

The Budget

to reform social security in Canada so that it is both fair and affordable.

Above all we have to rebuild the system so it does not make it harder to create jobs. A good job is the best social assistance available to any person in this nation. Therefore some of my constituents welcome the steps we have taken in the budget to reduce the cost of UI to employers.

Unemployment insurance is a payroll tax. If it is left too high it kills jobs. Back in 1989 the unemployment insurance premium was \$1.95. This year it is \$3.07. Maximum premiums have more than doubled for employees. They have more than doubled for employers as well.

These are taxes. Most important these are taxes on small businesses. In my province of Prince Edward Island virtually all businesses are small businesses. My constituents cannot afford to see the UI premiums increased. The small businesses in P.E.I. need some relief from taxes so that they can get on with the job of creating jobs.

That is why so many of my constituents support the budget measures to roll back UI premiums to \$3 next year. That is a substantial tax cut from the \$3.30 that would be in place if this government had not made that move.

At the same time many Prince Edward Islanders rely on unemployment insurance payments to help them get by until they find work again. These are tough measures for those who are on unemployment insurance and I am not afraid to admit it.

My constituents agree they would certainly rather be working than on unemployment insurance. We are going to do what we can to use the social security system, including unemployment insurance, to help Canadians get back to work.

In the meantime, we know some people rely on UI not only to take care of themselves while they look for another job but they also must look after dependants. That is why the budget improves UI benefits for those who need them most, people who have to take care of a child or a needs parent, or who support a non-working spouse.

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After the budget changes to unemployment insurance are in place Atlantic Canada will still receive more unemployment insurance per capita than anywhere else in Canada.

Unemployment insurance recipients in Atlantic Canada will receive an average of \$970 compared with \$540 elsewhere.

It shows that the government recognizes the special needs of a region where chronic unemployment presents special problems. Nowhere are these more evident than in the fishing industry.

The previous government did nothing to provide funding beyond May 15 to assist those individuals whose livelihood comes from the Atlantic ground fishery. This budget provides for an Atlantic ground fishery industry renewal and adjustment strategy for help over the long term.

This government is working hard to find a method of supporting some 35,000 Atlantic Canadians who will have no income after the current program expires. The Minister of Fisheries and Oceans and the Minister of Human Resources Development are working on measures that will treat these people fairly and with dignity.

I have spoken about some of the measures in this budget that affect the people in my home province of Prince Edward Island and in the Atlantic region as a whole. I have talked about what Canada's veterans can expect from this budget.

There is one message I hear loud and clear from my constituents and from veterans. It is that Canadians know that we need to change the way government operates and they want to have a voice in the way these changes will be made.

The government is on the road to a new approach to job creation and social programs and we are going to make sure that Canadians have a voice in how those changes will be made.

The budget represents the first phase of major reform and the government looks forward to our continuing discussions with Canadians on how best to reshape our great country to meet the challenges of the next century.

The Acting Speaker (Mr. Kilger): Before proceeding to questions and comments I would just like to verify with the hon. secretary of state if he is sharing his time with a colleague and possibly the member for Burlington if I understand correctly.

If that is the case, if he would indicate to the Chair we will proceed to five minutes of questions and comments.

Is the hon. secretary of state sharing his time?

Mr. MacAulay: Yes, we are sharing the time.

Mr. Jack Ramsay (Crowfoot): Mr. Speaker, I heard most of the comments of the hon. member and I appreciate them. Certainly when he speaks about reform and that we must change the way we do business in the country it is a welcomed statement on this side of the House. We join him in that.

I have asked a question of his colleagues and it is a tough question. I have not received an answer. The budget speaks of the addition of \$100 billion to the federal debt over the next