

SUPPLEMENTARY ORDER PAPER.

HOUSE OF REPRESENTATIVES.

Thursday, the 19th Day of October, 1899.

IMPRISONMENT FOR DEBT LIMITATION BILL.

Rt. Hon. R. J. SEDDON, in Committee, to move the following new clauses :—

Summary Administration of the Estates of Small Debtors.

5. If, on the hearing of any summons under section six of the principal Act, it appears to the Court before which the debtor is summoned that,—

(a.) The debtor is not able to pay his liabilities as they become due;

(b.) That it would be unjust to the debtor's other creditors to make an order in favour of a judgment creditor;

(c.) That the debtor's assets do not exceed *fifty* pounds,—
then the Court may make an order as provided in section *seven* hereof.

6. Any person against whom a judgment is sought or may have been obtained in any Court may apply to the Court for an order to be issued upon the grounds contained in section *five* of this Act; and the Court, upon being satisfied of such matters, may make such an order.

7. The order to be made as aforesaid shall require the debtor to make out a statement, verified by affidavit, of his assets and liabilities, showing all debts owing by him, and all property belonging to him in possession or expectancy, and also his present and expected earnings, and the estimated expenditure of himself and his family, and he may from time to time amend such statement.

8. It shall be the duty of the Court, upon receipt of such statement of assets and liabilities, to cause notice to be sent to the creditors therein mentioned that at a time to be mentioned in the notice the Court will consider the advisability of ordering that the affairs of the debtor shall be administered as hereinafter mentioned.

9. At the time appointed, or at any time to which the hearing may be adjourned, the Court, after reading the statement of assets and liabilities, and after hearing the debtor, and any of his creditors who desire to be heard in the matter, may make an order for the administration of the affairs of the debtor as hereinafter provided, and may order that the debtor shall, out of his earnings or any other income, pay as hereinafter provided, at such periods as the Court appoints, towards the fund for the discharge of his debts, such sums as, having regard to his income and necessary expenses, the Court thinks he ought to pay.

10. No such order shall extend to the earnings of the debtor for a greater period than two years.

11. The Court may from time to time also order that such of the property which the debtor possesses at the time when the original order is made, or which he may acquire during its currency, as exceeds the amount to which he would be entitled for himself and his family if he were a bankrupt under "The Bankruptcy Act, 1892," may be sold, and the proceeds paid to the hereinbefore mentioned fund.

12. If at any time during the currency of the said original order it is made to appear to the Court that, through the debtor's either acquiring or possessing property not taken into consideration at the time the original order was made, or through having his earnings augmented in any manner, he is able to contribute a larger sum or larger sums than were mentioned in the said order, or that his earnings have been lessened or his necessary expenditure increased, the Court may from time to time vary the original order either by increasing or diminishing the amount mentioned therein to be contributed by the debtor, or in any other manner the Court considers just.

13. The making of an order of administration as mentioned in section *nine* hereof shall be a complete bar to any proceedings taken against the debtor by any of his creditors, so long as he complies with the terms of such order.

14. When the debtor has fully complied with the terms of such order of administration, he shall be entitled to a certificate from the Court to that effect, and such certificate shall, subject as hereinafter provided, have the effect of an order of discharge under "The Bankruptcy Act, 1892," as to all his liabilities at the time the order for administration was made: Provided always that, if the debtor has omitted any creditor from his statement, he shall remain liable to such creditor for a sum computed according to the dividend paid to the other creditors.

15. Upon the making of any such order of administration the Court shall transmit the same to the Clerk of the Court, or to the Official Assignee within the bankruptcy district where such Court is situated, and it shall be the duty of such Clerk or Assignee, and he is hereby empowered, to carry the same into effect by converting the property therein mentioned into money, and by collecting the payments therein provided to be made. Such Court shall also in like manner transmit to the said Clerk or Assignee the debtor's statement of assets and liabilities.

16. If the debtor at any time makes default in payment of the moneys mentioned in the said order, or directed by the said order to be contributed by him, or obstructs the person charged with the carrying-out of the said order, the Court may require the debtor to appear before the Court on a day to be mentioned, and may make such order for imprisonment against him as under the provisions of the principal Act might be made against a debtor against whom any of the matters mentioned in section eight of that Act were proved.

17. The said Clerk or Assignee shall receive the moneys paid to him, and shall distribute the same among the creditors of the debtor according to the plan of distribution provided in the case of bankrupts, and such moneys shall be subject to payment of the same percentage as is provided for remuneration under "The Bankruptcy Act, 1892."

18. The Governor in Council may from time to time make rules and regulations for supplementing the provisions of this Act and for the administration thereof, and may declare that any provisions of "The Bankruptcy Act, 1892," or the rules thereunder shall apply to the proceedings under this Act with or without alterations. He may also declare any part of "The Bankruptcy Act, 1892," to be part of this Act.