

liabilities are estimates made by the debtor and, unfortunately, are not made uniformly. The human element enters into them to a considerable degree and they should, therefore, be accepted with reservations.

The statistics given in Section 3 are compiled by Dun and Bradstreet, Incorporated. This mercantile agency is interested primarily in credit information and their statistics include bankruptcies in general, insolvencies under provincial companies' Acts and such proceedings as bulk sales, bailiffs' sales, landlords' seizures, etc., when loss to creditors results. On the other hand, the statistics do not include assignments of individuals, so that, as a rule, the totals run lower than those in Section 2. Since between the years 1875 and 1919 this agency was the only source of figures of commercial failures, their statistics have an added value because they present a historical series back to 1915 though the basis of classification was changed after 1933 (*see* text preceding Table 7, p. 1023).

Section 1.—Administration of Bankrupt Estates*

Federal insolvency legislation now comprises the Bankruptcy Act, 1949 (R.S.C. 1952, c. 14), the Farmers' Creditors Arrangement Act, 1943 (R.S.C. 1952, c. 111), the Companies' Creditors Arrangement Act and, to some extent, the Winding-Up Act. The two Arrangement Acts are designed to avert failure and the statistics in this Section and in Section 2, therefore, do not include proposals or arrangements under these Acts. When such proposals or arrangements are rejected by the creditors or fail in their purpose the proceedings may then come under the Bankruptcy Act, the bankruptcy provisions of the Farmers' Creditors Arrangement Act and, in certain circumstances, the Winding-Up Act. There are no provisions in the Companies' Creditors Arrangement Act for the liquidation or winding-up of insolvent companies.

The Bankruptcy Act, 1949, under which the Bankruptcy Act, 1919, and amendments thereto is repealed, restores to all insolvent persons the right to make a proposal prior to bankruptcy. The summary administration provisions of the Act enable insolvent persons, other than corporations, having limited assets to obtain the benefit of the Act. A new principle has also been established in regard to the discharge of bankrupts and the Act provides that "the making of a receiving order against, or an assignment by, any person except a corporation operates as an application for discharge" unless a waiver is filed in court and served upon the trustee within the prescribed delays.

The administration of bankrupt estates is supervised by the Superintendent of Bankruptcy, first appointed in 1932, with the object of conserving, as far as possible, the assets of bankrupt estates for the benefit of the creditors.

The series of statistics collected on estates closed under the Bankruptcy Act, 1919, covering the years 1933-50 are given in the 1947 Year Book, p. 846, and the 1952-53 edition, p. 915. The figures given in Table 1 are those of estates closed under the new Bankruptcy Act and begin with the year 1951. Figures for the year 1951 are given in the 1954 edition, p. 955.

* Prepared by the Superintendent of Bankruptcy, Ottawa. Early bankruptcy and insolvency legislation is reviewed in the 1952-53 Year Book, pp. 914-915.