

business in which the share of profits payable under the said agreement was declared and appropriated, should be final and conclusive between the parties thereto and all persons claiming under them respectively, and should not be impeachable upon any ground whatever. The principle was a wholesome one, and would result in many advantages to persons who occupied the position of employees who had no capital, but who possessed skill and industry.

Hon. Mr. CAMERON asked if the agreement could be a verbal one.

Hon. Mr. CROOKS said it need not necessarily be a written agreement.

Hon. Mr. CAMERON supposed a skilled workman established a business and got another person to carry it on, and an agreement of this kind entered into, and he asked if the person who ostensibly had the management of the business could be held liable to the creditors.

Hon. Mr. CROOKS said the plain law of partnership was that a person who was not really a partner might become liable by representing himself to the world as a partner.

Hon. Mr. CAMERON said the provision of this Bill was that where an agreement of this kind was entered into the persons designated the workmen shall not be responsible. That might open the door to very great evils. The man who was a workman might be, in fact, the owner of the business. He might be acquiring all the profits, and those who were dealing with the ostensible owner would be in ignorance of the arrangement. So the substance of the person dealing with them would pass to the workmen without the creditors having any means of redress. He did not know that there had been any great inconvenience from the want of such a measure. He believed we should hasten slowly in these matters, and should not be introducing new laws unless there was a grievance to be remedied by legislation. There was nothing in the existing law to prevent a skilful workman getting full value for his services. The general principle of the law of partnership was that when a person participated in the profits of a business he was responsible to those who were dealing with the business, and that responsibility ought to exist unless there was a good reason why it should not—unless it could be shown that great inconvenience arose from the want of such a measure, that enterprises were checked by such a want, and that as a remedy a change should be made in the well-understood law relating to partnerships. The latter provision in the first clause would give to the employer, under an agreement of this kind, an undue advantage over the workmen. Supposing the agreement was entered into in good faith, the workman was entitled to the benefit of the arrangement. He might take less wages in the expectation of getting a share in the profits, and if the employer made out a false statement of the profits he would have no remedy. He was completely at the mercy of the honesty of his employer. There did not seem to be equity or justice in that. The second clause of the Bill provided that every agreement of the nature mentioned in the last preceding section shall be deemed to be within the provisions of this Act, unless it purports to be excepted therefrom or this may otherwise be inferred. If that meant that every agreement entered into by a workman and his employer for participation in profits should not be considered as an ordinary partnership, but as an agreement under this statute unless the contrary was specified, then there was another opening by which the public dealing with the business might be deceived. He scarcely thought the measure had been well digested by the hon. gentleman who introduced it; and in point of fact there was no necessity for it at the present time.

Mr. WOOD asked if the hon. Attorney-General was aware of any other country having such a law, or any information as to its working.

Hon. Mr. CROOKS said that the Bill was based on a statute of the State of Pennsylvania, but he thought he had improved upon the wording of it. The necessity of some such measure had been suggested to him by many large employers in the city.

Mr. WOOD said there was no doubt that such a measure was required. Many employers now paid to their employees, according to their ability and assiduity, an annual bonus, which was measured according to the profits of the business at the balancing of the books at the end of the year. It seemed to him, however, that the language of the Bill was strong enough to excuse an investigation of the affairs of the establishment, if the employer was charged with reducing the profits paid his employees below the amount to which they should be reduced. He thought that a Court, on a direct charge of fraud, would, notwithstanding the wording of the Act, order an investigation. He

did not know that this was exactly an objection, because he thought there was no reason why the master should not exhibit his books. On the whole, he thought the Bill acceptable to a large class of the mercantile community, but he thought the last clause might be amended so as to provide that arrangements under this Bill should be so expressed.

Mr. CALVIN thought one difficulty would arise if the Bill were passed. An employer might lose \$10,000 upon a contract, and upon his informing his workmen of the fact, he (Mr. Calvin) did not think they would believe him, if they were not allowed to examine the books. Inasmuch as this difficulty would arise, he was of opinion that the Bill should not pass into law.

Mr. CODE said it was found if men were given a share in the profits, they turned out their work better than they otherwise would, were more contented, and stayed longer with their employers. He would support the Bill.

Mr. SEXTON considered the Bill a good one. He remarked that experience had shown that the principle was one calculated to further the interests of both employer and employed. He also thought a difficulty would arise in consequence of the provision allowing the employer to keep the particulars of the transaction from his men. An amendment in this respect he thought would be advisable; but, under any circumstances, he would support the Bill.

Hon. Atty.-General MOWAT said the object of the Bill was to benefit both master and workman. It was important in the interest of both master and workman that there should be a participation in the profits of work on the part of the workman. As the law stood at present, some difficulties had been encountered, and it was to meet those difficulties that the present Bill had been introduced. The law as embodied in the Bill had been found to work successfully and satisfactorily in the United States. A difficulty up to the present time existed in this country as to the liability of both parties, which would be removed by the passing of this Bill. The very provision which would be found to make the Bill a valuable one in its practical operation had been objected to. An employer would not care to give an interest to his workmen if the effect of that was to entitle the workman to examine his books and transactions. This would involve a very serious matter. The employer might carry on a large business, involving, perhaps, several hundred thousand dollars, and a large portion of the profits might be entirely independent of the transaction in which the workmen were concerned. The master would not place himself in a position which would entitle the workmen to examine the books and transactions of the whole business and incur the liability of the business being thrown into Chancery in order that the real state of the business might be ascertained. If the employer had his eyes open, he would avoid transactions of this kind. This was one of the most serious obstacles in their way. This provision was taken from the law existing in the United States. The rendering of a fraudulent account by the employer was one of the risks. They all knew that as the law stood, there was considerable risk in persons entering into a partnership. No law would prevent partners from acting dishonestly, and the person entering into the partnership had to take the risk. So the workman would have to take the risk, and if he had no confidence in his employer, he would not enter into any agreement. He (Mr. Mowat) thought the Bill would act beneficially, and that it would be a mistake to pass it without the clause to which he had referred. (Hear, hear.)

PROOF OF TELEGRAPH MESSAGES, ETC.

Hon. Mr. CROOKS moved the second reading of Bill to facilitate the proof of Telegraph Messages, Letters, and other written documents. He said that when reading in one of the leading English periodicals an account of the great Reform movement which had been going on in England for the last three or four years, he had seen certain remarks which fell from the Attorney-General and the Solicitor-General in connection with the measure, and he had found that among the improvements which these gentlemen were prepared to foreshadow in the way of reform were certain amendments for facilitating the proof of certain instruments and documents frequently used in business transactions. He did not profess to claim for the phraseology of the Bill that it was entirely correct, or as correct, perhaps, as his hon. friend, member for East Toronto, who had so large an experience in connection with *nisi prius*, would desire; and he asked him and all other hon. members to support him in framing a measure which