

*Unemployment Insurance Act*

courage to attack them head on. This bill will do nothing but perpetuate the vicious circle of the economic crisis we see now. I understand the government would like to do away with all the unemployment insurance cheaters. The Minister of Employment and Immigration stated last November 9 that the costs for the program were more than \$4 billion in the last financial year.

The minister says he wants to correct that trend. That is all very nice, Mr. Speaker, but on whose back? First by reducing the benefits by 6½ per cent. If you take into account the present rate of inflation those future claimants will have to look elsewhere, and if they do not find anything, it means they will have to go on social welfare. How sad it can be for those same people to kneel once again before Unemployment Insurance Commission officials who, as the hon. member for Lotbinière (Mr. Janelle) said this afternoon, get their pay cheques every week and say: Trust us, do what we ask and you will get your pay cheques every two weeks. In other words, Mr. Speaker, they will have to depend on social welfare with the new legislation introduced by the Minister of Employment and Immigration, considering the federal government pays 50 per cent of social welfare programs.

Mr. Speaker, I think we are justified in asking how the Canadian economy will definitively be cured with measures like those the Minister of Employment and Immigration introduced today. The minister talked about \$4 billion for the unemployment insurance program. Of course, that is a substantial amount. And there were abuses by some individuals which cost society a lot of money.

In that respect, Mr. Speaker, Bill C-14 will correct certain injustices. The insurable remuneration will make the system fairer for workers with part-time jobs. As it stands now, the program introduced in 1971 excludes from insurable jobs any job of a duration of 20 hours or more a week for which the remuneration is less than the insurable minimum salary. In that respect, Mr. Speaker, the bill is fair and reasonable. We should not forget either that the essence of this bill is to make cuts. The minister talks about reallocating funds but, as I suggested recently, when John Q. Public sees his unemployment insurance benefits reduced by 6½ per cent there will be no reallocation for him.

The conditions set by the minister are not helping much our fellow Canadians who must, for whatever reason, apply for the unemployment insurance benefits for which they have been contributing for several months and sometimes years and collect what they are entitled to.

This is in line with the \$2 billion cuts which the right hon. Prime Minister announced in August, and it is again the small earner who will lose. As members of the Social Credit Party of Canada, we want to bring about an economic and monetary reform, so that the small earners, the have-nots, may find their places in the sun. I say that the government is trying to demonstrate restraint on the backs of small earners, and the

[Mr. Caouette (Villeneuve).]

cuts in the unemployment insurance program are evidence of this. The government wants to save \$2.5 billion within the next two years. Over this same period, the government intends to cut its unemployment insurance program by \$1.5 billion. These cuts will therefore account for 60 per cent of all the cuts the government intends to make. I suggest therefore, Mr. Speaker, that the poor will foot the bill for this restraint program.

**Mr. Deputy Speaker:** Order, please. I must regretfully advise the hon. member that the time allotted to him has now expired.

[*English*]

**Mr. David Crombie (Rosedale):** Mr. Speaker, I welcome the opportunity to make some remarks with regard to the bill before the House. This is one bill I have had the opportunity to follow through in my brief time here. I have been able to observe the procedures in the House and in committee, and indeed how parliament functions in relation to the presentation by the government of a bill it chooses to call its own.

This is a very significant bill. It is possible it will have an impact on some 2.5 million people in this country. The essence of the bill is to cut \$580 million from the unemployment insurance allocation. If the bill passes in its present form, it will chop away the opportunities for unemployment insurance for 264,000 Canadians. Whether you say it fast or slow, it is still 264,000, a lot of people.

For those who remain on the rolls, if you take inflation into account, over the next three years they will have 17 per cent to 18 per cent less money to spend than they had this year. Therefore this is an important bill. This bill had the opportunity to engage the interests of this House and perhaps to engage some teaching and learning, not only for those in this House but for those in the country who will be affected.

It is fair to say that in the last four or five years, certainly the last three or four, public confidence in the operation and administration of the unemployment insurance program has suffered badly, for a variety of reasons. People have been upset by those who abuse the program. There are some who feel that no one is abusing the program. If that is what they think, I welcome them to come and ride with me on a Queen Street car in Toronto. We will go from one end to the other. Just about everyone you see will know a cousin, uncle, neighbour or somebody who is beating the system. People by and large have been hurt by the proposition that there are abusers and slackers who are ripping off the unemployment insurance scheme. As well, public confidence has been offended by the maladministration of the program by those who are responsible for its administration, whether it comes from computer programming mistakes or millions of dollars in overpayments. By and large there is a perception in the public mind that it is not well administered.

● (2032)

Third, since 1971 it has been very difficult for people to understand the fundamental philosophy behind the program,