

*Proceedings on Adjournment Motion*

which means that what they will pay in bankruptcy could amount to a very few cents on the dollar, or perhaps nothing.

I call on the government and the prime contractor in this matter to reimburse the labouring men and businessmen of Frontenac-Lennox and Addington. This \$20 million project, and the government, will be viewed with suspicion from now on if restitution is not made immediately, the whole matter set straight and the wronged parties reimbursed. There is a tremendous amount of ill-feeling in our district because of this situation.

I have not yet learned the particulars of the contractual relationship between Her Majesty the Queen and Argo Inc., the prime contractor, and Leblanc Inc., the defaulting subcontractor. But in the name of fair dealing, over-all good faith and justice, I call upon the government and the Department of Public Works to compensate our people, labourers, businessmen and local banks for the inconvenience and loss they have so innocently sustained.

**Mr. Paul Langlois (Parliamentary Secretary to Minister of Public Works):** Mr. Speaker, regretfully I have to confirm that there appears to be some bad paper circulating in the area to which the hon. gentleman refers. It has been a continuing concern of Public Works over many years to draft and include in all contracts a code of working conditions that is fair and equitable to all contractors and which at the same time minimizes the chance of bad debts and workmen's liens. This code has been developed with the co-

operation and approval of the Canadian Construction Association.

The department has received representations that cheques issued by the subcontractor have been returned "N.S.F." and, on this basis, has dealt with the general contractor, advising him of the situation. The general contractor has undertaken to redeem any cheques issued for direct labour by the subcontractor and not yet cashed. Anyone holding such a cheque should contact the prime contractor. Furthermore, the Canadian Department of Labour has placed an investigator on the project and has asked this department to withhold from the prime contractor's next progress claim an amount of \$30,000 while they investigate claims of employees of the subcontractor who have deposited or are holding cheques. Any claims accepted by the Department of Labour will be covered by the \$30,000 withheld from the prime contractor.

I am assured that the bonding company and the prime contractor are fully aware of the situation that a number of unsupported cheques have been recovered, and that both the prime contractor and the bonding company are investigating the extent of the trouble with all due diligence.

**Mr. Speaker:** The motion to adjourn the house is deemed to have been adopted. The house stands adjourned until two o'clock tomorrow afternoon.

Motion agreed to and the house adjourned at 10.30 p.m.