

Government Orders

The member should maybe read the letter from the president of the Canadian Labour Congress as well. It may be interesting for him. He is not exactly in tune.

I realized something. The member talks about the walkaways. The committee in its pre-study addressed this point. We will all do our best to find a way. It is not only under federal jurisdiction therefore we have to be very careful. We all understood that, as far as I know.

We have addressed this concern, recommendation no. 3. It is acceptable and we are going to accept it.

He differs on where the super priority should be. The member for Mississauga mentioned that we should forget the secured creditors that already have a direct link with assets. He said the wage earners should come first, including secured creditors. I understand that. It is a major difference. We looked at the numbers.

We should mention that the super priority that the committee proposed and he agreed with includes not only super priority but a fund. As was said a few moments ago that will require a bureaucracy, red tape and so on. There will be another fund anyway, plus a super priority bureaucracy to look after it and put the system in place. It will be much worse than the 2 cents on the payroll. It is quite different.

He is the last but not the only one to have said that this 10 cents could grow after a few years, as the member for Nickel Belt mentioned. We should remember that we have an advisory board looking after the specific administration and monitoring it to ensure that the 10 cents fixed in the law will not change, unless we need to do that.

I must remind the hon. member that with super priority retroactivity is not practical. Even with the system we propose it is not possible. We cannot impose this small levy of 10 cents retroactively.

I would like to know how the member reconciles his proposal with the proposal of the member for Mississauga. They are not addressing the same assets.

• (1800)

Mr. Whittaker: Mr. Speaker, as I understand it, the member for Mississauga South was speaking about the proposal of the committee which said that the Superintendent of Bankruptcies would levy the fee from the assets that would go into the fund.

I was saying that the government should look at seeding a special fund. Perhaps it could be built up after but the core funding, the core seed, would be put up front now by the government. If it did that it seems to me that retroactivity could be built into the bill. The fund would be there under what I envision as the super priority and the subrogation of the rights of the employees. Once he is paid out of this fund the employee would subrogate his rights to the superintendent. The superintendent would then have that super priority under the legislation that I envision to get the money back in.

If we extended it over so that we ensured that the walkaways were free and clear, that they got their money, there would be a deficit within that fund of some part that perhaps could be made up in the way that the member for Mississauga South and the committee have spoken about. However, the key funding would already be in place by the government and I would suggest probably that \$100 million would do the job to start with, from the figures that I have seen.

That is what I am talking about there. I am talking parallel to what the member for Mississauga South and the committee are saying. I am expanding it a little to work in subrogation of rights of the employees to ensure that they are paid immediately. They do not have to wait. With those rights taken over by the minister or the superintendent it is ensured that the fund continues into perpetuity. There are not many that go into receivership or bankruptcy which do not have some assets. If we give that super priority the banks will have a bit less but we will have worked in protection for the employees.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I am glad I finally got recognized to straighten out the record a bit.

The minister has just asked a question of my hon. colleague from Okanagan—Similkameen—Merritt. I do not want the record to be unclear about the work of the committee and it is a very important point.

There are some, including Shirley Carr of the Canadian Labour Congress, who perhaps have not read the document, certainly not the committee hearings, as closely as they should have. The committee was almost unanimous in its recommendation on super priority. We