

*Government Orders***GOVERNMENT ORDERS**

[English]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed from Tuesday, October 29, consideration of the motion of Mr. Blais that Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations.

The Acting Speaker (Mr. Paproski): The Chair has now had an opportunity to examine the proposed amendment and finds it to be in order. I will propose it to the House. Moved by Mr. Rodriguez, seconded by Mr. Whittaker:

That the motion be amended by deleting all the words after the word "that" and substituting the following therefor;

This House declines to give second reading to Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, as the economic climate makes this an inopportune time to impose a new tax on small and medium-sized businesses.

I believe we were finished with questions and comments. I will now go to the hon. member for Cardigan for 10 minutes plus five minutes questions and comments, and then return to the hon. member for Edmonton Southwest for debate.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, since this is the first time I have had a chance to speak in debate with you in the Chair since your return, on behalf of my wife and three daughters whom you know very well I would like to welcome you back. I am sure they are very pleased to see you there today. I am also very pleased to participate in the debate today on Bill C-22, amendments to the Bankruptcy Act. Everyone agrees the bill is an improvement over what is in place now but there are still some problems.

The bill as it now stands provides no protection for the primary producers like the farmers and fishermen. The sad state of the fishing industry in Atlantic Canada is obvious in the number of processing plant bankruptcies.

The farming industry is going through some tough times and those people are going out of business as well.

The long and the short of the matter is that the economy is in such a mess because of this government's policies that we need a new Bankruptcy Act to deal with the situation.

I have fishermen in my riding who have lost thousands of dollars because the processor they dealt with went under. Fishermen sell their fish expecting to get paid for their work, but when fish companies go broke, they cannot collect a dime. This is just not acceptable.

In this bill there is a clause dealing with unpaid suppliers. It says that unpaid suppliers can go in after a company declares bankruptcy and retrieve their goods for up to 30 days. However, to do this a number of conditions must be met. The product must be in original condition and must be identifiable from other products.

For farmers and fishermen this is a very serious problem. Anyone who knows anything about fishing knows that you cannot tell one lobster from another in a crate. As well, lobsters that are processed are processed immediately, changing the condition of the lobster. Under the current proposals the fisherman would be out of luck and still would not be able to collect a cent. This is just not acceptable.

Similarly, in the farming industry there is no way I can tell a potato of the same variety that I grow from my neighbour's up the road who grows potatoes. All potatoes of the same variety as we well know look the same. In the fall a farmer usually sells his product to a single wholesaler or processor. If that company goes broke, the farmer cannot get anything back.

What many people do not realize is that a bankruptcy does not affect only one company or one person. In one processor bankruptcy a fisherman in my riding lost \$30,000 and to a fisherman in my riding, that is a big loss and a lot of money. Fishermen have to pay their helpers, make payments on their boats, pay for bait and pay for many things. The \$30,000 that was not paid to one fisherman ends up coming out of the pockets of many people. Thirty thousand dollars is a person's income for a year. In bankruptcy that is the same thing as losing your job.

These are the serious reasons why fishermen and farmers need protection. When a company goes bank-