

*Government Orders*

mainstream and on to the economic trash heap of bankruptcy.

The minister will recall back on June 13 when he made the announcement. I was not here. My youngest son, Stephen, was being born that very day. So I have two reasons to remember that date. I have to thank the minister and I will do it publicly now. He sent the nicest bouquet of blue flowers. I did not think you could get blue flowers but his florist found them somewhere. He sent a bouquet of blue flowers to my wife, congratulating her on the birth of our son, Stephen.

What we did at that point in time in recognition of the difficulty Canadians were finding themselves in is the opposition parties agreed to a novel approach. We agreed to pre-study the bill.

• (2120)

The difficulty we have here is that when a bill comes through the House, once it gets approved in principle at second reading, everybody digs in their heels. The job of government members on committee is not necessarily to improve the legislation, it is to get the legislation through with the integrity of the government intact. If there are any major flaws, they have to find ways that the government can change them a little later.

I believe the creativity that is absolutely necessary in this House and through the legislative process to bring back to this place any integrity lost is to allow private members to participate in the formulation and betterment of legislation.

We agreed to that on this side of the House, and sure enough we did it all through the month of September. We came back early and pre-studied the bill. It was fabulous. None of the members of the committee felt bound by any party ideology or philosophy. What we said we would do is we had a fundamental responsibility to the Canadian public as parliamentarians to go through the legislation and to squeeze out of that process of pre-study the best possible amendments to the Bankruptcy Act that we could possibly arrive at.

I have spoken two or three times on this and hundreds of times in committee. I asked dozens of questions of the minister, so I am not going to go through all the provisions of the Bankruptcy Act. My comments on them

are well recorded in the *Hansard* both of committee and of this place.

There were a number of major parts of this bill. The bill sought to rebalance the bankruptcy legislation, the infrastructure legislation in the marketplace. It sought to go and change the regulatory environment of 1949 and to take into account the interests of the very stakeholders in a bankruptcy situation.

One of the first things obviously that the minister and the government saw that was out of whack was the fact that individuals who put their labour into a company or a business and do not get paid should be near the top. That is because those individuals had invested their labour and it is usually one of the last inputs into a company before it becomes insolvent and is forced into receivership or bankruptcy.

The minister and the government decided that rather than rebalance the bill and recognize right in the body of the Bankruptcy Act that wage earners had a right to be protected and they had a right to be up front in the process, it said: "We cannot do that because of the big financial institutions".

Sometimes I accuse the minister of being too good a friend of the big institutions, and perhaps that is unfair. But the big financial institutions in this country carry a heck of a lot of clout, not just over parliamentarians but over businesses as well. These institutions can make a decision based on one slight modification in the formula of the credit worthiness of an organization that may mean that it cannot access the lines of credit needed in order to carry on its business.

In the five or six previous attempts, I believe, to reform this bill we could never get it right because the big interest there, the financial institutions, which were usually secured creditors, if too much of their security was taken away in the legislation it would scare the life out of the business community. The financial institutions would then tell the businesses that they were not going to be able to lend them money any more and that they were not going to be able to have their revolving lines of credit. The business community would fall back and say: "My goodness, if the banks turn their backs on us we will not be able to do business". It is no different for political parties.