

## INTRODUCTORY CHAPTER.

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### THE BANKRUPTCY AND INSOLVENCY LAWS THAT HAVE HITHERTO EXISTED IN UPPER CANADA—IMPERIAL ENACTMENTS APPLICABLE TO OUR LAW.

The act contained in the ensuing pages is not the first that has been passed to afford relief to bankrupts in Upper Canada. Twenty-one years ago the Statute of 7 Vic., c. 10, became law. It was entitled "An act to repeal an Ordinance of Lower Canada, intituled, '*An ordinance concerning bankrupts, and the administration and distribution of their estates and effects,*' and to make provision for the same object throughout the Province of Canada."

This act was assented to on the 9th Dec. 1843, and was only to continue in force for and during the term of two years, and from thence to the end of the then next ensuing Session of Parliament. The certificate, which the bankrupt might receive thereunder, had the effect of discharging him from all debts due by him at the date of the commission, and from all claims and demands made proveable under the commission. The provisions of this act extended only to traders, and the term "trader" was very strictly defined. This is a restriction that was preserved even in England, until the English Act of 1861, and before that time those who were not traders could not become bankrupt, but might become insolvent; or in other words, they might obtain protection for their persons against process, but not a discharge of their debts. After the passing of our 7 Vic., c. 10, the portion of the community who were