

Our view is, with regard to the unsecured creditors, that protection could be given by the adoption of regulations or rules under section 17 of the Act.

*By Mr. Martin:*

Q. What does section 17 provide?—A. Section 17 of the Act provides that the Governor in Council may enact regulations.

*By Mr. McLarty:*

Q. Have there been any rules adopted under this section?—A. There have been none, sir.

In a letter of February 25th of this year to the Minister of Justice, the Toronto board of trade forwarded proposed regulations which had resulted from a conference between a number of interests, and these regulations were sent to the Montreal Board of Trade. The Montreal Board of Trade, as Mr. Piper has said, indicated that they were not in favour, as they did not think the rules went far enough.

The position of the Toronto Board of Trade is this: this is an application to amend or appeal the Companies' Creditors Arrangement Act. We see no reason for interfering with the rights of the secured creditors. We agree to the amendment to that Act which Mr. Piper has read. But we have never seen and never been shown the amendments to the Bankruptcy Act.

We have investigated, and we think that we would like sometime to consider the actual proposed amendments and to refer them to organizations that are interested, such as the Canadian Credit Men's Trust Association, and other organizations, before we are asked to express approval or disapproval. We were never shown these proposed amendments to the Bankruptcy Act, and I am without instructions from the Toronto Board of Trade. I know they would not allow me to support any amendments to the Bankruptcy Act without the qualification that they should be carefully considered and that the business men who are interested should have an opportunity of considering their exact effect.

*By Mr. Vien:*

Q. Therefore your submission would be that we should approve these proposed amendments to the Companies' Creditors Arrangement Act and leave the others stand for some time?—A. Yes, sir.

Mr. HOWARD: That is the only thing we can do.

*By Mr. McLarty:*

Q. Are you recommending that the rules you submitted some time ago should be incorporated in the amendment?—A. No. We still think that would be better. But we had reached this agreement with the Montreal Board of Trade that, in order to present an agreement when approaching the gentlemen of this committee, we should agree to the amendment of the Companies' Creditors Arrangement Act. But we did not expect to have the Bankruptcy Act thrown at us as part of that. We did not agree to that and we were taken by surprise; and I think the Canadian Credit Men's Trust Association represented here would oppose the Bankruptcy Act amendment at the present time. That, sir, is the Toronto Board of Trade's position.

*By Mr. Vien:*

Q. How long would it take you to reach a conclusion as to the amendment of the Bankruptcy Act?—A. I do not think it could be reached for—I think we should have two months.