

Government Orders

contribute and they cannot be covered. The proposed amendments will enable these older Canadians to remain eligible for unemployment insurance coverage as long as they choose to continue to work.

This and other measures proposed in Bill C-21 represent a new and intelligent application of this country's unemployment insurance system, an application that will give the system greater relevance and a long overdue developmental orientation. Let there be no doubt, unemployment insurance remains a vital stabilizing force in Canadian society. It will still be there when the mainstream of earnings is interrupted, helping individuals and communities ride out tough times. But it should now do more than pay someone not to work. It will also serve as a bridge back to employment and the creation of a more skilled workforce.

The problem with unemployment insurance in Canada is that it has almost become a disincentive to work, and has not done enough to help workers gain skills necessary to succeed. The features of the program which act as a disincentive to re-employment make the system far more costly than it needs to be. We are changing the system to correct these flaws and to unlock significant sums of money for more constructive use.

Unemployment insurance programs in every nation have a qualifying period, the number of weeks one must work in order to qualify for benefits. The Canadian qualifying period is dramatically shorter than that of West Germany, Japan, or most other industrialized countries. It now ranges from 10 to 14 weeks depending on the unemployment rate in the claimant's region. We are changing that to range from 10 to 20 weeks. As in the past, the actual rate that applies will depend on the employment conditions in the region in which the applicant lives. We are also reducing the duration of benefits in this bill. Again, it is not across the board, but in a pattern that is linked to the level of unemployment in each area.

Through Bill C-21 we also intend to change the way the system relates to people who quit their jobs voluntarily, without just cause, and with no other job to go to. I would like to be clear about the reasoning behind that. It is every Canadian's God-given right to tell the boss to go

fly a kite on any day of the week. Perhaps that is an exaggeration. It is not a divine right, but it is certainly the right of any Canadian to exercise the option to work or not to work for whomever they want. Where the employee has a just cause for quitting that job he or she should have the ability to resort to unemployment insurance. Very few Canadians contributing to the unemployment insurance program would agree that they should pay for such a gesture where there is no just cause for quitting.

All members of our committee, and I am sure that all members of this House would agree that unsafe working conditions or sexual harassment are just cause. However, there are still others who have walked away without that cause. It is a small percentage, as has been pointed out, but it is still not a minor problem. Payments to people in this category are around the \$1 billion level and climbing. Under the changes we propose, people in this category will henceforth face a delay in benefits of 7 to 12 weeks. We are stiffening the penalties for fraudulent use of the program. These changes are going to liberate about \$1.3 billion which can be redeployed. This money will be used in constructive employment-oriented initiatives, initiatives which will involve all players in our labour market in a co-ordinated effort to mobilize and upgrade our human resources.

In the past, unemployment insurance has been compared to a web where claimants would get caught up, could not disentangle themselves and would become involved in a recurring cycle. I would like to suggest that UI is still going to provide an essential safety net for Canadians, but it will no longer be a web. The proposed changes to Bill C-21, in the context of the labour force development strategy, can go far beyond that. It can become a bridge to help individual Canadians and our labour market as a whole meet the competitive challenges that lie ahead. That is what we are proposing.

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, this bill is another blow to the people of Atlantic Canada, New Brunswick, and particularly to the people of my riding. The Mulroney government has already created a very negative economic situation in Canada and in our area.