

Q. It has been stated that there are between 100 and 150 engaged in the business of winding-up bankruptcies.—A. Really, I would not be ready to answer that question. I have never calculated the number of trustees there were. They are not very numerous—I don't think they are very numerous.

Q. You have seen Bill 41?—A. Yes.

Q. Have you any comments to make on the suggested amendment to the Act which would set up a Department of Bankruptcy under the Minister of Finance, appoint a superintendent of bankruptcy, and limit the number of trustees to those obtaining licences from the Minister?—A. Well, I am of the opinion that a superintendent—whoever it is, or whatever it is—either a general superintendent with an office in Ottawa, or a provincial superintendent, is necessary and would go a long way to protect the creditors against the bad methods which are sometimes employed. I have no doubt that a superintendent, or a supervisor would hold them to the application of the law, that is, you have under the law this clause—that the monies of each estate should be separated from the personal money of the trustee. Well, in the province, I suppose in other provinces as well, we have two or three trustees we consider very bad because they do mix up that money, and they were indifferently paying in to one estate or into another; and that is why it is often when bankruptcy comes—some of them become bankrupt.

Q. It is to your knowledge that several men who are actually engaged in the business of trustees are bankrupts themselves, is it not?—A. Yes, some of them. It is necessary that the law should be amended so that we appoint only competent—

Q. Experienced?—A. I beg pardon—experienced persons should be appointed.

Q. You have said that two or three trustees have failed to render an accounting for estates confided to them. Conceding that this is true, would you hesitate to say that there are 22, or 23, or possibly more who have failed?—A. I do not know. Not as many as that I think. But I can recollect five or six who have left the country.

Q. You can recollect some others who have not even taken the trouble to leave the country?—A. Yes, and the insurance companies were called upon to pay for them.

Q. Yes.—A. Of course, I must say that those who have become inefficient or apparently fraudulent are no more appointed to the position; we would not allow it. We give instructions to the Authorized Receiver never to appoint any officer who is not worthy of the position.

I must say that in the province of Quebec we have two handicaps as to bankruptcy. First we have what we call the Thirty-day Goods Act. According to the Civil Law of the province when the seller sells merchandise to a party he has the right at any time to annul the sale if the price is not paid. Any time when there is a bankruptcy this period is reduced to thirty days after the delivery of the goods, so that I have seen many estates where everything was taken away under the thirty-day goods law. Nothing remains, or only a mere trifle.

And there is another handicap in our province—it is the landlord's privileges. When the first bankruptcy law was enacted, it gave the privilege to the landlord for three months before, three months due or approved before the bankruptcy and three months to come. With the amendment which was made in 1915, the landlord's privilege of submitting to the law which governed them on the abandonment of property, and in our province if the deed is an authentic deed, the privilege runs during the assignment of a debtor; and if it is four months before the end of the year and if his deed is an authentic deed, he is privileged for all the year following. It constitutes, in my mind, a handicap which we cannot act against.