

*Unemployment Insurance*

**Mr. Bill Clarke (Vancouver Quadra):** I was very interested, Mr. Speaker, to hear the minister's presentation of numbers. He is very good at that, and I will put forth a few numbers myself in a few minutes to compare with those that he has given us. There is one number that the minister did not mention, and that is the reduction of 250,000 beneficiaries under his proposal. He has not in any way indicated to the House that the savings that will result from having 250,000 fewer people on the program will solve the problems the minister has been told about so often with regard to the very program he is now adjusting.

The minister has said that \$51 million will be transferred to the provinces. Even though 50 per cent of the proposed cash outlay will be paid by the federal government, by the minister's own calculations there will be a burden of \$25.5 million transferred to the provinces, including those that can least afford it. I am sure that some of my colleagues from those areas will have a lot to say about that. I expect that the \$51 million he has proposed will probably range as high as \$80 million.

The minister in his speech referred to the government's policy on women vis-à-vis the UI program. I do not think there is any reason to accept the minister's statement that he could not have the amendments before us now to deal with the problems of pregnant women, particularly as they were brought to light in the Stella Bliss case, even though the ruling by the Supreme Court was handed down only a few weeks ago. The minister's first statement, which was later changed, was made only a little over eight weeks ago, and the minister knew full well the problems illustrated by the Bliss case. Even though the Supreme Court ruled, as the minister said, in favour of the government, the government can take no pleasure in the fact that they have not yet proposed amendments that would deal with such a problem. Perhaps when the bill gets to committee there will be time for the government to present an amendment to alleviate that problem.

Women who are adoptive mothers face another problem. There is discrimination against adoptive mothers in favour of natural mothers. A minor adjustment would correct this. The minister need not look very far to determine that adoptive mothers need a period of adjustment every bit as much as natural mothers.

● (2032)

Before I get into debate on Bill C-14, I would like to take the House back to August 1, when I am sure all Canadians welcomed the statement of the Prime Minister (Mr. Trudeau), concerning restraint of government expenditures. He had been to the conference at Bonn and had learned to his surprise, we presume, that some other governments thought that perhaps Canada was spending too much money and had too much debt. After having his knuckles rapped at Bonn, on August 1, he announced, apparently without consulting his ministers, that Canada was in for a period of restraint and there would be cutbacks in government expenditures.

[Mr. Cullen.]

We now know that what the Prime Minister meant was a cut-back in planned expenditures or, as the President of the Treasury Board (Mr. Andras) put it last year, a decrease in the rate or increase of government expenditures. All that means is that perhaps we are not going to spend some money that the government at one time planned to spend. Inevitably, it also means that under this government expenditures will increase.

After the Prime Minister's address on August 1, Canadians were anxious to hear what the Minister of Employment and Immigration (Mr. Cullen) would have to say. In the mood of restraint, the people of Canada thought that some of the problems in the unemployment insurance system would be corrected.

The Minister of Employment and Immigration made two announcements, both dated September 1. The minister is very good with numbers. He indicated that the savings through changes to the unemployment insurance program for the fiscal year will be \$580 million; for the 1981 fiscal year, the total annual savings will be between \$750 million and \$1 billion, and the figure he gave us tonight is \$953 million. On September 1, the minister said he was going to save us \$580 million, but in his other release on the same day concerning employment strategy for the fiscal year ending 1980, he told us that it will cost \$710 million. The minister is quite good at calling deficits by some other name. I think he calls them "commitments." In this case he claimed to save \$580 million and then announced another program that will cost \$710 million. I think the people of Canada might be forgiven if they wonder what the minister means.

It might be useful to go over the history of unemployment insurance, Mr. Speaker. I often think that the minister and the government believe that we on this side of the House are against unemployment insurance or do not think that social programs are a good thing. I want to remind the House and the government that it was actually this side that proposed many social reforms, particularly the original employment and social insurance act which was proposed by the Bennett government in 1935.

**Mr. Cullen:** That was the year they were defeated.

**Mr. Clarke:** The important thing to remember is that it was a Progressive Conservative government which proposed the legislation. It turned out to be a little slow to get going so it was not until the 1940s that the program went into operation.

In 1971 when the Liberal government enacted the proposals of the then minister of whatever it was called, Mr. Mackasey—

**Mr. Alexander:** He was the architect of disaster. I remember him.

**Mr. Clarke:**—the proposed changes included a reduction of premiums. I believe this minister may have obtained some of his skill in numbers from the former minister who proposed the changes in 1971. That minister was confident that he was