

some time ago that Mr. Henry Ford had bought a railway which was far from being a paying proposition, and that he had re-organized it, and now it pays well.

Before closing, I would like to say a few words on the bankruptcy law. There have been strong protests against this law by people of every class in the province of Quebec—by the Prime Minister of our province and the Minister of Agriculture, as well as from the barristers and leading men in all walks of life in our province. We had a good law before. It was our own law. It was working properly, but now we have a law that nobody understands. It is one of the worst laws ever passed by parliament. When you start reading an article in it, it is impossible to understand it. It is like a crossword puzzle that nobody can solve. Some people are very well satisfied with that law. They say the western people want it, but I believe my western friends are too intelligent to like that law, and I would ask the hon. Minister of Justice (Mr. Lapointe) to pay special attention to my remarks on this subject.

The trouble is that when a man has a judgment registered against him he receives numerous letters from trustees offering to help him by putting him through bankruptcy. The trustees are privileged and so are the lawyers of the trustee, and on the sale of the goods quite often not even the privileged creditors get anything, so that farmers cannot get money on mortgage except from relatives or close friends. This law does not suit the province of Quebec. Moreover it gives other people a bad opinion of the province. Let me give the House two instances of what has been done by trustees in cases of this kind. In one case a man who had property worth about \$1,500 or \$1,800, had five or six notes at the bank, most of them endorsed by his father and his brothers, and he had another creditor who was a stranger to his family. He got tired of receiving notices from the bank and he went to see a notary with a view to borrowing money on a mortgage. The notary said, "We will help you; go and see my friend the trustee." The trustee received the man very cordially and said, "I will help you, my dear friend; I will make you bankrupt." But the bank manager heard about it and he saw the trustee and told him he would report him to the attorney general if he proceeded as he had suggested; because the notes due to the bank were endorsed by relatives who were solvent and were ready to continue the endorsement. So to his shame the trustee had to change his mind about the usefulness

[Mr. Pouliot.]

of becoming bankrupt. In another case a man had sold a small yacht and as a guarantee for the payment of the purchase price took a mortgage on the purchaser's land. The purchaser used the boat for two or three years and one fall he left it on the shore and during the winter it was wrecked by the ice. The only guarantee the vendor had was the mortgage on the purchaser's land. The purchaser sued the vendor for breach of contract, alleging that the boat was not according to the contract. When he saw that he was going to lose his case—the fees were then pretty high—he took out bankruptcy proceedings. The result will be this: The trustee will be paid, as a privileged creditor; the lawyers of the trustee, who were the lawyers of the man who took the action, will be paid, and the creditor will get practically nothing. That is the way the law operates in the province of Quebec. I can state from my seat in this House, without fear of contradiction, that nine times out of ten when a man is sued for debt in the province of Quebec he receives numerous letters from trustees asking him to correspond with them with a view to having his case settled to his own satisfaction. The result is that the bankrupt loses all he has and the trustee gets it. It is most serious for the farmers. Sometimes when the harvest is poor and they want to borrow money to buy grain or hay or registered cattle, they cannot get the money on mortgage because of the fear of a lack of guarantee under the operation of this law. Suppose a man lends a farmer \$1,000 and takes a mortgage on the farmer's property, to which the title is clear. Under that law fraud may be presumed within ninety days of the date of the bankruptcy, and if the farmer who has borrowed the money goes bankrupt within ninety days, the man who has made the loan has no guarantee of repayment; he is just an ordinary creditor. He comes after the trustee and after the lawyers of the trustee. I do not know how that law operates in the western provinces. If the people there are satisfied with it, so much the better for them, all I can say is that in the province of Quebec they are strongly protesting against it. If it suits the western people I suggest that it could be left to them, but we in the province of Quebec feel that we should come back to our own law of the civil code of procedure, which worked very well and gave fair play to the creditors.

I am about to take my seat, Mr. Speaker; I have just two further words to say. To my mind the only two ways of ensuring the