

PART III.—BANKRUPTCIES AND COMMERCIAL FAILURES

Two series of figures are included in this part which, although closely related as far as subject matter is concerned, cover different aspects of the field of bankruptcies and commercial failures. The first, under the heading of "Administration of Bankrupt Estates" is limited to the supervision, by the Superintendent of Bankruptcy, of the administration of bankrupt estates under the Bankruptcy Act (including the Farmers' Creditors Arrangement Act); it gives information on the amounts realized from the assets as established by debtors and indicates that values actually paid to creditors are invariably very much lower than such estimates alone would imply. It can therefore be assumed that this applies in even greater degree to the more extended fields covered in the second section under the heading of "Returns under the Bankruptcy and Winding-Up Act" which is compiled by the Dominion Bureau of Statistics. This series is limited to bankruptcies and insolvencies made under federal legislation (the Bankruptcy Act and the Winding-Up Act) and, since 1955, includes business failures only (see p. 934). The figures of assets and liabilities are estimates made by the debtor and, because they are not made uniformly, should be accepted with reservations.

Administration of Bankrupt Estates.*—The Bankruptcy Act, which was last revised in 1949, was amended by SC 1966, c. 32. These amendments were instigated by recent exposures and suggestions of illegal and improper practices in connection with bankruptcy proceedings or administration. They do not constitute a complete revision of the Bankruptcy Act but were rather designed to provide, as an interim measure, remedies to the most urgent areas of complaints. They provide the Superintendent of Bankruptcy with direct and immediate authority in the field of investigation and inquiry, and tighten the procedures and requirements in a number of areas, such as that of proposals which an insolvent person may make to his creditors. In other words, these amendments were intended to provide remedies in situations where it had been shown by experience that abuses of the bankruptcy process are most likely to occur. The amendments also contain a new Part X entitled "The Orderly Payment of Debts" which may come into force in any province at the request of the provincial authorities concerned. This part came into force in Alberta on Apr. 17, 1967, and in Manitoba on June 1, 1967.

* Prepared by the Superintendent of Bankruptcy, Ottawa.

1.—Summary Statistics of Estates Closed during 1965 under the Bankruptcy Act

Province or Territory	BANKRUPTCIES UNDER GENERAL PROVISIONS OF THE ACT ¹					
	Estates Closed	Assets as Estimated by Debtors	Liabilities as Estimated by Debtors	Realization by Trustee	Costs of Admini- stration	Costs as Percentage of Realization
	No.	\$	\$	\$	\$	p.c.
Nfld.....	—	—	—	—	—	—
P.E.I.....	9	393,000	321,000	90,000	38,000	42
N.S.....	35	453,000	1,793,000	154,000	68,000	44
N.B.....	31	203,000	630,000	94,000	32,000	34
Que.....	1,494	11,370,000	41,261,000	4,717,000	2,199,000	46
Ont.....	2,682	15,716,000	70,196,000	5,703,000	2,802,000	49
Man.....	33	920,000	1,915,000	408,000	126,000	31
Sask.....	39	403,000	902,000	133,000	47,000	35
Alta.....	106	874,000	3,746,000	650,000	245,000	38
B.C.....	118	1,304,000	4,239,000	568,000	229,000	41
N.W.T.....	—	—	—	—	—	—
Totals.....	4,547	31,636,000	125,003,000	12,517,000	5,786,000	46

¹ Includes summary administration provisions of the Bankruptcy Act.