

was impossible to confine the discussion to section 9 alone, and that the particular section must be looked upon as part of the general scheme of the Act, and in that broad sense it was, he contended, a section dealing with the subject of bankruptcy and insolvency, and therefore beyond the jurisdiction of the Legislature of Ontario.

It was admitted that the Dominion Parliament has exclusive jurisdiction over "bankruptcy and insolvency," but the difficulty was as to the real meaning of those terms.

The ground taken by the Attorney-General for Ontario was, that the section in question was passed simply for the purpose of the distribution of assets by an assignee, in the same way as they would be distributed by the sheriff, if no assignment were to be made, and that it dealt with procedure only. The true meaning of the British North America Act, it was urged, is that the Dominion Parliament is to have exclusive jurisdiction as far as any general system of bankruptcy or insolvency is concerned, that is, general legislation is what is contemplated, while all that has been done by the local Act has been to take certain steps for the improvement of the provincial procedure in dealing with property and civil rights in the Province. A voluntary assignment for the benefit of creditors could be made, and the courts have always tried to uphold such assignments. The Act gives no power to compel an assignment and makes no provision for discharge.

The Ontario Court of Appeal, in May last, held this section of the Act to be *ultra vires* of the Ontario Legislature, at which time their judgment was commented on in THE MONETARY TIMES. Since then, an appeal to the Privy Council, in England, has been argued before that tribunal, and judgment was handed down last Saturday. Their Lordships find that the section is *intra vires* of the Ontario Legislature, because it deals only with voluntary assignments, and makes no provision for discharge of the debtor. This may be taken to decide that the general scope of the whole Act is not beyond the powers of the Local Legislature.

The expected Dominion Insolvency legislation will not enter into conflict with the local Act, because it is intended under the wide powers given to the Dominion, in matters pertaining to insolvency and bankruptcy, to pass an Act which will give creditors power to have a debtor declared bankrupt, and which will enable the debtor on complete disclosure of his affairs, and handing over of all his assets to the assignee, to obtain his discharge on payment of a named percentage of his liabilities. Machinery for invoking the assistance of the criminal law will, it is expected, be found in the Dominion Act, for the purpose of dealing with fraudulent acts of assignors.

COVENANTS IN MORTGAGES.

A bill, bearing the name of Mr. Gilmour, to render nugatory personal covenants in any mortgage of real or personal property to be hereafter made, was read the first time in the Ontario Legislature, on the 19th February. If mortgagees are to look ex-

clusively to the property pledged, they will be more careful about the security they take; it will be more difficult for borrowers to secure loans, and sometimes loans which would otherwise have been obtainable will be withheld. It is well known that the personal covenant is often a strong consideration with the lender, and for this reason a loan is made to a man known to be well off which would not be made to another, and the terms are better than would otherwise be obtainable. If no action on the covenant could be maintained, this advantage would cease, and the most desirable mortgagor would be reduced to the terms exacted from the least desirable. Interference with the freedom of contract in such matters generally tells against the borrower. The object of the bill is of course to favor him, but the service it would render him would be of doubtful benefit and would often prove injurious. Section 3 of this bill provides that no action shall be taken on the covenant to repay the capital or interest when two instalments are due, unless notice be given within ten days after default was made; and section 4 denies the right of the mortgagee to pursue his several remedies simultaneously. If the law is to be altered in these particulars, the change ought to be confined to the future, and should not take from the mortgagee any remedy which he possessed when the loan was made. Otherwise the conditions of the loan would be altered, and incidentally the obligations of the contract would in some instances be impaired.

NOVA SCOTIA MINES.

Any authentic report upon the mines and mining interests of Nova Scotia is of especial interest to Canadians. She is a favored Province in many respects, but in none more than that of mineral wealth. The report for 1893, by Mr. Gilpin,* deals with the production of gold, coal, gypsum, iron and copper in the Province. In consequence of a recent enactment of the Legislature making the fiscal year end with September, reports of the several departments are made up to that date. For this reason, any comparisons of the 1893 production with previous years are difficult, since we are dealing only with nine months' report of quantities. The following is a summary of mineral production for the last nine months of 1893, and is compared with full twelve months of 1892:

	9 months, 1893.	12 months, 1892.
Gold	14,030	19,998
Iron ore	66,837	75,000
Manganese ore	114	111
Coal raised †.....	1,682,713	1,942,780
Coke made	51,612	55,000
Gypsum ‡.....	98,247	162,285
Grindstones 	6,971	11,792
Limestone	20,584	20,000
Copper ore	1,250	26

In order to show the more fairly how 1893 probably compares with 1892, we have calculated the equivalent quantities for twelve months of last year on the same basis as those of nine months are shown in

* Report of the Department of Mines, Nova Scotia, for the nine months ending 30th Sept., 1893. Queen's Printer, Halifax.
† Tons of 2,240 pounds.
‡ Quantity exported.
|| Value in dollars.

the table. The result of this approximation is that while in gold (18,707 oz.) there is a decline, and while neither gypsum nor grindstones show as great production in 1893, it indicates an increased output of everything else in the table. Coal, if we may assume its production for twelve months at the same rate as is shown for nine, will appear at 2,248,617 tons, as compared with 1,942,780 tons in 1892, and this is to be expected when we remember the activity in coal resulting in part from the procedure of the Whitney syndicate in Cape Breton. Copper ore and manganese ore will also show increased quantities. What is economically most important of all, a marked increase is betokened in both iron ore mined and coke made. A twenty per cent. increase in limestone production most likely arises from the same cause. Of iron ore the share, according to this calculation, is 89,116 tons, a gain of almost 12 per cent. over 1892, while the coke made will exhibit a gain of 18 per cent. over the previous year.

This increase is no more than what was to be looked for when we consider the circumstances connected with iron-making, related at pages 38 to 42 of the report:

"The iron mine at Ferrona was worked steadily. Explorations at Londonderry showed fresh bodies of ore. In Pictou county the charcoal company secured a lease on a deposit of brown iron ore near the head waters of Sutherland's River," and in still another area "a number of tons was extracted for the use of the Ferrona furnace. The New Glasgow Iron and Coal Company continued working their mines at Bridgeville. At Arisaig the McDonald leases were developed, and several trial lots [red hematite ore] shipped to Ferrona." The operations of the Pictou Charcoal Iron Company are described at some length. This company has 5,000 acres hardwood land of its own, and uses the wood bought of 1,000 acres close by, for making charcoal, most of which is intended to be made in the woods; it has mining rights on Grant's farm and 400 acres a few miles off, also the right of search for iron ores at three different points, on all of which good ore is being found; it works limestone deposits at Bridgeville and at Springville. A furnace plant is being erected at Springville, and half a mile of railway track is already built to connect the works with the Intercolonial Railway. The capacity for charcoal-making is stated at 450,000 bushels per annum. The three tunnels already driven yield a fine quality of brown hematite ore.

At Torbrook, under the superintendence of R. G. E. Leckie, 1,350 feet of vein has been opened up by drifting. In the deepest shaft, 200 feet down, the vein is six feet wide at bottom, clean ore. The vein averages five and a half feet in width, and has been worked out for a distance of 1,000 feet along the strike to an average depth of 100 feet. In September an iron skip, with a capacity of 4,000 pounds, was placed in one of the shafts, thus more than doubling the hoisting capabilities. . . . The average analysis of the ore for the year gives between 55 and 56 per cent. metallic iron."

Between thirty and forty leases of iron properties, a square mile each, have been taken out, most of them in Pictou county, by Messrs. J. H. Bartlett and Graham Fraser, well known in iron circles; a number on the island of Cape Breton, one or two each in five other counties eastward from the Bay of Fundy. The quantities of iron reported for the nine months to 30th September by different companies was: