

Government Orders

\$4.7 billion. It is estimated it is going to increase to much higher than that by the end of the year.

The government expects that cutting the benefit rate from 60 per cent to 57 per cent and eliminating UI benefits for voluntary leavers and those who were fired from jobs will save a total of \$2.45 billion over two years. Nonetheless, even with these cuts the deficit in the UI fund is expected to rise to \$7.6 billion by the end of 1993.

It is clear therefore that the effect of the changes in Bill C-113 will be negligible. If the government's purpose in introducing these changes was to control spending, as stated in the December 2 economic statement, it can be said that the government has failed.

How many people are abusing the unemployment insurance system? It is estimated that the figure is less than 1 per cent of people who are taking advantage of the system. We know that in the past quite often construction workers would work over the summer months, the spring months the fall months and be laid off in the winter because of the harsh climate which makes construction impossible. They are referred to by the government as cheaters. I take exception to that description because it is impossible for people who work in construction to pour concrete and that sort of thing in the winter months to find work all year round. These are not cheaters. These are people whose profession dictates that they have to work during the seasonal months of the year.

This is a very harsh bill. It is another chip out of the social programs we have built up over the years. Less than 1 per cent of these people are taking advantage of the system but here we have a government cutting the benefits at a time when we have factory closings creating unemployment at rates we have never seen for years and years in this country.

The Canadian people and the workers deserve better. The Government of Canada has to accept the responsibility and ensure we make jobs even more secure than they are at the present time by taking a hard look at what the unemployment rate is going to be from the fall-out of the North American free trade agreement.

• (1615)

We know what the wage rates are down there. Make them come up to our standards. Make them bring up their social programs to our programs then we will compete, but do not take away the social benefits in this country that have been built up over so many years. They are among the best in the world.

Mr. Jack Shields (Parliamentary Secretary to Minister of Labour): Mr. Speaker, my first remark is to correct some questionable things which may have been inadvertently said by the opposition.

The previous speaker mentioned harmonizing the system. For example, I have heard it said we are harmonizing the system with that of the United States because of the free trade agreement. That is just not fact. It is just not fact at all because in the United States it is necessary to have 20 weeks of employment so that a claimant can draw 50 per cent of the wages for a duration of six months.

We are quite different. We have 10 to 20 weeks, 60 per cent of the wages and the unemployed will be able to draw it over a period of 12 months.

Let us look at some of the other countries in the OECD. We do not have any agreement with Germany, for example, but it requires 52 weeks employment over a three-year period to draw 63 per cent over 12 months.

Mr. Fisher: What is the unemployment rate in Germany?

Mr. Shields: In Italy 26 weeks over two years to be able to draw 15 per cent—

I find it very difficult. I sat and listened to the speeches from the other side. I am sorry that the member from across the way does not understand. He does not like to hear anything that would disagree with what he thinks.

For example, in Italy an employee must work 26 weeks over two years, to be able to draw 15 per cent of the wage for six months. That is 15 per cent of his salary.

Then we go to Japan. In one year they have to work 26 weeks and can draw 48 per cent of their salary. We do not have an agreement with these people.

In Great Britain, they have to have worked for one year and they can get 16 per cent of their salary for 12 months. That is 16 per cent of their salary for 12 months.