

Modernization/Innovation

- What are the challenges and opportunities, including those brought to light by the COVID-19 pandemic, that you, your firm, your sector, or consumers face? Could the use of technology and more efficient processes address these?

The Challenges of Covid has been how to deliver the services we offer as LIT's and stay safe and keep our staff safe. Technology is the only reason we could continue to operate throughout Covid. Having the ability to access servers from Home we have had for many years for the Senior staff and we expanded this for all staff as well especially during the lock down periods. Most of our staff have returned to work but some that are high risk continue to work remotely. Creating a paperless environment is also essential to maintain the workflow and the ability to continue to process new work as it comes in.

- Which technologies could be leveraged to modernize the insolvency system? How could technology further reduce administrative burden, transaction costs, and increase efficiency?

For many years we have collected proposal payments and bankruptcy fees by way of Auto Deposit. What is missing in the system is the ability or software or permission to make distributions to creditors for dividends. So many organizations including CRA are moving away from cheque payments. Considering the amount of cheques that are needed to be distributed for Consumer Proposal this is something that to me a huge priority.

- Are there risks or concerns associated with the use of certain technologies?

I don't see much risk, other than training staff to use it properly. As long as systems are set up with the necessary passwords and backup.

- Does technology present opportunities to more effectively verify whether a debtor has disclosed all of their assets and to verify and realize upon those assets?

It does but these things cost money. We can search every file for a ppsa or a land registry but with the limited cost recovery LIT's have, it simply doesn't happen. If the OSB could create portals for LIT use only to search like the Bankruptcy search that already exists, this would be helpful.

- Are there issues with regard to digital assets like cryptocurrency? What changes within the insolvency system could help address these issues?

Cryptocurrency will be a bigger issue if it becomes mainstream. It is designed to be untraceable. I believe for the average person we will not need to deal with this for many years to come.

Licensing Modernization

- Should licences be issued on a national basis? What opportunities and/or challenges would this create?

In the current environment and Post Covid world, because of the use of Technology there is no reason that a National License is not granted. The BIA is Canada wide legislation and much of the local provincial laws are easily learned. The opportunities is that for the small regional firm it makes a National License a more competitive environment for everyone and not just the larger firms. Why should the BDO's of our world have access to all of Canada? There are simply no challenges for anyone to be national or to service national clients other than time differences.

- Should there be conditions to be met to qualify for a national licence? For instance, should there be a probationary period to allow for sufficient experience to be gained? If so, how long a period would be appropriate and why?

A License granted by the Federal Government should be allowed to practice all over Canada. There are currently no conditions beyond the education and criminal checks so there should be no conditions to practice anywhere. All new LIT's should have a probationary period to be supervised by another LIT for a couple of years. Learning from books are important but working in the real world requires experience.

- What office requirements should be considered with respect to a national licence? What benefits and/or challenges would this create?

For everywhere a LIT wants to practice they should have available office space should they need to meet in person. This office space

should not need to be permanent full time staffed, but rather a space that is accessible and usable.

- Should LIT candidates have the option to apply for a consumer only, commercial only, or full licence? What opportunities and/or challenges would this create?

I believe that the LIT should only be a full license. The requirements are strict and the education level is steep but to preserve the integrity of not only the LIT but the whole Insolvency system in Canada it is essential to keep the License process the same.

Consumer Protection

- What business practices affecting the insolvency system, if any, expose consumers and creditors to potential harm?

Lack of education or understanding is always an issue. I don't believe creditors are really harmed as they can so easily contact LIT for assistance or concerns. Consumers have no protection until they become debtors/bankrupts. So before they engage a LIT, it's just the Wild West as to what information various different unregulated industries publish on the web.

- How could regulatory changes within the insolvency system better protect consumers and creditors against these harms?

Create a formalized approach for LIT to deal with all credit and debt counsellors as opposed to challenging the current system. Regulate everyone and everyone has to follow the same set of rules. Regulations will protect the consumer. Just regulating LIT's isn't working.

- Are there compliance and enforcement activities that the OSB should consider to strengthen consumer protection and protect the integrity of the insolvency system?

Create a system that only LIT's can use the word Bankruptcy or Consumer Proposal on any online advertising in Canada. There are too many non-LIT's that use these words to convince unsuspecting consumers that the LIT is not and should not be their first choice when looking for advice.

Consumer Protection

- Could the summary process be further simplified for eligible low-income/low-asset estates? What checks and balances would be needed?

No, unless you illuminate all the work, forms, counselling and discharge issues then all Summary Administrations with or without assets is the same.

- Could estate administrators perform the bulk of the work where the estate is largely administrative with LITs remaining accountable?

They could but the Courts expect the LIT to properly supervise. There is no point to this other than to water down the integrity of the system. Further this will be an invitation for non-LIT companies to be dealing with these files.

- What would be a fair rate for a simple consumer estate if a debtor fully complies with their duties?

If the current amount of paperwork and duties of the LIT remains, a fair rate is \$2500.00. The issue is that we are not retail that can do everything in 15 minutes and take our fee. The average bankruptcy takes about 2 years to complete. The pre and post-tax returns alone create a longer period of the process. If there is surplus or it's a second time bankruptcy your time line extends significantly.

- What would be a fair rate for a simple business estate if a debtor fully complies with its duties?

\$8,000.00 plus HST. This is no assets and no employees. Unless the laws change so there is no comment letter and taxation process, it's difficult to do business bankruptcy for less and make any money at all.

- What characteristics of consumer or business estates would qualify them as simple?

Consumer simplicity is no assets, no s 178 facts, and payment up front of full fees.

Business estates could only be simplified if you take the OSB comment letter and taxations out of the workload. And of course no assets or Wepp to deal with.

- Could changes in the fee structure associated with the administration of estates, or the waiver of fees in certain instances, serve to enhance accessibility?

Fees structure does not inhibit accessibility. What inhibits it is that some people think that they can have a bankruptcy done for free. Not LIT will work for free.

- In addition or alternately, could a pro bono program help to ensure the administration of services for low-income/low-asset estates?

No. A pro bono program will encourage people that are able to pay to ask for it for free.