

Mr. REILLEY: That is the idea.

Hon. Mr. ASELTINE: But the trustee has no power to examine the debtor under oath prior to the meeting of creditors.

Mr. REILLEY: No, he has no power to examine under oath. I have there given him the duty of making an appraisal. He is expected to do that reasonably well.

Hon. Mr. MORAUD: We should give more power to the court, so as not to leave the position entirely in the hands of the trustee.

Mr. REILLEY: My opinion is that they should go first to the court for leave to file a proposal, but I wanted to get away from too many technicalities and too much formality. I thought that with the system of trustees we have to-day they could be relied on generally to give pretty fair protection to the creditors. As I said before, as long as the trustee is just not living up to the requirements, he has to answer to me at the end of the year, and some have found that a pretty hard testing.

Hon. Mr. MORAUD: I have in mind a case of dishonesty. If a man comes to me for advice. I as a lawyer am inclined to help him out; and the trustee is in about the same position. The debtor goes to him for advice and says, "I am in a bad fix. What can I do about it?" The trustee, of course, is inclined to help him out. Sometimes helping the debtor out would not be in the best interests of the creditors. So I am wondering whether it would not be better for the trustee and everybody else concerned if in all cases the registrar or the court were given authority as to final approval of any proposal.

Mr. REILLEY: Every proposal, even if approved by the creditors, has to go before the court for approval, and every creditor has a right to appear there.

Hon. Mr. HAIG: Mr. Reilley, we have had this whole procedure in proceedings in my province under the Farmers Creditors' Arrangement Act. The registrar is always on the side of the debtor, and you have great difficulty in getting him even to admit that the assets are worth more. In Saskatchewan he started on the theory that the debtor was right 100 per cent and the creditors were wrong 100 per cent, and he valued the farm at about a quarter or a half or a third of what it was worth, and you could not get away from that. That is what we are scared about in regard to these provisions.

Mr. REILLEY: I do not know, senator, that any law could be set up to remedy bias on the part of the court, and if a registrar or anybody else—

Hon. Mr. HAIG: That is the tendency under the Farmer Creditors' Arrangement Act. I am only one, but I shall not let this bill go through and have perpetrated on the creditors of this country what the Farmers Creditors' Arrangement Act has perpetrated on the creditors of Manitoba and Saskatchewan. Your system is the same.

Mr. REILLEY: No.

Hon. Mr. MCGUIRE: There is the superintendent over the trustee here; there is not over the registrar in the other case.

Mr. REILLEY: There is one of your answers. There is no intervening authority under the Farmers Creditors' Arrangement Act to see that the duties to be performed under the Act are performed properly.

Hon. Mr. ASELTINE: Would not the trustee under these proceedings be in the same position as the official receiver under the Farmers Creditors' Arrangement Act?

Mr. REILLEY: No.

Hon. Mr. ASELTINE: As Senator Haig has stated, the Official Receiver is 99 per cent of the time on the side of the farmer debtor.