

*Government Orders*

The government is determined to respond to these concerns with reforms that make the plan simpler, more affordable and easier to manage. We will develop the reforms in partnership with my advisory committee which comprises representatives of the plan's major stakeholders including the public service unions. We will renew the mandate of the advisory committee to develop a strategy for the complete overhaul of the program and to produce a framework for a replacement.

The Government of Canada and its employee unions have been unable to come to a full resolution on the issue of equal pay for work of equal value. Indeed the issue is now before a human rights tribunal where it could sit unresolved for another two years if no means are found to settle the matter through negotiation.

At the same time, to make it easier to resolve pay equity concerns in the long term we need fundamental changes in the job classification and remuneration structures of the public service. I am looking forward to trying to find a less confrontational way of ensuring that employees receive compensation that is in fact gender neutral. We are looking for ways to try to bring about a negotiated settlement of the matter.

The notions of what is a job and what is work are changing. We are moving away from the 9 to 5 routine, the old office and factory of the age of industry. For example, more work is being done at home under a policy that we have: Treasury Board's three-year Telework pilot project. Work schedules have to be adjusted to the needs of clients. We need to be more flexible. We need to change the structure of work. As the public service unions and managers have a big role to play in the evolution, this topic will be on the table for joint action.

I raise all of these matters, as I reach my conclusion, to illustrate that even though there is a wage freeze, which means we cannot go to the bargaining table on wages, we can go to the bargaining table to attempt to deal with a number of other issues. These are just examples. There are others that both we and the unions want to raise at the table. Through those means we will help to build the relationship between employer and employee over the years ahead.

• (1040)

I hope my remarks have made clear the main elements of the approach the government will take with the public service.

[*Translation*]

To begin with, we respect and are fully aware of the contribution to be made by employees of the Public Service of Canada.

[*English*]

We shall seek the broadest possible dialogue with public service unions and managers.

[*Translation*]

We will involve Parliament closely in all the major issues affecting the public service.

[*English*]

When necessary we shall act directly through legislation to ensure that the government's fiscal requirements are met. We shall respect the employment security of public service employees. I summarize these principles because they will guide all our actions. We expect to be held to them and I welcome that.

Let me conclude where I began. This is a responsible budget. A responsible bill flows from that budget. I look forward to working with the managers and the union leaders of the public service in implementing the budget measures that I have just discussed.

[*Translation*]

**The Deputy Speaker:** Since there are no questions and comments, debate is resumed. I will now recognize the hon. member for Mercier.

**Mrs. Francine Lalonde (Mercier):** Mr. Speaker, I would like to start by pointing out that the previous speech was made by the President of the Treasury Board, and with respect, I think it is a disgrace that this government wants to change substantially how unemployment insurance works without introducing a separate bill to do so. Something even the Conservatives would not have dared to do.

The figures released yesterday on the total value of benefits paid, which will be reduced during 1994-95 and 1995-96—and I may recall that for each year this will be \$630 million in the Atlantic Provinces and \$735 million in Quebec—these figures show that the Maritime Provinces and Quebec will be hit with nearly 60 per cent of the cutbacks, although together they represent only one-third of the population. In fact, the Maritimes are being hit even worse. The Maritimes, or should I say the Atlantic Provinces, with 8.5 per cent of the population of Canada, will feel 26 per cent of the cuts, while Quebec is also seriously hit, with 25 per cent of the population and 31 per cent of the cuts.

I wanted to make this point because this amendment to the Unemployment Insurance Act does more than change the rules and the number of weeks. It marks the end of the redistributive effect of unemployment insurance. This effect was needed because of the widely differing economies in some of Canada's regions. I do not think the workers in these regions should be penalized for the poor state of the economy, especially when a government gets elected by saying: jobs, jobs, jobs, vote for us!

By making these cuts, the government is passing judgment on the economy of these provinces and the Maritimes. It is saying: It is useless to do anything to help you. Move somewhere else! So workers will have to move, and if they do not, they will only have themselves to blame. One minister says we can give them