

EXPLANATORY NOTES.

Clause 1: The purpose of these amendments is to correct certain abuses that have occurred in the administration of small estates under the *Bankruptcy Act*, by modifying those sections of the Act that provide for the summary administration of such estates.

Subsection (6) of section 26 at present provides as follows:

“(6) Where the bankrupt is not a corporation and in the opinion of the official receiver the realizable assets of the bankrupt, after deducting the claims of secured creditors, will not exceed five hundred dollars, the provisions of the Act relating to summary administration of estates shall apply.”

Sections 114 and 115 at present set out special provisions for the administration of the estates referred to in subsection (6) of section 26. The effect of such provisions is to relax, in respect of such estates, certain of the ordinary procedures and safeguards set out in the Act. The changes made in sections 114 and 115 by this Bill will eliminate or modify a number of these special provisions in order to provide for the stricter administration of such estates.