THE DAILY NEWS

1914 Austral 21, 1914



HEAD OFFICE

Since the beginning of the war the word "moratorium" has sprung into prominence. It is now of special interest because the Canadian government is considering putting one into effect. While a moratorium in general means that creditors cannot shut down on their debtors no two moratoriums are necessarily alike. That is to say a moratorium may cover certain specific lines of credit while others such as rents, taxes, etc., may not be included, or it may be universal in its scope and either applying to accounts contracted for before the moratorium was applied, or to those before and after. Every time one is applied therefore the government specifies the lines of its influence. The ideal one would appear to be that applied by a local judge in which case there would be an examination of each debtor in order to show whether his refusal to pay is justified by his financial standing. Otherwise great hardships might result by debtors taking advantage of their position.



