

BANKRUPTCIES.

The following article from the *Saturday Review* contains a lesson for the Dominion as well as for Great Britain. It is worthy of careful perusal :-

"The present Bankruptcy Act came into operation at the beginning of 1870, and that year the total number of bankruptcies of all classes was 6,353; last year the number had risen to 12,584. In the nine years, that is, there was an increase of 6,181, or as nearly as possible one hundred per cent., being at the rate of 11 per cent. per annum. The 12,534 debtors who last year failed in their obligations to their creditors owed altogether in round numbers 30 millions sterling; while their whole assets were reckoned at no more than 9 millions; less than one third of the liabilities; and the Comptroller states that the valuation is likely to prove excessive, as probably the assets will not realize over 6½ millions. The costs and other deductions are estimated to amount to another million and a half, so that the total loss to creditors in a single year may be set down at 25 millions. And it is to be borne in mind that the Irish and Scotch bankruptcies are not included in these colossal figures; in other words, they are not swollen by the City of Glasgow failure.

"We have seen that the number of bankruptcies has doubled during the last nine years; but what is even more remarkable is that the increase went on quite as rapidly during the inflation period that followed the Franco-Russian war as during the years of depression which have since ensued; in other words, that the growth of bankruptcy has gone on alike in prosperity and adversity, and that consequently it has been unaffected by the state of trade. The conclusion is inevitable that the cause is in the existing bankruptcy law. Another point, not less serious, nor less deserving of attention, is that the growth has occurred exclusively in the amicable bankruptcies. As our readers are aware, a person who is unwilling or unable to meet his obligations may be adjudicated a bankrupt, or he may liquidate by arrangement with his creditors, or he may compound with them. It is a startling fact that, while the aggregate of all three classes has doubled in the last nine years, the adjudications have actually decreased from 1,353 to 1,034, or about 20 per cent. At first sight this would seem to prove that winding-up under the Court is not popular, and that an amicable liquidation is preferred by creditors. But this only shows how misleading statistics may be in the absence of adequate knowledge to interpret them right. As a matter of fact, the correct inference is that the principle upon which the existing bankruptcy law was based has broken down upon trial. However true it may be as an abstract proposition that a man is the best judge of his own interests, and may be trusted to pursue them, it is by no means true, and certainly does not follow, that creditors are the most competent parties to take charge of bankruptcy proceedings. Creditors have businesses of their own to attend to, which usually require their whole care. When a debt is small, it is not worth the while of a busy man to trouble himself about it. By doing so he will probably lose much more than he will gain; very possibly he may have to neglect important transactions. If, on the other hand, the debt is large, it is extremely undesirable to call public attention to the circumstance. The creditors are themselves traders, and credit is to them the condition of success. But, if it be widely known that they have lost heavily by a bankruptcy, they may fall under suspicion. They may find their bills looked shyly on, may have bankers calling upon them to increase their margins, and may experience a difficulty in obtaining advances. Hence it may be the most prudent thing that a trader can do, to hide a bad debt, or, if that is impossible, to say as little as may be about it. And the larger the debt, and the weaker the creditor, the more obvious is this prudence. Hence we saw the Glasgow Bank bolstering up firms long after they had become insolvent. And the same was done by the West of England Bank. At the present moment, indeed, proceedings in every respect similar to these are going on all over the country. Every man of business, with ordinary intelligence, and having good sources of information, knows of several such cases. Yet the existing Bankruptcy Act was based on the assumption that the best way to prevent fraud in trade is to give creditors full control over their insolvent debtors. It is one more illustration—unfortunately there are too many—of the mistaken application of the fundamental principles of political economy.

"As the whole number of bankruptcies has doubled, and as, at the same time, those on creditors' petitions have decreased, it follows that the liquidations by arrangement and the composition have more than doubled. The reason of this is, as we have just seen, that creditors will not take the trouble or do not deem it expedient in the great majority of cases to institute proceedings, and that these are conducted solely in the interest of the defaulting debtors and of the class of solicitors and accountants who devote themselves to this peculiar kind of business. The debtor puts himself in the hands of one of these gentlemen, who undertakes to see him through. The latter canvasses the creditors, expatiates upon the cost of litigation, persuades them that an amicable arrangement is the best, and obtains a sufficient number of proxies to control the meeting of creditors, which is duly called, often at the most inconvenient place that can be chosen. He then appoints himself trustee, and does as he pleases with the estate. There is no supervision, no power of control, no auditing of accounts even. It is not surprising, then, that compositions are seldom effected, and are growing rarer and rarer, when liquidation is likely to be profitable to the canvasser. If he were to allow of a composition, he would get nothing for his pains. And it is equally little surprising that the liquidations should yield results disappointing to the creditors. Accordingly we find last year that out of 4,010 compounding debtors 1,911, or nearly one half, paid compositions not exceeding 2s. 6d., and probably not averaging 1s. 6d. in the pound, or about one-fourteenth part of the amount they owed their creditors, while only four in every hundred offered to pay more than half of their debts. And the vast increase in the composition has been precisely in the worst classes. In fact, those in which not more than a shilling in the pound was paid have increased in the nine

years over 800 per cent. But the liquidations by arrangements, as was to have been expected, show far greater abuses than the compositions. In the case of these what was paid at least went to the creditors, for the reason, as we have already observed, that it was not worth the while of agents to trouble with such small transactions; but the liquidations they were able to manipulate for their own benefit. Accordingly we are told that "nearly half the liquidating debtors gave up nothing more than enough to defray the expenses of carrying a resolution allowing them to liquidate."

"We have said that the increase in the number of bankruptcies has been exclusively in the composition and liquidations; but it has been much greater in the latter than in the former, and for the reason stated above. If anything more were needed to prove that the state of the law is the prime cause of the mischief, it may be found in the fact that—in some of the largest commercial centres, as London, Birmingham, Manchester, &c., the number of insolvencies increased very rapidly through the years of highest prosperity to a practical maximum in the years 1872 or 1873, with no further average increase through the worst years to the year 1873."

The Reception.

As the day approaches, cordiality and unanimity—so necessary to a successful demonstration—are steadily increasing. We have no doubt now that the reception will be worthy of the City and the Island. It will be learned with regret that the Vice-Regal party will not occupy Government House during their visit; for it may be thought abroad that we are unable to offer His Excellency and the Princess suitable accommodation. But it is said that Government House was never in a better state of repair than it is to-day. The Government have spared neither expense nor trouble in refitting it with the necessary promptitude. We are informed that every suggestion of the Lieutenant Governor has been adopted, and that everything asked for by him has been furnished.

We are sure that His Honor exceedingly regrets the mistake or misdirection by which it happens that the distinguished visitors of the Province will, instead of going to Government House, remain on board the *Druid*. But our citizens will not, on this account, we are sure, relax their efforts to make the reception a splendid success. In fact this unplesing circumstance renders it all the more necessary that nothing else should be left undone to add to the credit of the city and the Province.

The Vice-Regal Party at St. John.

A St. John despatch of Friday says:—

It was intended that the Marquis and Princess should visit some of the public institutions, but as His Excellency was quite fatigued, they did not leave their residence. It was intimated that they would come out in the afternoon, and great crowds collected on the road leading from the house. As the Princess remained indisposed, she was cheered along the route. Captain Harbord, A. D. C., and Mrs. DeWinton occupied seats in the barouche, and Mayor Ray and Warden Jack went ahead in a carriage.

The General Public Hospital on Waterloo Street, was first visited. The Commissioners were present and showed Her Royal Highness through the building. The Princess was pleased with what she saw, and she spoke for a few moments to some of the patients.

The Roman Catholic Orphan Asylum, on Cliff Street, was next called at. His Lordship, Bishop Sweeney, received Her Royal Highness at the door and escorted her into a large and prettily decorated room, on the first floor, where a number of the ladies had assembled. The orphan children sang a piece welcoming the Princess and Marquis. Her Excellency conversed for some time with the Superioress, Mother Augustine, and with His Lordship, exhibiting much interest in the affairs of the institution.

A visit was next paid to T. Rankine & Sons' celebrated biscuit factory on Mill St., and Her Excellency was shown through the extensive establishment.

Parks & Sons' cotton mill was also visited, and Her Excellency, by her own request, went through the building from one end to the other and made many enquiries regarding the operations that were being carried on. She then returned to her residence.

The Vice-Regal party will leave to-morrow morning at 10 o'clock in the steamer "David Weston" for Fredericton.

Previous to his departure His Excellency will receive an address from the St. Andrew's Society.

A dinner was given by the Governor General at his residence this evening. Attorney General Fraser, Mayor Ray and Warden Jack were among the invited guests.

Buctouche.

FURTHER ACCOUNTS OF THE DEVASTATION.

Over a hundred buildings were completely destroyed. Eighty families are homeless and many lost all their clothing and provisions. The devastation cannot be described. For a distance about ten miles in length and about a quarter of a mile wide, everything was swept clear. The fields are literally sown with shingles, boards and broken timbers for miles. The killed are Mrs. Duplee, Mrs. J. Girouard, a boy by the name of King, and one squaw; there are several wounded. What is most needed are provisions, clothing and materials for building, such as nails, glass, &c.

Our policemen should look after the horses that are turned out regularly, in the early morning, to graze along the streets.

Reception Notes.

THE town is rapidly "sprucing up." Work on the six arches in course of construction is progressing well.

Mr. Brown has already placed some of the mottoes on the Government arch in front of the Province Building.

The City School Board meet to-night. It is expected that they will arrange to illuminate Queen Square School Building and the new School Building, West Kent street. If illuminated, these buildings will present a splendid appearance.

The merchants around Queen Square are preparing to make their establishments look gorgeous on the night of the illumination.

The Reception Committee of the City Council confers with that of the Government this afternoon.

The Government have thoroughly repaired, repainted and recarpeted Government House. A splendid suite of furniture is being placed in it to-day by Mr. John Newson.

Remember the children's meeting at Market Hall this evening.

Several artistic gentlemen from St. John have come over to help us with the transparencies, &c.

HOTEL ARRIVALS.

RANKIN HOUSE.

Aug. 9.—H. B. Baker, Boston; J. Simas Harris, Pictou; S. Snider, Brantford; Mr. and Mrs. Courtney, child and servant, Ottawa, B. Holden, Toronto; Burton Myres, Norfolk, Vir.; G. H. Williams, Halifax; Charles L. Rood, Pictou; F. T. Babson, Gloucester, Mass.; A. D. Foster, Boston; F. C. Trescott, Washington.

SEASIDE HOTEL.

Aug. 6.—Mrs. E. J. Hodgson, Charlottetown; Geo. W. Sullivan, do.; W. L. H. Carvell, do.; Hon. W. W. Sullivan, do.; R. R. Fitzgerald, do.
Aug. 8.—John Ball, Charlottetown; Miss Ball, do.
Aug. 9.—Henry Blatch, Charlottetown; J. G. H. Brown, do.; Miss Brown, do.; W. A. McLennan, Montreal.
Aug. 10.—J. G. Harris, Pictou, N. S.; C. L. Rood, do.

Married.

At St. Dunstan's Cathedral, on Monday morning, the 11th inst., by the Rev. Stephen Pielan, Thomas P. Gorman, Esquire, editor and proprietor of the *Summerside Progress*, to Mary Kate, daughter of the late Joseph McDonald, Esq., of and niece of the Very Rev. James McDonald, Vicar General and Rector of St. Dunstan's College.

Spruce Boards, Scantling, Studding, Laths and Clapboards.

25,000 feet SPRUCE BOARDS,

20,000 3x3, 3x4, 3x6 SPRUCE,
25,000 LATHS,
4,000 CLAPBOARDS,

Landing at Lord's Wharf, for Sale Cheap.

F. S. HANFORD & CO.
Ch'town, Aug. 11, 1879—3i

THE "Campbells are Coming."

CEAD MILLE FALTE.

JOHN H. LEAH,
From St. John, N. B.

WITH an Artist from England, is prepared to furnish TRANSPARENTS OF ARMS, MONOGRAMS, MOTTOES, &c., similar to those that gave such great satisfaction in Halifax, St. John and Fredericton. All work executed in the highest style of art, and at the lowest price. Orders at the Revere House or at Connolly's Stables.

"A chiel among you takin' notes."
August 11, 1879.

WRECKED SALE

AT NEW LONDON.

For the Benefit of All Concerned.

TO be sold at PUBLIC AUCTION, on Thursday, the 14th day of August, at 11 a. m., at New London Harbor, the Wrecked Schooner

"ELDON C."

twenty-seven tons burden, with Sails and other Materials belonging to her. Also, Two Hundred and Fifty Quintals of CODFISH, a quantity of SALT, and a lot of FISHING OUTFITS.

Terms Cash. JOHN A. McLEOD, Broker.
New London, Aug. 11, 1879—

S. PETER'S SCHOOLS
Will Re-open on
Monday, 1st September.

IN BOYS' SCHOOL there are three departments. Subjects taught: Latin, Greek, German, French, Mathematics, History, Geography, Singing, and all ordinary English subjects.

There is a Junior Department for Girls and younger Boys.
For Terms, etc., apply to
GEORGE W. HODGSON,
Grafton Street.
August 9th, 1879—cod pat

THE WEEKLY EXAMINER.—Persons having relatives or friends abroad, and desiring to keep them informed concerning P. E. Island, cannot do so in a better or cheaper way than by subscribing to THE WEEKLY EXAMINER. Sent, postpaid, to any address in Great Britain, the United States, or the Dominion, on receipt of One Dollar.

FRANKLIN HOUSE.

THIS New, Large and Commodious House, beautifully situated in the suburbs, will open for the accommodation of guests on the 15th inst. Terms Moderate. This House has all the advantages (freedom from dust and heat) of a country residence; and it is ONLY TWENTY MINUTES WALK FROM THE COURT HOUSE.

HENRY COOMBS,
Proprietor.

"Encourage Home Manufactories."
CITY STEAM BAKERY.

THE Proprietor of this Establishment, after having fitted up his premises with the newest machinery, etc., is now prepared to supply the citizens of Charlottetown, and the inhabitants of the whole Island, with all kinds of Bread, Crackers, Biscuits, Confectionery Cakes, Pastry, etc., Cheaper than ever. He warrants all goods manufactured by him to be of the purest nature, and always fresh.

Picnics and Tea Parties Supplied at the Shortest Notice.
Orders from the Country Promptly Attended to.

WEDDING CAKES!
MADE TO ORDER. ALL SIZES AND DESIGNS.

All Biscuits and Crackers put up in boxes or barrels, without extra charge; and are always fresh, not being over a week old when delivered, which is a great advantage to customers, as imported Crackers (very often) are not fresh when brought here by importers. The following is a list of Crackers and Biscuits always on hand:

BISCUITS, CRACKERS, ETC.		FANCY BISCUITS.	
SODA BISCUIT,	in boxes	ORANGE CRACKERS,	in boxes.
WINE " "	" "	LEMON " "	" "
FRUIT " "	" "	ALMOND " "	" "
COFFEE " "	" "	FILBERTS " "	" "
TEA " "	" "	QUEEN " "	" "
DYSPEPSIA " "	" "	WASHINGTON " "	" "
WINE CRACKERS,	" "	FINGERS " "	" "
BUTTER " "	" "	JUMBLES " "	" "
SUGAR " "	" "	GINGER SNAPS,	" "
MILK " "	" "	LEMON " "	" "
WATER " "	" "	JENNY LINDS,	" "
MEDFORD " "	" "	CORNHILLS,	" "
OYSTER " "	" "	CRACKNELLS,	" "
SEED SUGAR CAKES,	" "	MACCAROONS,	" "
GINGER BREAD,	" "		
CINNAMON BISCUIT,	" "		
ABERNETHY " "	" "		

A Large Supply of Pilot Bread Kept in Stock, Such as:
FAMILY PILOT, NAVY BREAD,
BOSTON " NO. 1 PILOT,
THIN CAPTAINS PILOT, NO. 2 PILOT.

DOMESTIC BREAD A SPECIALTY,
Being hot from the Ovens daily. Also French Rolls, "Parker House Rolls," "Bath Buns," "London Buns," "French Twists," etc.

PASTRY AND CAKES.
Fruit Pound Cake, Plain do. do., Sultanian Plain do., Maderia do. do., Sponge Cake, Cup Cake, Ornamental Wedding, with Almond Frosting, any size from 5 lbs. Upwards.

JOHN QUIRK.
August 5, 1879.

J. B. MacDonald

HAS JUST RECEIVED

- 3 Cases Gents' American Felt Hats
- 1 CASE GENTS' STRAW & CHIP HATS,
- 30 Dozen Gents' White & Coloured Shirts,
- 50 DOZ. GENTS' LINEN COLLARS (New Styles)
- 2 Cases Gents' Paper Collars,
- 25 DOZ. GENTS' MERINO & COTTON HOSE,
- 2 CASES NEW PRINTS,
- 2 CASES NEW WHITE COTTONS,
- 50 Dozen Women's & Children's Cotton & Merino Hose,

WILL BE SOLD AT THE LOWEST PRICES.
J. B. MACDONALD.
Queen Street, Charlottetown, June 26, 1879—her

MOLASSES AND SUGAR. SALT. SALT.

NOW LANDING, on Peake's No. 2 Wharf, ex *Ada R.*, direct from Barbadoes,
Punchons, Tierces and Barrels
Choice Barbadoes Molasses.
—HOGSHEADS—
BRIGHT GROCERY SUGAR!
For sale low while landing.
MATTHEW, MACLEAN & HEARTZ.
August 6, 1879.—4i

EMPLOYMENT.—In every village and township of P. E. Island not yet occupied, ONE ACTIVE, intelligent Lady or Gentleman can obtain a most respectable and very profitable engagement. Address, with full particulars, D. DOWNE & CO., Box 1064, Montreal