

Sections 125 and 126 of the Act contained provisions enabling a debtor to present a petition in court for liquidation of his affairs by arrangement or on payment of a composition. On presentation of this petition a meeting of creditors was to be summoned, but the names of the creditors were furnished by the debtor himself. No judicial investigation of the right of these creditors to be deemed creditors was held. A majority in number and value after lodging proof of their claims could by resolution agree to liquidation by arrangement and to the acceptance of the composition. That resolution then became binding on all other creditors without any act of approval by the court, any judicial examination of the debtor, or any judicial examination of the trustees' account. The consequence was that most of the proceedings under that Act were taken under these sections. After the Act had been in force ten years the comptroller in bankruptcy reported 13,000 annual failures in England and Wales, and of these 12,000 were taken under sections 125 and 126. The facilities for fraudulent and collusive arrangements afforded by the Act and the want of effective control over the administration tended to lower the morale of the proceedings and to throw the control of them into the hands of the less scrupulous members of the profession. The demands for reform were frequent and came from all classes of the business community. Thirteen bills dealing with the subject were introduced into the English House of Commons between 1869 and 1879. At length, in 1879, a memorial signed by a large body of bankers and merchants in the City of London, a memorial described as "one of the most influential memorials ever presented to any Government," was forwarded to the Prime Minister. The matter was referred to the President of the Board of Trade, who was Mr. Joseph Chamberlain. Exhaustive inquiries were made under his direction and in 1881 a measure was introduced which with some amendments finally became law under the title of "The Bankruptcy Act of 1883." This Act, with some amendments, is still in force in England and is giving satisfaction. One underlying principle of the Act is—the estate for the creditors, not for the debtor or for the