

ic system which tolerated unemployment beyond the 4 per cent level, but that the government surely had some responsibility also. The government have the tools to control the economy at its disposal and, presumably, with unemployment beyond 4 per cent, had failed to bring in measures which would deal adequately with a very serious crisis.

I would like to quote from the speech made by the then minister of employment, now the hon. member for Lincoln, in dealing with the establishment of this 4 per cent ceiling. He said this, Mr. Speaker:

Since the figure of 4 per cent has attracted a good deal of attention I imagine somebody is going to suggest that the government has determined 4 per cent to be an acceptable rate of unemployment in Canada. Well, it is not my criterion. Like everybody else I believe the acceptable rate of unemployment is the least possible rate. This is what we should be working toward. This should be our goal as a country.

The hon. member for Lincoln went on to say this:

Our system is really on trial if we cannot operate on the basis of lower rates of unemployment than have been traditional, particularly in the light of the fact that the working force is growing at a tremendous rate.

Indeed, Mr. Speaker, our system was on trial at the implementation of this unemployment insurance scheme in 1971, and we have seen beyond doubt that our economic system which was on trial then has failed miserably to meet the needs of Canadians, to meet the needs of women and men, of young and old in this country. The great economic system which was said to be on trial in 1971 has been a dismal failure. We have seen, for example, rates of unemployment increasing in every year since those glowing words of the hon. member for Lincoln.

That was not all the hon. member for Lincoln has had to say on the subject of unemployment. From the safety, perhaps, of the government's back benches and since he apparently no longer has any aspiration for a cabinet portfolio, the hon. member has "come clean"; we have seen him attempting to atone for his guilt over the disgraceful way in which working people in this country have been made victims of an attempt to tighten up the unemployment insurance. The hon. member for Lincoln has indicated that it was the working people of this country who had no jobs who were being blamed for their own situation. Imagine, Mr. Speaker, blaming the unemployed for their own plight. We have seen the hon. member for Lincoln admitting that while he was minister this was indeed the case.

In that moment of truth, that moment of guilt which occasionally hits even members on the opposite side of the House, the hon. member said this, on June 19, referring to the Liberal party and the official opposition:

Either by coincidence or design, prior to every one of these amendments we had a well-orchestrated campaign based on the alleged abuse of the plan thus preparing and conditioning people for the amendment and supposedly aimed at reducing the abuse or tightening the regulations when in fact the main purpose of most of the amendments was to shift the financial burden from the government because of unemployment in this country to the employer and the employee.

As an example of this kind of cynical attack on the unemployed in this country we need look no further than the remarks, for example, of the hon. member for Sarnia (Mr. Cullen), who has referred in the past to the unemployed people

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in this country perhaps needing a "kick in the gut"—a kick in the gut—as a means of awakening them to the realities of unemployment. Then there are references to "the many people who make unemployment a way of life". Well, Mr. Speaker, even if there undoubtedly are some individuals who abuse our system, for every person who abuses the system there are ten or 20 or 50 who genuinely and desperately are seeking employment, and to single out the very small number of people who are abusing our unemployment insurance system in an attempt to make those who are genuinely in need feel guilty, is a disgraceful attack upon people who cannot possibly fight back.

Those were the principles which were established in 1971. The government accepted that it had a responsibility for the running of the economy and that any unemployment beyond the 4 per cent level would be paid for by the public purse. There would then be some incentive, Mr. Speaker, for the government to lower rates of unemployment or attempt to deal with the rates of unemployment that were created. What we have seen since 1971, culminating in this bill today, is a progressive erosion of the principles of unemployment insurance the likes of which have not been seen in any other western industrialized country in the world. Of course, we hear the party to my right, the Conservative party, saying, "Carry on with this; continue to attack those people who can least afford to fight back; continue to attack women and young people who are trying to find jobs but have no jobs to find."

● (1640)

Both the Liberals and Conservatives speak about some concept known as moral hazard. We often hear comments from certain members on the benches to my right about the moral hazard element of unemployment. It is suggested that beyond a certain level of unemployment insurance benefits, somehow people will come flocking, that there are jobs which are going begging and that people are gladly and voluntarily taking their places in the indignity of the unemployment insurance lines. We reject that, and we say that the economy has failed the people of Canada to the tune of some one million people who desperately want to work and cannot find jobs.

What kind of cynical shell game has been played since 1971 with the people of Canada? The original level of "acceptable" unemployment was 4 per cent of the work force. In 1976, when unemployment rates were increasing dramatically as a direct result of the failure of Liberal economic policies, there was a redefinition of this "acceptable" level. Canadians were told that working men and women would have to pay even more, from their own pockets, of the costs of the bankruptcy of Liberal economic policies, to the extent that now something in excess of 7 per cent unemployment is paid for by the people of Canada.

It is very easy to say, in the case of big business, that they can pass their costs on. Indeed, big businesses do pass their costs on. When premiums are increased, big businesses have no difficulty, in their quasi monopolistic position, in passing these on, so that once again it is the worker or the consumer who must bear the brunt of Liberal economic policies.