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*Superintendent*



CANADA

**REPORT**  
**OF THE**  
**SUPERINTENDENT**  
**OF**  
**BANKRUPTCY**

For the year ended March 31st, 1967

Department of  Consumer and Corporate Affairs

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**OF THE**  
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## BANKRUPTCY AND INSOLVENCY

As a result of the enactment by Parliament of the *Government Organization Act, 1966*, which was assented to on June 16th, 1966 and came into force on October 1st, 1966, the *Bankruptcy Act* (R.S., c. 14), the *Companies' Creditors Arrangement Act* (R.S., c. 54), the *Farmers' Creditors Arrangement Act* (R.S., c. 111) and PART I of the *Winding-up Act* (R.S., c. 296), are administered by the Registrar General of Canada. Prior to October 1st, 1966, the Office of the Superintendent of Bankruptcy was a Branch of the Department of Justice. The following report encompasses the full fiscal period from April 1st, 1966 to March 31st, 1967.

### I. The Bankruptcy Act

The present *Bankruptcy Act* was last revised in 1949. Important amendments were made to the Act by Parliament in July of 1966 (1966-67, c.32).

#### A. Purpose.

One of the basic purposes of the *Bankruptcy Act* is to provide a means of "collective execution" on the assets of an insolvent debtor, by the vesting of the property owned by the debtor, at the time of the bankruptcy, in a trustee for distribution amongst his creditors equitably, according to their rights. The *Bankruptcy Act* also contains provisions for the release of a deserving debtor from his liabilities to his creditors in order that he may be able to integrate himself into the community as a useful citizen free from the burden of his debts.

#### B. Amendments.

Before the 1966 amendments to the *Bankruptcy Act*, the main responsibility of the Superintendent of Bankruptcy was to supervise the trustees in their administration of estates in bankruptcy. The 1966 amendments give the Superintendent additional powers of investigation and inquiry with respect to irregularities or offences that may have been committed prior to the bankruptcy.

It should be noted that, as a result of these amendments, the primary responsibility for investigating irregularities or offences on the part of the debtor remains with the trustee and that the powers of investigation of the Superintendent of Bankruptcy are supplemental to that of the trustee. Suspected offences or irregularities on the part of debtors or creditors, alike, are investigated by the Superintendent of Bankruptcy when it appears that the matter might not otherwise be investigated.

The provisions of Sections 3A and 3B of the *Bankruptcy Act* which deal with this matter, read as follows:

- "3A. (1) Where, on information supplied by an official receiver, trustee or other person, it appears to the Superintendent that there are reasonable grounds for suspecting that a person has, in connection with a bankruptcy, committed an offence under this Act or any other Act of the Parliament of Canada, whether before or after the bankruptcy, the Superintendent may, if it appears to him that the matter might not otherwise be investigated, make or cause to be made such inquiries or investigations as he deems expedient with respect to the conduct, dealings and transactions of the bankrupt concerned, the causes of his bankruptcy and the disposition of his property.

(2) For the purpose of an investigation under subsection (1), the Superintendent or any person duly authorized by him in writing, with the approval of the court, which may be given upon an ex parte application, may, either alone or together with such peace officers as he calls on to assist him, enter and search, if necessary by force, any building, receptacle or place for books, records, papers or documents that may afford evidence as to an offence in connection with a bankruptcy and examine any such books, records, papers or documents.

(3) For the purpose of an investigation under subsection (1), the Superintendent may, without an order, examine or cause to be examined under oath before the registrar of the court or other authorized person, the bankrupt, any person reasonably thought to have knowledge of the affairs of the bankrupt or any person who is or has been an agent, clerk, servant, officer, director or employee of the bankrupt with respect to the conduct, dealings and transactions of the bankruptcy concerned, the cause of his bankruptcy and the disposition of his property, and may order any person liable to be so examined to produce any books, records, papers or documents in his possession or under his control relating to the bankrupt, his conduct dealings and transactions, the causes of his bankruptcy or the disposing of his property.

(4) A person being examined pursuant to this section is bound to answer all questions relating to the conduct, dealings and transactions of the bankrupt, the causes of his bankruptcy and the disposition of his property.

(5) Where a person being examined pursuant to this section objects to answering any question upon the ground that his answer may tend to criminate him or may tend to establish his liability to a civil proceeding at the instance of the Crown or of any person and if, but for this section or section 5 of the Canada Evidence Act, he would have been excused from answering such question, the answer so given shall not be used or received in evidence against him in any proceeding, civil or criminal, thereafter taking place other than a prosecution for perjury in the giving of such evidence.

(6) No person shall hinder, molest or interfere with any person doing anything that he is authorized by or pursuant to this section to do, or prevent or attempt to prevent any person doing any such thing, and, notwithstanding any other Act or law, every person shall, unless he is unable to do so, do everything he is required by or pursuant to this section to do.

(7) Where any book, record, paper or other document is examined or produced in accordance with this section, the person by whom it is examined or to whom it is produced or the Superintendent may make or cause to be made one or more copies thereof, and a document purporting to be certified by the Superintendent or a person thereunto authorized by him to be a copy made pursuant to this section is admissible in evidence and has the same probative force as the original document would have if it were proven in the ordinary way.

3B. (1) Where after an investigation pursuant to section 3A or otherwise the Superintendent has obtained evidence of an offence having been committed in connection with a bankruptcy, the Superintendent shall report the matter to the Deputy Attorney General or other appropriate legal officer of the

province concerned or to such person as is duly designated by such legal officer for that purpose.

(2) Notwithstanding section 95, a recovery made by an estate as the result of any inquiries or investigations made or caused to be made by the Superintendent pursuant to section 3A shall be applied to the reimbursement of any costs and expenses incurred by the Superintendent thereon, not being ordinary costs or expenses of the office of the Superintendent, and the balance thereafter remaining in respect of the recovery shall be made available to the trustee for the benefit of the creditors of the bankrupt.”

In addition to the extended powers of investigation of the Superintendent of Bankruptcy, there were also other important amendments made to the *Bankruptcy Act*, concerning reviewable transactions, proposals made by insolvent persons, the summary administration provisions of the Act, etc.

The purpose of these amendments was to provide remedies for some of the most urgent areas of complaints.

The amendments also incorporated in the *Bankruptcy Act* a new Part X, entitled the Orderly Payment of Debts. These provisions provide for a comparatively simple and inexpensive procedure whereby certain debtors, who are unable to meet their obligations as they come due, can apply to the Clerk of the County or District Court to fix amounts to be paid into court and distributed *pro rata* among their creditors until they are paid in full.\*

The Advisory Committee on Bankruptcy Legislation which was appointed by the Minister of Justice in February, 1966, to prepare a complete and thorough revision of the federal bankruptcy and insolvency legislation, has continued, during the period covered by this report, to meet regularly.

When the Advisory Committee was appointed, it was expected that its report would be available within a year. The work involved, however, proved to be much more time-consuming than was originally considered with the result that it is not now expected that the report will be ready before some time in late 1968.

The Advisory Committee, which is composed of Mr. John D. Honsberger, Q.C., of Toronto, Mr. Pierre Carignan, Q.C., of Montreal and the Superintendent of Bankruptcy, who is the Chairman of the Committee, is not only working on a revision of the *Bankruptcy Act* but also the *Companies' Creditors Arrangement Act*, the *Farmers' Creditors Arrangement Act* and the *Winding-up Act*.

### C. Regional Offices.

While regional offices were in process of being established in Montreal and Toronto in early 1966, the personnel therein was very limited and originally represented merely a detachment from the operations of the Office of the Superintendent of Bankruptcy, at Ottawa. With the advent of the new duties under the Act referred to above, the regional offices in Montreal and Toronto were greatly expanded and another

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\* (Part X may come into force in any province upon the issue by the Governor in Council, at the request of the Lieutenant Governor in Council of that province, of a proclamation declaring it to be in force in that province. Part X has been proclaimed in force in the Province of Alberta on April 17, 1967, and in the Province of Manitoba, on June 1st, 1967.)



office was opened in Vancouver. The three regional offices comprise auditors, investigators as well as the necessary support staff and have been in operation, as expanded, since March of 1967.

#### D. *Complaints and Investigations.*

In the calendar year 1966, 334 complaints were received by the Superintendent of Bankruptcy. Most of these complaints were of course made by creditors of a bankrupt and ranged in seriousness from the failure by the trustee to answer correspondence promptly to allegations of fraud and other criminal offences. The administration of 122 trustees was called in question by those complainants during the year. For analysis of these complaints by type and disposition made, please refer to *Table "1"*.

#### E. *Licensing of Trustees.*

Five hundred and twenty-eight licences were in force as of December 31, 1965. Twenty-eight trustees resigned, three licences were withdrawn for cause and thirty-eight were re-issued as restricted licences for the sole purpose of completing estates currently in hand. No licences were issued during 1966. Thus, five hundred licences were in force as of December 31, 1966.

*Table "2"* is an analysis of trustee licensing for the period January 1st, 1960 to December 31st, 1966.

#### F. *Bulletins to Trustees.*

During the period of April 1st, 1966, to March 31st, 1967, the Superintendent of Bankruptcy circulated trustees in bankruptcy with seven bulletins dealing with various aspects of bankruptcy administration and legislation. Among the subjects covered, there were, the Debtor's Statement of Affairs, Joint Trusteeship, the Delegation of duties and granting of signing authority by trustees, Advances on trustee's remuneration, Performance bonds, etc.

The purpose of these bulletins is to assist trustees in better understanding their duties and responsibilities under the *Bankruptcy Act*. Other bulletins have since been distributed to trustees and others are in preparation.

It is considered that this new practice of the Superintendent of Bankruptcy will result in a still better administration of the *Bankruptcy Act*.

#### G. *Statistics.*

Bankruptcy statistics in Canada, as collected by the Superintendent of Bankruptcy, are reported on a calendar year basis.

In years prior to 1966 these were divided into two main categories. The first category comprised the estates administered under the general provisions of the *Bankruptcy Act* and, the second, the estates administered under the summary provisions of the Act. This division relates only to the differences of procedures in administration. Except for corporations, estates with nominal or no assets may be designated a "summary administration", in which case proceedings are simplified and costs curtailed. However, both types of administrations encompass business and non-business debtors alike.

While the *Bankruptcy Act* applies equally to both types of bankruptcies, it is evident that the two groups of debtors represent totally different problems. Statistics to

be derived from, and reported on, new cases are consequently related, first, to the non-business bankruptcies and, second, to bankruptcies in the business world. Statistics as to the administration of estates, which are collected on the closing of the estates, are divided between estates with less than \$500 in free assets and those with free assets over \$500.

(a) *General intake, closed, inventory*

*Schedule "A"* is a comparative analysis of the estates reported, closed and carried over for the years 1933 to 1966. This schedule shows the inventory of open estates at the end of each year. It is interesting to note that the number of new estates reported in a year increased steadily from 1946 to 1964 but in 1965 and 1966 the trend reversed with a reduction of 10% and 7%, respectively. The total number of open estates at December 31st, 1966 stands at 20,127, the highest to date. This represents approximately 300 estates per staff position on the establishment.

*Schedule "A-1"* illustrates in graphic form the trend of bankruptcies and proposals reported in the last ten years in Canada and in the Provinces of Ontario and Quebec.

The percentage of bankruptcies initiated by petition to the court on behalf of creditors is relatively insignificant (less than 5 per cent) in the case of business debtors with nominal assets and in the case of all non-business debtors. However, in the business cases where assets exceed \$500 receiving orders issued by the court account for one estate in seven. Ontario had the highest such ratio with one in five.

(b) *Detail of intake*

*Schedules "B" to "B-5"* show the various statistics of the bankruptcies and proposals filed in the year 1966. The total liabilities in 1966 as estimated by the debtors amounted to some 448 million dollars as compared to 323 million dollars in the previous year. This increase of 30.5% is a sharp contrast to decrease in the number of bankruptcies and proposals filed. So, while the number of bankruptcies and proposals declined, the dollar value of the liabilities involved increased considerably. Similarly the expected losses to creditors rose to 244 million dollars in 1966, from 138 million dollars in 1965, an increase of 106 million dollars or 77%.

*Schedule "B"* shows, by Province, the total number of cases with the corresponding assets, liabilities and deficiencies reported in the year. It is interesting to note that while the province of Quebec accounts for 54% of the total number of cases, these cases represent only 22.5% of the expected losses to creditors. On the other hand, the Province of Ontario with 37.5% of the cases accounts for 73.4% of the expected losses to creditors. *Schedule "B-1"* illustrates in graphic form the number of bankruptcy proceedings and the expected losses by Province.

*Schedule "B-2"* shows, by Province, the various statistics for business bankruptcies in the year, while *Schedule "B-3"* gives similar statistics for non-business bankruptcies and *Schedule "B-4"*, the statistics on proposals.

*Schedule "B-5"* is a supplemental to *Schedule "B-3"* showing the statistics of "business guarantor" bankruptcies included in the wage-earner statistics.

It is interesting to note that while both the Provinces of Quebec and Ontario have approximately the same number of non-business bankruptcies, the Province of Quebec

has a much higher number of business bankruptcies (1562) than the Province of Ontario (918). Also the number of proposals approved in the Province of Quebec is considerably higher (240) than in Ontario (41).

(c) *Detail of closed*

*Schedules "C" to "C-3"* show, by Province, the statistics of all estates closed by trustees in the year 1966. As in prior years, these statistics are divided into estates administered under the General Provisions of the *Bankruptcy Act*, the Summary Provisions and Proposals. These schedules, in addition to showing the number of estates closed by Province, show the assets and liabilities as originally estimated by the debtors, the realizations by the trustee, his expenses of administering the estates and the distribution by class of creditors of the assets of the debtors.

## II. The Companies' Creditors Arrangement Act.

The purpose of the *Companies' Creditors Arrangement Act*, which was enacted in 1933, was to enable limited companies to re-organize financially and to compromise with their creditors without being obliged to make an assignment and otherwise come under the jurisdiction of the Bankruptcy Courts.

The proceedings under this Act are, to some extent, controlled by the Courts having jurisdiction therein and the Act does not give the Bankruptcy Branch any special responsibility with respect to these proceedings. There are no statistical records of the proceedings initiated under this Act but it would appear that, in recent years, there were only a few companies that availed themselves of the provisions of this Act.

One of the disadvantages of the *Companies' Creditors Arrangement Act* is to be found in the almost complete absence of creditor control and of investigation of the applicant's affairs. No trustee is appointed and no inspectors are elected to take care of the interest of the creditors at large.

As was mentioned above, the *Companies' Creditors Arrangement Act* is also being reviewed by the Advisory Committee on Bankruptcy Legislation.

## III. The Farmers' Creditors Arrangement Act.

The purpose of the *Farmers' Creditors Arrangement Act*, which was first enacted in 1934, was to assist farmers in financial distress to retain their land by providing means whereby compromises or rearrangements could be effected of the debts of such farmers. The Act also simplifies the operation of the *Bankruptcy Act* with respect to farmers generally.

No procedure has been reported under the *Farmers' Creditors Arrangement Act* since 1959.

## IV. The Winding-up Act.

The first federal *Winding-up Act* was passed in 1882 and the present Act is Chapter 296 of R.S. of Canada, 1952.

The purpose of the *Winding-up Act* is to provide a machinery for the orderly winding-up or liquidation of a company, whether it is insolvent or not.

Insofar as insolvent companies are concerned, the system of procedure provided by the *Winding-up Act* was, before the 1966 amendments to the *Bankruptcy Act*, concurrent with the system of procedure provided by the *Bankruptcy Act*. Since 1966,

however, whenever proceedings may be initiated under either the *Winding-up Act* or the *Bankruptcy Act*, the proceedings must be initiated under the *Bankruptcy Act* (Section 169A of the *Bankruptcy Act*).

The number of winding-up orders made in each Province for the years 1960 to 1966 with the amount of liabilities involved are shown in *Schedule "D"*. It is interesting to note that in 1966, perhaps as a result of the amendment to the *Bankruptcy Act*, the number of winding-up orders was down to 32 from a high of 76 in 1963. It is also interesting to note that in the 349 winding-up orders made in the six-year period, 311 or 89% were made in the Province of Quebec.

The proceedings initiated under the *Winding-up Act* are, to some extent, controlled by the court having jurisdiction therein. The Superintendent of Bankruptcy has no responsibility with respect to such proceedings, except to the extent that, in certain cases, only a trustee licensed under the *Bankruptcy Act* may be appointed liquidator.

#### V. Revenue and Expenditures.

The revenue of the Office of the Superintendent of Bankruptcy is derived from two sources, namely: the licensing of trustees in bankruptcy for which a yearly fee is paid for a new licence and renewal thereof (Section 5(3) and (4)), and a levy on most of the payments, except costs, made by the trustee by way of dividends or otherwise on account of the claims of creditors (Section 106).

Revenue for the year ending March 31st, 1967 was:

From Trustees' Licence Fees	\$ 12,035.00
From Levies	<u>273,281.00</u>
	<u>\$285,316.00</u>

In view of the expansion of the Branch, funds allotted for the expenditures of the year 1966-67 were substantially higher than for the previous year. In 1966-67, it was expected that \$425,300.00 would be required to operate the Branch, an increase of \$273,000.00 over the previous year. As most of this increase was for salaries and since the Regional Offices did not start full-scale operations until March 1967, a large portion of the allotments was not spent. The total of the Branch's expenditures during the year, at \$274,733.00, is slightly below the total revenue for the same period.

*Schedule "E"* shows, by type of expenditures, the amount allotted, the actual amount spent and the unexpended balance.

*Schedule "E-1"* shows the comparative revenue and expenditures for the five years 1962-63 to 1966-67. It is interesting to note that in these five years the operations of the Office of the Superintendent of Bankruptcy resulted in revenues exceeding expenditures by \$566,808.00.

#### VI. Branch Personnel.

The personnel establishment of the Bankruptcy Branch over the years 1950 to 1965 was increased slightly from 9 to 16 despite the fact that bankruptcies reported had increased over the same period from 1275 to 5279. With the additional workload of the Branch resulting from the amendments to the *Bankruptcy Act* that increased the powers and responsibilities of the Superintendent of Bankruptcy, regional offices were opened in the year and on March 31st, 1967, the total establishment was 69.

Of these, 37 were for the establishment of the regional offices. *Schedule "F"* shows a comparative analysis of the Branch's establishment over the years 1950 to 1967.

The Superintendent of Bankruptcy continued during the year a previous arrangement with the Audit Services Branch, Comptroller of the Treasury, whereby periodical audits of trustees are carried out by auditors from that Department. The opening of regional offices will enable the Superintendent of Bankruptcy to discharge these responsibilities with his own staff.

Also this year, as in the past, the services of the R.C.M. Police were used extensively by the Office of the Superintendent of Bankruptcy to investigate complaints relating to bankruptcy matters.

TABLE "1"—ANALYSIS OF COMPLAINTS MADE TO THE SUPERINTENDENT OF BANKRUPTCY FOR THE YEAR ENDED DECEMBER 31ST, 1966

Type of Complaint	Total Received	Confirmed	Unsubstantiated	Pending
Minor Administrative failings of Trustees . . . .	128	30	36	62
Incompetence, Impropriety and other criticism of trustees . . . . .	90	7	27	56
Fraud Alleged against debtors and other parties . . . . .	116	13	24	79
Total . . . . .	334	50	87	197

TABLE "2"—ANALYSIS OF TRUSTEE LICENSING FOR THE PERIOD 1950 TO DECEMBER 31, 1966.

Year	Licences in Forces 1 Jan.	New Issues	Withdrawn			Licences in Force		
			For Death, Resignation, etc.	For Cause	Total	Unconditional	Restricted to Existing Estates	Total
1950	199	17	19		19	Not Available		197
1951	197	16	19		19	Not Available		194
1952	194	50	14		14	229	1	230
1953	230	24	14		14	238	2	240
1954	240	29	14		14	253	2	255
1955	255	39	16		16	277	1	278
1956	278	35	11		11	300	2	302
1957	302	26	16		16	309	3	312
1958	312	28	19		19	321	0	321
1959	321	30	13	3	16	334	1	335
1960	335	23	11	1	12	339	7	346
1961	346	40	13	2	15	359	12	371
1962	371	54	15	1	16	395	14	409
1963	409	71	16	0	16	445	19	464
1964	464	65	5	4	9	507	13	520
1965	520	25	13	4	17	509	19	528
1966	528	nil	25	3	28	462	38	500

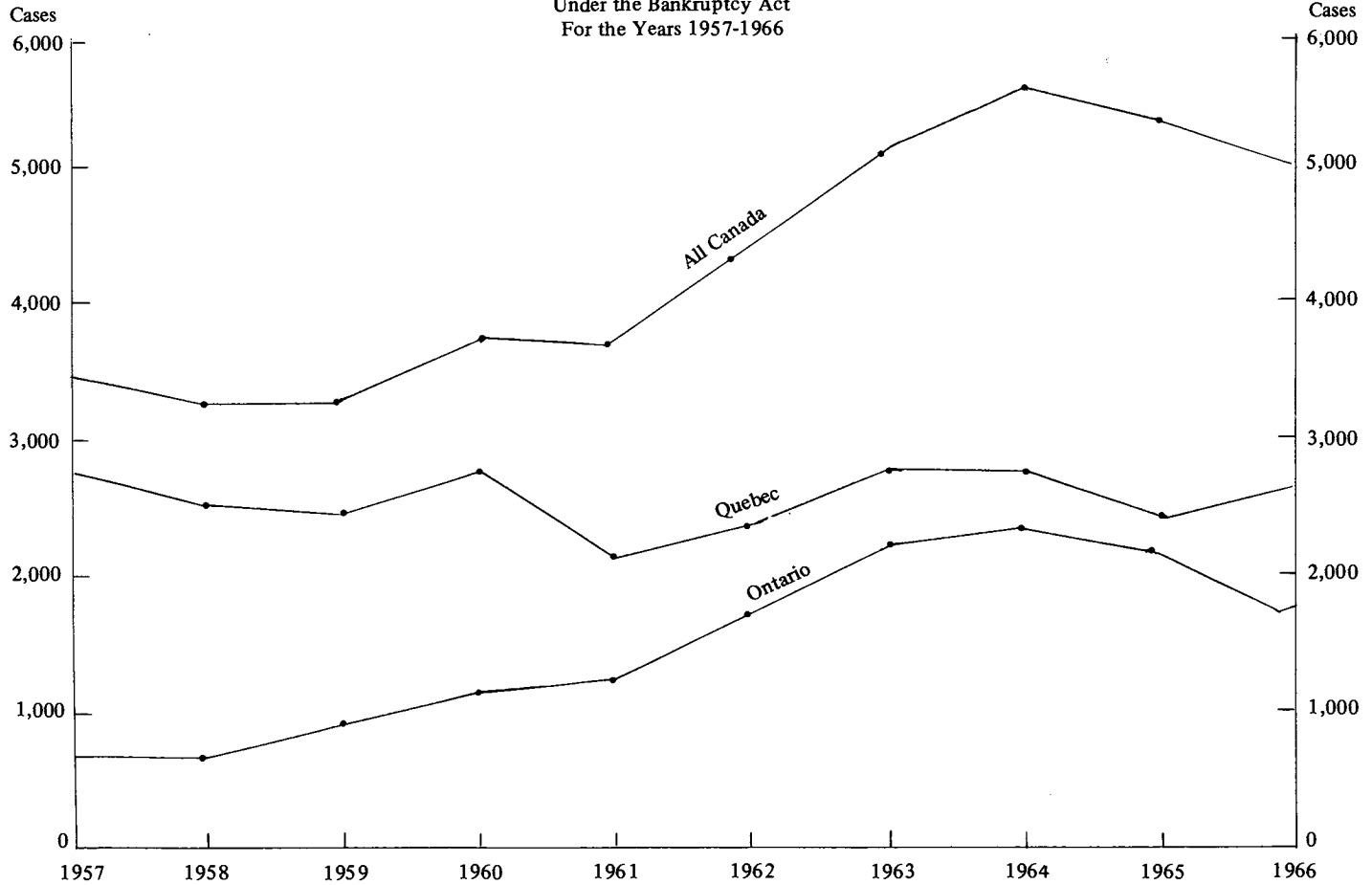


SCHEDULE "A"—COMPARATIVE ANALYSIS OF ESTATES REPORTED, CLOSED  
AND CARRIED OVER FOR THE CALENDAR YEARS 1933 TO 1966

Year	Estates Reported	Estates Closed	Administrations Carried Over
1933 . . . . .	2,608	850	1,758
1934 . . . . .	1,411	1,620	1,545
1935 . . . . .	1,263	1,198	1,610
1936 . . . . .	1,154	1,069	1,695
1937 . . . . .	967	1,149	1,513
1938 . . . . .	1,074	1,098	1,489
1939 . . . . .	1,109	1,119	1,479
1940 . . . . .	1,003	1,084	1,398
1941 . . . . .	918	981	1,335
1942 . . . . .	725	879	1,181
1943 . . . . .	416	675	922
1944 . . . . .	273	468	727
1945 . . . . .	264	351	640
1946 . . . . .	269	299	610
1947 . . . . .	509	320	799
1948 . . . . .	799	450	1,148
1949 . . . . .	1,045	672	1,521
1950 . . . . .	1,275	678	2,118
1951 . . . . .	1,349	993	2,474
1952 . . . . .	1,434	1,195	2,713
1953 . . . . .	1,617	1,256	3,074
1954 . . . . .	2,265	1,336	4,003
1955 . . . . .	2,414	1,434	4,983
1956 . . . . .	2,849	953	6,879
1957 . . . . .	3,486	2,255	8,110
1958 . . . . .	3,229	3,361	7,978
1959 . . . . .	3,238	2,923	8,293
1960 . . . . .	3,641	2,826	9,108
1961 . . . . .	3,511	2,950	9,669
1962 . . . . .	4,297	2,772	11,194
1963 . . . . .	5,189	2,829	13,554
1964 . . . . .	5,333	2,754	
Proposals and prior year adjustment	3,229	218	19,144
1965 . . . . .	5,023	4,547	
Proposals . . . . .	256	244	19,632
1966 . . . . .	4,677	4,072	
Proposals . . . . .	286	396	20,127
			20,127

Total Cases Reported  
Under the Bankruptcy Act  
For the Years 1957-1966

Schedule "A-1"





SCHEDULE "B"—TOTAL BANKRUPTCIES AND PROPOSALS  
REPORTED IN 1966 BY PROVINCE

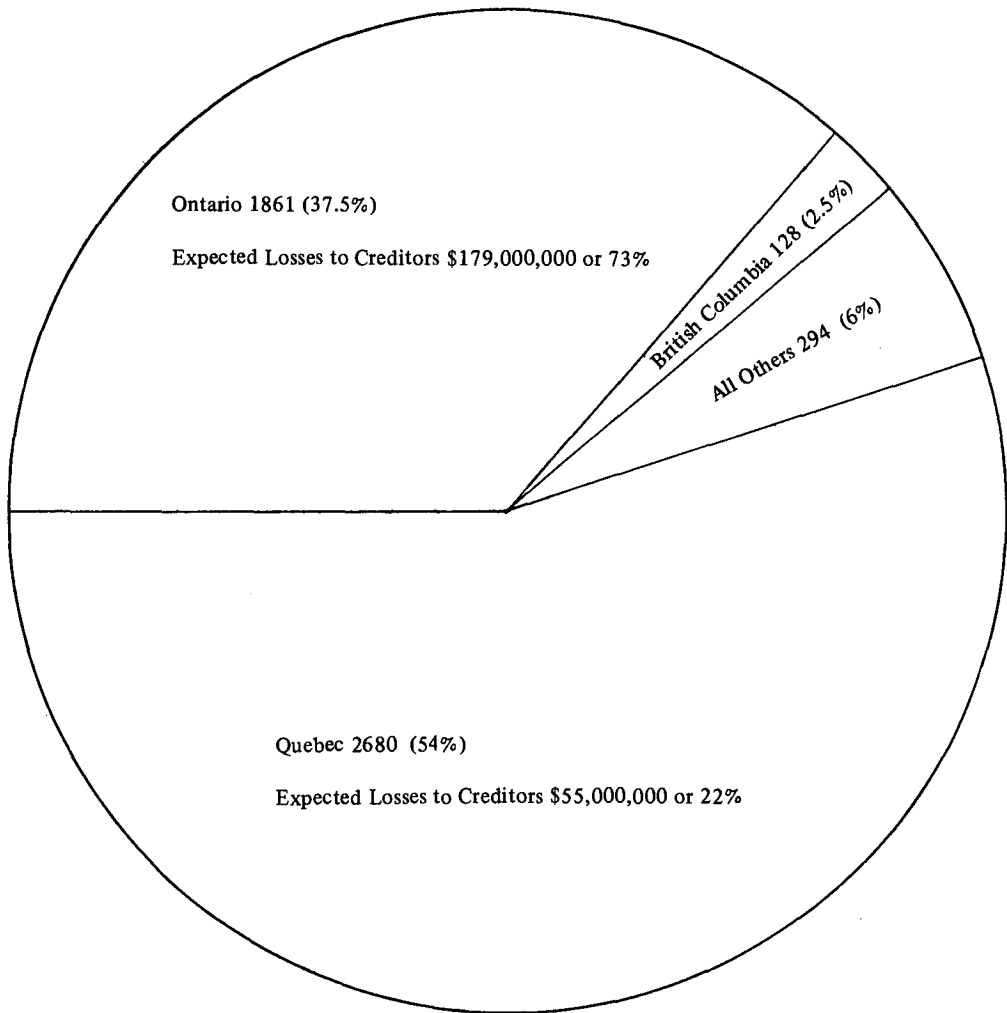
Province	Total Cases	Total Assets (in \$000)	Total Liabilities (in \$000)	Total Deficiency (in \$000)
Newfoundland . . . . .	3	103	232	129
Nova Scotia . . . . .	15	411	775	364
New Brunswick . . . . .	20	144	433	289
Prince Edward Island . . . . .	5	98	154	56
Quebec . . . . .	2680	99,550	154,589	55,039
Ontario . . . . .	1861	91,080	270,470	179,390
Manitoba . . . . .	74	1,837	3,845	2,008
Saskatchewan . . . . .	38	547	1,086	539
Alberta . . . . .	139	3,187	6,266	3,079
British Columbia . . . . .	128	6,891	10,400	3,509
Totals . . . . .	4963	203,848	448,250	244,402

NOTE: Assets and liabilities are as declared by debtors and tend to be unreliable as to completeness and valuation.

Bankruptcies and Proposals  
Filed in 1966

Schedule "B-1"

ALL CANADA 4,963 Bankruptcies and Proposals  
\$244,000,000 Expected Losses to Creditors



SCHEDULE "B-2"—BUSINESS BANKRUPTCIES – 1966

Province	Total cases	No asset cases	Nominal asset cases	Assets over \$500 cases	Previous bankruptcy or proposal	Free assets	Preferred liabilities	Other unsecured liabilities	Secured liabilities and pledged assets	Total liabilities
Nfld. . . . .	3	—	—	3	—	\$ 79,909	\$ 7,399	\$ 202,468	\$ 23,000	\$ 232,867
N.S. . . . .	12	2	1	9	—	185,947	18,963	510,428	223,953	753,344
N.B. . . . .	12	3	2	7	—	46,326	6,853	202,803	74,525	284,281
P.E.I. . . . .	5	—	1	4	1	16,298	1,802	70,228	81,885	153,915
Que. . . . .	1,562	230	209	1,123	267	30,824,991	4,244,219	65,947,535	38,251,435	108,443,227
Ont. . . . .	918	276	207	435	45	29,389,528	2,856,252	57,342,971	41,284,323	101,483,546
Man. . . . .	53	12	8	33	1	668,367	84,368	2,274,425	770,340	3,129,133
Sask. . . . .	29	11	4	14	—	204,174	32,436	613,615	328,928	974,979
Alta. . . . .	97	21	14	62	—	1,233,671	322,296	3,581,024	1,638,405	5,541,725
B.C. . . . .	83	20	12	51	1	3,126,557	195,687	5,791,193	2,672,131	8,659,011
Total . . . . .	2,774	575	458	1,741	315	\$65,775,768	\$7,770,375	\$136,536,728	\$85,348,925	\$229,656,028
% of Cases . . . . .	(100%)	(21%)	(16%)	(63%)						

NOTES (1) "Assets" as used to classify cases refers to unencumbered assets.

"Nominal" assets are those less than \$500.

(2) Dollar amounts as to assets and liabilities are those declared by the debtors and tend to be unreliable as to completeness and valuation.

SCHEDULE "B-3"—NON-BUSINESS BANKRUPTCIES — 1966

Province	Total cases	No asset cases	Nominal asset cases	Assets over \$500 cases	Previous bankruptcy or proposal	Unpledged assets	Preferred liabilities	Other unsecured liabilities	Secured liabilities and pledged assets	Total liabilities
Nfld. . . . .	—	—	—	—	—	—	—	—	—	—
N.S. . . . .	3	3	—	—	—	—	—	\$ 20,701	\$ 1,553	\$ 22,254
N.B. . . . .	8	3	3	2	—	\$ 2,010	\$ 11,948	115,789	21,571	149,308
P.E.I. . . . .	—	—	—	—	—	—	—	—	—	—
Que. . . . .	878	490	272	116	83	695,138	401,096	12,046,735	2,634,211	15,082,042
Ont. . . . .	902	630	221	51	22	164,578	680,623	10,977,609	1,869,762	13,527,994
Man. . . . .	20	7	12	1	—	5,464	8,390	217,007	24,228	249,625
Sask. . . . .	7	5	1	1	—	4,230	3,469	85,448	4,425	93,342
Alta. . . . .	41	14	19	8	—	20,257	4,883	343,670	105,647	454,200
B.C. . . . .	44	35	4	5	1	5,996	18,949	398,591	95,257	512,797
Total . . . . .	1903	1187	532	184	106	\$897,673	\$1,129,358	\$24,205,550	\$4,756,654	\$30,091,562
% of Cases . . . . .	(100%)	(62%)	(28%)	(10%)						

- NOTES (1) "Assets" as used to classify cases refers to unencumbered assets. "Nominal" assets are those less than \$500.
- (2) Dollar amounts as to assets and liabilities are those declared by the debtors and tend to be unreliable as to completeness and valuation.
- (3) Included in the above are statistics of wage earners who had guaranteed loans for businesses. Although these are properly included in this Schedule, caution should be employed in interpreting the statistics. The "guarantor" bankruptcies are shown in Schedule "B-5".

## SCHEDULE "B-4"—PROPOSALS FILED AND APPROVED IN THE CALENDAR YEAR 1966

Provinces	Number of Proposals Filed	Number of Proposals Approved by the Courts	Assets as Declared	Liabilities as Declared
Newfoundland . . . . .	2	—	—	—
Nova Scotia . . . . .	—	—	—	—
New Brunswick . . . . .	—	—	—	—
Prince Edward Island . . . . .	—	—	—	—
Quebec . . . . .	365	240	\$27,145,450	\$ 31,063,829
Ontario . . . . .	50	41	18,372,467	155,459,325
Manitoba . . . . .	1	1	370,437	466,732
Saskatchewan . . . . .	1	2	6,075	18,344
Alberta . . . . .	1	1	190,042	271,072
British Columbia . . . . .	4	1	992,176	1,227,779
Yukon Territory . . . . .	1	—	—	—
<b>Totals . . . . .</b>	<b>425</b>	<b>286</b>	<b>\$47,076,647</b>	<b>\$188,507,081</b>

\*Included in the Ontario Figures are 5 estates with assets totaling \$14,643,566 and liabilities totaling \$149,595,806.

## SCHEDULE "B-5"—GUARANTORS FOR 1966

Province	Number of Guarantors	Free assets	Unsecured liabilities	Secured liabilities	Preferred liabilities
Newfoundland . . . . .	Nil	Nil	Nil	Nil	Nil
Prince Edward Island . . . . .	Nil	Nil	Nil	Nil	Nil
Nova Scotia . . . . .	Nil	Nil	Nil	Nil	Nil
New Brunswick . . . . .	1	Nil	7,478.00	Nil	Nil
Ontario . . . . .	176	\$13,429.00	\$5,623,650.00	\$484,991.00	\$321,254.00
Quebec . . . . .	105	23,372.00	3,243,134.00	230,769.00	60,225.00
Manitoba . . . . .	6	810.00	98,731.00	16,300.00	287.00
Saskatchewan . . . . .	1	5.00	37,493.00	Nil	Nil
Alberta . . . . .	5	3,500.00	131,978.00	26,132.00	1,835.00
British Columbia . . . . .	4	Nil	91,048.00	1,000.00	14,371.00
Territories . . . . .	Nil	Nil	Nil	Nil	Nil
<b>Total . . . . .</b>	<b>298</b>	<b>\$41,116.00</b>	<b>\$9,233,512.00</b>	<b>\$759,192.00</b>	<b>\$397,972.00</b>

SCHEDULE "C"—ESTATES CLOSED IN 1966  
(In Thousands of Dollars)

Province	Cases	Realization of Fully Secured Creditors	As Declared by Debtor			Average Deficit	Realizations (Pledged Assets Excepted) Costs and Dividends						
			Unpledged Assets	Unsecured Creditors	Deficit		Legal Fees	Trustee Fees	Other Expenses	Total Expenses	Preferred Dividends	Unsecured Dividends	Realization by Trustee
Nfld. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
P.E.I. . . . .	2	93	13	78	65	32	—	2	1	3	1	16	20
N.S.. . . . .	40	618	823	2,956	2,133	53	14	51	41	106	73	203	382
N.B. . . . .	20	762	331	2,044	1,713	85	38	32	12	82	56	53	191
Que. . . . .	1,968	16,638	30,404	69,414	39,010	19	329	1,101	898	2,328	1,198	3,360	6,886
Ont. . . . .	2,072	21,396	19,265	77,258	57,993	27	369	1,289	980	2,628	987	3,242	6,867
Man. . . . .	110	1,066	447	2,145	1,698	15	13	51	28	92	44	124	260
Sask. . . . .	35	282	63	595	532	15	1	14	4	19	5	3	27
Alta. . . . .	63	401	1,060	4,597	3,537	56	34	89	64	187	65	313	565
B.C.. . . . .	158	3,045	3,224	7,856	4,632	29	50	182	384	616	220	722	1,558
<b>Total . . .</b>	<b>4,468</b>	<b>44,301</b>	<b>55,630</b>	<b>166,943</b>	<b>111,313</b>	<b>24</b>	<b>848</b>	<b>2,811</b>	<b>2,412</b>	<b>6,071</b>	<b>2,649</b>	<b>8,036</b>	<b>16,756</b>

"C-1"—ESTATES CLOSED – 1966 CASES ADMINISTERED UNDER THE GENERAL PROVISIONS OF THE ACT

Provinces	Cases	Realization of Fully Secured Creditors	As Declared by Debtor			Average Deficit	Realizations (Pledged Assets excepted) Costs and Dividends						
			Unpledged Assets	Unsecured Creditors	Deficit		Legal Fees	Trustee Fees	Other Expenses	Total Expenses	Preferred Dividends	Unsecured Dividends	Realizations by Trustee
(In Thousands of Dollars)													
Nfld. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
P.E.I. . . . .	1	85	12	72	60	60	—	2	1	3	1	16	20
N.S. . . . .	26	593	537	2,311	1,774	68	12	45	39	96	61	168	325
N.B. . . . .	12	749	329	1,958	1,629	135	38	30	11	79	56	52	187
Quebec. . . . .	694	7,207	9,074	32,844	23,770	34	278	569	636	1,483	790	1,135	3,408
Ontario. . . . .	482	14,131	13,317	44,199	30,882	64	313	688	726	1,727	875	1,734	4,336
Man. . . . .	32	856	358	1,045	687	21	7	18	20	45	34	43	122
Sask. . . . .	16	211	62	340	278	17	1	7	3	11	5	3	19
Alt. . . . .	29	339	995	4,038	3,043	104	33	76	60	169	64	298	531
B.C. . . . .	82	2,878	3,054	5,999	2,945	35	43	147	272	462	214	573	1,249
Totals . . .	1,374	27,049	27,738	92,806	65,068	47	725	1,582	1,768	4,075	2,100	4,022	10,197

"C-2"—ESTATE CLOSED — 1966 CASES ADMINISTERED UNDER THE SUMMARY PROVISIONS OF THE ACT

Province	Cases	Realization of Fully Secured Creditors	As Declared by Debtor			Average Deficit	Realizations (Pledged Assets excepted) Costs and Dividends						
			Unpledged Assets	Unsecured Creditors	Deficit		Legal Fees	Trustee Fees	Other Expenses	Total Expenses	Preferred Dividends	Unsecured Dividends	Realizations by Trustee
(In Thousands of Dollars)													
Nfld. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—
P.E.I. . . . .	1	8	1	6	5	5	—	—	—	—	—	—	—
N.S. . . . .	10	19	1	169	168	16	1	2	1	4	—	1	5
N.B. . . . .	8	13	2	86	84	10	—	2	1	3	—	1	4
Quebec . . . .	948	1,281	55	7,409	7,354	7	16	251	94	361	112	179	652
Ontario . . . .	1,545	4,704	1,786	22,886	21,100	13	18	504	134	656	20	40	716
Man. . . . .	68	179	37	847	810	11	3	22	6	31	1	2	34
Sask. . . . .	19	71	1	255	254	13	—	7	1	8	—	—	8
Alt. . . . .	34	62	65	559	494	14	1	13	4	18	1	15	34
B.C. . . . .	65	118	6	699	693	10	—	15	4	19	1	6	26
Totals . . . .	2,698	6,455	1,954	32,916	30,962	11	39	816	245	1,100	135	244	1,479



SCHEDULE "C-3"—ESTATES CLOSED – 1966 PROPOSALS

Province	Cases	Realization of Fully Secured Creditors	As Declared by Debtor			Realizations (Pledged Assets excepted) Costs and Dividends						
			Unpledged Assets	Unsecured Creditors	Deficit	Legal Fees	Trustee Fees	Other Expenses	Total Expenses	Preferred Dividends	Unsecured Dividends	Proceeds to Trustee
(In Thousands of Dollars)												
Nfld. . . . .	—	—	—	—	—	—	—	—	—	—	—	—
P.E.I. . . . .	—	—	—	—	—	—	—	—	—	—	—	—
N.S. . . . .	4	6	285	476	191	1	4	1	6	12	34	52
N.B. . . . .	—	—	—	—	—	—	—	—	—	—	—	—
Que. . . . .	326	8,150	21,275	29,161	7,886	35	281	168	484	296	2,046	2,826
Ont. . . . .	45	2,561	4,162	10,173	6,011	38	97	120	255	92	1,468	1,815
Man. . . . .	10	31	52	253	201	3	11	2	16	9	79	104
Sask. . . . .	—	—	—	—	—	—	—	—	—	—	—	—
Alta. . . . .	—	—	—	—	—	—	—	—	—	—	—	—
B.C. . . . .	11	49	164	1,158	994	7	20	108	135	5	143	283
Totals. . . .	396	10,797	25,938	41,221	15,283	84	413	399	896	414	3,770	5,080

NOTE: Realization by trustee of 5 million dollars as opposed to unpledged assets of 26 million dollars appears unrealistic but this is due to proposals not fulfilled.

SCHEDULE "D"—CORPORATIONS WOUND UP UNDER THE WINDING-UP ACT (SHOWN BY PROVINCE WITH LIABILITIES IN \$000)  
FOR THE YEARS 1960 TO 1966

(Source: Dominion Bureau of Statistics)

Province	1960		1961		1962		1963		1964		1965		1966		Total 6 years	
	No.	Liab.	No.	Liab.	No.	Liab.	No.	Liab.	No.	Liab.	No.	Liab.	No.	Liab.	No.	Liab.
Newfoundland .....																
Prince Edward Island .....																
Nova Scotia .....			1	42	1	5							1	3,508	3	3,555
New Brunswick .....									1	1,118					1	1,118
Quebec .....	24	786	27	1,535	64	7,859	72	4,658	58	12,050	43	2,817	23	3,448	311	33,219
Ontario .....	1	73			1	35	1	20	5	683	1	192	7	3,194	16	4,197
Manitoba .....											1	150			1	150
Saskatchewan .....																
Alberta .....	1	15	3	20			1	14	1	25	1	50			7	124
British Columbia .....	2	732			3	703	2	2,314	1	753	1	804	1	35	10	5,341
All Canada .....	28	\$1,606	31	\$1,597	69	\$8,602	76	\$7,006	66	\$14,629	47	\$4,013	32	\$10,185	349	\$47,704

## SCHEDULE "E"—ALLOTMENTS AND EXPENDITURES 1966-1967

	Allotment	Expenditures	Unexpended Balance
Salaries and Wages . . . . .	\$331,200.00	\$201,513.00	\$129,687.00
Professional and Special Services . . . . .	48,000.00	47,466.00	534.00
Travelling Expenses . . . . .	22,100.00	7,571.00	14,529.00
Telephones and Telegrams . . . . .	4,250.00	4,182.00	68.00
Office Stationery, Supplies and Equipment . . . . .	18,000.00	13,233.00	4,767.00
Sundries . . . . .	1,750.00	767.00	983.00
<b>Totals . . . . .</b>	<b>\$425,300.00</b>	<b>\$274,732.00</b>	<b>\$150,568.00</b>

## SCHEDULE "E-1"—COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES FOR THE YEARS 1962-63, 1963-64, 1964-65, 1965-66, AND 1966-67.

	Revenue	Expenditures	Excess of Revenue over Expenditures
1962-63 . . . . .	\$ 227,735.00	\$143,438.00	\$ 84,297.00
1963-64 . . . . .	288,120.00	133,682.00	154,438.00
1964-65 . . . . .	298,642.00	115,652.00	182,990.00
1965-66 . . . . .	277,937.00	143,437.00	134,500.00
1966-67 . . . . .	285,316.00	274,733.00	10,583.00
<b>Totals . . . . .</b>	<b>\$1,377,750.00</b>	<b>\$810,942.00</b>	<b>\$566,808.00</b>

## SCHEDULE "F"—PERSONNEL OF THE BRANCH ESTABLISHMENTS AS OF MARCH 31ST, 1950, 1960, 1962, 1965, 1966, 1967.

Class of Employee	1950	1960	1962	1965	1966	1967
<b>Head Office</b>						
Executive . . . . .	1	1	1	2	2	4
Administrative and Professional . . . . .	2	2	4	4	8	9
Clerical and Stenographic . . . . .	6	8	9	10	19	19
<b>Total Head Office . . . . .</b>	<b>9</b>	<b>11</b>	<b>14</b>	<b>16</b>	<b>29</b>	<b>32</b>
<b>Regional Offices</b>						
Executive . . . . .						3
Administrative and Professional . . . . .					2	24
Clerical and Stenographic . . . . .					2	10
						37
	<b>9</b>	<b>11</b>	<b>14</b>	<b>16</b>	<b>31</b>	<b>69</b>