which does not apply with at least equal force to our own, and it must be admitted, that in point of simplicity and accuracy of calculation, it is in every way superior. We should like to pursue this subject at far greater length, perhaps, though, enough has been said to promote discussion, and to call forth some expressions of opinion. Doubtless the question should be considered solely on its merits; there is, however, one argument of policy which is entitled to some consideration. The Maritime Provinces, in coming into Confederation, gave up for the general good very many rights and privileges which they have been accustomed to exercise for themselves. In Nova Scotia, especially, the hostile feeling on these accounts is excessively bitter, and if, upon investigation, it should be found practicable and advantageous to adopt their system of currency, instead of what they would consider forcing ours on them, it would not only come as a graceful act from the majority to the minority, but would tend very much to allay the bitter feelings with which the Union is undoubtedly regarded by a considerable portion of the Nova Scotia population.

T. G. B.

The Wool Trade.

The following letter from a prominent wool dealer in the Eastern States will explain itself.—

"If the Canada buyers pay over 27 to 28c for wool, they will repeat their foolish operation of last year. Already in the States, many of the spinners, to my knowledge have ceased using Canada wool altogether, owing to its being so much dearer than American combing wool, and several of the worsted manufacturers have given the business up. Canada combing wool at present prices cannot be laid down in Boston at less than 60c cy; and brokers' charges, insurance, teaming, etc., will cost 5c per lb more, so that any wool sent to Boston must sell for 65c cy to net the consigner his first cost on the wool. When American combing wool gets freely on the market I don't think Canada combing will sell for over 50c cy per lb, for I have already bought American combing wool at 54c c. Wools in Ireland are selling for 15d per lb., or 30c in gold. They will average in value 6c per lb. more than Canada wool. Goods of all kinds in the States are so depressed that our worsted goods to-day will not sell for within 20 per cent as much in gold, as before now, so that it is useless for Canadians to expect that we can give high prices for wool. For in the States the wool in the country is lower in gold to-day than before the war. And as to Canada wool, I know of, say 600 000 lbs of last year's combing wool, that is in Boston or New York markets yet unsold, and it will net the owners a loss of at least 25 per cent on its original cost. So, my friends in the wool trade, keep cool, for if you give big prices you can't get your money back. I told some of you so last year; I have no doubt my advice looks better now than it did then.