

terminating." To say "the effect to terminate" is not very good.

Amendment (Mr. Baxter) agreed to.

Sir HENRY DRAYTON: I would ask the minister if it is intended to have the Governor in Council exercise authority in these proceedings. This would rather indicate that it is. What is the real scheme? Is the ultimate authority with the courts or with the Governor in Council?

Sir LOMER GOUIN: This refers to bonds heretofore given, and that right has already been given to the Governor in Council.

Sir HENRY DRAYTON: This is merely as to past business.

Sir LOMER GOUIN: Yes.

Amendment agreed to.

Section as amended agreed to.

On section 15—Appointment of trustee.

Mr. BAXTER: I have not had time to examine the voting section very carefully, but I do not think there is any provision that a certain proportion of the creditors shall be represented at the meeting for this purpose. Clause 2 says:

A trustee may be removed and another trustee appointed or substituted by creditors by ordinary resolution at any meeting of creditors.

That would leave it open for a meeting at which it would not be anticipated perhaps that such a step would be taken, and you would have the matter dealt with by perhaps a small proportion of the creditors. It seems to me there ought to be some provision so that there would be at least a substantial body of the creditors or of the claims represented, for this is quite an important meeting, and very often there is not much more in these estates than the sort of fighting that goes on between one side that wants one representative and another side that wants another. I know the minister does not want to lend the legislation to the assistance of any party quarrel of that kind.

Sir LOMER GOUIN: If a trustee is not honest and the creditors find it necessary that he should be removed, and if they had to wait until there was a full meeting with two-thirds of the creditors represented, it would mean a delay of three or four weeks, and in the meantime, how would you administer?

Sir HENRY DRAYTON: Is not that covered?

Mr. BAXTER: You have the security for him if he is not honest.

Sir LOMER GOUIN: Yes, but it is not sufficient to have the security. You have to liquidate in the interest of the creditors, and in some cases a delay of three or four weeks might be very injurious to their interests.

Mr. BAXTER: You are going to give notice anyway?

Sir LOMER GOUIN: Notice is given of the meeting and the creditors have to appear.

Mr. BAXTER: Then have it put in the notice and it is their own fault if they do not turn up. Provision may be there but I have not been able to follow it up. If you are sure all will get their notices it will be their own fault if they do not turn up.

Sir LOMER GOUIN: Suppose at a meeting of creditors they are informed that the trustee has acted dishonestly and they wish to remove him why should it be necessary to wait for another meeting, with special notice to the creditors, to authorize such removal? After all the creditors are there. They are not interested in removing the trustee unless they think he is not acting honestly. He is acting for them, and why make it so hard for the creditors to effect a change if they find it is necessary for the good of the creditors at large?

Mr. BAXTER: I will only say this: The section as drafted allows the trustee to be removed for cause by the court, but it does not require any cause for removal by the creditors.

Sir LOMER GOUIN: This is a repetition of the old law.

Mr. BAXTER: Probably there were faults in the old law and it was amended many times. No doubt it can be amended again.

Sir HENRY DRAYTON: I do not think this provision is the same as in the old law which appears to be the point taken by the hon. member (Mr. Baxter). Under the old law a majority of the creditors who held one-half, or more, of the amount of the accrued debts could do this. Theoretically, I think the minister is quite right, but the trouble is that this is not a theoretical question. In most of the difficulties with assignments in the past you have two factions trying to get control of an appointee. Now I can see what the objection of the hon. member (Mr. Baxter) is. He does not wish to have these factional fights. He does not want to have one man