

to receive UI benefits. Thousands of Canadians would thus find themselves in difficulty and most would have to turn to other sources to support themselves and their families. They would inevitably have an impact on provincial welfare programs. Our Government wishes to continue to provide financial support to Canadians in the designated regions, that is, to those who need it the most. It is important that Bill C-90, which renews the VER for a 12-month period, be passed as quickly as possible. In this way, unemployment insurance claimants will know where they stand with regard to their entitlements.

● (1630)

As I mentioned earlier, the VER enables us to recognize economic disparity between regions when deciding the entitlement of UI claimants. It is in this connection that the VER was created and it is for this reason that we want to continue it for the next year.

I am asking for the support of all Members in passing this amendment for the renewal of the VER for a 12-month period until January 3, 1989.

**Ms. Sheila Copps (Hamilton East):** Mr. Speaker, I am surprised that the Government and the Minister finally saw the light, even if for only a short period of time, on the issue of the variable entrance requirement. It was only a few short months ago that we heard the Minister and the Government speculating about abolishing the variable entrance requirement.

Obviously the Government and the Minister have had a conversion on the road to Damascus. Only a few short months ago, they believed that those who are unemployed in Toronto, where there is an unemployment rate which is currently at about 5 per cent, should have the same access to the unemployment insurance fund as those who are unemployed in St. John's or the riding of Gander—Twillingate, areas which have unemployment rates of approximately 18 per cent, 20 per cent or 25 per cent depending upon the age group.

When we in the Opposition got wind of the fact that the Government was planning to change the variable entrance requirement and to make the application of unemployment insurance eligibility equal across Canada, regardless of the employment situation, regardless of regional disparities, regardless of inequities, we of course raised Cain in the House of Commons and in the communities. We convinced the Government to back off on its intention to change the variable entrance requirement.

The variable entrance requirement means that for those in Toronto to qualify for unemployment insurance, they have to be unemployed for more weeks than those in St. John's because the general unemployment rate is lower and theoretically the chances of finding a job are better in Toronto than they are in St. John's. Hence it is called the variable entrance requirement. It is a principle in which we believe. We think it is primary to redressing some of the regional inequities and

imbalances in Canada. Unfortunately, the Government does not agree with that.

This particular piece of legislation only extends the variable entrance requirement for one more year. If the Government really believed, as we do, that it is important to allow a more liberal interpretation of the unemployment insurance system in areas with high unemployment, it would have extended it for five years. I believe, although I stand to be corrected, that when previous Liberal Governments introduced variable entrance requirements, the extension periods were generally up to five years. The Minister is shaking his head to signify no, so I stand corrected.

Clause 1(6) of the Bill reads in part: "during the period of 133 months," and the figure 33 is the change in the legislation. Presumably, at one time someone had agreed to have the variable entrance requirement in effect for 100 months because that is the way the Act was written.

We will certainly support the variable entrance requirement and we believe in it. Indeed, we prevailed upon the Government to keep it a part of the unemployment insurance system. However, we want to know why the Government is extending it for only one year.

I have a theory which I would like to propose for consideration by the House today. We know that 1988 will be a tumultuous year for the Government. When the variable entrance requirement was originally introduced by the Liberal Government, there was no possibility of the existence of the Prime Minister's free trade agreement with President Reagan, but there is such an agreement now. We know that a preliminary agreement was signed on October 4, and we know that the Prime Minister (Mr. Mulroney) is determining the timetable of that particular piece of legislation, an agreement of 2,000 pages we have not even seen yet, so that it is passed by January 2 because the Prime Minister wants to have his picture taken with the President. It is a sad and sorry situation when the Parliament of Canada has its agenda determined by a photo opportunity.

Thankfully, the American Congress's timetable stretches for a little longer. The American timetable requires that once the President signs the document, it returns to Congress for further consideration. There could be several months of delays before American Congressmen do or do not put their John Henrys to the document along with the Ron Reagan and the Martin Brian.

When Congress finally agrees to this bad deal—and I am sure it will want to sign it because it is certainly in its best interests—we may have a period of grace of about a year from now. Let us say that the whole thing is cleaned up by next fall. The Minister's agreement to extend the variable entrance requirement for only one year is a clear message that he wants to leave the option open at the end of next year to do away with the variable entrance requirement. He wants to ensure that if the Government decides to abolish the variable entrance