

I would like to stress two points that anticipate some of my colleagues' questions. First of all, legislation aimed at cutting salaries still allows the Public Service to bargain collectively on many non-monetary issues as well as on the terms and conditions of employment in the public service as a whole. I understand that civil servants are not pleased and that they have decided to turn this into a political issue. That is not the way to deal with the problem. Particularly as regards the travel policy, they have indeed decided they wanted to fight government down and play politics.

When these measures were adopted it was not to allow civil servants to play politics. They were given the right to collective bargaining, not the right to turn things into political issues. They were given the right to bargain, and in this respect they are entitled to speak to their employer. They can tell him what they wish but that does not mean that they should be allowed to play politics and say that the government should be defeated. They have gone too far. They have an obligation to behave discreetly and they have forgotten all about it, I can tell you that.

I was referring to such things as travel policies, guidelines on isolated posts, health insurance benefits, and dental care benefits. This is an area where they can negotiate a lot of things.

Secondly, I want to say that the civil service cannot carry the burden of these budget restraints all by itself. The announcements made on December 2 will result in savings of some \$8 billion. The freeze on public service salaries will account for only about 10 per cent of that.

I now come to the more controversial aspects of this bill, the amendments to the Unemployment Insurance Act. These changes should result in total savings of about \$850 million for 1993-94 and \$1.6 billion for the following year.

That is what we are aiming at when we deny benefits to those who voluntarily quit their jobs without just cause. We will no longer pay benefits to those who resort to unemployment insurance not out of need, but as a matter of lifestyle. Such costly abuse of our UI system increases premiums to be paid by employers and workers and adds to the taxpayers' burden.

Honourable senators, I would like to add my voice to the voices of those who are trying to counter the fear-mongering from certain quarters. The Unemployment Insurance Act already identifies valid reasons for voluntarily quitting one's job. We know that precedents have been set for only about forty, including sexual or other harassment, the obligation to accompany a spouse or dependent child to another residence and the obligation to care for a child. Furthermore, the act states that working conditions which are dangerous for health or safety are a valid reason. Honourable senators, it is wrong

to say otherwise, and anyone concerned about women's issues or worker safety should know that.

Nevertheless, to assure Canadians, this bill explicitly lists eight other situations that constitute just cause. These situations all have legal precedents. Here they are: reasonable assurance of other employment in the immediate future, excessive overtime work or refusal to pay for overtime work, significant changes in work duties, significant modification of terms and conditions respecting wages or salaries, antagonistic relations between an employee and a supervisor for which the employee is not primarily responsible, practices of an employer that are contrary to law, discrimination because of membership in an organization of workers, undue pressure by an employer on employees to leave their employment.

We also explicitly recognize the special needs of workers and their families by broadening the definition of just cause for child care to include care for any member of the immediate family.

Other aspects of the commission's policy are also spelled out in the bill. For example, workers who quit their jobs because they are harassed sexually or otherwise will have their applications heard with sensitivity and respect for their privacy, and without having to meet those who harassed them. The officers' role will be somewhat similar to that of "hearing examiners" on administrative boards in the United States.

I would like to emphasize again that there is already an arbitration system of claims which is fair and efficient to ensure that people who voluntarily leave their jobs are not submitted to an examination which is not objective. In fact, the officer will have to hear both parties before making a decision. With this bill, we want to ensure that the system is just in practise as well as in principle, and that workers are better informed of their rights.

Another segment of the changes made to the Unemployment Insurance Act will also reduce the benefit rate for new claimants starting the day the bill will receive Royal Assent. The benefit rate will be reduced from 60 per cent, the present rate, to 57 per cent of insurable earnings for the next two years. Since we are expecting that wages will go up by 3 per cent, this measure will have the effect of blocking average UI benefits at today's level for the next two fiscal years.

If the government had not acted in this way, it would have had to take other measures which would be more disruptive for the economy because the unemployment insurance fund is registering a heavy deficit — as you know, \$4.5 billion or \$5 billion shortfall. In the meantime, the government must fill that shortfall by raising the employee and employer contributions, by drawing additional funds from the general tax revenue or by allowing the shortfall to worsen.