

Section 1.—Administration of Bankrupt Estates*

Federal insolvency legislation now comprises the Bankruptcy Act 1949 (R.S.C. 1952, c. 14), the Farmers' Creditors Arrangement Act 1943 (R.S.C. 1952, c. 111), 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The Bankruptcy Act 1949, under which the Bankruptcy Act 1919 and amendments thereto is repealed, restores to all insolvent persons the right to make a proposal prior to bankruptcy.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.

* 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 by Province 1954

NOTE.—This series began with the year 1951; figures for 1951 are given in the 1954 Year Book, p. 955, and those for 1952 and 1953 in the 1955 edition, p. 1019. The former series of statistics collected on estates closed under the Bankruptcy Act 1919 are given in the 1947 Year Book, p. 846, and the 1952-53 edition, p. 915.

Province and Year	Estates Closed	Assets Estimated by Debtors	Liabilities Estimated by Debtors	Total Realization	Cost of Administration	Paid to Creditors
BANKRUPTCIES UNDER GENERAL PROVISIONS OF THE ACT¹						
	No.	\$	\$	\$	\$	\$
Newfoundland.....	7	208,711	218,316	68,223	16,726	51,497
Nova Scotia.....	12	150,005	268,685	36,855	13,657	23,198
New Brunswick.....	17	141,783	560,671	43,991	11,703	32,288
Prince Edward Island.....	2	111,524	69,477	9,220	2,049	7,171
Quebec.....	986	7,282,346	19,599,359	2,010,961	777,640	1,233,321
Ontario.....	207	3,931,599	6,130,514	1,137,748	342,421	795,327
Manitoba.....	13	201,095	323,136	70,073	15,275	54,798
Saskatchewan.....	13	183,493	258,584	78,622	26,176	52,446
Alberta.....	20	484,547	617,477	152,348	56,746	95,602
British Columbia.....	59	916,912	1,676,690	478,954	116,114	362,840
Totals.....	1,336	13,612,015	29,723,209	4,086,995	1,378,507	2,708,488²
PROPOSALS UNDER SECT. 27 (1) (a) OF THE ACT						
	Proposals Completed	Unsecured Liabilities as Estimated by Debtors		Paid to Unsecured Creditors		
	No.	\$		\$		
Quebec.....	62	1,599,388		480,519		
Ontario.....	11	485,840		182,940		
Saskatchewan.....	1	108,900		21,859		
British Columbia.....	2	34,503		21,117		
Totals.....	76	2,228,631		706,435²		

¹ Includes summary administration provisions of the Bankruptcy Act.

² In addition to the amount paid to creditors by the trustee, secured creditors realized direct from their security approximately \$5,404,104 in 1953 and \$4,789,413 in 1954.