

Government Orders

Consumer and Corporate Affairs and Government Operations conducted a preliminary study of this bill in September 1991.

The representative of the New Democrats participated in that study. I must first of all acknowledge and give the individual a great deal of credit for working with his colleagues in a co-operative and productive way. He has come up with a piece of legislation. While there are certainly concerns, and they have been registered by members from all sides, it is a relatively positive piece of legislation that benefited greatly from the pre-study that took place in that standing committee.

I must say in terms of the basic principle of the bill that we do agree that the principle itself provides compensation for Canadian workers for a situation in which they have no control and cannot be held responsible. I am referring to wages and vacation pay protection for up to \$2,000 for 90 per cent of their claims and possibly an extra \$1,000 refund for travel expenses incurred by those people involved in the sale of business. It also gives bankrupt firms some breathing time to reorganize, negotiate and possibly recover before secured and unsecured creditors move in. This gives a 30-day moratorium which the court could extend up to five months if it sees appropriate.

However, Bill C-22 has some major weaknesses and the work done at the committee level clearly addresses virtually all of them. The Standing Committee on Consumer and Corporate Affairs has tabled for us 21 recommendations. I think it is fair to say that almost all of those recommendations are the result of thoughtful and dedicated work by members of the committee. Having looked over them, all but one or two I think we support enthusiastically.

However the question is: Will the minister incorporate them in the legislation? This will be in a sense the acid test or the litmus test of parliamentary reform. If the government believes that the work of committees is legitimate, if the government really believes those members of all political parties who contribute unbelievable amounts of time and talent to those committee hearings and committee proceedings, and if the government believes that this is important for this institution, which most of us certainly share as a very important part of our work, it is up to the minister to indicate his good faith and introduce these recommendations into the legislation.

I hope we will see the majority of these recommendations being accepted and incorporated. It is, however, unlikely that the minister will have the political courage to adopt some of the fundamental recommendations, particularly those pertaining to the Wage Claim Payment Act. If that is the case, Bill C-22 will pass at second reading and proceed to committee. I believe at committee stage members participating in that committee considering the multi-faceted legislation will be provided with an opportunity for them to introduce these particular changes.

• (1520)

I want to concentrate on the major weaknesses of the bill which were addressed by the committee and that the government is least likely to correct. They are primarily in two areas: the priority of claims for workers and what they call walkaways coverage.

Bill C-22 does not really give a judicial priority to workers and really does not challenge the traditional hierarchy of creditors, with the exception of course of the Crown priority being reduced on one minor point, that is when the Crown is acting as a regular creditor to the firm it will be considered to be so. The project cost of this is \$25 million.

The government has merely built in a wage claim payment that is external to the bankruptcy settlement process and the workers' compensation will be financed through a tax levied on employers and collected through the UI system.

Mr. Speaker, you are probably asking as you listen: Why a super priority? Workers are morally on top of the hierarchy of creditors and should be legally treated in that fashion. This has always been one of the pillars of our position on this issue. In that spirit I refer back to the member who represented us on this committee and his private member's Bill C-217 which seeks to amend the priority of claims section.

Mr. Speaker, I notice you are indicating my time is unfortunately coming to an end. There really is so much more to say, but perhaps we will have another opportunity to do so at committee, report stage and third reading. With that I will say there is much more to say but I will use another occasion to say it.

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I have been listening to the debate most of the time in my office. I want to take about three or four minutes to say