

*Government Orders*

Perhaps the act should not be called the wage protection fund but the bank and secured creditors protection fund.

[*Translation*]

**Mr. Nic Leblanc (Longueuil):** Basically, Mr. Speaker, I agree with this bill, and I am somewhat reluctant to mention my experience as the owner of a small business for a number of years. Our problem was, we were doing the job for governments and unions. We had to collect income tax, unemployment insurance premiums, and so forth. People will say the premiums are not that high. In any case, I agree with the principle that employees must be protected when a company goes bankrupt. I always thought it was unfair when employees lost two or three or four weeks of pay after a bankruptcy, although they were supposed to be at the top of the list for any amounts released after a bankruptcy. I wonder, however, whether the government has considered a process or mechanism that would make it unnecessary to collect this new tax which would otherwise put just one more burden on small business.

• (1710)

**An hon. member:** It's unemployment insurance!

**Mr. Leblanc (Longueuil):** They say it's part of unemployment insurance. Perhaps the hon. member for Mississauga South would care to explain the procedure for collecting this new tax.

[*English*]

**Mr. Blenkarn:** The government's intention apparently is to collect from the employer at the same time as it collects unemployment insurance an additional .024 cents per \$100 of wages per week. That is said to come to about 10 cents. Maybe it is more than 10 cents but it may average 10 cents. It is supposed to be paid with the unemployment insurance remittances every month.

The problem of course is that when it is received it goes into a separate fund. While it may not increase the paper burden on the employer it certainly will create more government jobs and more arrangements for the payment of the fund. In other words a fairly extensive bureaucracy is required to look after the receipt of moneys that are paid out of the fund.

The real issue is whether that payment should be made by all employers or only some employers or only those employers which have operations large enough to have

the advantage of a receiver or a trustee if they were wound up.

Bearing in mind the fact that the cost of bankruptcy is so enormous and the cost of a receiver is quite substantial surely small business employers ought not to be included in this fund and surely hospitals and so on ought not to be included.

The issue is another fund. I want to assure the member that this is not an additional necessary burden of bureaucracy on the employer but certainly does add to the amount he pays and therefore is a tax on him. It adds to red tape in the government and the cost of paying out funds and administering it.

**Mr. Dennis Mills (Broadview—Greenwood):** Mr. Speaker, I would first of all like to compliment the Minister of Consumer and Corporate Affairs for the work he has done in presenting this bill and the tone he has presented during this debate over the last couple of days. It has been great that he has accepted 18 of the 22 amendments. It shows a willingness to work. It shows a willingness to listen. If we can just continue that tone for a little longer I think we can come up with a piece of legislation that will go a long way toward improving the productivity of this nation.

Yesterday in the House the Minister for International Trade released his paper on prosperity through competitiveness. Shortly into his speech on productivity he said the following: "Productivity is the heart of the issue and is essential to our prosperity. It supports our way of life. It puts food on our tables, schools and hospitals in our communities, roads across our great community, pay cheques in our pockets. That is why we are here today. We must find a way as a nation to improve our productivity. We must change the way we think, the way we work and the way we work together as a country and as a people".

I think that the member for Mississauga South was touching on something earlier today when he said: "Really this bill today is a bill about shifting our priorities".

If the Minister of Consumer and Corporate Affairs could figure out a way to put the wage earner in a protected position in this bill, then he would go a long way in improving the productivity of this nation.

As this minister and all of us in this House know, right now we have a crisis of confidence in this country. We do have a productivity problem. Not only do we have two million people without jobs, but we have many people