

Sir LOMER GOUIN: Section 18 is to amend section 25 of the act. It is to render the property of a debtor acquired after the assignment and before his discharge, available to his creditors. The present act makes a distinction in this respect between a debtor adjudicated bankrupt and a debtor who has made an assignment. The result is to encourage assignments since the assignor virtually gets a discharge automatically by this provision. There is a distinction between a receiving order and an assignment. Under this amendment all property that is acquired by a debtor up to his discharge goes to his creditors without any distinction between the case of the receiving order and the voluntary assignment.

Mr. BAXTER: The old section called him a debtor in one line and a bankrupt in another, and this is to call him the same all through.

Section agreed to.

On section 19—Abstract of receipts and disbursements.

Sir HENRY DRAYTON: What is the reason for the change?

Sir LOMER GOUIN: It is to require the trustee to give notice to the creditors with the final dividend sheet, that he will apply to the court on a certain day for his discharge. Subclause (2) amends section 37, subsection (7) of the act to make it articulate with the provisions for the appointment of a custodian and his duties. The authorized trustee hitherto has advertised the assignment and called the first meeting of creditors. This is now to be done by the custodian. It is a change in the procedure.

Sir HENRY DRAYTON: A distinction is made between the dividends paid. In subclause 2, final dividends are mentioned. The first subclause apparently deals with a dividend, and then the trustee is to give "notice that he will apply to the court on a day named therein for his discharge." He would not apply until after the final dividend was paid, would he? Or does that refer only to the final dividend? It does not read that way in the amendment as drawn, but it may have that effect.

Sir LOMER GOUIN: When the trustee pays his last dividend he gives notice to the creditors that at a certain date he will apply to the judge for his discharge.

Sir HENRY DRAYTON: I do not think that the proper side notes have been given. The first one refers to the abstract of receipts

[Sir Henry Drayton.]

and disbursements. Is the minister quite sure that subsection 2 refers to cases of final dividends?

Sir LOMER GOUIN: The side note is not correct.

Section agreed to.

On section 20—Remuneration of trustee.

Sir LOMER GOUIN: This enables the inspectors and the court to give to the trustee a remuneration in excess of 5 per cent, which in the case of small estates has proved inadequate. If, for instance, an estate realized \$1,000, five per cent would only be \$50, and I do not see how a trustee could be expected to act for such a remuneration. It is deemed wise to leave it to the court and the inspector.

Section agreed to.

On section 20A—Release of security.

Sir LOMER GOUIN: This provides for the release of the security on the discharge of the trustee.

Sir HENRY DRAYTON: We have not this section before us but I presume the minister can assure us that this is the purpose of it.

Sir LOMER GOUIN: Yes, that is the purpose.

Section agreed to.

On section 21—Application of trustee for discharge.

Sir LOMER GOUIN: It is provided that the trustee shall apply to the court for his discharge within fifteen days of the payment of the final dividend.

Mr. BAXTER: That is, for the discharge of himself as trustee?

Sir LOMER GOUIN: Yes. We propose now to make the period thirty days. We considered that fifteen days was not long enough, and as the trustee could not be appointed in any other case until he got his discharge it was represented that this provision might work a hardship on trustees. If a judge were not in a position to render judgment in that time a trustee might be deprived of a valuable appointment. We therefore provide that the trustee shall apply within thirty days and if the charge is refused he shall be ineligible to act in any subsequent case.

Sir HENRY DRAYTON: That is much better.

Section agreed to.