

such. Let us pay particular attention to the function of the Senate.

The Senate already enjoys absolute veto on the legislation originating in the Commons. With the proposed amendments, they would like that the Senate's veto apply to the assistance plans available to those unemployed eligible among other things for training programs and the regulations concerning the fishermen's scheme; they even suggested that in the case of the former, the veto applied to them in such a radical and absolute fashion that the plans would be deemed to have been rejected even if the motion to the effect that they are unacceptable is not the object of a decision.

Honourable Senators, do you not find admirable such exaltation, or I should rather say hypertrophy of the Senate's absolute veto?

What we should think of it has already been expressed in the report submitted by the Special Joint Committee on the Senate's Reform, set up in 1983 at Senator Frith's initiative and which was chaired by Senator Molgat. Here is what this report had to say:

Almost all the witnesses who favoured an elected Senate felt that the Senate should not have the power to defeat the Government. We go along with this. It would be unhealthy, under our system of government, that Parliament should have two masters who might on some occasions, hold diametrically opposed views . . .

We therefore decided that it was wiser and more in keeping with the character of parliamentary government to give the Senate the power to delay but not altogether prevent the adoption of measures voted by the House of Commons. The Senate would therefore have a suspensive veto of a maximum of 120 sitting days, divided into two equal periods of 60 days. Supply bills would not be subject to any delay.

The Special Joint Committee went on to discuss the mechanism that would regulate the exercise of a suspensive veto. Until the Constitution was amended to implement its recommendation, the Special Joint Committee suggested the following possibility:

The Senate, without diminishing its constitutional powers, could adopt a procedure for a more flexible use of its veto—

—the absolute veto they have now—

—a procedure that would have the effect of making it suspensive.

Honourable senators, you will agree that what the committee on Bill C-21 is suggesting today is far removed from the proposal in the 1984 report.

As for the principle of a suspensive veto as opposed to an absolute veto for the Senate, I have not changed my mind since I signed the report of the Special Joint Committee in January 1984. And I certainly do not agree with the new kind of absolute veto the special committee proposes to give the Senate.

● (1530)

I will now get back to another kind of amendment proposal, the kind that has an impact on financing. The report makes the following comment in this respect on page 5 of the English version:

Your Committee believes that the tripartite aspect of UI funding based on regional levels of unemployment is critical and must be maintained. However, mindful that the government's stated reason for abandoning its participation is deficit control, it will not recommend that that participation be retained at its current level of \$2.2 billion. Rather, your Committee recommends that one-half of the value of those weeks of benefits paid when the regional unemployment rate is in excess of 6 per cent, as determined in Table 2 of the bill, continue to be funded from general revenues, and not the UI account.

Furthermore, spending on the following would no longer come out of the Unemployment Insurance Fund:

(a) cost of courses and programs mentioned in section 26,

In other words, the entire training program for re-training the unemployed—

and assistance to claimants in starting a business or becoming self-employed;

provision to claimants of incentives to accept employment quickly, including bonuses and temporary earnings supplements.

What would be the budgetary impact of the two kinds of expenditures we just identified?

I think we can talk about it notwithstanding the Chair's ruling on amendments 9 and 10. This is another aspect which must be considered here, as Senator MacEachen himself did just now.

How much public money would be involved?

First, the difference between the expenditures in the benefit table from Bill C-21 and those in the table proposed by the Committee would be from \$2.6 to \$2.8 billion according to the best available estimates. Since the Committee suggests that the federal government cover half this difference—and Senator MacEachen just repeated this proposal, \$1.3 to \$1.4 billion would have to be added to the general operating budget, which really means the budget deficit.

Second, the intention behind Bill C-21 is to finance the activities just listed from the unemployment insurance fund. The Committee's proposal would mean an extra \$450 million in the government's estimate, in addition to the \$1.3 or \$1.4 billion already mentioned, i.e. a total of almost \$2 billion.

I obtained a clarification by asking Senator MacEachen whether my reading of funding of fishermen's benefits was correct. I was therefore considering two hypotheses: either my reading was incorrect or it was correct. If it were incorrect and there were no transfer to the unemployment insurance fund for the expenses of the fishermen's plan, an extra \$250 million would have to be added. This is not the case.