suit or proceeding in which the order is made. And the assignment in trust seems only calculated to enure to the benefit of the creditor, who is plaintiff in the suit.

The act, therefore, seems to afford to any creditor effective means for compelling payment of the debt due him; but its tendency must be to impede or entirely prevent the distribution of assets among creditors generally. And it affords no means by which, on any conditions whatever, a debtor once insolvent, can be enabled to continue his business with any hope of ultimate success.

In the Province of Ontario, although unrepealed laws respecting insolvency still stand upon the Statute Book (Consol. Stat. U. C., cap. 18 and 26), they have been practically disused since the passage of the Insolvent Act of 1864.

In the Province of Quebec no insolvent law is in existence except the Insolvent Act of 1864; although one of the principles upon which every system of bankrupt law rests is a leading feature of its common law. The right of the creditors of an insolvent to a just distribution of his assets among them all, has always been recognized by the Bar of Lower Canada; although the means under the common law of enforcing that right were cumbrous and expensive. The effects of the debtor could only be realized under execution, and by this process only the minimum price of the goods sold was ever obtained.

And after deduction of the costs of the action, the expenses of the execution, the cost of filing the claims of the creditors, and of preparing and rendering the judgment, distributing the moneys, the moveable effects of a debtor seldom realized sufficient to pay the rent and other privileged claims upon them. With regard to real estate, it almost invariably happened that the debtor, having no means of obtaining a discharge in case of failure, had burthened it in a considerable proportion to its value before he finally stopped payment, and at a Sheriff's sale of it for cash, it usually fell into the hands of the mortgagee, who had the privilege, by reason of his right to the proceeds, of abstaining from paying the price unless his claim proved invalid. No means existed for obtaining possession, or even a sight of the books of an insolvent, and his debts could only be obtained by attachment, a process so costly and so inconvenient as to be seldom if ever resorted to, except as to isolated claims of large amount.

Practically, therefore, the only Insolvent or Bankrupt law in the Dominion which is extensively resorted to is the Insolvent Act of 1864, an act prepared by the Parliament of the late Province of Canada in that year, and having force in the Provinces of Ontario and Quebec. With regard to the other systems referred to, your committee believed, from the preliminary enquiries they made respecting them, that a more extended and minute examination of their nature and operation was unnecessary.

But the Insolvent Act of 1864 appeared to be acted upon so frequently in the late Province of Canada, and to enter so largely into the regulation of commercial questions connected with insolvency, that your committee felt it to be their duty to organize as formal and extensive an inquiry into the operation and effect of it as their powers enabled them to do.

With this view it was determined in the early part of the session to address a series of questions to persons interested in its working, and to those engaged in putting it into force. These questions were of two classes, one of which was submitted to all the persons addressed, and another which accompanied the first when it was transmitted to persons holding any official position, giving them cognizance of proceedings adopted under the act.

These questions were addressed as follows:—

1. They were addressed to one hundred and sixty-two persons, including all the judges having jurisdiction.

2. All the clerks and prothonotaries of the courts before which proceedings are had.

3. All the Boards of Trade throughout Quebec and Ontario.