

INSOLVENT DEBTOR'S ACT.

THERE exists a strong and growing feeling throughout the country in favour of the amendment, if not the abolition, of this Act. This feeling is not new. It existed before Confederation was consummated, and during last session of the Dominion Parliament, a committee was struck—the Hon. Mr. Abbott, chairman, to consider and report upon the subject. This Committee met regularly for some time, and agreed upon certain amendments to the Act; but the Session having nearly closed before they concluded their labours, it was deemed expedient to leave the subject over till the House met again. Since that time the necessity of some alterations in the law has become still more apparent, and the public feeling upon the subject has increased.

Many contend that a great deal of fraud is being perpetrated under the present system. It is held that the simple and easy mode by which Debtors can wipe out their entire indebtedness, not only takes away any terrors from Bankruptcy, and thus destroys a healthy stimulus to industry and perseverance—but that it actually holds out a promise to dishonest men to set their creditors at defiance. We do not believe that the case is so bad as some describe it. We do not think that any circumstances can make Insolvency palatable to any man with the slightest spark of honour or honesty in his composition. Nevertheless, after exercising all the charity possible, we fear it must be confessed that considerable fraud has taken place in the past, and the number of Insolvents gazetted each week at Ottawa, would indicate that the evil is not decreasing. We do not doubt that the greater part of these Bankrupts are such as an Insolvent Act should set free, but it is to be feared that there are also not a few "black sheep" among them—men who are wilfully trying to evade paying their honest debts, or who by their extravagance or folly have brought themselves to their present position.

The business public are almost unanimous in asserting that a grave evil exists—what shall the remedy be? "Abolish the Insolvency Act altogether," say some; "You can't have a Bankruptcy Act under which rogues won't be able to cheat their creditors, and it is better that there should be no such law than that such persons should profit by their rascality." We cannot agree with this view. The true remedy is not in abolishing the Act altogether. That would consign nearly all our Insolvents to hopeless poverty, or drive them to the United States—the latter being the certain destiny of all who had any spirit or enterprise. So far as the dishonest Insolvent is concerned, it would cause little grief to witness his departure across the lines, but Canada cannot afford to lose the honest but unfortunate Insolvents, who constitute the great bulk of such cases. We reason precisely from the opposite standpoint of the personage imagined above:—"Better that a few rogues should escape than that many simply unfortunate Debtors should be driven from the country or kept in a position in which they can do little for themselves and nothing for anybody else."

The true course for the Parliament of the Dominion to pursue, is to amend the present Bankruptcy laws by increasing the means of preventing fraud, and by improving the machinery by which the rights of Creditors are protected. It is not to be wondered at that some loop-holes should have been found in the working of the present Act. An eminent Irishman once said he "could drive a coach and six through any Act," and if experience has shown that unworthy Insolvents can at present whitewash themselves (to use a vulgarism) too easily, experience will also suggest a mode by which such attempts may be frustrated. We believe it will be found that the Hon. Mr. Abbott, as Chairman of the Committee, to whom the subject was referred last Session, is prepared with several important amendments to the Act; which it is to be hoped will satisfy every creditor who at all concedes the principle that the poor but honest debtor should be allowed to go free.

One change in the Act regarding fraud is, we think, fully called for. And that is—better provision for the punishment of every Insolvent guilty of any attempt to defraud or deceive. There should be no squeamishness about affixing a stiff penalty to this crime, and little about enforcing it. The man who by means of Bankruptcy endeavors to swindle his creditors, is not a whit different from the thief or the highwayman, except that he is more cowardly. He should, consequently, be punished as rigorously and inflexibly. A few wholesome examples would soon

put an end to such attempts at fraud and render our Insolvent Act what it is intended to be, simply a release to those individuals who, by over-enterprise or other fortuitous circumstances, have nothing where-with to adjust their liabilities.

The country looks to the Dominion Government for such amendments to the present Bankruptcy law, as will prevent such failures as some which have occurred during the past two years. We are aware of a case in a Western village, where a person made a bargain with an Insolvent to get him a clear discharge from the County Judge for \$90—payable when the discharge was handed to him. No doubt there are many similar cases, as Assignees are like other mortals, quite anxious to do a thriving business. Whoever brings in the amended Act at Ottawa next Session, the Government ought to take charge of it, or at least accept the responsibility of the measure. They are the proper parties to do so, and the commercial public look to them to put our Insolvency Law in a more satisfactory condition, at the earliest possible moment.

CHEAP RAILWAY FARES.

A RECENT number of the *London Quarterly Review* contained a very able article on the system of railways existing in Great Britain and the Continent. We have reproduced portions which will be found worthy of careful perusal, and the information therein given will be of value at the present juncture, when there are so many railway enterprises in the Dominion under consideration.

The comparisons made by the writer in the *Quarterly*, and sustained by plainly stated facts, between the English and Continental systems of railways, are not at all flattering to the former. In Great Britain, as is well known, railways are exceeding costly in construction and working, their freight and passenger charges are high and the profits are not large, considering the vast amount of capital invested. There has been grumbling by the public at the want of convenience, and dissatisfaction of capitalists at the small dividends. Considering the high speed of the swift express trains, which are the pride of railway managers, it is wonderful that there have not been more accidents and greater loss of life. On the Continent, on the other hand, the system of railway management gives general satisfaction. The railways are chiefly under government control. There we have low fares, less speed, greater numbers travelling by railway, and consequent larger returns. The basis is Monopoly. In Great Britain we have high fares and speed, fewer passengers, and smaller returns. The basis is Competition. It is claimed that the results go to show that the principle of competition does not hold as good in railways as in general business, experience having proved that competing lines generally combine after a short contest.

When fares are too high the public will not travel, receipts are small or are diminished, and hence it is clearly in the interests of railway directors to reduce their fares to the lowest possible figure. Many however cannot or will not see the advantage of this course and persistently stick to high rates; they cannot see that railway traffic is similar to postage and telegraphy; and that if a penny postage has enormously increased the receipts of the Post Office, and lower rates have always been advantageous to Telegraph Companies, the same result might follow a like reduction of railway fares. But the postal reforms were only made after long discussion. There is no doubt that the discussion of the prevailing railway systems will lead to many much-needed reforms.

It is likewise demonstrated that "lightning express trains," to which all other trains have to give the right of way, are the most expensive and the least profitable, indeed are frequently non-paying. The number of passengers carried is very small in comparison with the horse-power at work; it is like attaching four or five horses to an omnibus, to convey one or two passengers. This is worthy of the consideration of the promoters and managers of our wooden and other railways, to so manage that there shall be no waste of locomotive power, or unnecessary number of cars, while the requirements of the community are fully satisfied.

The remedy urged for Railway evils in England, is to bring them under Government control as on the Continent. Whether this be the best or not may be open to discussion; but certainly taking the results of the two systems, there must be a strong feeling in favour of the Continental.

SILVER EXPORTATION.

THE following circular respecting the proposed exportation of Silver has been issued by Mr. Weir:—

MONTREAL, 31st Dec., 1868.

SIR,—On the tenth day of January, 1869, I will either accept or decline the tenders of support made to me to assist in exporting the surplus silver coin from the Dominion of Canada. Any further delay would be fatal to the success of the enterprise.

At great labour and considerable expense, I have obtained tenders of support towards the expense of shipping the silver, amounting to a little over half the sum required. I cannot, in justice to myself spend much more time or money in forwarding the movement. I therefore leave it in the hands of those most interested, who, by a little exertion during the next ten days, can easily secure the required amount of support.

By referring to the forms of tender, it will be seen that I am prepared to purchase for exportation on more favourable terms than the present cash rate of discount. If the merchants generally will not support a proposition of this kind, they cannot in the future expect much sympathy for their losses on silver.

For my own part, but for the many friends who have joined heartily in the scheme, and pressed me to push it forward, I would long since have put the papers in the fire, and as I now exchange nearly two millions of dollars of silver, per annum, at my counter, it must be apparent that there are parties far more interested than myself in removing the surplus silver. Of course, it would be more satisfactory to me to earn my commission and benefit the merchants at the same time, but if those interested do not see fit to support me, I must only bow to their decision.

It is sometimes said why do not the Government and the Banks remove the surplus silver, but if those who are selling their silver daily at four to four and one-half per cent. discount, will not tender a small amount for export at three and one-half per cent. discount, to be delivered as soon as they please after the tenth day of January next, how can either the Government or the Banks assist the movement? All that could be done in the direction indicated has been done, the result being that so far, seven of the Banks offer to advance money without interest to pay for the silver, if the support tendered me shows a general desire among business men to remove the surplus silver in accordance with my proposition.

I enclose forms of contract to be filled up. Let those who have not joined us do so at once, and those who have already tendered, increase the amount of their tenders, and the silver nuisance will soon be a thing of the past.

I am, yours respectfully,

W. WEIR.

THE DOMINION TELEGRAPH COMPANY.

(To the Editor of the Gazette.)

SIR,—I notice in the columns of *The Gazette*, the announcement that the Montreal Telegraph Company have decided to establish a uniform rate for the Province of Ontario of twenty five cents per message of ten words. This is undoubtedly a step in the right direction, and if the Dominion Telegraph Company were not to withdraw from the field, they might fairly appeal to the public and say, this benefit at least you owe to them, that they have compelled the company, which has for years past enjoyed a monopoly in Canada through fear of opposition, to show some little forbearance towards its customers. But if the Dominion Company were satisfied to withdraw from the field, or permitted themselves to be choked off by this wealthy and money-making body, what security would the public have against a return to monopoly prices? All the experience of the past in every branch of enterprise points to but one result. It is not my intention at this time to inflict a two-column article on your readers, but there is a matter on which the Montreal Company have enlarged, and to which they have given their usual coloring, which I desire to place before our shareholders in its true character, and that is how Mr. Reeve became a shareholder of nine thousand eight hundred and ninety shares in the Dominion Company. That gentleman who is entitled to the whole credit of starting the enterprise, which I am sanguine enough to believe is destined to work a healthy revolution in telegraph rates, saw that the opening which the recently established telegraph companies in the United States presented to Canada in furnishing the means of a through connection, the want of which having been the cause why all the previous attempts to start new lines in this Province in opposition to the Montreal Company, had fallen to the ground. Mr. Reeve's first step was to secure contracts of connection with two of those companies, the Atlantic and Pacific and the Great Western. He then proceeded to Canada to organise the Dominion Telegraph Company under the