• (1320)

The problem that we noticed a long time ago is that workers employed by a company that goes bankrupt, are the last to receive compensation. Statistics show that for every dollar the company owes its workers, they receive about five cents. This is unforgivable and unacceptable.

I was therefore pleased to hear my colleague on the Committee support the idea that workers should have super priority when a company goes bankrupt. I know that my colleague from the NDP, the hon. member for Nickel Belt, also supports this idea. I hope that the government in a non-partisan way will hear us NDP and Liberal members and everyone who worked on that committee.

I would like to say that I received comments from my constituents about the super priority for workers in bankruptcies. I would like to tell you about Jean-Sébastien Bélanger of Saint-Hilaire who asked why one always had to go to court, a costly and unnecessary process, when the government should shoulder its responsibilities. That is precisely what we ask today: that the government assume its responsibilities and for once give workers the right to recover the money owed them for which they worked.

I would like to ask my colleague a question on retroactivity. We talk about giving compensation to people who are affected, namely the workers, when a company goes bankrupt. However, many workers are affected but will not be able to get any compensation because that legislation has no retroactivity clause. If this is the case, a large number of workers who suffered from bankruptcies—after all, let's not forget that we are in a recession—will not be entitled to that wage protection.

Therefore, I would like to know my colleague's opinion on retroactivity, since this is an extremely important element if we are to make sure that there is justice not only for some but for all.

M. Kilger: Mr. Speaker, I want to thank my NDP colleague, the hon. member for Chambly, for his questions and comments.

On the matter of super priority, we in the Liberal Party want to work on building a better balance, and more specifically, we do not want another tax.

To get back to his second question, about whether to support this retroactive concept, I must say I would favour of this kind of formula because it would be fair. Consequently, and also because of the recession, which is largely what dictates the government's financial policies, perhaps it would be an opportunity for them—

[*English*]

If I might, to take the money out of general revenues, if you will, and to give Canadian workers that retroactive supplement suggested by the member for Chambly.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, the subject matter of this particular piece of legislation has been talked about from time to time through my entire 12 years in this Chamber. It began I think long before that.

The act that is currently in place was passed in 1949. Sometimes it is wise to reflect on what Canada looked like the last time a bankruptcy act was passed by this Chamber. It certainly was not the same country. We had just finished World War II and were entering a new phase of our existence. I do not know what the population was but it was certainly less than half of what it is today. The origins of the people of this country were very, very different.

I simply bring those facts to the attention of the House to indicate that it is time for a change.

I was elected to this Chamber in 1979 and the previous year I had started a small business, an office coffee business. It had grown to some reasonable size with six employees and 350 coffee machines and delivery trucks, telephones, stationery and coffee supplies and so on. I remember the nervousness my wife and I felt as we went to the bank and signed the appropriate documents to get the funding to be able to buy some of the required capital equipment in the first instance and then to fund the cash flow.

Cash flow is a foreign concept to people who have never had a business of their own. It concerns how fast your money is coming in and how fast your money is going out. If it is going out faster than it is coming in you have a negative cash flow. If it is coming in faster than it is going out you have a positive cash flow.

I remember the National Energy Program in 1981. In my community discretionary spending was cut to the bone by company after company in 30 days. As a consequence of that sudden, abrupt downturn in the economy there were suicides, spousal battering, and