Are you worried if your company pension will be there for you when you need it? Millions of Canadian are not so sure, especially after the dramatic collapse of Sears Canada.

When Sears filed for bankruptcy protection, thousands of workers were let go without any severance or termination pay, and those remaining lost all their health care, dental and life insurance benefits. Sears retirees lost all their benefits too, and now all former employees enrolled in the Sears pensions plan will lose those benefits permanently. Now the company has officially folded and retirees are waiting to hear who much their pension benefits will be reduced. Estimates are that retirees could lose anywhere from 20 to 30 percent of their monthly benefits.

Why is this happening? The simple answer is because Canadian law allows it to happen. Everything Sears has done is legal. The fact that Sears was able to let their pension plan be underfunded by $296 million is not just legal, but is common practice. And when a company goes bankrupt they are not obligated to make up that shortfall. That's because under Canada's inadequate bankruptcy and insolvency legislation secured creditors always get paid first, and monies owing to workers' pension funds comes second. In almost all cases, there is never anything left after the secured creditors have been paid.

The Sears workers and retirees are not the first to be tragically impacted by the bankruptcy of a Canadian Company. Many will remember the high profile melt down of Nortel. This star of Canadian high tech famously flamed out in 2009; the largest bankruptcy in Canadian history. Thousands of Canadians lost their jobs, all with no severance or termination pay. Nortel was carrying a $2.5 billion deficit to their pension plan. After 8 years of negotiations, Nortel employees learned their pensions would be cut from anywhere to 30 and 45 percent.

In many cases, while workers are losing wages and benefits while bankruptcy negotiations are taking place, company executives receive lucrative retention bonuses. In the case of Sears those bonuses amounted to $9.2 million and the in case of Nortel those bonuses topped $27 million. And why was this allowed to happen? Again, the simple answer is because Canadian law allows it to happen. It's all legal.

So what can be done? Obviously we need to level the playing field by making changes to federal bankruptcy and insolvency laws so worker's pensions and health benefits are given the same consideration during bankruptcy proceeding as secured creditors. My colleague, Scott Duvall, the Member of Parliament for Hamilton Mountain, has introduced a private members bill that would do just that. His bill would protect worker's pension and benefits first as well as force companies to provide termination and severance pay before paying secured creditors.

To date, the federal government has refused to act. Companies like Sears, Nortel and now Carillion continue to fail our workers. It's now time for the Liberal government to act so that no Canadian workers ever lose their earned pension and benefits again.