

over to the trustee to be held in trust by him. It seems to us that as worded there it leaves the matter open to doubt, that the section covers all proceeds realized whether by secured creditors or otherwise.

Hon. Mr. HAIG: Would you say therefore that a debtor who had left papers with his solicitor, on which the solicitor had done a certain amount of work and had at common law a lien on them, would come under that provision?

Mr. ROGERS: The subsection reads:—

Subject to the rights of contractual secured creditors the proceeds realized from the property of the bankrupt shall be applied in priority of payment.

You would not be a contractual secured creditor.

Hon. Mr. HAIG: I promise to look closely into that section.

Mr. ROGERS: I think it was not intended to go that far, but it has that effect.

Hon. Mr. HAIG: As far as I am concerned, I promise to see that it does not go that far. That is the only security we lawyers have.

Hon. Mr. MORAUD: In our province we have two sections in the code under which certain creditors are not contractual.

Hon. Mr. HAIG: We have woodsmen's liens and other liens of that nature in our province.

Mr. ROGERS: Yes, there are many common-law liens.

Hon. Mr. HAIG: In Manitoba we may have gone too far in giving liens to workmen under certain conditions. For instance, we have given liens on wood in the bush, and all that kind of thing.

Hon. Mr. LEGER: We have done the same in New Brunswick.

Mr. ROGERS: Their name is legion throughout the west particularly, and they would have to be considered.

I wish to thank you, gentlemen, for the privilege of making these representations. I have tried not to be carpingly critical, but rather to make constructive suggestions. We realize the difficulty faced by the draftsman and his great ability and wide range of knowledge with respect to the law of bankruptcy. We feel that after sifting the representations we have made and the suggestions you have received from other quarters it will be possible to develop a better Bankruptcy Act than the present one. Certainly no one would wish otherwise.