

Bankruptcy Act

Mr. CASGRAIN: The point of order is there.

Mr. BENNETT: It is not a point of order at all.

Mr. RHODES: I rose for the purpose of asking permission to discuss the point of order, but Mr. Speaker has ruled that the point of order does not obtain.

JUDGES ACT AMENDMENT

Hon. HUGH GUTHRIE (Minister of Justice) moved the second reading of Bill No. 91, to amend the Judges Act.

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

BANKRUPTCY ACT AMENDMENT

Hon. HUGH GUTHRIE (Minister of Justice) moved that the house go into committee on Bill No. 41, to amend the Bankruptcy Act.

Motion agreed to and the house went into committee, Mr. Hanson (York-Sunbury) in the chair.

Sections 1 to 17 inclusive agreed to.

On section 18—Superintendent of bankruptcy.

Mr. CARDIN: I regret that I am not in a position to agree with the recommendations of the committee appointed to consider this bill. I fail to see the advantage in the appointment of a superintendent to administer, or to look after the administration of, the Bankruptcy Act. As was stated before the special committee and outside the committee there are many defects in the law, but I do not think the appointment of a superintendent is going to better the condition, or to make a better bankruptcy law in Canada.

In the first place the Bankruptcy Act was a mistake. That has been established since the law came into force, and was shown very clearly before the special committee. Complaints from all sections of Canada have been made against the law.

Mr. HACKETT: No.

Mr. CARDIN: From practically all sections. The eastern section of Canada, that part mostly concerned, has been complaining bitterly against the application of the bankruptcy legislation. When we try to go away from recognized and established legal institutions we make a mistake. When we try to get away from judicial organizations and create

[Mr. Rhodes.]

special bodies we make further mistakes. We have endeavoured to create a system which would apply to all Canada. In our attempt to generalize the application of the bankruptcy law—although we have power to do it—we have made a mistake. In the province of Quebec particularly, we have been suffering severely from the application of that legislation. The truth is that very few people are satisfied with the application of the Bankruptcy Act. In my humble judgment the appointment of a superintendent will not cure the evils that have been brought about by the Bankruptcy Act. The present bill will create a new bureaucracy, and from now on the affairs of insolvent debtors are going to be governed, not by law, but by regulations which will be issued by this new department. I think already we have too many regulations taking the place of law and governing our activities in all walks of life, and, speaking more particularly of the province of Quebec, I feel that this would impair the application of our civil laws. Really I do not see what advantage is to be gained by the appointment of a superintendent. We are creating a new organization at Ottawa which will be in a position to dictate to all the provinces. It would be much better to repeal the Bankruptcy Act and revert to the practice followed previously in all the provinces. I may say that when insolvent debtors' estates were administered according to the laws of the province of Quebec the costs were much less than they are to-day under the Bankruptcy Act; further, the creditors are not as well protected to-day as they were before the act came into force.

I am anxious to raise my voice in protest against this bill, and to submit that in my humble view the Bankruptcy Act is no good. The result of its application has proved not at all advantageous either to debtors or creditors in my province; on the contrary it has been a source of embarrassment to them. The licensing of trustees is not going to better the position. Many weaknesses of the Bankruptcy Act which could have been improved have not been touched, more particularly the high cost of bankruptcy proceedings which has been the subject of complaint in Quebec. We are not going to diminish bankruptcy costs by the appointment of a superintendent, for he and his staff will have to be paid, and, I repeat, the licensing of trustees is not going to better the position in any way, shape or form. It would have been easy for the committee—it is easy even yet—to amend the clause regarding costs and to provide that these costs should be taxed by the judge and