

judicial district of Gaspé goes to Montreal and makes a voluntary assignment; that could not be prevented and he would be entitled to have the assignment heard before the courts of Montreal.

Mr. HACKETT: Jurisdiction must be considered from two points of view. There is jurisdiction *ratione materiae* which deals with substance. The circuit court in Montreal, the jurisdiction of which is limited to \$100, would not be competent, even with the consent of all parties to adjudicate upon a case in which more than \$100 was involved. Secondly, there is jurisdiction *ratione personae*, which has to do with parties to litigation. The court may be competent to deal with the subject matter of litigation but have no jurisdiction over the parties to it because of an accident of residence, but that can be overcome by consent. I may be able to bring an action in Montreal against a person domiciled in Gaspé and it is perfectly competent for the man in Gaspé to submit himself to the jurisdiction of the Montreal courts.

Mr. DUPUIS: Even against the will of the creditors?

Mr. HACKETT: I am talking about consent.

Mr. DUPUIS: Consent means the consent of both parties.

Mr. HACKETT: The consent of both parties.

Mr. DUPUIS: The interested parties. The hon. member for Joliet (Mr. Ferland) did not submit that case; he submitted the case of an assignee who wanted to assign in Montreal against the will of his creditors.

Mr. HACKETT: I was endeavouring to make clear to the committee that the jurisdiction of the courts depends both upon the substance of the litigation and the parties to it. In this latter instance, the lack of jurisdiction may be overcome by consent. A gentleman from Gaspé may see fit to come to Montreal and make an abandonment of his property in Montreal, and if no person was prejudiced thereby or did not take exception to it, the courts undoubtedly could deal with the case.

Let me come back to the question as propounded by the hon. member for Richelieu. From the point of view of the superior court the province of Quebec is divided into about twenty-one judicial districts. From the point of view of the Bankruptcy Act, the province of Quebec is one district, divided into twelve

divisions. In each division there is a court, an official receiver, a registrar and all the agencies and machinery necessary to carry out the act. If the hon. gentleman will turn to section 160 of the Bankruptcy Act, I think he will find that even though it be desirable to do what the hon. member for Gaspé suggests in his bill should be done, it would not be wise or necessary to do it by legislation because under that section of the act bankruptcy divisions may be created by order in council. The section is in the following terms:

Each province of Canada shall constitute for the purposes of this act, one bankruptcy district, but the governor in council may divide any such bankruptcy district into two or more bankruptcy divisions, and name or number them.

If it is expedient to re-subdivide the province into twenty odd bankruptcy divisions to coincide with the judicial districts, all that need be done is to pass another order in council. An amendment to the Bankruptcy Act is not necessary.

Mr. DUPUIS: Has the committee done anything in this bill to overcome the judgment of the supreme court which decides that a man may assign anywhere in the whole province of Quebec?

Mr. HACKETT: I fear my hon. friend is under some misapprehension. I have endeavoured to point out that the jurisdiction of the courts may be in some instances a matter of agreement; if a bankrupt from a remote part of the province wishes to go to make an abandonment in Montreal and nobody takes exception, I fail to see the objection as the Montreal court has jurisdiction in matters of that nature.

Mr. BRASSET: The effect of my bill was to force the creditor to take bankruptcy proceedings in the district where the debtor resides, but under the judgment of the supreme court the creditor may take proceedings in any division of the province, which is what my bill sought to avoid.

Mr. DUPUIS: Is there any clause in this bill which allows a creditor, in the case of a debtor assigning in another district, to bring him back to his own district? Suppose a man assigned in Montreal and resided in Gaspé, is there any clause in the bill which allows the creditor to bring him back to his own district, not necessarily the majority of the creditors but a few creditors or one?