

PARTIAL MORATORIUM FOR ONTARIO DEBTORS

Measure Will Affect Real Estate Transactions

POWERS OF THE JUDGE

Money to be Provided for Seed Grain for Northern Settlers—Toronto-Hamilton Highway Bill Makes Project a Government Venture.

The new Premier has implemented his promise that the important items of Government legislation were ready. The Toronto-Hamilton highway bill, the moratorium bill and a bill to amend the Northern Ontario development act to enable the Government to provide settlers with seed grain were introduced.

Character of the Bill.

Hon. I. B. Lucas explained that the moratorium bill followed the lines of the announcement made last fall when the war broke out. The bill is confined to real estate secured by mortgage or agreement of sale, and will not apply to commercial paper or personal debts, which is not considered desirable. "The act provides for a simple application to a Judge in Chambers before proceedings can be taken to recover principal money. For the recovery of interest, taxes, insurance and other money, proceedings can be taken in court in the usual way," said the Attorney-General. The bill is so drafted that the application must be made by the mortgagee who desires to take proceedings, rather than the mortgagor whose property is affected. The Judge then has entire discretion, and if in his opinion the inability to pay can be attributed to the war, directly or indirectly, he may then suspend the right of action, or impose such conditions as he may deem desirable.

Retroactive Operation Difficult.

The Attorney-General said that some difficulty was experienced in making the law retroactive to the date of the commencement of the war. To meet this situation the bill prescribes that in any proceedings instituted before the outbreak of the war but not completed by August 4, or any proceedings commenced subsequent to that date, for which orders have been granted, the mortgagee must apply to the Judge for confirmation of his title before it is valid, and in this way the case may be reopened.

"What about default in payment of interest?" asked Mr. Rowell.

"Proceedings may go on," replied Mr. Lucas.

"But most mortgages provide that in default of payment of interest the whole principal may be declared due?"

"The mortgagee may only take proceedings for the interest."

The Highway Bill.

In view of the interest of the Province in the Toronto-Hamilton highway the bill is made a Government measure, and was introduced by Hon. F. G. Macdarmid, Minister of Public Works. The bill is made retroactive to the 17th of September, on which date the Commission was appointed, and that appointment is confirmed. The Commission is made a body corporate, to serve without remuneration, and general powers are granted to survey, lay out, construct, complete, maintain, equip and repair a permanent roadway between the two cities, according to a plan to be

filed in the Department of Lands, Forests and Mines. The Commission is also given power of expropriation for right-of-way or for material required, as is given under the public works act. Where bridges are required to be altered or repaired, the work may be done by the Commission, and the municipality, which would otherwise have to do the work shall pay to the Commission the amount for work it would have had to do in any event, and the excess shall be borne by the Commission as part of the cost of construction.

Functions of Commission.

The Commission is to determine the width of the road, and may direct the removal of timber on either side, and all telegraph, telephone and electric light wires shall be erected as if the Commission was a municipal corporation; but nothing in this respect shall affect the right of the Hydro-electric Power Commission to use the roadway.

When there is a dispute about old boundaries a new survey may be ordered by the Minister of Lands, Forests and Mines.

Debentures to the extent of \$600,000 may be issued to defray the cost, to be guaranteed by the Province of Ontario, which shall be free from succession duties, Provincial or municipal taxation.

Share of the Municipalities.

Five years is given the different municipalities to raise the amount of their contribution toward the cost of the road, and \$143,000 shall be raised by a local improvement assessment on the land abutting the roadway.

Toronto and Hamilton shall each pay to the Commission annually for a period of twenty years after the completion of the road a sum equal to the proportion that the amount contributed by these municipalities bears to the total cost for the purpose of maintenance; the other municipalities likewise, exclusive of the amount expended on bridge enlargement.

Fifty Thousand for Seed.

A new departure in Northern Ontario development was instituted in the Legislature yesterday afternoon when Hon. W. H. Hearst introduced a bill to amend the act under which \$5,000,000 was granted two years ago for road construction and other purposes, to provide that \$50,000 be set aside out of the fund for the purchase of seed grain to be distributed among the settlers.

The Premier made no remarks by way of explanation, but the bill provides that the value of the seed advanced to the settler shall be a first charge upon his land, and a certificate under the signature and seal of the Minister shall be sufficient for the public lands, registry or land titles acts.

Workmen's Compensation.

The principle of workmen's compensation is to be introduced into this development work, and for that purpose the act is amended so that a workman injured may receive compensation out of the \$5,000,000 fund for such amount as the Minister in charge may determine.