

obtain his discharge. The statement made that the present state of things is grossly unjust, unfair and unwise, is a statement of the hon. gentleman that I think requires a little demonstration. Even the un wisdom of it might not be easily demonstrated, but how such terms so grossly unfair and unjust should be applied is rather beyond my comprehension. I do not know that it would be grossly unfair and unjust on the part of the hon. member, if I owed him a dollar, that he should say to me: I want you to pay me. If he should say: I think you ought to pay me that dollar, and you ought to conduct your affairs in such a way that you would be able to pay your debts, would I have the right to reply: It is grossly unfair and unjust that you will not allow me to live and bring up my family in a certain style, and that the Parliament of Canada will not pass a law to compel you to do that. Whether the hon. gentleman's Bill be desirable or not, I do not pronounce against it wholly, but I do say it is not well that we should enact such legislation on the idea that there is any large number of persons in the country who are weighted down by the present condition of affairs, who are in an abject condition, suffering that which is cruel, unjust and unfair. There may be cases of hardship, cases of misfortune in business and sickness in family, but these things find a legitimate remedy in the large, hearty sympathies of our fellow-citizens; and I believe that in the vast majority of cases, that a man, unfortunate in business, and anxious to do his business honestly, as the hon. gentleman points out, is the debtor to whom he wishes to give relief, he has but to present a statement of his affairs to his creditors, showing such to be the case, and a composition will be accepted, and a voluntary discharge given him by his creditors. If the hon. gentleman can show any perceptible percentage of cases of hardship, I would be inclined to listen to them, and hear what he might urge in their behalf. I trust, if the Bill goes to a committee, the importance of the subject will not be lost sight of, for, depend upon it, it is a very important measure we are considering.

Mr. SPROULE. The number of petitions and applications sent to this House for several years past would indicate that the commercial community are in favor of some such Bill. One of the great objections always raised against Bills previously introduced in this House, is avoided in the present one. Other Bills for the relief of insolvent debtors only applied to traders, and hence they met with the opposition of the very large class known as agriculturists, who could not take advantage of the insolvent law, because, while these Bills compelled those indebted to traders, who were frequently farmers, to pay one hundred cents on the dollar, the insolvent trader need only pay whatever percentage on the dollar the estate realised. In this Bill, however, that anomaly has been avoided, and if the other principles of it are as much in harmony with public opinion as this, I think the country will be satisfied to see it become law. This Bill applies to all classes in the community, and appears to be a fair measure, while previous ones applied only to traders, and, being unfair in this respect, did not commend themselves to the better judgment of the people. There was another objection to the Bills which we had before on the Statute-book of this country, and that was, that they were always too roundabout in the matter of settling up an estate. A man was put into insolvency, and the greater part of his estate was eaten up in administering the estate, and the creditors received very little from it. Generally speaking, the experience was that the greater portion of the estate went into the hands of lawyers or the courts, and the creditors received very little when the estate was wound up. Many people were opposed to the law on that ground. If these objections could be obviated in this Bill, I believe the country would be satisfied with its

Mr. PATTERSON (Brant.)

adoption. I believe there is a general desire for some such measure, but, if the same objections are found to exist which existed in regard to other Bills, it will be almost as objectionable as those Bills which heretofore have become law. Seeing, however, that this Bill includes not only traders but non-traders, I would be disposed to support it, and if it is sent to a committee, no doubt that committee can perfect it in such a way as to avoid the mistakes which were contained in other Bills, and then I think the country will be willing to accept it.

Mr. BEAUSOLEIL. In 1864 the Parliament of Canada passed a Bill for the division of the estates of insolvent debtors and the discharge of those debtors. In 1869 more extended provisions were made, but, it having been found that that Act did not work satisfactorily, a new Act was passed in 1875, which, with few amendments, existed until 1880. In that law, there were two ways of obtaining the discharge of an insolvent debtor. The first was the consent of the majority in number and value of all creditors having claims for an amount of \$100 and upwards. The second was that, when the debtor could not obtain the consent of such a proportion of his creditors, after one year he could apply to the court for his discharge, after giving thirty days' notice, and then the creditors could appear and oppose the application if they chose, but there was no satisfactory provision made as to the proportion of dividend which was to be paid by the insolvent debtor before obtaining his discharge. It is true that there was a provision that, if he paid less than 33 $\frac{1}{3}$ cents on the dollar, the judge might refuse the discharge or suspend it, but it was found in practice that the facilities for obtaining a discharge were so great that the law became objectionable, and in 1880 the feeling was so strong that the law was repealed, and since that time we have been entirely without an Insolvent Act. But the necessity has been felt for such an Act, and boards of trade and other commercial bodies have asked that some such provision should be made. Accordingly, as the Dominion Parliament took no steps in that direction, the Provincial Legislatures have made provisions for the equitable distribution of the assets of insolvent debtors. But they have been unable to provide for the discharge of those debtors. There is no difference of opinion in regard to the discharge of an honest man who has been unfortunate in business and has given up every cent he possessed in this world; but, because the fear that, if once the principle was admitted, the discharge would again become so easy to obtain, that there would be no practical guarantee against its being granted to unworthy parties, this Parliament has not interfered. The Bill which is now before the House attempts, and, I think in a great degree succeeds, to provide as much safeguard as can be provided against such an abuse. The insolvent cannot obtain his discharge unless a very large proportion of his creditors consent to it. If the estate has paid 66 $\frac{2}{3}$ per cent, which is practically the highest dividend that can be expected from any estate when the party has made an assignment, the majority in number, representing one-half of the creditors in value, is required for such discharge. If the dividend is less than 66 $\frac{2}{3}$ and not less than 33 $\frac{1}{3}$, it requires the consent of two-thirds of the creditors in number, representing three-fourths in value; and, if it is less than 33 $\frac{1}{3}$, it requires three-fourths of all the creditors in number, representing four-fifths in value, to agree to the discharge. The author of the Bill has also provided that the relatives of the insolvent shall not be counted in this proportion of the creditors, so that the father, mother, brother or cousin of the first degree cannot be considered in the proportion of the creditors who have signed or refused to sign such a discharge. More than that, should any creditor desiring to have a higher proportion of dividend refuse to sign, and then sell his claim to others, he is barred from taking part in the final