

to mention to the committee is that I am aware of the force of what has been said by the hon. member for Quebec East (Mr. Lapointe) with regard to the present judicial districts. I am officially aware of the fact that in many of these districts for considerable periods of time there was no judge in attendance. Consequently complaints came to the Department of Justice in regard to that matter. I forwarded these complaints to the attorney general of the province of Quebec who now has the matter under consideration to see if the present system cannot be improved. I can imagine however that great difficulty could arise by reason of the fact that there is no judge in the particular district at the time he is required. My own view of the whole matter is that while we want to convenience the public in every way possible, the first consideration should be the convenience of creditors. They are the ones most interested, and in the majority of cases the whole of the estates belong to them. The next interest certainly is that of the debtor. Under certain conditions, if he has made an honest assignment and conducted his affairs honestly he may obtain a discharge from future liability. Certainly the convenience of those two parties should be consulted.

I am asking the committee however to let us try out this proposal. This scheme has not come forward without consideration or thought. It has been fully considered, and we believe we have now before us a scheme which will improve the administration of the law, particularly in the province of Quebec where the chief difficulty seems to have arisen. Why not try out this scheme for one or two years and see what, if any, defects may develop in that time. If there is any hardship or any very serious inconvenience in the operation of the act as now proposed, there will be an opportunity to amend it. I should not like however to mix up the twelve bankruptcy divisions as they now exist in the province of Quebec with the twenty-one judicial districts, because I think it will lead to untold difficulties.

Mr. CARDIN: May I say to the minister that there is no such thing as twelve bankruptcy divisions in the province of Quebec. They do not exist.

Mr. GUTHRIE: Do they not?

Mr. CARDIN: They have not been established, so there would be no interference created. With reference to the respective arguments advanced by hon. members attacking and supporting this measure, I may say I am not speaking particularly

for the debtors. I, as well as the minister speak for the creditors. I speak particularly however, for those creditors in the smaller centres who most of the time are incapable of having their claims satisfied or properly considered. Most of them have not the means to travel long distances. They cannot go from Rimouski to the city of Montreal to dispose of a little claim involving \$50 or \$100. For that reason most of the small claims in the rural districts are lost; they are abandoned because the people interested are not in a position to fight in the city of Montreal or other distant centres. This amendment would not upset in any way the operation of the act or the amendments which are being considered. It simply means that an insolvent debtor doing business in Chicoutimi cannot be taken to Bryson to answer a petition in bankruptcy. When a creditor brings an action against a debtor he is bound to take proceedings in the district in which the debtor resides. That principle is just and fair; but when it comes to bankruptcy the principle is ignored and the insolvent debtor may be put to the expense of meeting his creditors at the other end of the province. The same system applies in Ontario: an insolvent debtor here can be forced to go to Windsor to answer a petition in bankruptcy, for the Supreme Court of Canada has decided that a province means a division, and that the locality of the insolvent debtor means the province in which he resides. I say that is ridiculous and should be changed.

Mr. GOBEL: Can the insolvent debtor go of his own free will and make an assignment?

Mr. CARDIN: Yes, he can do the same thing.

An hon. MEMBER: No.

Mr. GOBEL: Some lawyers say "yes" and some say "no." I should like to have the situation cleared up.

Mr. CARDIN: If an insolvent debtor desires to do that it is very easy for him to have one of his creditors present a petition against him at any place where he wants to go.

An hon. MEMBER: That is different.

Mr. CARDIN: That can be done very easily, in fact a man can assign anywhere; he has only to scheme with a friend to present the necessary petition. I think this should not be permitted when we are attempting to prevent corrupt practices on the part of insolvent debtors, and we should see to it that the bankruptcy proceedings are conducted