

Government Orders

If an employee has withholdings of his or her income tax and the employer does not pay them to the Crown, that should not be a deemed debt on the part of the employee. We do not want the employee to be put out because the employer stole, ran away with, or otherwise did not give credit for collected income taxes, unemployment insurance premiums, Canada Pension Plan deductions, or what have you from the employees in question.

• (1850)

With that I will conclude my comments. One of my colleagues wants to contribute as well to this debate. She is our critic for financial institutions and is a far greater expert on this than I could ever hope to be. I want to again tell the minister that we want to work in co-operation with him. However the minister should understand that we are talking about unanimous recommendations and an unanimous report by our committee.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I listened carefully to the hon. member, who raised some important points. I think it would be useful to consider them one by one.

Earlier, he mentioned the revindication of goods, which I would call a major element of this reform. Under the Bankruptcy Act, suppliers of equipment or goods will be able to recover those goods within a given period of time. This provision, which already exists in Quebec and has been in effect for about ten years, is expected to work satisfactorily.

The hon. member mentioned the impact this might have, now the holiday season is approaching. Of course, we will always have this kind of problem. I practised law, and lawyers know how this works. Often people come to the office on a Friday afternoon at a quarter past three and ask us to start proceedings, because the deadline is at midnight. This kind of thing happens every day. I think lawyers everywhere have had that experience. We would all prefer to stay away from the office on Friday afternoon. So it is hard to find a formula to deal with extreme cases.

In the case of farmers, the hon. member must know—and I think he does because he was actively involved in the committee's proceedings—that members of the New

Democratic Party and members of my own party agreed to look for a way to do this. It is very complex, because of the problem for farm producers. Yes, I have a rural riding. In fact, the same applies to fishermen. They deliver goods, and five minutes later, those goods are processed to protect them, and so forth. We are going to try to find a way, in a relatively short time, and not just the government, because we intend to invite people, including farm producers, fishermen and processors, to look at how we could find a formula that works. Finding a formula is not enough. It has to work.

I heard some comments about abolishing the priority of the Crown. I think we agree that the Crown's position should be changed somewhat, in fairness to other creditors. The problem is, and the hon. member will understand because I heard him say so on the radio a while ago, that if we use or diminish the priority of the Crown, the latter, which would already be acting generously by losing about \$25 million, would, for instance, by withdrawing its present priority over accounts receivable, lose another \$50 million. We would have to find the money somewhere else, Mr. Speaker. That is more or less the problem we face.

It is not enough to say there is a problem and remove this priority, because the \$50 million will have to be made up by the taxpayers. We will have to find this amount somewhere else. That is why we prefer to proceed with the reduction as tabled.

I was rather surprised by the hon. member's comments, Mr. Speaker, and I would like to ask him about this. Recently, during an interview on the CBC on September 7, I almost had the impression, and I am of course joking, that the hon. member for Glengarry—Prescott—Russell had crossed the floor, because his comments on the radio were so supportive of the bill, and he put up such an intelligent defence that I thought—The hon. member said, and I quote:

[*English*]

There is no good time for a tax after all. However, as the hon. member for Portage—Interlake has said, this involves a relatively small amount of money, six dollars and some cents a year per employee.

[*Translation*]

That was one comment, and here is the other one: