

there are people who we know are unemployed who are drawing unemployment benefits and who are also working under the table. When they are found out then of course they are dealt with by the administration because that is not what they are supposed to do.

There is a fair little bit of it going on particularly in the large cities. There are all sorts of jobs. I walk up the main street of some of the towns and cities in this country and see day jobs offered, "cash at the end of the day." There is all kinds of it out there. There is nothing wrong with a person taking it but the point is, they have not declared their income and the Minister of National Revenue takes a dim view of that sort of thing.

The underground economy is something that all Governments are concerned about. I think by giving people skills that they can enter into a more productive job, that is one way of overcoming that problem.

The Acting Speaker (Mr. Paproski): Well, a very succinct question and an answer, the Hon. Member for Eglinton—Lawrence. The Hon. Member's time has expired.

• (1650)

Mr. Volpe: Most assuredly, yes, Mr. Speaker. I really do not want to have a response to my comment. However, I do want to correct the record lest the Hon. Parliamentary Secretary get away with vilifying the unemployed, or conveying the impression that there is some connection between good social programs and the unwillingness of people to work.

Yesterday, my colleague from Notre-Dame-de-Grâce put on the table for the consideration of all Members of the House an indication that there are other countries in the world, countries such as Austria, Norway, Sweden and, I dare say, the United States in which the social programs and the level of insurable earnings much exceed that of Canada. I say that primarily in respect to the first three on the list. Sweden, for example, is at a rate of 95 per cent. Under this Bill we will be dropping our insurable earnings to 60 per cent. In fact, the unemployment rate in Sweden is half our own.

Unemployment Insurance Act

Second, I cannot let the Hon. Member perpetrate the old misconception that there are a great many cheaters out there. In fact, last year only .02 per cent of all UI participants or claimants were cheaters.

As a last comment, I would like to indicate to the Parliamentary Secretary that if he would like to match *curriculum vitae* in all sectors of employment, perhaps he will pale in comparison to my own. I speak without false modesty.

The Acting Speaker (Mr. Paproski): If the Hon. Member does not want to say anything in rebuttal, then the time allotted for questions and comments has now terminated. The Chair recognizes the Hon. Member for Hillsborough on debate.

Mr. George Proud (Hillsborough): Mr. Speaker, it is indeed a pleasure to rise today in debate on Bill C-21, an Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act.

On April 11, 1989, the Minister of Employment and Immigration (Mrs. McDougall) announced the federal Government's intention to reform the Unemployment Insurance Program. This position was directly opposite to promises made by the Government during the 1988 election campaign.

The Unemployment Insurance Act, as most people in this room at this time realize, was originally introduced in 1940 by the then Minister of Labour, the Hon. N. A. McLarty. The fundamental purpose of the Bill was to promote the economic and social security of Canadians by supporting workers from the time they leave one job until they get another.

Inherent in this legislation was the fact that unemployment insurance was to be protection against unemployment. It was a limited measure with the theme of giving income protection to those who lost their employment after having been employed for a period of time. This insurance benefit was to be a person's right as established by past contributions.

Throughout the 1940s and 1950s the unemployment insurance program was readjusted in response to myriad circumstances. However, coverage remains universal.