

The words "having authority" are now inserted by motion to amend.

—in the locality of the debtor to exercise the functions of the official receiver for the time being.

The word "authorized" is struck out.

Sir HENRY DRAYTON: Does this section really carry out the expressed intentions of the minister, Mr. Chairman? For example, when we were discussing the question of custodian and I was pointing out the disadvantage of having creditors placed in that position, he said that it was not necessarily a creditor that the custodian had to be but I think as the clause now reads it makes the custodian a creditor. It says:

"Custodian" means the creditor duly authorized to exercise the functions of custodian for the time being.

That clause stands, and I think it is entirely out of line with the remarks of the hon. minister.

Sir LOMER GOUIN: Subsection 4 of section 10 provides:

Immediately after the acceptance of the authorized assignment, the official receiver shall appoint a custodian whom he shall, as far as possible, select from the most interested creditors.

So it is not necessarily a creditor, but only as far as possible.

Sir HENRY DRAYTON: I am pointing out to my hon. friend his own section here defining the word "custodian," and it says he shall be a creditor.

Sir LOMER GOUIN: We might substitute the word "person" for the word "creditor" in line 12, subsection 2 of the bill. I move accordingly, Mr. Chairman.

Sir HENRY DRAYTON: That would remove that difficulty.

Amendment agreed to.

Sir HENRY DRAYTON: I would like to ask my hon. friend what is meant by section (yy) reading:

"Official Receiver" means the person in the locality of the debtor authorized to exercise the functions of the official receiver for the time being.

What does that mean? It says the official receiver is the person authorized to exercise the functions of the official receiver.

Sir LOMER GOUIN: My hon. friend will find that by clause 31 we are providing for the appointment of an official receiver, and here in (yy) of section 2 we are defining what the official receiver is. We say that the official receiver means the person having authority, that is to say, the person appointed in virtue of that section 31 which I have just mentioned.

Sir HENRY DRAYTON: This refers not to the real receiver, but to the stop-gap?

Sir LOMER GOUIN: To the real receiver, the judicial officer.

Sir HENRY DRAYTON: To the man who only acts temporarily?

Sir LOMER GOUIN: No. He will be there for all time, even after the discharge has been granted. He will keep the records, the archives. He is a very important officer, and is permanent.

Mr. BOYS: Why does the minister use the word "locality?" That is very indefinite.

Sir LOMER GOUIN: That means a district. Each province is a district, and we intend to divide them into sub-districts. It means the locality where the assignment is to take place.

Mr. BOYS: Do these sub-districts come down to country or judicial districts?

Sir LOMER GOUIN: When we arrive at that section we can discuss whether in Ontario we shall have, say ten or forty districts.

Sir HENRY DRAYTON: Does my hon. friend really think there is any sense in having that clause there at all? It says: The receiver is the receiver.

Sir LOMER GOUIN: It is necessary to define who the receiver is.

Sir HENRY DRAYTON: The definition is that the receiver is the receiver. I do not know that we are getting any further by that. If you wanted to define it I would have thought you would have had some reference to the other section and say that it was the person to be appointed under the authority of that subsequent section. To say that a cow is a cow does not advance one very far in a definition.

Sir LOMER GOUIN: This is not the definition of a cow. It is for the purpose of showing where the assignment shall take place. It must take place in the hands of the receiver in the province.

Mr. CARROLL: He can only go to one receiver.

Sir HENRY DRAYTON: I see.

The CHAIRMAN: There is an amendment submitted to be known as 2A to be inserted between clauses 2 and 3. It is moved to amend section 3 of the act by inserting the word "generally" after the word "liabilities" in paragraph (j) thereof.