

(26th May, 1866) and in reply am directed by Mr. Stafford to inform you that he has authorized the following expenditure in connection with your department, which however can be paid only as the fund set apart for that purpose admits of it, there being no other funds appropriated for the purpose:—Inspector's salary, £500 per annum; clerical assistance not exceeding £250 per annum; office rent not exceeding £50 per annum; furniture, £10. Total, £810.

The Inspector in Bankruptcy,
Canterbury.

I have, &c.,
R. G. FOUNTAIN,
(for the Assistant Law Officer.)

P.S.—The books required by Inspectors are being bound, and a copy of each will be forwarded to you as soon as ready. A supply of Forms is forwarded herewith. The Government Printer has been instructed to forward the *Gazette* to you regularly, and copies of the numbers asked for are transmitted herewith.

R. G. F.

No. 22.

Copy of a Letter from Mr. G. BRODIE to the Hon. E. W. STAFFORD.

(No. 58.) Office of Inspector in Bankruptcy, Otago,
Victoria Chambers, Manse Street, Dunedin, 28th May, 1866.

SIR,—I have the honor to forward a draft proposed Bill amending the Debtors and Creditors Acts of 1862 and 1865, and in reference to its provisions have to state that it does not in any manner contemplate interfering with the principle of the present law of debtor and creditor, viz., the management of the insolvent debtor's estate by the creditors, but seeks to provide more definite machinery by which that duty may be performed, and whereby the rights of all interested may be better conserved.

To accomplish this object the Inspector has been made Interim Sequestrator, and he will hold the estate until the appointment of trustees. The machinery of the Sheriff's office is employed to get at the estate for the purposes of the sequestration. Increased powers are given to the Supreme Court to punish the debtor in cases of fraud, and a provision is made by which if the debtor is insolvent twice in three years the Judge may suspend or refuse his certificate.

Facilities for proof of debts; the means by which a searching examination of the insolvent as to his position and affairs, without employing the expensive machinery of the Supreme Court, are also provided. Punishment for those who may collude with the debtor is provided for—an omission in the Acts of 1862 and 1865. And generally to facilitate the speedy winding up estates, and more completely defining the machinery of the Act of 1865, as well as giving creditors further facilities for the management of insolvent estates.

The foregoing is but a brief sketch of the provisions of the Bill, and I will therefore take an early opportunity of furnishing a more elaborate synopsis of it.

The Hon. the Colonial Secretary,
(Judicial Branch.) Wellington.

I have, &c.,
GEO. BRODIE,
Inspector in Bankruptcy.

Enclosure in No. 23.

A BILL to further amend "The Debtors and Creditors Act 1862" and to amend "The Debtors and Creditors Act Amendment Act 1865."

Preamble

WHEREAS it is expedient and necessary to further amend "The Debtors and Creditors Act 1862" and to amend "The Debtors and Creditors Act Amendment Act 1865."

Be it enacted by the General Assembly of New Zealand in Parliament assembled and by authority of the same as follows—

Short Title

1. The Short Title of this Act shall be "The Debtors and Creditors Acts Amendment Act 1866."

Court to appoint a day for hearing petition and make order for an *ad interim* sequestration to Inspector in Bankruptcy

2. Whenever any application shall be made by petition by debtor or creditor in the manner provided by the said "Debtors and Creditors Act 1862" on being satisfied of the truth of the matters contained in such petition it shall be lawful for any Judge of the Supreme Court to appoint a day for hearing such petition and at the same time the said Judge shall by order under his hand direct the *ad interim* sequestration of all the estate and effects of the debtor and shall by such order direct that all the estate and effects of the debtor shall be taken and held by the Inspector in Bankruptcy acting in and for the Province or district in which such debtor shall reside.

Lodging with Sheriff the order of sequestration and other proceedings thereon

3. The person obtaining any order for sequestration shall forthwith lodge the same with the Sheriff in and for the Province or district in which the debtor shall reside and the said Sheriff shall enregister the said order and note thereon the day and hour of its production and shall forthwith deliver or cause the same to be delivered to the said Inspector who shall cause the same to be notified in the Government *Gazette* published in and for the Province or district in which the debtor shall reside and every debtor obtaining any order for sequestration shall also lodge with the said Inspector a list containing to the best of his knowledge and belief the names and abodes of his several creditors.

Attachment upon the estate and how to be made

4. The said Inspector upon any estate being placed under sequestration in his hands shall by his messenger authorized by warrant under his hand enter and seize and lay attachment on the moneys securities for money estate and effects of the debtor wheresoever and with whomsoever they shall be and make an inventory thereof and it shall be lawful for the debtor or any of the creditors or for the agent of any of the creditors of the debtor to accompany the messenger and to be present with him while making out the inventory aforesaid.

Attachment of moveable property how to be made and penalty for defeating same

5. When any moveable property belonging to any debtor is attached as aforesaid in virtue of any order for the sequestration thereof the messenger making such attachment shall leave with the person in whose possession any such property is attached a copy of the said inventory having subjoined thereto a notice that the property of the debtor has been attached by the said messenger by virtue of an order for the sequestration thereof and that any person who knowing the same to have been so attached