

Government Orders

serious the whole question of bankruptcy in this country has become. We have across this country in the past year seen over 13,000 firms which have gone bankrupt. We have seen close to 60,000 consumers who have gone bankrupt. We are talking about something which has cut a wicked swath right across small business, and not just the small business community in this country. It has hurt people badly.

We in this party have been calling for this kind of legislation for months. It has taken the government a long time to come forward. I have to congratulate it on finally having the courage to bring to the House of Commons a piece of legislation to change the Bankruptcy Act.

The previous Liberal government which faced an even worse recession did not even bring forward a piece of legislation to improve the Bankruptcy Act. I say that is to their shame.

As I think about this act, I think about some of the people in my constituency. I think of the people at Brant Castings, for instance. Brant Castings was a firm which was originally established by Birla Corporation of India, a firm which brought a great many employees into the operation and a firm which was quite successful for a period of time. That firm, however, after several sales, ultimately went bankrupt. It went bankrupt leaving workers in the lurch.

That is for us at the very heart of the problem of bankruptcy. The workers that I represent who worked at Brant Castings have not been able to get their vacation pay. They have not been able to get their severance pay. They have not even been able to get, in some cases, wages which were owing to them from Brant Castings, this despite the fact that the owners of Brant Castings continued to operate other enterprises in our community which are viable, which have all sorts of assets and are making a great deal of money for those owners. There is something about that which is terribly unfair.

I think of the workers I talked with just last week from GTL, Glengarry Transport Limited, which went bankrupt. Workers in my city, truck drivers who sat around the table in the teamsters headquarters talking with me, told me about the thousands of dollars in back pay, in severance pay and vacation pay which they were not

going to receive because GTL had chosen to go bankrupt.

In the case of some of these trucking firms that have gone bankrupt it has been even more scandalous. Some of these firms had first established operations in the United States in order to be able to take over the business of their operations in Canada when the Canadian operations were permitted to go down the tubes.

Surely that kind of reality is something that should not be possible in this country.

It has not just been industrial workers or truck drivers. Farmers have come to talk to me about being forced into bankruptcy in my constituency. Throughout Essex County the rate of bankruptcy for farmers has increased dramatically in the last few years. The debt review board which was established by the federal government, as many of these farmers see it, has not become a defence for the farmer but instead a defence for the financial institution at the expense of the farmer.

• (1440)

This legislation in front of us is certainly a response, and I say a serious response, to some of these problems. I do not think it is a sufficient response but it is an important step forward, something which we have called for and which we are pleased to see in front of us. The approach which is being taken has two very good things within it. The first is a respect for companies and an attempt to keep them, to give them breathing space so that they can continue as viable institutions. The second is the establishment of a wage protection fund. These are both very positive steps.

There are however three serious problems with the legislation as it presently stands, and I hope these will be addressed in committee. The first is the amount of support which workers can receive from the wage protection fund. In my view the \$3,000, divided \$2,000 and \$1,000, is too low a level. The province of Ontario, which has just established a wage protection fund, has set the level at \$5,000 and has also established much more funding than is being proposed with respect to this particular wage protection fund.

Second, it is very important that this government look very carefully at the question of super priority. I hope that people will approach it on the committee as they approached it in the pre-study, on a non-ideological