

ever amounted to anything always occurred after something had been found out. An examination as a rule is no good at all except in cases where there is fraud of some kind, either in getting rid of property, or transferring property or in preferring certain individuals. My experience was that you never got on to anything like that, unless you knew just what you were after and worked out a good line of cross-examination. I believe that this examination by itself might be more educative to the dishonest debtor than useful to the creditor. Has my hon. friend found any troubles arising because we have not had this complete examination in the past?

Sir LOMER GOUIN: Yes, we were told by some trustees that such an examination should be required in all cases, and from what we have learned from some interested creditors it is very important that thorough examinations should be made. My hon. friend, with the experience that he has had in dealing with such cases, knows as well as I do that it is always well that creditors should have the right to examine the debtor—

Sir HENRY DRAYTON: Oh yes.

Sir LOMER GOUIN: —so that they may know what he has done with his property—

Sir HENRY DRAYTON: Undoubtedly.

Sir LOMER GOUIN: —and may ascertain the details of different claims that might be filed against the estate by some of his family or his friends. I do not understand why objections should be raised to the amendment we now offer. This is the law as it is in England and it has been found of great use to the creditors. We have been informed that it would be of some advantage to creditors in this country if it were embodied in our legislation, and that is why we have proposed it. If, of course, it proves of no benefit to the creditors in any case it will not be put to use by them. But when we are asked to pass this provision, which is the law in England, and which the experience of everyone who has practised at the bar for some years recognizes to be useful, it seems to me that it should be accepted without further discussion.

Sir HENRY DRAYTON: My hon. friend says that if the creditors do not want to use it they will not, but my recollection is that the debtor is obliged within three days to present himself for examination, which examination must be made.

Sir LOMER GOUIN: Yes.

Sir HENRY DRAYTON: If my recollection is right, every bankrupt is bound to do this.

[Sir Henry Drayton.]

Sir LOMER GOUIN: Yes.

Sir HENRY DRAYTON: Then it is not a matter of option; the examination must be made. My hon. friend has entirely mistaken the object of my inquiry. I want to find out, where an examination is not calculated to discover fraud, whether it has been found necessary to have such an examination at all. If the minister says it is necessary, very well. I entirely agree that there is a necessity for a thorough examination, and if this were to be a real examination conducted by counsel, I could see the utility of it. I find, however, that it is to be a stereotyped form of examination.

Sir LOMER GOUIN: There is nothing to prevent an examination on any grounds.

Sir HENRY DRAYTON: Suppose a man comes within three days and makes a discovery which the registrar thinks is a full and perfectly good and free discovery. The registrar thinks he is a fine gentleman, and there the matter ends. Does that stop the creditors themselves from conducting an examination on their own account? Supposing the creditors themselves desire to examine the man a month afterwards, can they do so, or is the right of examination exhausted by this inquiry on the part of the registrar?

Sir LOMER GOUIN: They can examine him whenever they like. As to the question of travelling, it is provided that the assignor shall present himself to the receiver within three days. As he must assign personally into the receiver's hands, there is no reason why he should not ask to be examined on the same day. One trip would therefore be sufficient for both purposes.

Sir HENRY DRAYTON: I was concerned in making sure of the right of further examination. What section gives that right?

Sir LOMER GOUIN: Section 56.

Section agreed to.

On section 29—Examination of Debtors.

Sir LOMER GOUIN: We are adding a new subsection 2. The first part provides for the examination of all persons who are supposed to know anything about the affairs of the assignor. Under the present law, only the employee of the assignor and the assignor himself may be examined. We propose to amend it to give the right to the creditors to examine any person who may be thought to possess any knowledge of the affairs of the assignor. The last part of the amendment provides that the debtor shall be examined as to