

Government Orders

Premium rollbacks will also create an environment for employment growth, but premium reduction alone is not enough to give us an effective UI program for the 1990s. That is why we are proposing other measures to create a new climate which gives greater recognition to long term work records.

We know that almost half of the Canadians claiming benefits have worked for 40 weeks or longer before making a claim. We know that they have a long and a strong attachment to the economy through the workplace. In keeping with this reality the proposed changes strengthen the link between work history and unemployment insurance eligibility.

The provisions call for raising the minimum length of time an employee would have to work to be eligible for unemployment insurance benefit only from 10 weeks to 12 weeks. We are also proposing a new formula to calculate benefits, a formula that takes greater account of the amount of weeks worked while still being sensitive to regional rates of unemployment.

I am certain my hon. colleagues do not need to be reminded of the regional differences that persist in employment opportunities. With those differences in mind, we are proposing a formula that continues to link extra benefits to the level of unemployment in a claimant's particular region. The unemployed in high unemployment areas will be eligible for up to 20 more weeks of benefits than claimants with similar work histories in the most robust regional economies in Canada. In fact the Atlantic provinces as a whole will receive \$970 in unemployment insurance per capita and Quebec will receive \$730 per capita compared to \$675 per capita for all of Canada.

Another proposal would find greater unemployment insurance benefits to claimants who have low incomes and dependants. Under current rules people who claim unemployment insurance receive a benefit rate of 57 per cent no matter what their circumstances. The proposed changes would mean that the benefit rate would be increased to 60 per cent for unemployed workers who had low incomes equal to or less than \$390 per week and were supporting dependants: children, an aged parent or other dependant. The benefit rate for all claimants would be 55 per cent.

This is an important change since Canada, one of the wealthiest industrialized nations, has about 1.2 million children living in poverty. The proposal for greater assistance to low income UI claimants with dependants will help these children, those most in need and their mothers, many of whom are raising children in poverty as single parents.

Approximately 240,000 claimants will gain from the enhanced benefit rate. Most UI recipients go from unemployment

insurance to a job. Two-thirds of all unemployment insurance recipients will not be affected by the reduction in the duration of benefits. Under the current schedule of benefits three-quarters of all recipients do not use all the benefits to which they are entitled.

We cannot overlook the fact that the proposed changes to the unemployment insurance system will have an impact on some Canadians. The government has taken that impact into account. It has been addressed through other job creation initiatives such as the infrastructure program, the youth services corps and the youth internship program. I hasten to point out that all these programs have been launched. They are already creating jobs not just in Windsor but elsewhere in the country.

When people lose their jobs programs such as claimant re-employment services help unemployment insurance claimants to return to stable, long term work as soon as possible. Our department is currently preparing to provide assistance to those most affected by the changes in Bill C-17.

The budget also included \$18 million in new funds for strategic initiatives. While these are not unemployment insurance moneys, the funds coming from the consolidated revenue fund, the strategic initiatives will allow the government to work with provinces in dealing with some of the impacts of the unemployment insurance changes.

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Joint strategic initiatives with provinces and territories and private and non-governmental organizations will be a key part of the social security reform process. These funds represent investments in people that will continue to pay off over the years to come. The strategic initiatives offer a means of finding more effective ways of dealing with some of the problems faced by the current system. Initiatives which assisted the unemployed will in turn help to reduce the deficit in the unemployment insurance account and to maintain its fiscal integrity.

The Department of Fisheries and Oceans, together with the human resources department, is assisting Atlantic Canadians to deal with the collapse of the groundfish industry through the \$1.9 billion Atlantic groundfish strategy. We are offering help to those who want new careers outside the fishing industry.

Instead of continuing passive income support, the groundfish strategy offers a broad range of career development programs and services to address adjustments facing fishers and fish plant workers. These include financial and employment counselling, education and training in trades for those under 25 years of age, assistance in relocating to a new job, self-employment incentives, employment training for workers 25 to 49 years of age, work experience in green projects, job creation and community