

law, while the very large number of persons throughout the Dominion who are interested as policyholders must look with deep concern on any measure calculated to affect their investments, and we must suppose that the Government, however liberal it may wish to appear as regards one or two new aggressive enterprises of the co-operative class, is not likely to forget that the chief end and aim of true government is the greatest amount of good to the greatest number.

CHATTEL MORTGAGES AND BILLS OF SALE.

There are but few wholesale houses in Canada without some direct experience of the operations of what are known as Bills of Sale in the Maritime Provinces and Chattel Mortgages in the Province of Ontario. These two instruments might well be termed Laws for the Protection of Dishonest Debtors, for, although there are doubtless many cases where they are resorted to with honest intentions, the facility which they afford for undue preferences is too great not to be a temptation to the dealer who wishes to escape payment of his honest debts, rather than make an endeavor to meet them, especially in the absence of any law providing for assignment and equitable distribution.

Cases of this kind are cropping up every week. It is not long since a well-known clothier and hatter in Central Ontario gave his creditors an example of what can be done under the law appertaining to chattel mortgages. This man had over-purchased a year before and opened a branch store in a village at some distance, which venture did not, however, prove successful. He gave his fall orders again as usual, but scarcely had the last shipment arrived when it was discovered that he had granted a chattel mortgage of the entire stock to his father, who claimed to be a creditor for \$3,000 to \$4,000. One or two creditors, a portion of whose sales to the redoubtable dealer had been somewhat delayed in getting under weigh sent a confidential employe to the spot to recover if possible the whole or a portion of their shipments, but coaxing, appeal to honor, former intercourse, threatenings of the law,—everything was tried in vain; the retailer merely referred them to his legal adviser, and continued his business in tranquil security behind his intrenchments; even the presence of a Toronto lawyer on the scene proved of no avail in the matter, and the confidential clerk returned crestfallen to head-quarters. It is gratifying to learn that the

firm in question are convinced that there is a weak spot in the defence and that they are determined to fight it out.

A similar case occurred not long since in a leading Maritime city. A firm carrying on a wholesale and retail shoe business there, finding themselves somewhat cramped, gave a Bill of Sale to one of their own clerks, who had been for some time in charge of the retail store, the amount covered being about \$8,000. The case might have escaped special mention had it not been that a leading manufacturer in this city had only some 29 days before sold them \$5,000 worth of goods at 30 days, with the usual discount. The goods went into stock, and were of course covered by the Bill of Sale. It is scarcely necessary to repeat that a Bill of Sale covers not only all the goods that may be in stock at the time, but every dollar's worth of goods that may enter the store until the instrument is satisfied; and it differs in another respect also from the Chattel Mortgage of Ontario, in that it requires no yearly renewal to keep it alive; and it may not be recorded till the moment before execution. The old chattel mortgages of the Maritime Provinces required an inventory of the goods covered; the bill of sale is like a "Blanket Policy" in fire insurance; it covers everything.

The firm of shoe dealers succeeded in effecting a settlement at a little over thirty cents in the dollar, and are still carrying on business, with credit impaired of course, but they manage to keep a full supply of goods, although some of their old creditors persistently refuse to sell them, even on thirty days. When the fullness of time was come the clerk placed in charge of the retail store gave in return a Bill of Sale for an equal sum to his old employers, who had meantime got their discharge under the settlement noted. This faithful clerk is now again reported as having made an assignment under Bill of Sale.

That these instruments encourage the practice of gross injustice, and are a crying evil as affecting the wholesale dealers, and not less the honest competing retailer, there will, we opine, be few to deny; and yet it would seem to minds not wholly devoted to party politics that the remedy is neither remote, nor difficult to apply. Let the law be so amended that such instruments as Chattel Mortgages and Bills of Sale must be recorded, say sixty days before execution can take place, and much of the evils now complained of will disappear; wholesale dealers will not be compelled to witness the goods shipped only a few day before

and just gone into the retailer's stock—which were sold perhaps at 30 days 5 off—seized upon immediately to pay another debt, probably trumped up for the occasion, and another example added to the many contradictions of that definition of the word "law"—which every student of Blackstone remembers—"the rule of right." The operation of such instruments as Chattel mortgages and Bills of Sale in their present condition and possibilities is simply legalized robbery. The business community is looking to the practical business men in both houses at Ottawa, to introduce some such amendment as that above suggested. The Senate can boast of members still in the prime of life whose long experience in business should enable them to cope successfully with the difficulty of the situation.

THE BUTTER TRADE.

By a fatuous persistency in the exploded fallacy of holding butter from 5 to 9 months after it is churned, Canadian farmers have again been taught a serious lesson, fraught with probably the heaviest losses that were ever experienced in the trade; but whether they will view it in a rational light, and quit for ever the stupid practice of keeping perishable goods until they are almost worthless, in the expectation of getting better prices, is very dubious, judging from the records of the past ten years. There is, however, a more general disposition among dealers to have nothing to do with butter after the close of navigation, except on direct orders, and if this cautious policy continue to be cultivated, it will force farmers to take such risks as will soon bring them to their proper senses. A loss of from \$3 to \$5 per tub for the pleasure of speculating upon the chances of making money, by holding butter from the fall into spring, will be apt to have a salutary effect in time. That some farmers are feeling their losses somewhat keenly we glean from the fact that a certain maker in the Eastern Townships, having a dairy of 20 tubs on hand, called upon a dealer in this city on Monday last, and offered him the lot at 17c per lb., delivered here. For eighteen tubs of that lot the dealer referred to, offered him 23½c per lb. last fall; but, no, he would not take a fraction less than 25c per lb., delivered on cars at point of shipment, as he was quite certain that if he held it he would get 30 cents per lb. However, between the realization of his upshot price for holding, and that which he now asks there is a wide gap of 13c.