

BRIEFING BOOK

An Act to establish the Wage Earner Protection Program Act, to amend the Bankruptcy and Insolvency Act and the Companies' Creditors Arrangement Act and to make consequential amendments to other Acts

Bill Clause No.	Section No.	Topic
1	1	SHORT TITLE

Proposed Wording

1. This Act may be cited as the *Wage Earner Protection Program Act*.

Rationale

This provision provides the short title of the Act.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	2(1)	INTERPRETATION

Proposed Wording

2. (1) In this Act, “wages” includes salaries, commissions, compensation for services rendered, vacation pay and any other amounts prescribed by regulation but does not include severance or termination pay.

Rationale

The policy rationale of this section is to:

- ensure consistency between the wages protected by the Program and the wages protected by the *Bankruptcy and Insolvency Act* (BIA); and
- exclude severance and termination pay from coverage by the Program.

Consistency between the Program and the BIA:

This section defines the scope of wages protected by the Program. It matches the definition of wages covered by the proposed “limited super priority” (in the *Bankruptcy and Insolvency Act*, s. 81.3 and 81.4, contained in clause 67, sections 81.3 and 81.4 of the Bill) and the “preferred creditor status” (in BIA, s. 136(1)(d)). This facilitates cost recovery of the program (because government will be able to take the wage earner’s place and make claims against the bankrupt employer) and ensures consistency between the BIA and the WEPP Act. The regulation-making power provided will allow the definition of wages to be broadened to include salespersons’ expenses (which are also protected by the limited super priority and the preferred creditor status.)

Exclusion of severance and termination pay:

The definition deliberately excludes termination and severance pay to serve the policy objective of the WEPP: protecting core wages of workers. The amounts of severance and termination owing could be quite high, and would vary dramatically among individual workers (varying with level of seniority), and among provinces (with different statutory minima concerning termination and severance pay), and among workplaces (as enhanced termination or severance benefits – over and above statutory minima – may be offered by individual employers). Including severance and termination pay would also dramatically increase the amounts paid out by the WEPP.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	2(2) and 2(3)	INTERPRETATION

Proposed Wording

2. (2) For the purposes of this Act, an employer is subject to a receivership when any property of the employer is under the possession or control of a receiver.

(3) In this Act, “receiver” means a receiver within the meaning of subsection 243(2) of the *Bankruptcy and Insolvency Act*.

Rationale

These provisions define the receivership situation which is covered under by the WEPP to include receiverships falling within the provisions of *Bankruptcy and Insolvency Act* (BIA). (To see provisions in the Bill pertaining to receiverships falling within the mandate of the BIA, refer to clause 115 of the Bill).

Present Law

Not applicable.

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Proposed Wording

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(3) In this Act, “receiver” means a receiver within the meaning of subsection 243(2) of the *Bankruptcy and Insolvency Act*.

Rationale

These provisions define the receivership situation which is covered under by the WEPP to include receiverships falling within the provisions of *Bankruptcy and Insolvency Act* (BIA). (To see provisions in the Bill pertaining to receiverships falling within the mandate of the BIA, refer to clause 115 of the Bill).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	3	DESIGNATION OF MINISTER

Proposed Wording

3. The Governor in Council may designate a member of the Queen's Privy Council for Canada to be the Minister for the purposes of this Act.

Rationale

These sections provide that the Minister responsible for the administration of this Act can be appointed by Order in Council.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	4	PROGRAM ESTABLISHED

Proposed Wording

4. The Wage Earner Protection Program is established to make payments to individuals in respect of wages owed to them by employers who are bankrupt or subject to a receivership.

Rationale

This section authorizes the establishment of the program and sets out its scope (protecting wages owed to workers when employers are bankrupt or subject to receivership).

Present Law

Not applicable.

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Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	6	ELIGIBILITY FOR PAYMENTS

Proposed Wording

6. (1) An individual is ineligible to receive a payment if, at the date of his or her former employer's bankruptcy, or the first day on which there was a receiver in relation to the former employer, the individual had been employed by the former employer for a period of three months or less or, in relation to any category of wage earners specified by the regulations, any shorter period specified in the regulations.

(2) An individual is ineligible to receive a payment in respect of any wages earned during a period in which the individual

(a) was an officer or a director of the former employer;

(b) had a controlling interest, within the meaning of the regulations, in the business of the former employer; or

(a) occupied a managerial position, within the meaning of the regulations, with the former employer.

Rationale

Excluding employees with less than three months' experience:

Section 6(1), which restricts the eligibility of workers with less than three months' experience, is designed to address potential abuse of the program. Employers may hire workers in the period leading up to their insolvency without intending to pay those workers, on the understanding that the WEPP would pay them. However, provisions can be made through regulations to exempt certain workers in special circumstances, particularly workers with limited (or determinant) tenure – such as seasonal workers, temporary workers or students – from the three month restriction. This strikes a balance between the need to deter abuse of the program and the need to be flexible to meet the needs of workers in a variety of situations. For a discussion of the policy intent that will inform this regulation, please refer to the discussion of section 41(1)(c) of the WEPP Act, below.

Excluding corporate directors, “controlling” owners and certain managers:

Section 6(2) is intended to prevent abuse of the WEPP by excluding individuals from receiving WEPP payments who (i) would have had privileged information on the financial situation of the company and who may forego payments for themselves knowing they would receive payment from the WEPP; and/or (ii) bear responsibility for the insolvency of the business. These individuals are ineligible as it would be perverse to compensate individuals who bear responsibility for the insolvency of the business and who may be responsible for incurring liabilities for unpaid wages (which constitutes a violation of labour or employment standards legislation in all jurisdictions).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	7(1)	AMOUNTS COVERED BY PROGRAM

Proposed Wording

7. (1) The amount that may be paid under this Act to an eligible individual is the amount of wages owing to the individual that were earned in the six months immediately before the date of bankruptcy or the first day on which there was a receiver in relation to the former employer less any deductions applicable to the payment under a federal or provincial law.

Rationale

This section enables the Program to cover a wage claim to include unpaid wages incurred any time in the six months preceding the bankruptcy or receivership of the employer. The Program protects six months wages in the period leading up to the bankruptcy or receivership (in order to match the period in which wages are protected under the proposed “limited super priority” proposed in sections 81.3 and 81.4 of the BIA – set out in Clause 67 of this Bill – and the “preferred creditor status” under section 136(1)(d) in the BIA). This will ensure that it is easier to administer the Program (by facilitating the process in which the Program will be subrogated to the employee’s claim against the bankrupt estate, as set out in section 36 of the Act; refer to clause 1, section 36). The six month period will also allow employees who work irregular hours for the business – and who may not have worked in the period immediately preceding the bankruptcy or receivership – to be eligible for payment, if they have unpaid wage claims that significantly predate the insolvency of the employer. It will also provides a balance between the need to ensure that unpaid wage earners – who may go through long periods of working without receiving wages – are protected, without providing an incentive for unpaid wage earners to continue to work without receiving wages for an indefinite period of time.

These amounts will be subject to any source deductions required by law (refer to section 7(2) of the Act; clause 1, section 7(2) of the Bill).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	7(2)	AMOUNTS COVERED BY PROGRAM

Proposed Wording

7. (2) The maximum amount that may be paid under this Act to an eligible individual in respect of any particular bankruptcy or receivership is the greater of

(a) \$3,000, and

(b) an amount equal to four times the maximum weekly insurable earnings under the *Employment Insurance Act*;

less any deductions applicable under a federal or provincial law.

Rationale

The limit on the amount of wages covered is set according to the amount of maximum insurable earnings under the EI Act, for a four week period (maximum insurable earnings for one week is \$750; for a four week period, the maximum is currently \$3,000).

The amount is pegged to EI insurable earnings for a four-week period on the assumption that the longest a worker would continue to work without pay would be two pay periods of two weeks. This will ensure that the maximum amount of coverage will increase with the maximum insurable earnings in the EI program, which will ensure that benefits increase in line with wage levels and cost of living and to provide congruency between the Government of Canada's income security programs. Moreover, the maximum amount of payment from the WEPP corresponds with the maximum insurable earnings under the EI program as this amount closely approximates the average (mean) industrial wages of a full-time worker in 2004 (which, according to the Labour Force Survey, was \$777.73).

The \$3,000 limit is sufficient to cover virtually all claims for wages and vacation pay, as it is estimated that 97% of unpaid wage claims in cases of receivership and bankruptcy are less than \$3,000.

The section clarifies that WEPP payments are wages and are subject to deductions required under federal and provincial laws, to ensure equity between WEPP claimants and other workers.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	8	APPLICATION FOR PAYMENT

Proposed Wording

8. To receive a payment, an individual must apply to the Minister in the form and manner, and within the period, provided for in the regulations.

Rationale

This provision establishes – along with sections 9 and 10 – the role of the Government of Canada as the administrator of the Program, in order to delineate the responsibilities of the program administration from other individuals or bodies that are concerned with unpaid wage claims in bankruptcies and receiverships (e.g. insolvency professionals, whose roles and responsibilities are set out in section 21 of the WEPP Act, contained in clause 1, section 21 of this Bill.)

- Allowing the legal framework that supports the application process to be set in regulations will allow the application process and the supporting legal framework to be developed concurrently.
- Allowing the legal framework for the application process to be set in regulations (rather than in the text of the Act itself) will simplify the process of fine-tuning the application process as the Program is implemented (in order to allow any improvements in the application process which may become apparent as the Program is being implemented).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	9, 10	APPLICATION FOR PAYMENT

Proposed Wording

9. If the Minister determines that the applicant is eligible for a payment, the Minister must approve the making of the payment.

10. The Minister must inform the applicant of the Minister's determination.

Rationale

Though information on the identity of WEPP claimants and the amounts of their claims will be produced by insolvency professionals under section 21 of the Act (see Clause 1, section 21 of the Bill), ultimate responsibility for determining the amount of each entitlement to the WEPP will lie with the Minister (or designate). This will ensure accountability as the Minister will be responsible for the administration of the Program.

Furthermore, section 11 re-enforces the responsibility of the Minister for the administration of the Program, and clearly establishes the program administrator as the point of contact for the purpose of processing applications (rather than other organizations or individuals involved, such as insolvency professionals or labour law enforcement officials.)

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	11, 12 and 13	REVIEW AND APPEAL

Proposed Wording

11. An applicant who is the subject of a determination may, in accordance with the regulations, request a review of the determination.

12. After considering the request for a review, the Minister may confirm, vary or rescind the determination.

13. Subject to the right of appeal under section 14, the review decision is final and may not be questioned or reviewed in any court.

Rationale

This section sets out a mechanism for decisions of the Minister on WEPP claims to be reviewed.

Scope of the review:

The review occurs strictly on issues of fact. The purpose of the review is to detect errors that occur in the administration of the Program in order to:

- enhance fairness for WEPP claimants, who may not have received their full entitlement; and
- promote efficiency in the administration of the Program, as the detection of errors will allow steps to be taken to reduce their occurrence.

Issues of jurisdiction, or the interpretation of the Act or its regulations, are addressed in the appeal process, set out in sections 14 to 20 of the WEPP Act (see clause 1, sections 14 to 20 of the Bill.)

Procedures in the review process:

The right to a review is automatic, and the review decision is final and may not be appealed (except on grounds of interpretation of the Act or its regulations, or on a question of jurisdiction).

The review will be undertaken by the administrator of the Program itself; there is no recourse to an outside authority or body to conduct the review process. The program administrator is in the best position to undertake the review because it has the most direct access to the facts and evidence necessary to conduct a full factual review of each application. Moreover, the use of program administration staff to conduct reviews will allow those reviews to be completed more quickly and at less expense than referring the issue to an outside adjudicator or investigator. Finally, the program administrator would face no conflict of interest in undertaking the review; the subject matter of the review is factual and does not address issues of interpretation of the WEPP Act or its jurisdiction. These issues can be addressed through the appeal mechanism, set out in sections 14 to 20 of the Act (refer to clause 1, section 14 to 20 of the Bill, below.)

The Minister has broad powers to acquire information necessary to conduct a thorough investigation and to acquire evidence (see sections 24 to 26). Subject to the right of appeal spelled out in section 14 (see below), the decision of the review is final.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	14, 15, 16, 17, 18, 19 and 20	REVIEW AND APPEAL

Proposed Wording

14. An applicant may appeal a review decision to an adjudicator only on a question of law or a question of jurisdiction. An appeal must be made in accordance with the regulations.

15. An appeal is to be heard by an adjudicator appointed by the Minister.

16. An appeal is an appeal on the record.

17. After considering an appeal, the adjudicator may confirm, vary or rescind the review decision.

18. The adjudicator must send a copy of his or her decision, and the reasons for it, to each party to the appeal.

19. The adjudicator's decision is final and may not be questioned or reviewed in any court.

20. No order shall be made, process entered or proceeding taken in any court — whether by way of injunction, *certiorari*, prohibition, *quo warranto* or otherwise — to question, review, prohibit or restrain an adjudicator in any proceedings of the adjudicator.

Rationale

These sections set a process by which the determinations of the minister can be appealed.

Scope of appeals:

Appeals are limited to questions of “law” or “jurisdiction”. In other words, appeals deal with the application and interpretation of the Act. Adjudicators' rulings will provide precedents that will guide future interpretation of the Act and its regulations. Appeals are made “on the record” (s. 16), i.e. based on the facts established in the claim in question, and issues of fact cannot be raised in the appeal.

Questions of fact must be resolved in the “Review” process set out in sections 11 to 13 of the Act (See clause 1, sections 11 to 13 of the Bill, above.) The separation of the “Review” and “Appeal” mechanisms ensures that WEPP claimants have sufficient recourse in the event that they are wrongly denied benefits. It also assures that the appeal and review mechanisms operate in a way that does not impose unreasonable costs and administrative burdens on the Program.

Procedures:

The manner of applying for appeal will be set out in regulations. Appeals will be heard by an adjudicator who is appointed by the Minister but who is not involved in the administration of the WEPP – to ensure fairness and objectivity. The independence of the adjudicator in these cases is critical as the interpretation of the Act, its regulations and its jurisdiction are more controversial than isues of fact, and the WEPP’s administrators may be placed in a conflict of interest if they were required to decide such issues.

The adjudicator’s decision is final and not reviewable in any court (s. 19), nor can any court restrain an adjudication proceeding (s. 20). The powers of the adjudicator in exercising his or her functions (e.g. summoning witnesses, deciding which parties have standing at the appeal) rest on fundamental principles of administrative law, and are therefore not spelled out in the Act.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	21	ADMINISTRATION (DUTIES OF TRUSTEES AND RECEIVERS)

Proposed Wording

21. (1) For the purposes of this Act, every trustee and receiver shall

(a) identify each individual who is owed wages by a bankrupt or insolvent employer, as the case may be, that were earned during the period of six months immediately before the date of the bankruptcy or the first day on which there was a receiver in relation to the employer;

(b) determine the amount of wages owing to each individual in respect of that six-month period;

(c) inform each individual of the existence of the program established by section 4 and the conditions under which payments may be made under this Act;

(d) provide the Minister and each individual, in accordance with the regulations, with information prescribed by the regulations in relation to the individual and the amount of wages owing to the individual in respect of the six-month period; and

(e) inform the Minister

(i) in the case of a trustee, when he or she is discharged, and

(ii) in the case of a receiver, when the receiver has completed his or her duties as receiver.

(2) A trustee or receiver must comply with any directions of the Minister relating to the administration of this Act.

Rationale

This provision sets out the role for trustees and receivers in the administration of the WEPP.

Trustees and receivers who fail to fulfil these obligations may be liable for punishment under section 38(2) of the Act (refer to clause 1, section 38 of the Bill). Most cases in which insolvency professionals fail to comply with these duties will be addressed by the Superintendent of Bankruptcy, who has substantial authority to punish the misconduct of trustees using administrative sanctions. Note also that receivers who are appointed under section 243(2) of the *Bankruptcy and Insolvency Act* (BIA) will also be subject to these administrative sanctions under a new provision (section 243(4) of the BIA; refer to clause 115(2), section 243(4) of the Bill).

Sections 21(1), (a) to (d):

These duties have been assigned to trustees and receivers as they are most-qualified and are best situated to carry out these responsibilities in the most efficient and cost-effective way. Trustees and receivers bear responsibility for verifying proofs of claim against the estate of the bankrupt or insolvent employers; assessing amounts of wage claims for the purposes of the WEPP is a natural extension of that responsibility. As individuals in possession of the assets of employers, they have access to the documents of employers which are essential to establishing the amounts of unpaid wage claims. Moreover, insolvency professionals have expertise with respect to the management of business records, and they have the authority under the BIA to require relevant assistance from the bankrupt or insolvent employer to assist in establishing unpaid wage claims.

Sections 21(1)(e):

This requirement will facilitate the administration of the WEPP as the Program will have an interest in monitoring the progress of the bankruptcy and receivership proceedings, because the WEPP will subrogate the unpaid wage earner's claim as a creditor to the bankrupt or insolvent employer (see section 36(1) of the Act; clause 1, section 36(1) of the Bill).

Section 21(2):

This will enable the program administration to deal with issues that emerge with the implementation of the Program efficiently and expeditiously. (The authority of the Minister responsible to issue instructions to trustees and receivers is contained in section 23 of the WEPP Act; refer to clause 1, section 23 of the Bill).

It is important to note that failure to comply with these directives is *not* considered to be an offence under section 38 of the WEPP Act, in the same way that failing to comply with duties required in section 21(1) is an offence (refer to clause 1, section 38 of the Bill). The reason why failing to comply with directives of the minister is not considered to be a punishable offence is that the content of the directives is not set out in the statute, and holding insolvency practitioners liable for failing to conform with requirements not set out in an Act or its regulations would be patently unfair. However, compliance with the directives would be enforceable through the administrative sanctions available to the Superintendent of Bankruptcy under the provisions of the BIA.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	22	ADMINISTRATION (DUTIES OF TRUSTEES AND RECEIVERS)

Proposed Wording

22. (1) A trustee or receiver who performs duties for the purposes of this Act may charge reasonable fees and disbursements for the performance of those duties.

(2) The fees and disbursements are to be paid out of the property or estate of the bankrupt or insolvent employer.

Rationale

This section provides for the payment of receivers and trustees for performing duties under this Act.

Remuneration of trustees:

Current provisions of the *Bankruptcy and Insolvency Act* (BIA) allow trustees to charge their fees and expenses ahead of the claims of all *unsecured* creditors (under section 136(1)(b)(ii)) – behind only the reasonable funeral expenses of a deceased debtor, and any fees charged by an individual appointed by the Superintendent of Bankruptcy to oversee or administer the bankrupt estate.

Remuneration of receivers:

With respect to receivers who are *privately appointed*, i.e. are appointed by a secured creditor under a security agreement, the remuneration is either paid directly by the secured creditor who appoints the receiver, or the security agreement allows the receiver to charge fees and expenses on the property that the receiver takes into possession.

With respect to receivers or receiver managers who are appointed under the authority of a court order, the court making the order has discretion to allow the receiver to charge reasonable fees and expenses on the property of the bankrupt employer.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	23	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

23. (1) The Minister may give directions to trustees and receivers in respect of the performance of their duties under this Act.

(2) A direction given by the Minister is not a statutory instrument within the meaning of the *Statutory Instruments Act*.

Rationale

This will enable the program administration to deal with issues that emerge with the implementation of the Program efficiently and expediently. (Trustees and receivers will be compelled to comply with these directives under section 21(2) of the WEPP Act; refer to Clause 1, section 21(2) of the Bill).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	24	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

24. (1) For the purposes of the administration of this Act, the Minister may

(a) summon any person before him or her and require the person to give evidence, orally or in writing, and on oath or, if the person is entitled to affirm in civil matters, on solemn affirmation;

(b) require any person to provide the Minister with any information or document that the Minister considers necessary; and

(c) require any person to provide an affidavit or a statutory declaration attesting to the truth of any information provided by the person.

(2) Any person, if designated by the Minister for the purpose, may administer oaths and take and receive affidavits, statutory declarations and solemn affirmations for the purpose of or incidental to the administration of this Act. Every person so designated has, with respect to any such oath, affidavit, declaration or affirmation, all the powers of a commissioner for administering oaths or taking affidavits.

(3) The Minister may, for the purposes of administering this Act, accept any oath administered or any affidavit, statutory declaration or solemn affirmation taken or received by any person who has the powers of a commissioner for taking affidavits and who is an officer or employee of

(a) a department or other portion of the federal public administration specified in any of Schedules I, IV and V to the *Financial Administration Act*; or

(b) a department of the government of a province.

Rationale

This section provides the Minister with the powers necessary to acquire any information required to administer the WEPP, including summoning witnesses and compelling testimony; and requiring individuals to provide documents.

These powers facilitate the administration of the Program in three ways:

- supporting the Minister in undertaking reviews of determinations of WEPP payments, at the request of WEPP claimants who may have been denied their full entitlement (see sections 11 to 14 of the Act; clause 1, sections 11 to 14 of the Bill);
- undertaking audits of past WEPP claims (see section 31 of the Act; clause 1, section 31 of the Bill); and
- investigating offences under the Act (see section 38 of the Act; clause 1, section 38 of the Bill).

Determining entitlement of WEPP applicants and conducting reviews of applications:

These powers may be useful in certain exceptional cases in which an application to the Program is highly controversial, or in cases in which an applicant is dissatisfied with the determination of the Minister and requests a review under section 11 of the Act (see clause 1, section 11 of the Bill).

Undertaking audits of WEPP claims:

The power of the Minister to compel evidence under oath and to require individuals to produce documents will allow audits of past WEPP applications to be conducted efficiently and effectively.

The Minister has the power, under section 31 of the Act, to conduct audits of past applications to the WEPP for periods of up to three years in order to detect over-payments and under-payments; this power is extended to six years if the Minister has reasonable grounds to believe that an application to the WEPP was made on fraudulent grounds (see Clause 1, section 31 of the Bill). The power to audit claims is essential for ensuring the efficient administration of the Program (by detecting errors in its delivery) and ensuring its integrity (by detecting fraudulent activity so that overpayments can be recovered and abuse of the Program can be sanctioned).

Investigating offences under the Act:

The power to compel written and oral evidence is important for the purpose of developing evidence for the purposes of investigating and prosecuting offences committed under the Act.

Offences under the Act are listed in section 38, and include frauds committed against the Program and failure to comply with requirements of the Act (refer to Clause 1, section 38 of the Bill). These provisions are essential for protecting the integrity of the Program as they provide a means to punish (and deter) activity which abuses and defrauds the Program and provide an important tool for ensuring accountability of those who are responsible for the administration of the Program.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	25, 26	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

25. (1) A person designated by the Minister for the purpose may, at any reasonable time, enter any place in which he or she reasonably believes there is any information or document relevant to the administration of this Act and may, in that place,

(a) inspect any books, records, electronic data or other documents that he or she reasonably believes may contain information that is relevant to the administration of this Act;

(b) use or cause to be used any computer system to examine any data contained in or available to the computer system;

(c) reproduce or cause to be reproduced any record from the data in the form of a print-out or other intelligible output;

(d) take any document or other thing from the place for examination or, in the case of a document, for copying; and

(e) use or cause to be used any copying equipment to make copies of any documents.

(2) If any place referred to in subsection (1) is a dwelling-house, the designated person may not enter the dwelling-house without the consent of the occupant, except under the authority of a warrant issued under subsection (3).

(3) A judge may issue a warrant authorizing the designated person to enter a dwelling-house subject to the conditions specified in the warrant if, on *ex parte* application, the judge is satisfied by information on oath that

(a) there are reasonable grounds to believe that the dwelling-house is a place referred to in subsection (1);

(b) entry into the dwelling-house is necessary for any purpose related to the administration of this Act; and

(c) entry into the dwelling-house has been, or there are reasonable grounds to believe that entry will be, refused.

(4) If the judge is not satisfied that entry into the dwelling-house is necessary for any purpose related to the administration of this Act, the judge may, to the extent that access was or may be expected to be refused and that information or documents are or may be expected to be kept in the dwelling-house,

(a) order the occupant of the dwelling-house to provide the Minister, or a person designated by the Minister for the purpose, with reasonable access to any information or document that is or should be kept in the dwelling-house; and

(b) make any other order that is appropriate in the circumstances to carry out the purposes of this Act.

26. The owner or person in charge of a place that is entered by the designated person and every person found there must

(a) give the designated person all reasonable assistance to enable him or her to exercise his or her powers and perform his or her duties; and

(b) provide the designated person with any information relevant to the administration of this Act that he or she requires.

Rationale

This section provides the Minister (or designate) with the powers necessary to acquire any information required to administer the Program.

The power to enter a dwelling-place is subject to judicial oversight, as the Minister (or designate) would require a warrant to enter a dwelling-place in the event that voluntary access to the dwelling place is refused, and the court may decide to require the occupant of the dwelling-place to produce information in lieu of supplying a warrant.

The purpose of these provisions is to facilitate the administration of the Program by allowing the Minister (or designate) to acquire information relevant to:

Determining entitlement of WEPP applicants and conducting reviews of applications:

The powers provided to the Minister in this section – to enter “any place” and to examine documents and electronic data – will provide the program administration with the tools necessary to acquire any information that may be relevant to determine whether or not an individual is entitled to a payment from the WEPP, and ascertain the full extent of that entitlement. This may be useful in certain exceptional cases in which an application to the WEPP is highly controversial, or in cases in which an applicant is dissatisfied with

the determination of the Minister and requests a review under section 11 of the Act (see clause 1, section 11 of the Bill).

Undertaking audits of WEPP claims:

The power of the Minister (or designate) to enter places (including dwellings) and examine documents and electronic data will allow audits of past WEPP applications to be conducted efficiently and effectively.

The Minister (or designate) has the power, under section 31 of the Act, to conduct audits of past applications to the Program for periods of up to three years in order to detect over-payments and under-payments; this power is extended to six years if the Minister (or designate) has reasonable grounds to believe that an application to the Program was made on fraudulent grounds (see clause 1, section 31 of the Bill). The power to audit claims is essential for ensuring the efficient administration of the Program (by detecting errors in its delivery) and ensuring its integrity (by detecting fraudulent activity so that overpayments can be recovered and abuse of the Program can be sanctioned).

Investigating offences under the Act:

The power to enter places (including dwellings) and examine documents and electronic data for the purposes of investigating and prosecuting offences committed under the Act.

Offences under the Act are listed in section 38, and include frauds committed against the Program and failure to comply with requirements of the Act (refer to clause 1, section 38 of the Bill). These provisions are essential for protecting the integrity of the Program as they provide a means to punish (and deter) activity which abuses and defrauds the Program and provide an important tool for ensuring accountability among those who are responsible for the administration of the Program.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	27	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

27. Despite section 127 and subsection 139(5) of the *Employment Insurance Act*, personal information relating to an applicant that is collected or obtained by the Canada Employment Insurance Commission must, if requested by the Minister, be made available to the Minister to determine the applicant's eligibility to receive a payment under this Act.

After the *Human Resources and Skills Development Act* (Bill C-23) came into force, the wording of this section will be replaced by the following, in which the reference to section 127 of the *Employment Insurance Act* is omitted (refer to clause 140(2) of this Bill):

27. Despite subsection 139(5) of the *Employment Insurance Act*, personal information relating to an applicant that is collected or obtained by the Canada Employment Insurance Commission must, if requested by the Minister, be made available to the Minister to determine the applicant's eligibility to receive a payment under this Act.

Rationale

This section allows personal information about Employment Insurance (EI) claimants that is gathered by the EI program to be shared with the Minister for the purposes of administering the Wage Earner Protection Program (WEPP). In particular, information contained in the Record of Employment (ROE), the document that certifies an individual's insurable employment for the purpose of determining EI eligibility, can be shared with the Minister to determine the eligibility of claimants to WEPP payments.

The sharing of information between the EI program and the WEPP administration will promote efficiency in both programs.

- The WEPP and the EI program will need to maintain an information sharing relationship as the payment of WEPP benefits (if it includes amounts for earned but unused vacation pay) will affect the EI benefits of an individual who is receiving both a WEPP payment and EI benefits. (See the Annex attached to this note for a full explanation of the affect WEPP payments may have on EI benefits). Sharing

personal information between the two programs will allow EI benefits to be adjusted quickly and easily, thereby preventing the emergence of over-payments of EI benefits which would have to be recovered directly from EI claimants.

- The EI program collects information on the ROE that will be useful in establishing WEPP claims, including confirmation of the WEPP applicant's employment status, their Social Insurance Number (SIN), their wage rates and their hours of work.

The wording of this section changed with the coming into force of the *Human Resources and Skills Development Act* because this legislation repealed section 127 of the *Employment Insurance Act* and replaced it with provisions governing the use of personal information for all programs that operate within the mandate of the department – including the WEPP and the EI program.

Present Law

Not applicable.

ANNEX

Why does the EI program “claw back” payments that workers receive from bankrupt employers?

The EI program provides coverage for workers who are unemployed – who are no longer being paid, and who are available for work.

At present, any money which is paid to workers as a result of a separation from employment – including severance, termination, or earned but unused vacation pay owing to the worker for the period leading to the job loss – is “allocated to the claimant’s normal weekly earnings”. This allocation means that the claimant is deemed to have received the money as earnings up to the equivalent of their normal weekly earnings, for however many weeks that the payment would cover, and the payment of benefits from the EI fund is suspended during that period.

However, if the claimant has received payments that have been allocated and the EI benefits have been suspended, then the claimant can have his or her benefit period extended by the amount of time that the suspension of benefits lasted – if they reach the end of their EI benefit period.

To take an example, if a WEPP claimant – who was also receiving EI benefits – received payment of two weeks of earned but unused vacation pay as part of her WEPP payment, then her EI benefits would be suspended for a two week period. However, if that claimant reaches the end of her EI benefits, then her benefits will be extended by two weeks in recognition of the fact that her EI benefits were suspended for two weeks during her benefit period.

Finally, it is important to note that this EI “allocation” of benefits applies only to amounts of vacation, termination and severance pay. It does not apply to wages that are owing for a period before the separation from employment.

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Bill Clause No.	Section No.	Topic
1	28	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

28. Personal information that has been collected or obtained by the Minister in the administration of this Act may be disclosed by the Minister to any person or body, to the extent that the disclosure is necessary in order for the Minister to obtain information required for the administration of this Act.

This section is repealed after the coming into force of Bill C-23 – the *Department of Human Resources and Skills Development Act* (see clause 140(3) of this Bill).

Rationale

The *Department of Human Resources and Skills Development Act* governs the transmission of personal information from any program operated by that department to an outside body (including the Wage Earner Protection Program). Including a power to transmit information in this Act would therefore be redundant.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	29	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

29. No person shall knowingly use, communicate or allow to be communicated the Social Insurance Number of an individual that was obtained for a purpose related to an application for a payment under this Act except for the purpose of the administration or enforcement of this Act or the *Income Tax Act*.

Rationale

This section is designed to protect the integrity of the Social Insurance Number by restricting its transmission.

Present Law

Not applicable.

BRIEFING BOOK

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Bill Clause No.	Section No.	Topic
1	30	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

30. The Minister may delegate to any person the exercise of any power or the performance of any duty or function that may be exercised or performed by the Minister under this Act.

Rationale

This provision allows the Minister to delegate his or her powers and functions under the Act.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	31	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

31. (1) Subject to subsections (2) to (4), the Minister may, on his or her initiative, conduct an audit of any application for payment under this Act.

(2) An audit of an application in respect of which a payment was made may be conducted at any time within three years after the day on which the payment was made.

(3) If the Minister has reasonable grounds to believe that a payment was made on the basis of any false or misleading information, an audit of the application in respect of which the payment was made may be conducted at any time within six years after the payment was made.

(4) An audit of an application in respect of which no payment was made may be conducted at any time within three years after the day on which the applicant was sent a notice informing the applicant that he or she was not eligible to receive a payment.

Rationale

This provision allows the Minister to audit payments from the WEPP after they are made in order to detect errors or fraudulent claims.

The power to conduct audits is reinforced by the powers given to the Minister to compel witnesses to give evidence under oath and to summon documents under section 24 of the Act (refer to clause 1, section 24 of the Bill, above) and to enter locations and dwelling places to obtain information under sections 25 and 26 of the Act (refer to clause 1, sections 25 and 26, above).

This provision will ensure accountability in the administration of the WEPP while providing a tool to detect fraudulent applications which can be addressed through other provisions of the Act.

Ensuring accountability and fairness:

The audit powers provided in this section allow the Minister (or designate) to ensure accountability in the administration of the Program by detecting errors in past applications. Other sections of the Act provide the tools necessary to correct those errors.

- Section 34 allows the Minister (or designate) to pay amounts that were owing to individuals who did not receive their full entitlement under the Program (refer to clause 1, section 34 of the Bill).
- Sections 32 and 33 enable the recovery of over-payments from WEPP claimants (refer to clause 1, sections 32 and 33 of the Bill).

Protecting the integrity of the Program:

The audit powers also allow the Minister (or designate) to protect the integrity of the Program by providing a tool to detect fraudulent activity. The audit function provides the Minister (or designate) with a tool to gather information necessary to recover over-payments from the Program (which is enabled under sections 32 and 33 of the Act) and to gather evidence necessary to prosecute frauds perpetrated against the Program (under sections 38 and 39 of the Act.) This audit function will also serve as a deterrent to fraudulent activity.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	32, 33	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

32. (1) If the Minister determines that an individual who received a payment was not eligible to receive the payment or has received a payment in an amount greater than the amount the individual was eligible to receive, the Minister shall send to the individual a notice

(a) informing the individual of the determination; and

(b) specifying the amount that the individual was not eligible to receive.

(2) The amount specified in the notice may be recovered from the individual as a debt due to Her Majesty in right of Canada.

(3) The amount of any debt referred to in subsection (2) that remains unpaid 30 days after the notice referred to in that subsection is sent may be certified by the Minister, and registration of the certificate in the Federal Court has the same effect as a judgment of that Court for a debt of the amount specified in the certificate and all related registration costs.

33. If the Minister is of the opinion that a person is or is about to become liable to make a payment to a person who is liable to Her Majesty under section 32, the Minister may, by written notice, order the first person to pay to the Receiver General, on account of the second person's liability, all or part of the money otherwise payable to the second person.

Rationale

These sections give the Minister the power to protect the integrity of the Program by recovering over-payments from the WEPP. Such overpayments would be detected through audits conducted under section 31 of the Act (see clause 1, section 31, above) and through investigations undertaken with the powers of the Minister (or designate) to summon witnesses, compel documents, and search locations and dwellings for information.

Over-payments will be considered debts to the Crown, and the procedures to recover the debt include:

- writing to the individual informing them of the over-payment and demanding repayment as a debt to the Crown;
- after 30 days of the notice, the Minister (or designate) may (but is not compelled to) register a certificate of the over-payment in the Federal Court, so that the payment notice acquires the legal status of being a judgement of the Court and becomes enforceable as a judgement of the Court. The debtor must also bear the costs of certification and any related costs. The power of the Minister is elective in order to allow individuals who owe an overpayment to request more time to repay the amount (over and above the 30 day limit), in order to avoid imposing hardships on individuals who incurred an overpayment from the Program through no fault of their own. The registration enables the Minister (or designate) to take legal measures to recover the amount owing (e.g. seizing the assets of the person liable for the overpayment, and selling them); and
- garnishing any payments which a third party makes to the recipient of the over-payment.

Present Law

Not applicable.

BRIEFING BOOK

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Bill Clause No.	Section No.	Topic
1	34	ADMINISTRATION (POWERS OF MINISTER)

Proposed Wording

34. If the Minister determines that an individual has not received a payment that he or she is eligible to receive, or has not received the full amount that he or she is eligible to receive, the Minister shall approve a payment to the individual in an amount equal to the amount that the individual did not receive.

Rationale

This provision will ensure greater fairness for applicants to the Program. Underpayments would be detected through audits conducted under section 31 of the Act (refer to clause 1, section 31 of the Bill) and, possibly, through investigations undertaken by the Minister (or designate) under sections 24 to 26 of the Act (refer to clause 1, sections 24 to 26 of the Bill).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	35	FINANCIAL PROVISIONS

Proposed Wording

35. There may be paid out of the Consolidated Revenue Fund all payments authorized to be made under this Act.

Rationale

This provision identifies the funding source of funds for the Program – the Consolidated Revenue Fund (CRF).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	36	FINANCIAL PROVISIONS

Proposed Wording

36. (1) If a payment is made under this Act to an individual in respect of unpaid wages, Her Majesty in right of Canada is, to the extent of the amount of the payment, subrogated to any rights the individual may have in respect of those unpaid wages against

(a) the bankrupt or insolvent employer; and

(b) if the bankrupt or insolvent employer is a corporation, a director of the corporation.

(2) For the purposes of subsection (1), Her Majesty in right of Canada may maintain an action against a bankrupt or insolvent employer, or a director, either in the name of the individual referred to in that subsection or in the name of Her Majesty in right of Canada.

Rationale

This provision requires an individual who receives a payment from the WEPP to sign over his or her claim as a creditor against the bankrupt or insolvent employer's estate to the government, *up to the amount of the payment that he or she receives from the WEPP*. If the unpaid wage earner is owed any amounts not covered by the WEPP payment (e.g. for wage claims over and above the \$3,000 limit, or for severance and termination pay), he or she can still submit a proof of claim against the employer's estate, or pursue payment from corporate directors (in jurisdictions in which corporate or labour laws hold corporate directors personally liable for those amounts).

This provision allows the Government of Canada to:

Recover pay-outs from the Program:

The WEPP will recover pay-outs as fully as possible by making claims against the bankrupt employer's estate in the place of the wage earner. This Bill (clause 67, sections 81.3 and 81.4) proposes a "limited super priority" in the BIA that will cover bankruptcies and receiverships. The limited super priority will allow unpaid wage claims, up to \$2,000, to be paid out of the proceeds of current assets (including inventory, accounts receivable and cash on hand), ahead of secured creditors. Furthermore, the existing

“preferred creditor” status – set out under section 136(1)(d) – will remain for any amounts owing, under the \$2,000 cap, that were not satisfied through the current assets (if there are any “fixed” assets left after the claims of secured creditors and the claims of “preferred creditors” that take priority over unpaid wage claims). With the new limited super priority, combined with the existing preferred creditor status of unpaid wage claims, it is estimated that the Government will be able to recover up to half of unpaid wage claims.

Deter strategic behaviour on the part of employers:

This provision will deter strategic behaviour on the part of employers (i.e. the “moral hazard”) who may forego paying wages in the period leading to bankruptcy on the understanding that payment would be forthcoming from the WEPP. The deterrent is provided through s. 36(1)(b) and 36(2), which allow the Government of Canada to assume the rights of unpaid employees against the directors of insolvent companies under existing provisions in labour and corporate statutes. The threat of a legal action from the federal government to recover unpaid wages will provide a strong incentive for corporate directors to take steps to ensure that the business does not default on its obligation to pay wages as they become due.

Encourage secured lenders to monitor payment of wages:

The limited super priority will provide an incentive for employers to meet their payroll obligations, which will prevent abuse of the Program. The limited super priority will give unpaid wage claims (up to \$2,000) priority ahead of secured creditors on current assets. Secured lenders will therefore monitor employers to ensure that they will meet their payroll obligations, as any amounts for unpaid wages that accumulate will reduce the amount that those creditors can realize from the current assets.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	37	FINANCIAL PROVISIONS

Proposed Wording

37. An amount that is payable under this Act is not capable of being assigned, charged, attached, anticipated or given as security and any transaction appearing to do so is void or, in the Province of Quebec, null.

Rationale

This section is intended to prevent individuals who are entitled to payment from signing that right over to another party. This measure is designed to prevent confusion in the administration of the WEPP (by preventing the payment of benefits to any party except the claimant, unless the payment is lawfully garnished by a third party). However, this provision still allows applications to be made on behalf of individuals (e.g. through a union or labour department) on the condition that the payment be made directly to the unpaid wage earner.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	38(1)	OFFENCES AND PENALTIES

Proposed Wording

38. (1) Every person commits an offence who

(a) makes a false or deceptive entry, or omits to enter a material particular, in any record or book of account that contains information that supports an application under this Act;

(b) in relation to an application under this Act, makes a representation that the person knows to be false or misleading;

(c) in relation to an application under this Act, makes a declaration that the person knows is false or misleading because of the non-disclosure of facts;

(d) being required under this Act to provide information, provides information or makes a representation that the person knows to be false or misleading;

(e) obtains a payment under this Act by false pretence;

(f) being the payee of any cheque issued as a payment under this Act, knowingly negotiates or attempts to negotiate it knowing that the person is not entitled to the payment or any part of the payment; or

(g) participates in, assents to or acquiesces in an act or omission mentioned in any of paragraphs (a) to (f).

Rationale

This section is designed to protect the integrity of the Program by prohibiting acts of fraud against it, or any actions that impede the administration of the Act. These offences are punishable under section 38(3) of the Act (refer to clause 1, section 38(3)).

Present Law

Not applicable.

BRIEFING BOOK
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Bill Clause No.	Section No.	Topic
1	38(2)	OFFENCES AND PENALTIES

Proposed Wording

38. (2) Every person who fails to comply with any of the requirements of subsection 21(1) commits an offence.

Rationale

Receivers and trustees who fail to comply with the requirements set out for them in the administration of the WEPP, as set out in section 21(1) of the Act (refer to clause 1, section 21(1) of the Bill) are guilty of an offence. However:

- it is anticipated that this provision will be rarely used; rather, in the event that trustees or receivers fail to fulfil their obligations, recourse will be pursued under section 14.01 of the *Bankruptcy and Insolvency Act* (BIA). Under amendments proposed to the BIA in this Bill (refer to clause 115(2), section 243(4)), receivers who are appointed for receiverships that fall within the parameters of the BIA (under section 243(2)) must be licensed trustees in bankruptcy and can therefore be sanctioned for misconduct by the Superintendent of Bankruptcy under section 14.01 of the BIA.
- it should be noted that the failure to comply with directives from the Minister (under s. 21(2)) is not considered an offence. This omission is deliberate, as it would be unfair to use criminal sanctions for failing to meet a requirement that is not set out in the Act.

Present Law

Not applicable.

BRIEFING BOOK
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Bill Clause No.	Section No.	Topic
1	38(3)	OFFENCES AND PENALTIES

Proposed Wording

38. (3) A prosecution for an offence under subsection (1) or (2) may be commenced at any time within six years after the time when the subject-matter of the prosecution arose.

Rationale

The six-year limitation on the prosecution for offences corresponds to the six-year limit on the power of the Minister to audit WEPP payments in cases of suspected fraud under section 31(3) (refer to clause 1, section 31(3) of the Bill) because, in the case of the fraud-related offences described in section 38, the detection of most of these offences would occur through audits.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	39	OFFENCES AND PENALTIES

Proposed Wording

39. (1) Every person commits an offence who delays or obstructs a person in the exercise of his or her powers or the performance of his or her duties under this Act.

(2) A prosecution for an offence under subsection (1) may be commenced at any time within two years after the time when the subject-matter of the prosecution arose.

Rationale

This section prohibits individuals from obstructing an individual designated by the Minister to perform duties under this Act, in the performance of those duties. The two year limitation period set out in section 39(2) is shorter than the six-year limitation period for section 38(1) offences (refer to clause 1, section 38(3) of the Bill) because, unlike the offences listed in section 38(1) of the Act, the detection of the offence of obstructing the Minister (or designate) set out in section 39(1) will not rely on the auditing process enabled under section 31(3). (Previous claims to the Program may only be audited during a period of six years following the issue of payment to the claimant under section 31(3) of the Act. The six-year limitation for prosecuting offences under section 38(1) of the Act corresponds with the time limit on audits imposed by section 31(3).

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	40	OFFENCES AND PENALTIES

Proposed Wording

40. Every person who is guilty of an offence under section 38 or 39 is liable on summary conviction to a fine of not more than \$5,000 or to imprisonment for a term of not more than six months, or to both.

Rationale

This section provides proportionate penalties for offences committed under sections 38 and 39, in order to deter illegal activity and protect the integrity of the Program. The \$5,000 fine is meant to provide a financial penalty greater than the maximum amount that could be defrauded through a fraud perpetrated against the WEPP (i.e. \$3,000). This penalty provides a deterrent to fraudulent behaviour which enhances the deterrent effect of the power of the minister (or designate) to recover "overpayments" of WEPP benefits under section 32(3) of the Act, as any individual who received a payment from the WEPP to which he or she was not legally entitled could be compelled to repay the amount under section 32(3) of the Act (refer to clause 1, section 32(3) of the Bill).

Present Law

Not applicable.

BRIEFING BOOK

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Bill Clause No.	Section No.	Topic
1	41	REGULATIONS

Proposed Wording

41. (1) The Governor in Council may make regulations generally for carrying out the purposes of this Act, including regulations

- (a) prescribing any amounts to be wages for the purposes of this Act;
- (b) defining what constitutes a termination of employment for the purposes of paragraph 5(a);
- (c) specifying categories of wage earners and periods of time for the purposes of subsection 6(1);
- (d) defining the expressions “controlling interest” and “managerial position” for the purposes of subsection 6(2);
- (e) respecting the period within which, and the manner and form in which, applications for payments are to be made;
- (f) respecting the period within which and the manner in which payments are to be made;
- (g) respecting the period within which, and the manner and form in which, a review of a determination may be requested or an appeal may be made from a review decision;
- (h) prescribing the information that is to be provided by trustees and receivers to the Minister and to individuals for the purposes of paragraph 21(1)(d); and
- (i) respecting the period within which, and the manner and form in which, trustees and receivers are to provide the information referred to in paragraph (h).

(2) The Governor in Council may make regulations respecting the allocation of payments under this Act to the different components of wages for the purposes of subsection 7(3).

Rationale

The ability to set out details of the Program administration in regulations will facilitate the process of designing and implementing the Program itself.

- The details of the administration of the program will be too lengthy and cumbersome to be accommodated within the Act itself.
- Because orders-in-council can be adjusted more easily than legislation, placing many of the detailed legal requirements of the Program in regulations will allow the program to be adjusted as it is being implemented, if need be.
- Allowing details of the Program's administration to be set out in regulations will provide more time to develop the Program following the Royal Assent given to this Act.

For more information on the policy intent for each section of the Act in which regulation-making power is granted in this section, please refer to the briefing material that corresponds to the section listed in each clause of section 41.

Present Law

Not applicable.

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Bill Clause No.	Section No.	Topic
1	42	REVIEW OF ACT

Proposed Wording

42. Within five years after the day on which this section comes into force, the Minister must cause a review of this Act and its administration and operation to be conducted, and cause a report on the review to be laid before each House of Parliament on any of the first 15 days on which that House is sitting after the review is completed.

Rationale

This provision will ensure accountability by providing a requirement that a rigorous and systematic review of the Program be submitted to Parliament in order to facilitate Parliament's oversight of the Program. The five-year review period will allow sufficient time for:

- a formative evaluation of the program (to allow problems with the implementation to be identified and to allow adjustments to the Program); and
- a summative evaluation (which will allow the program to be evaluated with reference to its stated objectives).

Present Law

Not applicable.