

Private Members' Business

wherewithal to come in with a comprehensive set of changes to the Bankruptcy Act." He could have asked some of the members on this side of the House and on the New Democratic Party side of the House for some assistance.

What we are seeing is a made in Canada recession. I know the government does not like to hear that, but when we talk about recession of business downturn, it means the companies go out of business.

Companies are going out of business at an unprecedented rate now because of the government's reckless economic policies. The government could not control growth in southern Ontario.

• (1340)

What did they do? The only weapon that they could find to use to try to cool down that engine was high interest rates. So they jacked up the interest rates to an unconscionable level and caused the level of bankruptcies, usually in the peripheral economies in the Atlantic, in the north, and in the west, to go through the roof.

In the *Financial Post* of November 22, just last week, we read: "Bankruptcies Leap". My goodness, the headline must be three inches high. "Cases rise 61 per cent as recession takes financial toll". There has been a 61 per cent rise in bankruptcies. At a time when this government has caused a recession that is pushing bankruptcies to an unconscionable level, it absolutely, positively, fundamentally refuses to sit down and look at the changes that are necessary to the act to protect the interests of workers.

The way the act is currently, it gives you 500 bucks. Big deal. My friend opposite, the parliamentary secretary, admitted that maybe \$500 in 1949 was three months wages, but \$500 today, if that is what you are making a week and you have a family of two, probably would put you below the poverty line. With \$500 a week, you are still going to a food bank, for goodness sake, in order to feed your kids, if you live in any major city in this country.

He admits that the \$500 limit is unconscionable. It does not address the real needs, but at the same time, he tells us to wait until the government comes in with more comprehensive changes. I am not going to pretend that changes to the Bankruptcy Act are going to be easy. They are going to be very complex.

If Bill C-217 goes through, what is it going to do to the banking institutions? Are they going to still want to lend money to some of the small businesses that are very labour intensive, like a trucking firm? They probably do not get paid for 45 or 60 days. What are they going to do? Are they going to be able to get financing? There are the real considerations.

I have always attacked a problem by looking at what was the most grievous error in the system before deciding what was the best solution, and then effect all of the other necessary changes as a result of that solution. That is what my hon. friend's motion does. It states a desired outcome.

A worker's wage interest in a company that is going bankrupt today because of this government's fiscal policy is protected. That interest is not protected for a measly \$500, but it is protected much deeper. Again, he says that we cannot support this because we do not know how to solve all of the rest of the problems.

The government does not know how to solve the rest of the problems with the Bankrupt Act or with the economy. It does not know how to solve the rest of the problems with national unity. Perhaps this government should just throw in the towel, go to the Canadian public and let them elect a new government. You will see some action on these problems that have been going for much too long. They have been aggravated by this government's policies.

When you talk about the flaws in the Bankruptcy Act, this government will tell you that it has a study group to come in with some comprehensive changes to the Bankruptcy Act. Well, we are waiting. We wait, and wait, and wait.

There have been a number of proposals that have been put forward, but they have all died on the Order Paper. There is only a report recommending that legislation like this be put into place at some future point in time. I am not going to question the sincerity of the hon. parliamentary secretary when he says that we should wait and see with regard to these problems.

I am sure that he would like to see those problems addressed in a new comprehensive reform of the bankruptcy bill. One has to wonder about the government's sincerity. After all, one of the most spectacular bankruptcies that we have seen in recent years is a bankruptcy by Route Canada. Do not forget that it was this government which, in its frenzy toward privatization, sold off Route Canada. It sold it to an individual who could not