

## Section 1.—Administration of Bankrupt Estates\*

Federal insolvency legislation now comprises the Bankruptcy Act, 1949, the Farmers' Creditors Arrangement Act, 1943, the Companies' Creditors Arrangement Act and, to some extent, the Winding-Up Act. The two Arrangement Acts are designed to avert failure and the statistics in this Section and in Section 2, therefore, do not include proposals or arrangements under these Acts. When such proposals or arrangements are rejected by the creditors or fail in their purpose the proceedings may then come under the Bankruptcy Act, the bankruptcy provisions of the Farmers' Creditors Arrangement Act and, in certain circumstances, the Winding-Up Act. There are no provisions in the Companies' Creditors Arrangement Act for the liquidation or winding-up of insolvent companies.

The Bankruptcy Act, 1949, under which the Bankruptcy Act, 1919, and amendments thereto is repealed, restores to all insolvent persons the right to make a proposal prior to bankruptcy. The summary administration provisions of the Act enable insolvent persons, other than corporations, having limited assets to obtain the benefit of the Act. A new principle has also been established in regard to the discharge of bankrupts and the Act provides that "the making of a receiving order against, or an assignment by, any person except a corporation operates as an application for discharge" unless a waiver is filed in court and served upon the trustee within the prescribed delays.

The administration of bankrupt estates is supervised by the Superintendent of Bankruptcy, first appointed in 1932, with the object of conserving as far as possible the assets of bankrupt estates for the benefit of the creditors.

The series of statistics collected on estates closed under the Bankruptcy Act, 1919, covering the years 1933-50 are given in the 1947 Year Book, p. 846, and the 1952-53 edition, p. 915. The figures given in Table 1 are those of estates closed under the new Bankruptcy Act, 1949, and begin with the year 1951.

\* Prepared by the Superintendent of Bankruptcy, Ottawa. Early bankruptcy and insolvency legislation is reviewed in the 1952-53 Year Book, pp. 914-915.

### 1.—Assets, Liabilities, Assets Realized and Cost of Administration under the Bankruptcy Act 1949, by Province, 1952, with Totals for 1951

Province and Year	Estates Closed	Assets Estimated by Debtor	Liabilities Estimated by Debtor	Total Realization	Cost of Administration	Paid to Creditors
	No.	\$	\$	\$	\$	\$
Newfoundland.....	6	93,263	113,603	36,438	9,620	26,818
Prince Edward Island.....	8	144,214	171,955	94,670	14,570	80,100
Nova Scotia.....	15	181,173	269,771	34,434	12,360	22,074
New Brunswick.....	4	94,846	110,012	48,093	5,640	42,453
Quebec.....	867	9,648,597	14,927,443	2,976,823	972,902	2,003,921
Ontario.....	186	3,358,999	5,177,981	998,993	280,306	718,687
Manitoba.....	18	498,659	803,794	143,125	28,830	114,295
Saskatchewan.....	15	130,048	211,024	50,763	23,577	27,186
Alberta.....	7	100,091	135,237	50,301	15,652	34,649
British Columbia.....	69	1,061,889	1,727,327	439,211	137,001	302,210
<b>Totals, 1952.....</b>	<b>1,195</b>	<b>15,311,779</b>	<b>23,648,147</b>	<b>4,872,851</b>	<b>1,500,458</b>	<b>3,372,393<sup>2</sup></b>
<b>Totals, 1951.....</b>	<b>903</b>	<b>14,197,297</b>	<b>23,832,816</b>	<b>5,274,191</b>	<b>1,443,470</b>	<b>3,830,721<sup>2</sup></b>

<sup>1</sup> Includes Summary Administration Provisions of the Act of 1949.

<sup>2</sup> In addition to the amount paid to creditors by the trustee, secured creditors valued their security or realized on it themselves without the intervention of a trustee an amount of approximately \$5,230,106 in 1952 and \$4,108,276 in 1951.