They must always be ready and available for work. If it is shown that they are not ready and available for work or if they refuse jobs in their own profession or trade then they are cut off completely.

Why is there the necessity of this massive and excessive penalty against those who leave their jobs when just cause is not always clear cut?

I want to repeat that we believe in a penalty for quitting without just cause. There has always been a penalty in the law for quitting without just cause, but it was a reasonable penalty. First it was one to six weeks and then it was changed to seven to twelve weeks.

The other day in the House I asked the minister why after two years he decided that seven to twelve weeks was not harsh enough and why he is moving to a total denial of benefits. He never answered the question. Was there an evaluation done of the penalty put in the law in 1990 which showed that people were sitting at home goofing off and going to Florida? He did not give us any evidence to that effect. There were no studies, no evaluations made and no impact studies.

We know what it was. There is a Reform Party now in the west, and it has an excessive reactionary policy on these things. That party was putting pressure on Conservative candidates in the western provinces and in part of Ontario. To respond to those voters in those ridings, without thinking and without really looking at it very closely the government threw this on the table. Now it has admitted it is wrong and it is backtracking to a certain extent, but it is not backtracking enough.

What the government has forgotten in the whole debate is that if people are not always ready and available for work while they are receiving payments, while they are considered eligible, then they can be cut off.

• (1240)

Every year thousands are cut off because they are not ready and available for work. That is a rule of our system. We in the Liberal Party do not oppose that principle. We put that in the law. We put penalties in the law, but we believe in reasonable penalties considering the seriousness of the situation and the fact that just cause is not always easy to prove and is not always clear cut.

The government has said it is doing this because in recent months and recent years there has been a tremendous drain on the unemployment insurance fund. That is a real laugh.

In 1990 what did the government do? Before 1990 there were three groups that contributed to the unemployment insurance fund. Workers and employers contributed to the fund, and the government contributed to the fund when the unemployment rate went over, I believe, 6 per cent. Prior to 1990 the contribution by the government was $2.8 billion. What happened in 1990? In 1984 when this Conservative government was elected it began to cut the payments for training and retraining. Every year from 1984 to 1990 it cut the money available for retraining.

All of a sudden there was a lot of criticism of the government by people saying there was not enough money available for training. The de Grandpré commission report said more money had to be put into training. The free trade agreement had been approved and there was a need for more money for training. The government started searching around for more money for training. It looked at the unemployment insurance fund and saw that it had a surplus of $3 billion.

It amended the law in Bill C–21 and did away with the government's contribution to the unemployment insurance fund but took the $3 billion and put it into training. It took that amount out of moneys that were supposed to be for workers when they were unemployed and put it into training. Then it boasted about what a great government it was for contributing to the training programs in the country and about how much it did for training.

In 1990 when it hijacked the unemployment insurance fund of $3 billion for training it only brought the training budgets back to what they were in 1984 before it cut them so badly between 1984 and 1990.

It was quite a laughable matter to listen to the previous speaker, the minister from British Columbia, suggest that we believe that the unemployment insurance fund should be used for other matters than for the unemployed. It was her government, supported by herself and others, that agreed to change the unemployment insurance fund, take $3 billion out of the fund and use it for training.