

of the administration of bankrupt estates under the Bankruptcy Act (RSC 1970, c.B-3); 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 series (Tables 17.11 and 17.12) compiled by Statistics Canada, which is limited to bankruptcies and insolvencies made under federal legislation and includes business failures only.

The report issued annually by the superintendent of bankruptcy gives statistics and comments on various activities in the field of bankruptcy, such as prosecution for offences, issue of licences for trustees in bankruptcy, number of estates reported and closed during the year and costs of bankruptcy administration in Canada. These data are summarized in Table 17.13.

Returns under the Bankruptcy and Winding-up Acts. Statistics Canada data on bankruptcies and insolvencies cover only business failures coming under the federal Bankruptcy Act and the Winding-up Act. Table 17.11 gives yearly comparisons of liabilities — as estimated by debtors — for the main regions of the country. Table 17.12 shows the number of bankruptcies and insolvencies by industry and economic area for 1975 and 1976.

Administration of bankrupt estates. The Bankruptcy Act was revised in 1949 and amended in 1966. The amendments were instigated by 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 designed to provide, as an interim measure, remedies to the most urgent areas of complaints. They give the superintendent of bankruptcy direct and immediate authority in investigation and inquiry, and tighten the procedures and requirements in a number of areas, such as proposals which an insolvent person may make to his creditors. These amendments were intended to provide remedies in situations where abuses of the bankruptcy process are most likely to occur. The amendments also contain a part on the orderly payment of debts which may be brought into force in any province at the request of provincial authorities. Six areas have taken advantage of this part of the legislation: Alberta in April 1967, Manitoba in June 1967, Saskatchewan in April 1969, British Columbia in June 1970, Nova Scotia in July 1970 and Prince Edward Island in April 1971.

A small debtor program was instituted in June 1972. While it is not an amendment to the Bankruptcy Act, it authorizes federal employees who have been appointed as trustees to handle the estates of certain wage-earners who cannot obtain the services of a private trustee.

Sources

- 17.1 Manufacturing and Primary Industries Division, Industry Statistics Branch, Statistics Canada.
- 17.2 Information Services Branch, Department of Industry, Trade and Commerce.
- 17.3 Supplied by the respective provincial government departments.
- 17.4.1 Information and Public Relations, Department of Consumer and Corporate Affairs.
- 17.4.2 The Standards Council of Canada; Information and Public Relations, Department of Consumer and Corporate Affairs.
- 17.5 Superintendent of Bankruptcy, Department of Consumer and Corporate Affairs; Business Finance Division, General Statistics Branch, Statistics Canada.