

*Bankruptcy Act*

Mr. HACKETT: Yes. Now, answering the question of the hon. member for Cartier, we find that there are twelve divisions in the province of Quebec. The first is Montreal, which includes the judicial districts of Montreal, Iberville, Richelieu, St. Hyacinthe, Terrebonne and Beauharnois. The second is Quebec, which includes the judicial districts of Quebec, Arthabaska, Montmagny and Beauce, including Anticosti. The third is the division of Rimouski, which is restricted to the judicial district of Rimouski. The fourth is Sherbrooke, which includes the districts of St. Francis and Bedford. The fifth is Three Rivers, which includes Three Rivers and Nicolet. The division of Hull includes Hull and Pontiac; Chicoutimi includes Chicoutimi and Saguenay; Joliette includes Joliette and Montcalm; Roberval includes only Roberval; Fraserville includes Kamouraska; New Carlisle includes Gaspé, and Amos includes Abitibi. So it will be seen that with the exception of the judicial districts which are in the immediate vicinity of Montreal and Quebec, almost every judicial district is a bankruptcy division. The locality of a debtor being in any such division, the debtor could not, once the suggested order in council had passed, be haled before the court of any other division.

Mr. JACOBS: Why should we not, by this legislation, restrict a debtor making an assignment in bankruptcy to the division in which his judicial district is located?

Mr. HACKETT: There are twenty-five judicial districts, I think, and it would mean that we would set up thirteen more courts, which would be a considerable expense. There would have to be thirteen more official receivers, thirteen more registrars and so on, involving a certain expense.

Mr. JACOBS: But the prothonotaries and court officials could act as registrars and other officers, as they do largely in Montreal. You would not have to set up any new machinery; the court house officials could function as bankruptcy officials.

Mr. GAGNON: I should like to add to the few remarks I made a moment ago. I have before me the judgment of the supreme court to which my hon. friend from Stanstead referred, and I think it would be well to ponder for a moment the facts of this case. A man from Roberval named Boilly received service of a petition in bankruptcy at Roberval, which is a superior court district and where a judge comes every month. Although that petition in bankruptcy was served on Boilly at Roberval, where the superior court sits as

[Mr. Dupuis.]

the bankruptcy court, the debtor was ordered to appear in Montreal, which is some five hundred miles from the district of Roberval. I observe from the few remarks referred to in that judgment that the majority of the creditors had their domicile or their place of business in the district of Roberval, although there were some large creditors living in Montreal. But the defendant, through his attorney, took exception and asked that the record from Montreal be sent back to Roberval where the debtor was living and where his assets were; and of course the superior court, the court of king's bench, and finally the supreme court, held that there was only one court of bankruptcy in the whole province of Quebec. In this regard Mr. Justice Rinfret says:

"Parliament authorized the Governor in Council to subdivide each province in two or more bankruptcy divisions, to give them a name and number, however this has not yet been done, except for the administration of the act by the official trustees."

This judgment was rendered in 1927, and the practice may have been altered since; but if it has not been altered then the judgment means that from 1927, although the order in council provides that there might be established more divisions of the court of bankruptcy throughout the province, there has been only one division. Therefore I think it is in the interests of the creditors themselves that the expenses in connection with the winding-up of estates be limited to the utmost. I contend that if a debtor were compelled to make assignment of his assets before the tribunal of his domicile, the cost of the assignment would be less exorbitant and therefore it would be in the interests of the creditors.

Mr. JACOBS: The cost of the assignment will be the same but the cost of travelling expenses will be very much higher. It is a question of the expenses incidental to travelling all these distances.

Mr. CARDIN: Travelling of whom?

Mr. JACOBS: The debtor.

Mr. GUTHRIE: He has his lawyer, and the mails are at his disposal. Then there is this safeguard, that the administration of the estate, if the judge thinks proper, will go back to his own locality.

Mr. GAGNON: In my view, the attorney general of the province of Quebec ought to present a demand to the Minister of Justice for the establishment of as many divisions in bankruptcy as there are divisions of the