know whether it is to protect it from these registrars or what the real idea is—we are to have a custodian. There is another place of possible conflict and possible loss. But why, if the registrar is good enough to take hold of this thing in the first instance, cannot you trust him with the problems? Or is it really necessary to have a second set of costs besides the registrar's set of costs? You have the custodian's set of costs, and you have not finished then, because you must go further and have your election and finally find out who the trustee is to be. Mr. Chairman, as we are running it in Ontario—I do not know how it will be in other provinces—the result is simply this: You are going to have three sets of law costs in any event, and we do not know how serious they will be or how far this thing will go. The opportunity is there. You have the opportunity in the first instance with the registrar. He will have somebody to look after him, to steer him. Then you have the debtor, and the debtor usually has a substantial interest in the estate. You have him there with his lawyer. Then you have the curator, and finally you have the receiver. We have all these additional costs thrown on estates in Ontario simply because too many trustees are appointed in Quebec; there is no trouble anywhere else. I do not want to overstate this matter in the slightest, and so that I do not overstate it I am just going to read a short memorandum as to how people who trade, people in business, think this will work out. They point out what the present law is; I do not touch that. They point out as to the amendments that are now being made: I do not touch that. Then they go on to say that the court officer to do this work in the province of Ontario will be the registrar or the local registrar. Then they say:

> The debtor, when filing this voluntary assignment with the court, is required by the amendment to, at the same time, file with the official receiver a sworn statement of his affairs including a list of his creditors. Then the official receiver, or, in the case of a receiving order then the court, is to appoint a custodian who shall, as far as possible, be selected from the most interested creditors. The official receiver is required to preside at the first meeting of creditors, which is to be called by the custodian at his office or some other convenient place. This meeting of creditors is to appoint a trustee for the estate, who may be any person the meeting may name, and the trustee thereupon takes charge of the administration of the estate.

I think these business men have fairly stated it.

Sir LOMER GOUIN: My hon. friend says they are business men?

Sir HENRY DRAYTON: Yes.

Sir LOMER GOUIN: Who are these gentlemen?

Sir HENRY DRAYTON: Auditors accustomed to business. I want to make it sure that I am not overstating the case, and I am giving their opinion to my hon. friend. I do not want to overstate in any one particular, and if these gentlemen are wrong on any point I hope the minister will point out where. They go on to say:

> This method of appointing a trustee contains many objectionable features. It is undoubtedly designed in an attempt to correct an unfortunate state of affairs in the province of Quebec, where authorized trustees have been appointed under the Bankruptcy Act who are inexperienced: It is stated that the government has appointed—

They go on to give the number of trustees appointed in Montreal, and then say:

> The result is that the administration of bankrupt estates throughout the entire Dominion is being complicated very materially in an effort to cure a condition in Quebec which should never have been permitted to arise. The present Bankruptcy Act, section 15, provides adequate machinery for the change by the creditors at any meeting of the authorized trustee to whom the assignment was originally made, or who was appointed receiver by the court, and it is submitted that the creditors have therefore a complete remedy in their own hands.

I think my hon. friend is wrong when he stated in his speech that section 15 was only operative for cause, that the creditors for cause might make a change. And if I may draw his attention to the section I think he will find that the creditors at their discretion, without any cause, at their will, may make any change they like. It is the court that asks for cause. If I am wrong in that, I hope my hon. friend will correct me. The memorandum goes on:

> The objectionable features of these changes may be summarized as follows:
>
> As to the matter of expense: The proposed amendments add to the cost of an estate, the costs of the court and the costs of the custodian, which will bear heavily upon small estates. Three sets of solicitors' costs will have to be paid out of many estates, that is, the costs of the solicitor for the debtor, then the solicitor of the custodian, and finally of the trustee.
>
> As to meetings of creditors, assignment papers would frequently be filed with local registrars through the province in which the debtor lives. The appointment of a creditor at a distant centre as custodian will be inconvenient. If a local creditor should be named as such custodian the first meeting of creditors will be called locally, resulting in creditors, who are usually located in large centres, having to make long journeys to attend meetings for the appointment of a trustee. On the other hand, the meetings of creditors of a debtor residing, for instance, at Sault Ste. Marie, if called in Toronto, where the majority of creditors of most estates in Ontario are usually located, and which would be the most convenient place for the meeting, then the local registrar at Sault Ste. Marie would be obliged to personally attend the meeting of creditors, at the expense of probably a small estate.