

not be determined by the registrar, as is the practice at present.

I see it has been decided to exclude a certain class of farmers in the provinces, except in Quebec, where they are to be exempt from the operations of the Bankruptcy Act if their indebtedness is under \$500.

Mr. HACKETT: Everywhere.

Mr. CARDIN: I agree with that. So far as the province of Quebec is concerned, the bankruptcy law has proved no good to the farmers; in fact it has tended to ruin their credit. Farmers are not traders or merchants in the right sense of those terms, and it is certainly a good thing that they have been exempted from the application of the Bankruptcy Act.

I observe that the committee has refused to adopt the principle which was embodied in the bill presented to this house by the hon. member for Gaspé (Mr. Brassé). The principle has been approved twice in another chamber, unanimously on the second occasion. That principle has to do with the place in which the bankruptcy proceedings shall be carried on. Last session I made a few observations on the point. I think it is most unfair that the whole province of Quebec should be considered as one district—

Mr. HACKETT: No, no.

Mr. CARDIN: Yes, it is; and that an insolvent debtor even in the county of Gaspé may be forced to go to Montreal, where his assets will be dealt with. Undoubtedly the debtor's assets should be dealt with in the district in which he resided or carried on business when he became bankrupt. This is objected to on the ground that most creditors live in the big centres and that it would not be advantageous for the larger number of creditors to have the bankruptcy proceedings carried on in the debtor's own district. That is not entirely true. From the point of view of the amount involved, I admit you will find creditors with the largest claims living in the big cities, but in the rural communities and the small towns where a merchant is conducting his affairs you will find the greater number of his creditors, small creditors it is true; but I contend that the local creditor with a claim of \$100 should be considered just as much as the creditor living in a great city and having a claim of \$1,000. Undoubtedly it is a greater deterrent against any inclination on the part of an insolvent debtor to avail himself of the Bankruptcy Act if all the proceedings are carried on in the locality where he lives than if they are to be dealt

with in Montreal. It may be objected that this would mean greater expenditure on the part of wholesale merchants or manufacturers in the big cities. Not at all. When the affairs of an insolvent debtor are dealt with in the district in which he conducted his affairs the costs are lower than when the proceedings are transferred to Montreal or Quebec. In fact it does not cost a cent more to have the bankruptcy proceedings conducted in the local district of the insolvent debtor. Why? Because the wholesaler or the manufacturer in Montreal never goes to the court where the trustee is appointed; he is represented by the man who is after the job of trustee. In a word, everything is done by proxy. For example, if we have to deal with an insolvent debtor residing in the town of Sorel, wholesalers and manufacturers cannot complain that it would cost more to deal with his affairs there than in Montreal. They remain in Montreal and have their claims put forward in the court by a representative with a proxy. Even in Montreal the same procedure is followed. In the practice court of Montreal you never see the representatives of the wholesalers, the big companies, the big industries, the big manufacturers or the big stores; they are never there. Even their employees, their accountants or their clerks, are not there. The only persons who appear before the practice court or the registrar in Montreal when the trustee is appointed are those anxious to get the appointment as trustee, who present themselves with all the proxies they have been able to obtain from the big creditors located in Montreal. So if these affairs were to be dealt with in the rural sections of the province it would not mean any additional expense.

Everyone in this house seems to advocate the back to the land movement, but we are only talking; no one has shown any real desire to support that movement in a proper way. In the last few years everything has become centralized in the big cities of the province. Business is there; finance is there, railway affairs are there and everything is there. The rural sections of Quebec and the other provinces have been deprived of the natural activities which should be carried on within their boundaries. If we are sincere let us give a little more importance to the rural sections of Quebec and the other provinces of this country. It is absolutely useless to talk about going back to the land because the cities are crowded with people who have come from the farms; I contend that these people have been driven to the cities by the centralizing movement which has been carried on in Canada for a number of years, and more particularly in