Some parties in this House do not want to acknowledge those changes, but the fact is they are there. This government has tried to move Canada toward the 21st century. That is why we have had the initiatives in the area of trade that are so debunked across the aisle. That is why we have restructured the Canadian tax system to improve the productivity and the competitiveness of Canadian industry.

Another element of that is providing support for employment adjustment for the people who, as my friends like to tell us on a daily basis, have had their employment disrupted or indeed lost because of the changes in international competition in marketing and selling in business and so forth. This move toward active unemployment, providing opportunities for people to prepare themselves for opportunities that will exist in the future, is the direction in which we need to go. We think this approach of constantly opposing, opposing, opposing is a sort of head in the sand approach that does not make any more sense than the approach they have taken with respect to coming to grips with world trade and with the need to move our economy in a more competitive direction.

That is the reality of the situation. The approach that this government has taken with respect to unemployment insurance is quite consistent with this concept of trying to make the system work to assist and support Canadians to prepare them for the 21st century.

The reality is that we have been through a real tough recession. A recession means that everybody has less money to work with and the government is right in there with everybody else. Government revenues are down and unemployment rises during a recession. That is a reality of the situation, not a pleasant reality but it is a reality. More people unemployed means more draw on the unemployment insurance system.

What the Minister of Finance was faced with a couple of months ago when he brought in his economic statement was how we would pay for that. I know our friends opposite oppose every cost-cutting measure made by the government. They come up with a thousand ways the government should spend more money but they are a little bit short when it comes to ideas as to where the government gets the money to spend.

We know what the current Leader of the Opposition did when he was President of the Treasury Board. He did not worry about it. In the two years he held that office he managed to hold rising government spending to a mere 29 per cent, a record of which he was quite proud. I may have to check my math but I do not think government expenditures have grown 29 per cent since this government has been in power. The average growth is about 4 per cent. My math may be a little off but actually I think that is pretty darn close.

We know that the solution of the Leader of the Opposition to these problems is to not worry about it. Just like scrapping the GST. I love that one. Scrap the GST and some time in the future we will figure out where to get the money. That is not the approach this government takes.

This government's approach is if expenditures go up such as the draw on unemployment insurance, we deal with it either by holding the line on expenditures or by increasing the premiums. That is what insurance companies do, is it not? This is supposed to be an insurance scheme, though as I said earlier it has also become an income support scheme.

One of the things this government felt would stimulate small business and would help the regeneration of our economy coming out of this recession is of course to try to make more money available to the business community by holding the line on UI premiums. That meant there had to be some cost-cutting measures.

I received a letter today from a gentleman by the name of Ron Burgess of Rose Bay, Nova Scotia. I have never met Mr. Burgess but he writes me frequently. I have to say in fairness and honesty to him he is usually pretty critical of me and the government and that is his right as a citizen. I always write him back because he usually has a good point and I try to present our point of view.

In his letter he was scorching me pretty good because he said we were cutting back the unemployed with this proposal to reduce the percentage from 60 per cent to 50 per cent. What Mr. Burgess does not understand and what a lot of people across Canada do not understand is that the amount of money to be received by the unemployed is not being reduced at all because the contribution ceiling is going up and the percentage drops a little bit. The net result is that the recipient gets the same amount of money.