

power to meet the situation by employing a local person to take charge of the estate, to act as trustee and to perform all duties provided the creditors are not prejudiced. I think that that goes a long way to meet the objections.

Mr. CARDIN: I think it is only fair and reasonable, in view of the judgment of the supreme court and other judgments which have been given in the province of Quebec, that it should be made plain that the affairs of the insolvent will be dealt with in the judicial district in which he resides. I can see the force of the argument of the hon. Minister of Justice (Mr. Guthrie) in connection with subsection 8 of section 17, but anyone reading that subsection in the light of past experience, or anyone reading between the lines, must realize that a man outside of the large districts will be appointed only if the creditors living within the large districts are satisfied with him. That is what will occur. I refer again to my first observation, that the creditors in the large cities may be important from the point of view of the amounts involved, but from the point of view of the number of creditors, they are generally to be found in the rural sections, especially when the bankrupt was carrying on business there. I should like to refer to the case of Dubuc versus Bergeron, reported at page 217, volume 37 of *La Revue Legale*. In this instance two petitions were filed on the same day, one at Chicoutimi and the other at Montreal. The insolvent debtor was living in Chicoutimi but the court decided that proceedings should be carried on in Montreal. Such proceedings should not be possible; it is about time that a condition of this kind was corrected.

I should like to refer to the abuses which have existed in the past and which will exist in the future even with the proposed amendments in connection with trustees. I should like to translate a letter written by a man who desired to be appointed a trustee. This letter is dated in 1931 and the translation is as follows:

Seeing by the reports that one of your creditors is about to sue you, we take this opportunity of offering our services without any obligation on your part or without any payment. If you desire an extension of time, a compromise or an arrangement with your creditors, we are at your service and we can stop immediately all proceedings and unjustified costs. Please fill out and return to us the blank which is enclosed.

That is an example of the action taken by certain people desiring to be appointed as trustees. They endeavour to induce people

[Mr. Guthrie.]

to take advantage of the bankruptcy law. Even if trustees are licensed I contend that they will continue to act as they have in the past and try to induce people to go into bankruptcy in order that they may be appointed as trustees.

Mr. HACKETT: That would be an offence now.

Mr. GUTHRIE: I agree that a man who would write such a letter would be disqualified from being appointed trustee.

Progress reported.

At one o'clock the Speaker resumed the chair and the house took recess.

The house resumed at three o'clock.

Mr. SPEAKER: By consent the house will revert to presenting reports by select standing committees.

#### BANKING AND COMMERCE

Fifth report of the select standing committee on banking and commerce.—Mr. Matthews.

#### AGRICULTURE AND COLONIZATION

Mr. M. C. SENN (Haldimand) presented the fifth report of the select standing committee on agriculture and colonization, as follows:

The select standing committee on agriculture and colonization, beg leave to present the following as its fifth report:

Your committee has had under consideration the following order of reference, dated Tuesday, March 15, 1932.

Tuesday, March 15, 1932.

Ordered,—That the report of the committee on grain standards for the crop year 1931-32, in so far as it relates to garnet wheat be referred to the said committee, with instructions that the whole subject be inquired into carefully and that the said committee shall have power to call for witnesses, papers and documents and to report to the house its findings.

Attest. Arthur Beauchesne,  
Clerk of the House.

Your committee, in view of the evidence presented before them, a printed copy of which is herewith presented to the house, present the following recommendations:

Your committee recommend that the Canada Grain Act be amended to make, operative for the crop year 1933-34, the recommendation of the western grain standards board, in so far as it relates to the grading of garnet wheat as contained in the annual report of the Board of Grain Commissioners for Canada for the year 1931. Provided that the said amendment shall have force and effect for the crop year 1933-34, unless the said board shall, after giving due