While we support the government's introduction of this legislation, it does not mean that we should accept anything the government puts before the House. It does not mean that we should suspend our responsibility to scrutinize and evaluate critically both the broad principles and the detailed provisions of the bill. Nor does it mean that this government will get a blank cheque on this legislation.

Nevertheless, while we will be diligent in our questioning and in our examination of the bill, our intention which we assume the government shares is to secure workable, fair bankruptcy legislation, legislation which provides balanced and adequate protection to creditors and debtors and creates a stable climate for entrepreneurship and investment. That is what my colleague, the hon. member for Dartmouth, has done so well in his interventions at the pre-study stage of this bill and in his remarks earlier this week on second reading.

His approach has been to examine Bill C-22 bearing in mind not only the need to balance the competing and conflicting interests of the various direct participants in a bankruptcy, that is to say the debtor and the various creditors, but also bearing in mind society's broader interests, namely ensuring that the bankruptcy rules do not adversely affect the climate for business investment, risk taking, job creation and the incentives for the prudent management of business enterprises; the need of the worker to a fair settlement and recovery of wages lost as a result of a failure of a business enterprise; the interest of society in supporting reorganization where it may avert a costly bankruptcy without creating a cushion for sloppy management or preventing the difficult but sometimes necessary adjustment role that bankruptcy performs in a dynamic, modern, free market economy; and, finally, the strong opposition which all of us in this House have heard loud and clear from our constituents, the opposition to any addition to the already unacceptable burden of taxation which Canadians are obliged to pay.

It is this last consideration which has led us on this side of the House to take issue with the government's proposed design of the Wage Claim Payment Act, one of the central components of Bill C-22. With the Wage Claim Payment Act, the government proposed a scheme to ensure that the employees of a company thrust into bankruptcy or placed in receivership are reimbursed for salary or commission not paid by the bankrupt company.

Under clause 6 of Bill C-22, this payment would apply to unpaid wages and vacation pay as well as sales persons' expenses during the six-month period prior to the bankruptcy and up to a maximum of $2,000 or $1,000 in the case of sales persons' expenses.

In order to claim the benefit, an individual would have to submit a claim to the trustee, liquidator or receiver who would in turn submit it to the Superintendent of Bankruptcy for verification. The payment of these claims would not come, as in the case for example of the claims of the other creditors, from the disposal of the assets of the bankrupt company but would come from a fund financed by a new payroll tax on all employers, a tax equal to .24 per cent of the employer's weekly insurable earnings.

This is where we are in fundamental disagreement with the minister's proposal. Not only does this new tax constitute an additional burden on the employer and a burden which is directly related to employment, but I would submit it represents an inconsistent way of treating the outstanding claims by workers to the value of the debtor company. All other creditors receive their claims from the value of the disposed assets of the company. In this case workers are treated differently. They will be asked to receive their claims out of a fund raised by taxing all employers, in other words all businesses regardless of whether those businesses went bankrupt or not, in order to pay the workers' unpaid wages in the event of a bankruptcy.

We on this side of the House have suggested a different approach. We have suggested that the payment of wage claims be made up by the receiver to a legislated maximum of $3,000 with the amount guaranteed by the Superintendent of Bankruptcy and paid out of a fund financed by an across the board increase in the fees charged by the Superintendent of Bankruptcy.

• (1420)

The Superintendent of Bankruptcy would charge an additional fee out of the fee he charges on the assets of the bankrupt company in order to finance the payment of the unpaid wages and related expenses going to the workers of the company. It would be the company's assets, the bankrupt company's assets, from which the