

*Government Orders*

The member was begging us almost to come to our senses, to come to some conclusion and think our thought process through. I want to report to him, first, that even members on his side thought the process through and thought better of the bill. As a result the committee in pre-study came up with 22 recommendations for change. One of the major recommendations deals with the wage earner protection fund.

The hon. member just mentioned that it is important for us to realize we cannot live on borrowed money. I could not agree with him more. If he reads the committee report or if he reads the *Hansard* from the committee deliberations, he will see what the committee has done, Liberal members, New Democratic members and Conservative members. It is that we recognize that fact and recognize that no, if we have a wage earner protection fund, the government, using borrowed funds will have to put \$3.5 million into the fund. We said there must be a better way to do it.

Second, we did not think that small business in this country would support another tax no matter how small. We are concerned about consumer confidence and business confidence in the system.

We said there has to be a better way. The government's objectives are admirable and supportable. We do support the objectives. We came up with a proposal that is very detailed. We studied this thing inside out, upside down, every which way to Sunday, and we came in with a set of proposals that take the government off the hook. That means the government does not have to spend any money. We are doing the government a favour.

It has already been blamed for 32 taxes. We did not want it to be blamed for 33. The recommendations of the committee were to save the government from the embarrassment of another tax. In addition to that, we had a system in place whereby it should be self-financing through the superintendent's office.

Every position that we have put forward the department has had plenty of opportunity to come back and indicate to us that our logic is wrong. Not in one case has the department done that.

• (1340)

I want to let the hon. member know that we have done our job. We do not want to hold up progressive legisla-

tion, but at the same time this pre-study gave members of all sides of the House the ability without a noose around their neck from their respective Whips on policy positions.

That process has worked and what we have here is a good committee report and I would like to get his response. We urge the government not to take the easy way out which is to create a fund that is going to cost taxpayers money because the government has to contribute, but to look seriously at the amendments that their own members have put forward. It is a process that will work and it will show that the government has truly cared about saving small business from another tax and saving taxpayers from more taxes.

**Mr. Hawkes:** Mr. Speaker, I have heard the arguments about super priority, the magic way of funding without cost to anybody. My experience tells me there is always a cost to somebody.

There is a tendency when speaking of super priority to say we are going to take the money from the bankers, take it from these rich guys who loan the money. That is a great concept.

The hidden part of that is the little guy who cannot borrow the money in the first place to try and achieve his dream. That is the one who does not come as a witness before parliamentary committees. That is the one members are unlikely to know about and understand unless you have done it yourself, unless you have signed your family home and your family's future to a loan to borrow the money to start an enterprise, unless you have faced that sudden change from positive to negative cash flow and had to go back to lenders a second time.

If those lenders need to protect themselves on a 2 per cent basis, a 3 per cent, or 5 per cent or whatever in making the decision about your loan when they look at those financial statements in all of their glory and all of their detail and they need to build in that extra factor for super priority they will. When they do they will choke the lifetime dreams of thousands of Canadians who are every bit as small and every bit as deserving as the employees of the bankruptcy.

It is an illusion to think this money can come out of the hide of the lenders. The world does not work that way. The costs come out of the hide of the borrowers and the real cost of this is the person who never has a chance to