

I have the following concerns regarding the submission by filed by CACCS:

1. CACCS has argued that Trustees have a monopoly & equality of access to Consumer Proposals is impaired

The trustee community is highly competitive and no individual trustee or corporation has significant “control” of the marketplace. Trustees are regulated “professionals” that provide a valuable service to the community, governed by a professional association and regulated by the OSB. Equality of access to the BIA is provided by more than 1,000 trustees operating across Canada. Trustees continue to provide excellent service in administering the BIA and I am unaware of Canadians having trouble with adequate access to trustee services.

2. CACCS has argued that they have the qualifications & education to properly administer Consumer Proposals

The trustee community consists largely of CAIRP members, most of whom have a University Degree and/or a designation as a CA, CMA or CGA. Trustees must also study for and obtain on the job experience and pass the Oral Licensing examination. Trustees have proven knowledge and experience to provide the best assessment of an individual’s personal financial situation and are best able to suggest whether a Bankruptcy, Consumer Proposal or Debt Management Plan is warranted. A CACCS member does not have this education or training and is therefore not able to advise if a Consumer Proposal, DMP or Bankruptcy is the best alternative. Only a trustee is able to perform this assessment.

3. CACCS has argued that a DMP is similar to a Consumer Proposal

A Consumer Proposal is a debt-settlement procedure with the binding authority of the Court. Careful analysis by a Trustee requires that the realization under the Consumer Proposal is, at a minimum, as favorable to the realization that would be available in a bankruptcy. Only a Trustee is capable of making that analysis – which analysis includes asset valuations, surplus income calculations, transactions under value analysis and other conduct related issues that may impact the bankrupt’s discharge. DMP’s do not have the regulatory oversight of the Office of the Superintendent of Bankruptcy and are not a Court supervised procedure.

In summary, for the reasons outlined above, I do not believe CACCS should be provided with Administrator of Consumer Proposal status. DMPs and the CACCS Counsellors that administer them are providing a valuable service to people with financial problems. It is common practice for me and the trustees that I work with to refer clients to CACCS when a financial situation presents itself that can be best handled with a DMP rather than a Consumer Proposal or Bankruptcy. I would expect that my fellow trustees do the same when they encounter similar situation.

Respectfully submitted.

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