

Unemployment destroys a nation's morale. It must become politically unacceptable to aid and abet its presence.

Employment means empowerment. It is only with empowerment that reconstruction will begin. It is only with empowerment that the last spike will be driven home.

The alternatives are clear; the stakes are the future.

Some Hon. Senators: Hear, hear!

Hon. M. Lorne Bonnell: Honourable senators, I wish to take this opportunity to make a few comments about Bill C-113, to provide for government expenditure restraint. I will limit my comments to the clauses amending the Unemployment Insurance Act, although I recognize this bill contains substantial changes to other acts.

Other amendments include a salary freeze for the public service under the Public Sector Compensation Act; a salary freeze under the Governor General Act, the Judges Act, the Parliament of Canada Act and the Salaries Act. In addition, this bill provides for a 10 per cent reduction in tax transfers to the provinces under the Public Utilities Income Tax Transfer Act; a 10 per cent reduction in government payments under the Atlantic Region Freight Assistance Act and the Western Grain Transportation Act.

This bill fundamentally changes the way in which Canadians will be treated under the unemployment insurance program. No longer will Canadians be treated with the dignity and respect they deserve. No longer will Canadians be considered innocent until proven guilty — a long-standing principle of our justice system. No longer will those Canadians facing distressing work situations feel the necessary security to leave in order to seek other employment; rather, the amendments contained in this bill transfer the burden of proof to the claimant. Many Canadians will choose to remain in unhealthy, unproductive work situations rather than take the chance of being denied unemployment insurance benefits.

I ask honourable senators, if this government genuinely believes that people quit their jobs in order to spend, as the government has described, a few months skiing in Banff or a vacation in Florida? I find it hard to believe this is the rationale cited for bringing this bill forward. The reality is that a great number of unemployed Canadians — over 1.6 million — are desperately looking for work.

Contrary to what the government may think, Canadians want to work. They want to contribute to the building of our nation. They want Canada to maintain its international

reputation of being a fair and caring nation. However, Canadians also want a government which treats its citizens fairly.

Bill C-113 is but another slap in the face for Canadians. My message to the people of this country is very straightforward: This government does not care about you. This government is placing the burden of proof on your shoulders and, ironically, is making decisions about a program they no longer fund.

This is not the first time this government has made significant changes to the unemployment insurance program. In April of 1989, the Labour Force Development Strategy — or LFDS — was launched with the release of the document *Success in the Works*. The legislative basis for the strategy was Bill C-21. It was introduced in the House of Commons in June of 1989 and passed in this chamber in 1990.

Under Bill C-21, as we all recall, the government withdrew federal funding of the UI fund. It cut benefits to the unemployed and redirected \$775 million from benefits to training initiatives.

In 1990, the government accepted a recommendation to spend an additional \$400 million from the UI fund on training. This increased the amount of "developmental spending" — an interesting catch phrase — under unemployment insurance to \$1.8 billion annually.

Honourable senators, I wish to comment briefly on the issue of diverting funds from the unemployment insurance program to training and skills development.

Over the last eight years, federal expenditures on training have declined as a proportion of the gross domestic product. Furthermore, private sector expenditures on training in terms of the GDP were half of comparable expenditures in the United States and less than 20 per cent of those in Japan over the same time frame. It is estimated that 64 per cent of all jobs created between 1986 and the year 2000 will require more than 12 years of education and training, and nearly half of all jobs will require more than 17 years.

I recognize the need for additional money for training; however, I disagree with the government's decision to take the money from the UI fund and divert it to training. The unemployment insurance fund should be used for the purpose it was intended — as an income supplement to assist recently unemployed workers until they are able to find new employment. Funds for training programs should not come out of the UI fund. I believe that such training programs are an extension of the educational system and should therefore be funded as such, through general revenues.