

release. What is the result? Among a number of creditors there is always somebody who insists on obtaining one hundred cents on the dollar, whether the estate can pay it or not. That man has to be bought off by the debtor to induce him to sign the deed of composition, and if one man gets one hundred cents on the dollar, others, who are not attempting to blackmail but are acting honestly, obtain a reduced amount, and they are injured. Every business man knows, and every lawyer knows, that cases continually arise where, in order to obtain a deed of composition and discharge, and the assent of the creditors, the debtor goes and secures by undue preference the signatures of certain important creditors to the deed, to start the movement, and the other creditors follow; and thus the preferential creditors, who are paid some special amounts, get something more while the other creditors get less than they should receive. Surely that is a position of affairs that should not continue to prevail. Surely the commercial morality of the community must suffer where that law is the only law relating to the discharge of honest debtors. Now, Sir, in this Bill it is not proposed that the benefit of the discharge should be limited to traders only. I think, as all people have to pay their debts, as all other people as well as traders may have families dependent on them, and all classes as well as traders may honestly become insolvent, that all have equal rights to be relieved, if they are not guilty of fraud. Some of the former Insolvent Acts—the later ones, at any rate—applied only to traders, and no farmer, for instance, could get the benefit of a discharge, no matter how much in debt he was, and no matter how injurious it would be to him to stand all his life with a load of debt on his neck. Sometimes farmers have been ruined by traders, by endorsing for them, or becoming sureties for them, and then we know that summer frosts and wet seasons, disease among cattle, and rust in wheat, and fire, and sickness happen to farmers as well as to other people, and why should not they have a discharge? I propose that they shall, as well as any other class. I would be ashamed to advocate a Bill to confer a boon upon honest men and not include farmers, or confine it strictly to traders, for that would be class legislation. Now, Sir, I really do not see any valid argument against giving honest debtors their discharge. It must be remembered that, if this Bill becomes law this Session, we can repeal it any future Session if we choose. Debtors have been seven years without their discharge, and why not give the honest debtors a jubilee year in 1887. I think I remember having heard the First Minister express himself in favor of a sort of jubilee discharge of honest debtors; that from time to time provision should be made to relieve them, and that they should not be forever without release and discharge by law. Now, I call his attention to the fact that over seven years have elapsed since they obtained a discharge, and I think we might mark the jubilee year of Queen Victoria, in Canada, by passing this Bill, even if we have to repeal it after it has been in operation a year. I would propose that this Bill should either go to the Banking and Commerce Committee, if it is read the second time, or a special committee, whose names I would suggest to the Government. I, therefore, move the second reading of the Bill.

Mr. JONES. I have listened very attentively to the observations of my hon. friend, and he has not over-estimated the importance of this Bill, in bringing it to the notice of the House. I remember that at the time an Insolvent Act was passed in this House, there was even at that day a very divided opinion on the subject. There were many in this House who were of opinion that an Insolvent Act was a necessary measure for a certain time to clear away some of the difficulties which had been accumulating for the previous years, but that it was not a measure that should be

Mr. EDGAR,

a permanent statute of the Dominion. For myself I was of opinion at that time, looking at it from my own experience and from the opinions of gentlemen in my own community, that an insolvent Act of some character was necessary for the protection of the creditors generally. I believe the Bill on that occasion was sent to a committee comprising as large and influential a body of gentlemen as are likely to be selected to-day, or at any future occasion, to take such a measure into consideration. I well remember, Mr. Speaker, the difficulty which was felt by that committee in considering the Act. It was supposed by those who had charge of the Bill and were interested in its success that, when that Act became the law of the land, we had established an Act which was, in fact, as near perfection as could be passed by this House. That Act was put in operation, and I speak now with reference to my own Province, because while I advocated that measure at the time I was opposed by many prominent gentlemen, leading commercial men in my own community. We had the working of that Act most satisfactory—I mean to say as far as the assignees were concerned; but we found in a very short time that the expense and inconvenience and delay under the Act were so tedious and annoying that the creditors lost their interest in the estate, and the estate as a whole paid smaller dividends than it would have paid under other circumstances. We found also that the small estates only were placed in the hands of the official assignees, and that undoubtedly was one of the weak points of the whole Bill, because, whenever an assignment was made of any value it was generally arranged among the creditors that some one man should be appointed assignee to work the estate. Now, so far as my own experience goes, I am bound to say that the working of that Act in my own Province was not satisfactory. My hon. friend beside me (Mr. Mackenzie) says the creditors did not manage their own business. That is perfectly true, and that is what I pointed out—that the delays and intricacies were so great that, after a short time, the creditors lost all interest in the management of the estate, and it was left to the official assignee to drag it along just as long as he thought proper. While expressing that as my own opinion, I am bound to add that the Chamber of Commerce in my own constituency, no longer ago than last year or the year before, passed a very strong memorial in favor of renewing the Insolvent Act. That measure I think was promoted more in the interests of the banks than in the interest of the commercial community generally. Still, it had the sanction of the mercantile community at Halifax, and representation was made to this Chamber at that time in favor of the passage of such an Act. No action was taken at that time, and the Act therefore stands in the position in which my hon. friend proposes to deal with it to-day. Of course, the measure which he introduces to-day is of an entirely different character. It is almost in the nature of a permissive Act. While, of course, its clauses become obligatory upon the bankrupt, the creditors have, to a certain extent, control over it, without all the machinery which was provided by the original Act. I think the question is of such importance that it would be wise to send this measure either to the Banking and Commerce Committee or to a special committee to consider all its provisions. I have not had time to read them over as carefully as I should like to do before expressing a final opinion upon the Bill; but I am willing to agree with my hon. friend to this extent, that if a man is placed in such a position that he is obliged to make an assignment, an honest assignment, and distribute his property among his creditors, I am willing that an Act should be passed in this House to give him a legal discharge. I have seen one or two cases myself in which one or two creditors have refused to go into an assignment since the old Act became ineffective, holding out with the object, in which they sometimes succeed, of getting a larger dividend than those who came