

*Unemployment Insurance Act*

Two significant changes occurred in the principles inherent in the original Act. They were the coverage of self-employed fishermen and the introduction of supplementary benefits which later became seasonal benefits.

Throughout the 1960s and the 1970s the legislation continued to change in response to socio-economic conditions. As we head toward the 21st century and the end of five decades of UI as we know it, the Government is proposing sweeping changes to one of our social programs. They are changes that have been introduced in the wake of the serious inflation and relatively high unemployment of the early 1980s coupled with increased regional disparities.

The unemployed are now being told that they are obligated to contribute to the easing of the federal deficit. How much do the poor of the country have to pay to finance a deficit reduction plan? Employers and employees under the present Unemployment Insurance Program pay into the fund knowing that the money will come back to them in the form of benefits should they become unemployed, sick or pregnant. Under the new legislation they have no guarantee that the money they paid into the fund comes back to them.

It is highly probable that a worker in an economically depressed region of the country would contribute to the unemployment insurance program for a work period and then not be able to draw on this program if his or her weeks of employment fall short of the magic number of the Government's graphs and charts.

The Minister stated yesterday that it was foolish to believe that there would be a flow over to the provincial welfare systems of each province. I would like to know what these workers will do if this is not the case.

The Minister has claimed and even bragged about the Government's plan to retrain these people. Retrain for what? A job that could send them half way across the country? In my opinion the Government is hypocritically using the pretext of adjustment to finance its deficit reduction plan at the expense of unemployed Canadians. I cannot support this legislation for it is not an adjustment. It is no more than a massive cut by Government. How then will these Canadians pay their rent and buy their food?

The deficit and deficit reduction has been the Government's main target. Even the Prime Minister (Mr.

Mulroney) promised to balance the budget within three years. Prior to the 1984 election the Prime Minister was quoted as saying that there would be no drastic reduction in the deficit until interest rates and unemployment levels were lower.

Soon after, the agenda for economic renewal was tabled. With it came a grave warning of the tough times ahead. However, the commitment to deficit reduction did not last long. It became no longer a political priority. Perhaps this was because of the prosperity of the central Canadian economy in 1987. Perhaps it was because Government had fallen into disfavour with Canadians. Regardless, the initial plan to trim the deficit was scrapped. Now, today, we are facing one of those results.

I am an Atlantic Canadian. It is with much anger that I sit in this House as the Government attempts to ravage Atlantic Canada, one of the poorest regions of the country. It is one of the poorest regions but a part of Canada none the less.

I have watched the Government attempt to kill a large segment of the Prince Edward Island economy with the impending closure of CFB Summerside. What will happen to the civilian employees who will lose their jobs, not to mention the indirect jobs that will be affected, such as the gas station attendant, the clothing store employee and the hardware employee?

The Government states that these people will be retrained and move on down the yellow brick road to future success. I contend that the retraining road to success will have many cracks and gullies and will soon be filled by the unemployed workers.

The Atlantic economy has been hammered. We have had our transfer payments reduced. Our ERDAs have been put on hold. We have had cut-backs to VIA Rail. We have lost control of our fishing rights. This is to name but a few examples.

It is inevitable that Atlantic Canadians as a result of the Government slashing will now need unemployment insurance more than ever just to survive. However, even now, that system of support is being crushed.

Canadians, in particular Atlantic Canadians, have been listening to the tune "jobs, jobs, jobs" for over four years now. "Unemployment is down and employment is up." Unemployment has not gone down in Prince Edward Island. It is the only province in Canada that has