

Government Orders

The committee, Tories included—I know it is hard to believe it—listened to all the debate and listened to the witnesses. After all the debate and all the witnesses, after everything was said and done, we came in with the report back in September. You know what we reported? We reported that more properly the interest of the wage earner should be in the act itself. We did not believe one word that came out of the mouths of the big financial institutions, crying in their cups at the committee that they would lose money. This was at the same time that we were in the worst recession since perhaps the 1930s. It was at the same time that the big banks were making record profits. The minister knows that. They made \$3.4 billion in profits in 1991. In the middle of one of the worst recessions we have ever seen, they had the highest profits they had ever seen.

The Liberals, New Democrats, and Conservative members of Parliament sitting on that pre-study committee made a recommendation. The recommendation said: “In the event that the bankruptcy, liquidation, or receivership of an employer, claims by employees for unpaid wages, for salespersons’ expenses up to a maximum of \$3,000, should be given priority over the claims of all other creditors, including the Crown”. This priority, however, should be subject to the right of unpaid suppliers of the employer.

• (2130)

Do you know what that means, Mr. Speaker? It means an idea called super priority, which means that they take the first crack at the assets. It was recommended by Conservatives and not just left wing Conservatives. We have some members over there who even my hon. colleagues would consider right wing Conservatives.

They say: “Yes, it may cause some trouble in the financial communities, but by God this is the way it has to be done”. We made all kinds of other recommendations about how this bill should be changed. The government came back at second reading, accepted a lot of the other recommendations of the committee and ignored the recommendation about the wage earner protection fund.

There was a particular problem caused at this point in time: There were at least eight members of the govern-

ment benches who said: “I will not support this legislation because it implements a new tax. I no longer will support my government if it introduces new taxes”.

“By God, you have made me swallow the GST and I have the scars to prove it”, they told the government, “but I am not going to swallow another tax. I have finally listened to my business community and I am going to do what my constituents think is right, not what my government says is right. I am not going to support a tax”.

We get to committee. We had a fine time. We were still friendly then. We were still working in a vein of co-operation, and all of a sudden what happened? There was complete discord. We had the parliamentary secretary come in, and because there was a problem with the Conservative caucus the government announced to its caucus, not to me: “You don’t have to worry about it. We know this tax thing is going to give you a problem because the municipalities, the universities and the schools and the hospitals, the MUSH sector, are all on your case and they are sending you petitions. What we are going to do is we are going to fund the program out of the CRF, the consolidated revenue fund”.

The government was going to pay it. We did not have to worry about the tax. We thought it was rather kind of the government to do that. Its members came into the committee and had a double-headed amendment. The first part of the amendment said that it would be funded by CRF. All the Tories were saying: “Great, no tax”. I was saying: “Great, no tax. The government has listened”. We recognized that the government which caused this recession should pay a small premium to try to rectify some of the damage of the recession. We thought they recognized that but obviously they did not.

Upon prying into the amendment, my hon. colleague over here realizes, we found out that there was another part of the amendment. After telling all these businesses, hospitals and universities across Canada that the tax could never be raised unless it came back to Parliament, we found out that this amendment which was ostensibly going to give a year and a half without a tax also gave the Governor in Council, which is cabinet, the ability to raise the tax unilaterally without ever coming back to Parliament.