

Mr. GARLAND (Bow River): In this particular case I am, for at least once, in hearty accord with the minister. I think it would be dangerous at least to do as suggested, although I do not argue that it would be followed necessarily by any unfair practices. I should be glad to see this legislation stand as it is now. I do not want to put in the hands of any provincial government, whether a Farmer government or any other kind of government, the power to make an assignment in order to pay the custodian in cases of the extreme kind for which this legislation is proposed.

Mr. CAMPBELL: I find myself thoroughly in agreement with the minister in this case. In Saskatchewan we have an adjustment bureau which is already handling many cases of this kind, and I think the authorities have already intimated that they would handle these cases without cost. I see no particular trouble in Saskatchewan.

Mr. McTAGGART: My understanding is along this line: That the chief difficulty to-day in the way of the farmers being able to take advantage of the provisions of the Bankruptcy Act is caused by the fact that their assets must represent fifty per cent of their liabilities; and if their assets do not represent fifty per cent of the liabilities they will not, under the law as it stands to-day, be granted a clearance by the court. Is that right?

Mr. LAPOINTE: The judge has a certain discretion in the matter. Ordinarily the farmer would have to wait two years to get his discharge, if his assets were not fifty per cent of his liabilities, but the judge might shorten that period.

Mr. McTAGGART: Is it not the fact that the assets must represent at least fifty per cent of the liabilities before he will be granted a discharge?

Mr. LAPOINTE: He cannot be granted a discharge immediately unless the assets are fifty per cent of the liabilities; the law provides that he will have to wait two years for his discharge, but if that is the only reason why the discharge cannot be granted immediately, the judge has a discretion in the matter, and may shorten the time.

Mr. McTAGGART: At the expiration of two years may the judge grant the discharge?

Mr. LAPOINTE: Yes.

Mr. McTAGGART: I am glad to hear the minister say that, but there are not many farmers in western Canada whose assets

would amount to fifty per cent of their liabilities. For that reason, if the provisions of the law were to remain as they are, they would not be of very much use to the farmer who desired to take advantage of it.

Mr. COOTE: I cannot oppose this measure, but I think the minister is wrong in contending that the provincial government should bear the expense of putting all these farmers through bankruptcy. I argued this case with my hon. friend's predecessor in office some time ago, when I wished him to appoint an official receiver who would receive assignments from the bankrupt farmer who could not afford to put up the deposit required, and the then Minister of Justice (Sir Lomer Gouin) said:

I cannot agree with you that it is a right principle that the government should pay for putting people through bankruptcy.

That is what he is compelling the provincial government to do through this act. If the man has some estate, and goes to this officer and has him act as his trustee in bankruptcy, why should that officer not be entitled to some fee to cover the out-of-pocket expenses in administering the estate of this man? In some cases there is considerable expense and under the act the provincial government has to pay all the

4 p.m. expenses which may be incurred in connection with the case. I think that the man's estate, if it is worth anything, should pay the expenses, and I cannot see that there is any need to place it all on the provincial government. I am sure the provincial government will accept it, if that is the best they can get, to help out the bankrupt farmer, but it is putting an unfair burden on the government.

Mr. LAPOINTE: I am afraid I will have to give up any hope of ever having my hon. friend agree with me on anything. I thought I had struck a policy in this case on which my hon. friend would be compelled to side with me, because he has taken a large part in discussing these matters. He knows that last year I was very strong in my acceptance of his suggestion. I have accepted it, and I came here this afternoon absolutely certain that I would have his commendation.

Mr. COOTE: I would like to give my commendation to the minister. I want to congratulate him for bringing down this act. I simply thought that this act was not quite perfect, and I wished to draw his attention to it. I want the act to go through, but I feel that the provincial government is going to have to pay a little more than their share.