

Government Orders

basis, with an open mind. I hope the government will accept amendments which suggest the super priority approach is something that deserves emphasis.

Finally, to be very blunt, to suggest to small businesses, medium businesses, and public sector institutions which are already being squeezed right across this country that they should have to pay the whole cost of this wage protection fund is frankly irresponsible. It has been opposed by the Canadian Federation of Independent Business and by many other business groups and public sector groups. It is not an approach which any government should be taking, given how weak our economic recovery is. I hope that there will be a rethinking of these three points at the committee stage.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I am pleased to be able to make a few comments on this particular bill because I think it is more than opportune that at a time when we are seeing record bankruptcies in this country we are discussing a new approach to bankruptcy legislation. In fact the legislation that we have on the books now was passed in 1949, which was the year after I was born. Certainly the economy in many ways has changed as much as I have in the time since then.

I would also like to point out that within my own province of Saskatchewan this is a very critical question because the rate of bankruptcies has been mounting dramatically over the years. The figures I have before me show that the last year the Blakeney government was in office, 1981, there were 167 business bankruptcies in the province of Saskatchewan. By the time the federal government opposite was elected in 1984 there were 309 business bankruptcies. By 1989, the last complete year for figures which I have, there were 556 business bankruptcies. That is about a fourfold increase since 1981 in business bankruptcies in the province of Saskatchewan. That is an outrageous record. This is a timely piece of legislation.

As well I want to compliment the people involved in the pre-study process. I think the members of the committee who undertook that are justly proud of the work they did. We have much stronger legislation as a result of this. I hope that at the further committee stage, following second reading of this bill, further improvements could be made.

There are three specific areas that I would however like to comment on which need to be revisited and need some serious amendment. The first deals with the whole question of how this bill relates to agriculture producers and farmers in this country.

The farm community, as we all know, is under perhaps the greatest stress that it has been under since the 1930s. In fact it might well be under the greatest stress that the family farm community has ever been under. Certainly if we want to protect the family farm sector in this country, if we want security of food supply, if we want to be a sovereign country when it comes to feeding ourselves, we have to be more than cognizant about the situation facing farmers and we have to be proactive about it.

As previous members have mentioned there have been rallies attracting as many as 7,500 people in Regina, 4,000 people in Rosetown, and in Spirit River and Winnipeg that have underlined the point that the farm community is in desperate straits and that many of these people are facing imminent bankruptcy.

There are a few aspects of this bill that need to be addressed when it comes to giving farmers some support in bankruptcy situations. I am not now speaking about their own bankruptcy but rather their interaction with businesses that go bankrupt. Certainly the farm community has been making representations to governments for a long period of time. When I read the transcript of the presentations that were made in the pre-study process it was evident that the farm leadership in this country is getting more than impatient with the lack of action which has been taken.

One of the problems is that while there is a recognition in this bill that there is a 30-day period of retrieval for suppliers of a good or somebody whose products are involved with a bankrupt company, this is basically meaningless in the case of most agriculture products. How do you separate your kernel of wheat from your neighbour's kernel of wheat? How do you separate one tomato from another or one apple from another? Even in the case of livestock it is often very difficult to sort a specific animal from another once they have been through the sales process.

For many producers the deliveries they have made to a company that has gone bankrupt represent the whole year's income, a whole year's production for that farmer. Therefore, if the company goes bankrupt the whole year's income is wiped out. That is something that I do