

July 15, 2014

Mr. Paul Halucha  
Director-General  
Marketplace Framework Policy Branch  
Industry Canada  
235 Queen Street, 10th Floor, East Tower  
Ottawa, ON K1A 0H5

Dear Mr. Halucha:

**RE: Statutory Review of the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act***

The Canadian Association of Insolvency and Restructuring Professionals ("**CAIRP**") is pleased to submit its comments in response to the government's discussion paper on this statutory review. As the national professional organization representing over 950 members acting as trustees in bankruptcy, administrators of consumer proposals, receivers, liquidators, agents, monitors and consultants in insolvency matters, one of CAIRP's core missions is to advocate for a fair, transparent and effective system of insolvency and restructuring administration throughout Canada. Our members, in addition to our nearly 300 articling associates and 200 corporate and life associates, are strongly committed to participating in the five-year statutory review in order to ensure that the legislation remains relevant and functions effectively in a changing marketplace.

The last statutory review, with amendments that came into effect in 2008 and 2009, resulted in a substantial reform of Canada's insolvency legislation. Many of these changes have been very successful in modernizing and harmonizing the statutes. After five years of experience, however, we feel that further amendments are needed in order to continue to improve the statutes and to adapt the legislation to changes in the insolvency environment.

We would like to applaud the work of Industry Canada over the past months in meeting with stakeholders and conducting its own research in preparation for releasing the discussion paper. As a sign of our own commitment to ensuring that the legislation be thoroughly examined and modified every five years, nearly two years ago CAIRP established two Task Forces made up of numerous trustees from across the country; one to review priorities for consumer insolvency reform and the other to identify those commercial issues that need to be explored and further discussed. The commercial group, furthermore, has worked as part of a Joint Task Force ("**JTF**") with the Insolvency Institute of Canada ("**IIC**") in order to ensure the most comprehensive possible review of commercial matters.

Our submission is therefore divided into two parts:

- firstly, a section analyzing various consumer issues that are relevant to improving the legislation with, wherever appropriate, preliminary recommendations for changes; and
- secondly, a section jointly developed by the JTF that provides a more detailed discussion of commercial issues raised in the government's discussion paper, along with additional issues that the JTF has identified as being important for further discussion.

The government's discussion paper only marks the formal beginning of the statutory review process, notwithstanding the considerable work that has been done over the past many months.

We are committed to continuing with this work in order to assist further in the policy development process. In particular, if the government needs any further information or analysis in order to help prepare the Minister's report to Parliament, we would be pleased to help in any way.

Beyond September, we very much look forward to Parliament's study of the "provisions and operation" of Canada's insolvency legislation. In previous reviews, it has sometimes taken a period of years before amendments to the legislation are actually made. It is our strong view that the issues outlined in the discussion paper and in our submission are important and need to be addressed as soon as possible to keep the legislation modern and relevant and avoid the possibility of a loss of focus on the on-going statutory reform. Once again, we offer all of our assistance to accomplish this important goal.

Yours truly,

**CANADIAN ASSOCIATION OF INSOLVENCY  
AND RESTRUCTURING PROFESSIONALS**



Paul M. Casey, CPA, CA, CIRP  
Chair