INSOLVENCY LEGISLATION.

EVEN the printers suffer on account of a lack of an Insolvency Law for the whole Dominion. The Trade Bulletin gives a Montreal instance and says: "The first and final dividend by Cameron, Currie & Co., printers and lithographers, has been declared, amounting to two and four-tenths cents on the dollar on ordinary claims of $5,230.35, which are payable after November 15th at the office of the curator, Mr. T. A. Scott, if no objection be filed before that date. It must be very discouraging for the principal creditor to accept only $25.05 on his claim of $1,043.95, as well as for others whose claims range from $50 to $407. This is another instance of how an estate can be run down under the present lax condition of our bankruptcy laws. As the law now stands, there is every incentive to induce traders after they have become hopelessly insolvent to carry on their concerns until there is little or nothing left for creditors."

Debtors have no doubt as much right to protection as creditors, but neither should have more protection than is just. The man who goes in debt beyond what he is able to pay, is worthy of no consideration whatever; and the laws of the country should not enable him to trade on other men's capital, and then when he has had enough, offer them 25 cents on the dollar and force him to take that. There is *too much* sympathy shown for debtors by men whose opinions are not based on the facts of the case, but on the fact that they desire to gain the debtors' good will. There are certain odd cases where good men may through misfortune fail, but these cases are only one in a hundred, and the law has no right to take notice of them.

The chattel mortgage is a disgrace to Ontario. It gives one creditor a preference, just as much as the preference assignment does in the maritime provinces. The Insolvency law as it stands in each of the provinces, with perhaps the exception of Quebec, is the most imperfect machinery that could be imagined. The results are as unjust as the decisions of a Tammany judge on a party case. The laws on insolvency and bankruptcy are a disgrace to Canada and to the provinces in which they have been promulgated. A national act is badly needed.

To-day Ontario the banner province has legislation which leaves creditor or debtor as much redress as it did one hundred years ago. To-day common law assignments rule, and all the legislation of the last 50 years has been thrown out by the courts. To-day every creditor who can get a judgment and an execution in the hands of a sheriff before assignment gets his claim in full with costs. Thus the creditor who "stands in" with the debtor will be the man who gets his money the rest will get nothing. Such a state of affairs might do in the seventeenth and eighteenth centuries, but it is not fitted for the nineteenth, much less for the twentieth, which we are now fast approaching.

Ontario's laws on this subject have been declared ultra vires by the Court of Appeal the highest court in the Province. They were ultra vires because the subject of "Bankruptcy and Insolvency" was reserved to the Dominion Government by Sec. 91, B. N. A. Act, 1867. Every student of the Canadian Constitution is familiar with the distribution of powers between the Dominion Parliament and the Provincial Parliaments. The Dominion Parliament was given certain subjects on which it could legislate, and even if it did not legislate on these subjects no Provincial Parliament could do so. In the United States it is different, for there each state is allowed to legislate until Congress sees fit to do so. But as was recently argued, it is not possible to hold that, if the Dominion Parliament does not exercise the exclusive jurisdiction assigned to it, the Provincial Parliaments may infringe on that jurisdiction however inconvenient the absence of valid legislation may be.

Any person wishing to investigate this matter for himself is referred to Chief Justice Galt's decision in Union Bank vs. Neville, *21 O. R. 152*; *the Decision of the Court of Appeal in* O. R. vol. xx. (June, 1893), on reference to them of sec. 9 of R. S. O., c. 124, where they declare this to be ultra vires of the Province on bankruptcy and insolvency; and a more recent decision of the Ontario Court of Appeal in Brethaupt Leather Co. vs. Marr.

What Canada needs is a national law. The provinces cannot legislate on this subject for lack of legal power. The Dominion Government alone can change the debtors and creditors from barbarians to civilized beings.

PUBLISHERS AND THE POST OFFICE.

ONE question of importance to publishers is: Should newspapers pay postage on their publications when posted from the office of issue? Principal Grant, writing of the P. O. deficit in the Toronto Globe, scores the franking system and says. "The newspapers have never said much about the franking privilege, because they themselves are bribed much more heavily along the same line. Their papers are sent by the ton from the office of publication, over the land, free of charge. In Britain, nothing goes through the post office that is not paid for. The excuse here is that newspapers are great popular educators. Bread is more necessary than news, and bread is not carried free. Besides, education is by statute a matter for the Provinces and not for the Dominion. Further, if the excuse is to be accepted, periodicals and books should, much more, be allowed to be sent free. The excuse may do *duty for an argument, but great newspapers should scorn* Government 'pap' of any kind."

The Globe speaks editorially in a non-committal way: "In the Postoffice department there is an annual deficit of about a million and a half. This is claimed to be caused in part by the abuse of the franking privileges of members. Here the press comes in for a share of criticism as not been likely to protest, through participation in the advantage, newspapers being carried free in the mails. The special favor enjoyed by newspapers can scarcely be defended as a matter of principle. And it would be equally hard to defend the variation between rates for sealed and unsealed envelopes, or printed and manuscript matter. All newspapers share in the privilege, and few legitimate enterprises derive any material advantage therefrom. The majority would doubtless find it to their advantage to forego the favor if that would lead to the abolition of the abused franking privilege. A deficit in the Postoffice Department means that the whole people have been taxed for the benefit of users of the mail, while a revenue from that source would mean that mail patrons would have been taxed for the benefit of the whole people. Neither would be in harmony with abstract justice."

In the United States all publications are posted at the rate of one cent a pound. This includes newspapers, magazines, paper bound novels entered as serials, etc.

The least that can be said is that Canadian newspapers have all the privileges they can expect, and that, in the past, these privileges have been too often abused by journals unworthy of *the name.*