

under mortgage. Many of the provisions of the Bill were taken from a statute that had long been in force in the neighbouring Republic, but he had adapted them to the machinery of Ontario. It was proposed that mortgaged premises upon which default had been made might be foreclosed, and sold after they had been advertised for twelve weeks successively, after notices had been posted, the registrar notified, and service made upon all parties interested. The sale might also be postponed from time to time by the insertion of an advertisement to that effect in the newspaper in which the sale was originally advertised. Sales were to be conducted by the County Court Judge, who was to recoup himself for his trouble out of the proceeds. The Bill also provided for the payment of any surplus after the sale to the parties entitled to it on demand. The object of the Act was to reduce the expense connected with the foreclosure and sale of mortgaged property. It was made optional to hold sales under the Act, but he thought that the effects would be so beneficial that the Legislature would soon make it compulsory. He had endeavoured to protect as far as possible the rights of mortgagors, and he thought that his Bill compared favourably with the measure introduced by the Hon. Attorney-General.

Mr. MOWAT said this Bill would not have the effect his hon. friend expected. The system of procedure at sales would be much better for the mortgagor and not at all worse to the mortgagee. Since reading this Bill he had drawn from it a couple of clauses for his own Bill on the same subject. The expression "Foreclosure sale" was not strictly in accordance with the law, as a foreclosure was not necessarily followed by a sale. His hon. friend's Bill provided that the mortgagee's intention to sell should be published for twelve weeks in a newspaper in the county in which the land is situate. This would be a perfectly useless expense, as it might be done in a newspaper which was never seen in the locality of the land to be sold. The mortgagor was always perfectly well aware of the intention to sell, for the notice was served on him. There was nothing in the Act providing that the mortgage should go to the judge to have the time of sale fixed, leaving him, to a large extent, the master of the situation. In a later section it was said that the judge should be present to receive money for the sale. A prudent purchaser did not go to a sale with his pockets full of money, but if he were forced to buy without examining the title he would not be willing to pay more than a minimum price. Irregularities might easily occur in the foreclosure and sale proceedings, yet the Bill provided that the sale might be declared invalid if it were afterwards decided that any of these proceedings had been informal. He pointed out a number of other provisions of the Bill which seemed to him faulty, and indicated one or two places in which he had taken hints from its provisions to improve the Bill which he himself was preparing.

Mr. CURRIE in replying stated that in many cases Sheriffs' sales were advertised in the most obscure papers in the county, and always in the Ontario Gazette—a paper which most people never saw. As to the cost of the advertising necessary under this Bill, it was a mere bagatelle. Under the law as at present the Sheriff served the mortgagor with the call to pay the debt, and at the same time a bill of suit in chancery was served upon him, which was corrected by the notice which was necessary to be given under the present Bill. There was no difficulty about receiving cash down at sheriff's sales, and there was no reason why it should not be so with mortgage sales. After the sale was made the judge gives a certificate to the purchaser, and the money is paid. He proceeded to answer further the objections of the Attorney-General. He felt that if this Bill became law, it would increase the value of every mortgage held by loan and building societies. It would save people from paying the large costs which they now paid on mortgage suits in Chancery. He knew of several undefended suits in which the costs had amounted to six, seven, or even nine hundred dollars. It was to remedy this state of things that the Bill was introduced, because he felt the country required it.

It was not brought down in the interest of Chancery solicitors, but of the whole country, and he trusted the House would permit its second reading, and when it came from the Select Committee he hoped it would be a perfect measure.

Mr. DEACON opposed the Bill on the ground that it was faulty in its wording, and did not provide machinery for its effectual administration. He believed it would not have the effect of reducing the costs of sales.

Mr. PAXTON favoured the Bill as being in the direction of reducing the costs of sales under mortgage, and thought it should be read a second time.

The motion to read the Bill a second time was lost on division, the votes being as follows:—

YEAS.—Messrs. Baker, Bishop, Broder, Calvin, Code, Cole, Coutts, Currie, Finlayson, Graham, Grange, Grant, Harkin, Hunter, Kean, Long, Lyon (Algoma), McDougall, McLaws, Master, Patterson, Paxton, Richardson, Robinson, Rosevear, Suettinger, Striker, Wills—28.

NAYS.—Messrs. Ballantyne, Baxter, Boufield, Clarke (Wellington), Creighton, Crooks, Deacon, Ferris, Fraser, Harcourt, Lane, Lauder, Lyon (Halton), McCraney, McMahon, Massie, Meredith, Monk, Mostyn, Mowat, O'Sullivan, Preston, Ross, Scott, Sexton, Sinclair, Springer, Tooley, Waterworth, Widdifield, Williams, Wilson, Wood—33.

MUNICIPAL LOAN FUND.

The House, on motion of Mr. Wood, then went into Committee of the Whole on the following resolution:—

Where, in the unorganized townships or parts of districts mentioned in the schedule appended to the Act passed in the fortieth year of Her Majesty's reign, chaptered thirteenth, and intitled "An Act respecting payments to unorganized townships or parts of districts under the Municipal Loan Fund Scheme," Indians or persons partly of Indian blood are entitled to the benefit of any moneys payable under the "Act respecting Municipal Loan Fund Debts, and respecting certain payments to Municipalities," the Lieutenant-Governor in Council may authorize expenditure of such moneys for any purpose, whether of a temporary or permanent nature, that he may consider beneficial to the persons as aforesaid entitled.

Mr. MEREDITH took exception to the wording of the resolution. There was nothing whatever in the law to entitle the Government to set apart a portion of the Municipal Loan Fund for the benefit of the Indians, and to enable them to do that, the Government ought to have asked power of the Legislature. He also thought that the Government should not expend the money until the Order in Council had been ratified by the House.

Mr. FRASER said that in dealing with the Indians the Government were not dealing with a class of persons in favour of whom it might be insinuated that undue influences were used, so that the Order in Council did not require to be ratified by the House. His hon. friend was also mistaken as to the first objection he had taken. The inhabitants of these unorganized districts were entitled to the money, and it was quite clear that both whites and Indians had a right to the money. The only difference between the manner in which the money was proposed to be distributed and the ordinary method of distributing it was that in this case power was given to expend it on temporary improvements, so as to meet the necessities of the Indians.

Mr. MEREDITH said his hon. friend misunderstood him. By this motion it was necessary to make a division between the Indians and the whites, which could not be done except by the sanction of the House.

Mr. FRASER said the Lieutenant-Governor had now the power to expend this money upon permanent improvements among the Indians, and the only change contemplated was to make it competent to expend it for what were known as temporary purposes.

The resolution was then passed.

The House then went into Committee of the Whole, and the following Bills were passed:—

Mr. Wood—To authorize investments in municipal debentures issued in aid of stone and timber drainage.

Mr. Mowat—To amend the law as to the Limitation of Actions.

The House adjourned at 10:45.

CORRECTION.

An error appeared in yesterday's report of the remarks of Mr. Lyon (Algoma) on the appropriation for Colonization Roads. He was made to say that 374 miles of Colonization Roads had been constructed in Algoma, whereas he had stated that 74 miles had been constructed.