

selected by the debtor, but may be removed and a new assignee appointed upon a vote of the creditors. The creditors are largely at the mercy of the assignee, both as to the administration of the estate, the expenses connected therewith, the scrutiny of claims, the conduct of proceedings for the contestation of securities and the examination of the debtor. In many cases no doubt the creditors prefer to avoid the loss of time and expense which would be involved in scrutinizing the affairs of the estate and are content to take whatever dividend may become payable and to continue to hold their debtor responsible for the unpaid balance of their claims. Unless a creditor wishes to be unduly harsh he omits to obtain judgment for the amount remaining due to him and consequently in due time his claim is barred by the Statutes of Limitation and the debtor becomes free from enforceable liability except to those creditors who have taken the precaution to obtain judgment against him.

*The Causes of Failure of Bankruptcy Laws.*

It will be seen by reference to the many Bankruptcy Acts which have been passed both in England, the United States and in Canada that bankruptcy legislation has apparently been a series of experiments. This has been due to various causes. The principle of every Bankruptcy Act since the beginning of the eighteenth century has been the same. The difficulty has been in its administration. Some of these difficulties are:—

1. The manufacture of fraudulent claims.
2. The rapacity of trustees.
3. The expense attendant upon the administration of an estate under the official supervision of a Court.
4. The absence of control by creditors.
5. The facility of obtaining the approval of a deed of composition by creditors constituting the requisite majority.
6. The absence of public examination of the debtor.
7. The want of sufficient penalties for dishonest or reckless conduct or for violations of the principles of commercial morality.