

The Commercial

WINNIPEG, SEPTEMBER 16, 1889.

SETTLING WITH INSOLVENTS

That class of the commercial community of Canada, who desire and long for a more honorable condition of trade affairs, than now exists throughout the Dominion must have experienced a feeling of intense disgust, when some two weeks ago the commercial press of the east announced, that a patched up settlement had been reached in the affairs of W. E. Brown, late wholesale boot and shoe merchant of Ottawa, whose insolvent affairs necessitated his temporary exile from Canada. The point which would be most productive of the feeling above mentioned is the fact, that by this arrangement Mr. Brown, can return with safety and even impunity to the Dominion, without fear of molestation from his suffering creditors. A few months ago it did seem as if Mr. Brown, should he return, would most assuredly find a residence, and probably a lengthy one within prison walls, where his commercial eccentricities would be effectually held in check. But then it is folly to oppose the power of money in such cases, and seemingly Mr. Brown had friends possessed of sufficient of this omnipotent commodity, which they were willing to launch out or jeopardize, in order to soothe the irritation of the swindled creditors, and apparently the financial syrup has had the desired effect, and Mr. Brown can now return to the scene of his trading exploits, and receive the welcoming smile of the men, whose claims against him are now to be paid at 33½ cents on the dollar.

The news of this settlement of Mr. Brown's insolvent affairs, while it doubtless produced the feelings of disgust referred to, furnished no cause for surprise, as his case is only one of the many, which could be cited to show how thoroughly subservient justice can be and is made to financial expediency in connection with the affairs of insolvents. Mr. Brown's case was one in which large amounts were involved, and it seemed to the casual observer of such affairs more aggravated. But it only illustrated the principle of dishonest expediency, which instead of justice now decides for settlement or no settlement with a man or firm that reaches insolvency. Had there been no gain to his creditors by making a settle-

ment Mr. Brown, would have been an exile for life, or until he paid his debts in full, which was a probability not to be calculated upon.

There is here a matter for serious consideration in connection with criminal affairs of the Dominion. If Mr. Brown was guilty of all the crimes credited to him four or five months ago, he is just as guilty of them to-day. The gist of a crime lies in the intent, and conviction of a criminal frequently fails for want of the intent being clearly proven. In Mr. Brown's case the intent to defraud his creditors was asserted in the most positive manner, and if these creditors have lost a little less money, than they at one time anticipated, by entering into the arrangement for settlement, the intent is in no way removed thereby, but is simply an intent in some measure frustrated, and the frustration cannot obliterate the crimes even if it has lessened the injury intended. How is it then, that on his return Mr. Brown can snap his fingers at our criminal laws? The punishment of crime is a responsibility as well as a duty resting on the Minister of Justice and his representatives throughout the Dominion, and we are led to believe, that the *ipse dixit* from this source decides when and where criminal prosecutions shall take place. But seemingly there is an exception in connection with criminal insolvency. In such cases the creditors of the criminal are evidently the judges, and are in a position to criminate or exculpate just in proportion as the insolvent, or his friends are shrewd and wealthy enough, to appeal to the pockets, or perhaps only the greed and cupidity of the tribunal.

Compromising a crime is a serious matter in this Dominion and especially a paltry crime. To aid in compromising the theft or embezzlement of fifty dollars might be the means of sending a man to prison, even in a case where the action is prompted by feelings of humanity, that rise above and defy law. But there is no danger or anything serious about the proceeding, when a hundred thousand dollars are concerned. There is an air of respectability about such big figures, that would prevent any officer of the law from prying into the details of the transaction.

Looking at this disgusting case from any point, it shows the crying necessity for an insolvency law for Canada. Such a law is invariably agitated for, in order that creditors may have more protection

than they now possess, and is usually advocated purely in the intents of creditors. It might not be out of place for it to contain provisions, that would prevent even suffering creditors from bartering the claims of justice for a few cents on the dollar of their own claims against an insolvent.

But to lay aside the claims of justice, creditors in cases like that of W. E. Brown should do something for the protection of their customers, who pay a hundred cents on the dollar. The huge stock of W. E. Brown, has been slaughtered in the cities of the east, and even in Winnipeg some of it has been sold in slaughter sale, in competition with the goods, which honest traders pay a hundred cents on the dollar for. Mr. Brown will now be free to commence again, for if he can secure capital to start in, he will soon get goods and credit and he can paddle his canoe along until he reaches another crash. The duty of his creditors in the first place was, to effectually prevent him from ever being able to start business again, to compete with their honest customers. But then it seem as if honesty in business was actually at a discount now a days, and trade had reached a state, similar to the competition which once took place between two heather broom peddlers in a Highland Scotch village. One peddler put the price of brooms down to three half pence, but his competitor at once outdone this drop and fixed prices at one penny. Exasperated at this ruinous competition the three halfpenny vendor demanded. "How can you undersell me. I cut the heather myself, and I steal the sticks." The opponent coolly replied "You're but a novice at the business, for I steal my brooms ready made."

ASSINIBOINE WATER-POWER.

The action of the Winnipeg city council at its regular meeting on the 2nd instant, in practically shelving this important undertaking of constructing the Assiniboine water-power for another year, has been productive of quite a strong feeling of discontent among the rate-payers of the city generally, and the feeling has been more fully expressed since the subsequent regular meeting of the council, which took place on the 9th instant, when it was thought the matter would be reconsidered and some action for the speedy prosecution of the work taken. Since that meeting it has become