month they go up. We are now into thousands and thousands of bankruptcies. It is a very serious situation. We really need this legislation, but let us not do it retroactively. I do not think it is an appropriate step at all. For that reason, we should support the motion put forward by my hon. colleague from Essex—Windsor.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I was not going to speak, but my hon. colleague from Kamloops inspired and motivated me to proceed to speak to the bill.

I will speak only to the principle of the bill, because that is the concern that I have. This bill may seem to be innocuous and inconsequential to the hundreds of thousands of Canadians out there who are listening, because they probably have no idea what we are talking about. Nevertheless, if they knew the details they would be concerned.

I suggest that this is government by *ad hoc* legislation. It is back to the future, in reverse. I am reminded very much of Bill C-28, where the government introduced 125 amendments to a bill that were all ruled out of order. I guess this points to the inefficiency of the government itself.

The very thought of retroactivity applicable to any law is totally unacceptable. I think of all of the bills that come before this House. If there were any suggestion, even a hint that we were going to go back to 1987, as in this case, why not go back to the 1960s or the 1940s? We could rewrite history.

It would not be bad, if we were able to rewrite the last five years of history with this government, but that is the kind of precedent that this government is setting.

I notice that you are a little restless, Madam Speaker, and I have strayed a little bit from the topic here, but I sold a house in 1975 for $60,000. It is now worth $500,000. I would like to go back and get my lawyers to say what a mistake I made. I want it back now. It is a retroactive concept that I thought up. It is not a bad idea, and I guess that is what the government is saying, that this is a good idea. The long arm of the government will reach back into history and pick some money out of your pocket.

My hon. friend from Windsor—Essex has a legitimate and sensible amendment that members across should be actively supporting, because the principle of this idea of retroactivity is totally unacceptable and I am sure Canadians who are listening would agree with the New Democratic Party.

• (1640)

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, I would like to join in supporting this amendment, as I did during the debate in committee.

Before the legislative committee on Bill C-51, we had a witness from the *caisse populaire de Désjardins* in Quebec, in particular, from one of the caisse populaires on the south shore of Montreal. These witnesses indicated to us that they stand to lose some $260,000, if this bill is passed in a retroactive fashion. They were opposed to this legislation.

This bill was presented to us in somewhat of an innocuous fashion. We were told that this bill would simply allow the government to get moneys that were rightfully owing to the government, namely, deductions at source for unemployment insurance, premiums under the Canada Pension Plan, or income tax deductions. In other words, money that was deducted from employees and would be payable to and property of the government.

However, we learned in the debate in committee that the matter is not that straightforward. We were given the example by the caisse populaire of a company which is owed an account receivable, let us say by Hydro Quebec, and this account receivable may be payable in six months' time. The company, on the basis of the accounts receivable, could go to a financial institution, a caisse populaire, and borrow money for its operations.

At the time that this loan is contracted, the company is in good financial health and totally up to date in its payments of deducted premiums to Revenue Canada. It could even be that the financial institution verifies with Revenue Canada to ensure that indeed that the company is up to date in its payments. On that basis, a loan is made to the company and the financial institution, the caisse populaire receives an assignment of this particular account receivable.

What this particular section of the Income Tax Act allows Revenue Canada to do is to step into the shoes of the financial institution to seize that payment, a payment that is to a secured creditor. In the words of the Income Tax Act: "to a secured creditor who has a right to receive the payment". This is acknowledged under the act.