

That is the law as it stands to-day, and as it has always stood. No one could force a farmer into bankruptcy, but a farmer could make an abandonment of his property for the advantage of his creditors. If this bill becomes law the farmer of the province of Quebec will have yielded up that right and will no longer be able to go into bankruptcy. If unable to pay his debts his property will be seized and sold, he cannot make an abandonment of his property, under article 853 of the code of civil procedure.

Mr. CASGRAIN: As in the old days.

Mr. FACTOR: Would the hon. member explain to the committee the need of a superintendent of bankruptcy, as provided in this section?

Mr. HACKETT: Bankruptcy is a law which seems to rest more on expediency than on morality.

Mr. GARLAND (Bow River): Hear, hear.

Mr. HACKETT: It is a law which is imposed by discipline, it is a means of excising from the business life of the country the debtors who cannot pay their debts as they become due. Not only does it take from a man all his property, but it frees him from his liabilities.

Mr. LAPOINTE: The hon. member referred to the code of civil procedure of the province of Quebec under which a farmer could make an abandonment of his property. Does that article not apply to traders?

Mr. CASGRAIN: To traders only.

Mr. HACKETT: That is correct.

Mr. LAPOINTE: I make the interruption merely to have it clear.

Mr. HACKETT: Bankruptcy is a departure from the ordinary rules which apply to business, and to that extent it is open to very serious abuses. In some countries a bankrupt—in France, for instance—loses his political and civil rights, he cannot vote or hold public office. In England he is disqualified from sitting in parliament, and is placed in a category of discredit. In this country however it has been said that bankruptcy is sometimes a short road to affluence. In any event there have been abuses of bankruptcy legislation. Those abuses have been traced by investigating committees to improper alliances and understandings between trustees in bankruptcy and dishonest debtors and dishonest creditors. It has been suggested, by several bodies which have investigated these abuses, that if the trustee could be selected with

greater care—care as to integrity, character, experience and business ability—and if he were licensed and came under the supervision and discipline of a superintendent, many abuses would disappear.

I am inclined to agree with the hon. member for Richelieu that it is extremely difficult by legislation to make a man honest and honourable. It is not impossible however to exclude dishonest men from positions of trust. Under the bill no individual or corporation will be permitted to act as a trustee until he or it has been licensed by the Department of Finance. It will behoove the individual or the corporation to satisfy competent authorities that he or it is competent and reliable, and in every way suited for the work undertaken.

Mr. TURNBULL: I was one of the members of the special committee appointed to consider this bill, and as such I am one who is supposed to be a party to the unanimous report. For good and sufficient reasons, however, I was not present at the time the report was made, and I should like to say that there is one subsection in section 18 of the bill which worries me.

I could see the necessity for the appointment of a superintendent of bankruptcy if licensed trustees were to be required—and licensed trustees apparently were required by the people of the province of Quebec to remedy abuses which according to the evidence existed largely in that province—but I would be very sorry to see the growth of any large amount of departmental assistance to the superintendent, and would be very sorry to see any great extent of financial responsibility incurred. Hon. members will notice that subsection (3) (e) of section 18 in the bill states that the superintendent shall:

(e) From time to time make or cause to be made such inspection of the administration of estates as he deems expedient.

Subsection (3) (g) of the same section provides that the superintendent must make an inspection or an examination when any complaints are made to him. It follows that subsection (e) must intend to go farther than merely inspecting or examining complaints. It must mean that the duty is cast upon the superintendent of his own initiative to keep some close and constant supervision over the administration of the estates. The keeping of a close and constant supervision over the administration of estates, even if qualified by the words "as he deems expedient" remembering that these estates are scattered all over Canada and are numerous, will mean